

Action for Children



Dedication Through Difficulty

CENTRAL OHIO CHILD CARE PROVIDER SURVEY REPORT

December 2024



About Action for Children

Action for Children is a community-based nonprofit organization that works to positively impact child well-being and growth through child care, early care and education, and parent support services in central Ohio. Through advocacy, collaboration, adaptability, respect, and compassion, Action for Children empowers the adults who make the biggest impact on children’s lives – their parents, caregivers, and teachers. Action for Children provides more than 20 programs and services and is the Child Care Resource and Referral (CCR&R) agency for central Ohio.

About this Report

Initiated in May 2020 to glean insight into community and child care provider needs, Action for Children’s Central Ohio Child Care Provider Survey collects vital information from licensed child care providers in Delaware, Fairfield, Franklin, Licking, Madison, Pickaway, and Union counties. These counties comprise Service Delivery Area 9 (SDA 9) in Ohio’s Child Care Resource and Referral Association (OCCRRA) network and are referred to collectively as “central Ohio” in this report.¹

This survey, first launched during the COVID-19 pandemic, is now in its sixth iteration. The survey data includes information from early care and education professionals on business operations, staffing, programming, and their perceptions on their business outlook. This is possible due to the long-standing trust built between Action for Children staff and child care professionals. Data gathered from this survey guide Action for Children’s work and has become a trusted source of information for leaders and advocates in both the public and private sector. Previous reports have been cited to inform national research and policy strategy supporting child care programs and professionals—and the diverse families they serve.

The data in this report illustrate the need for sustained, significant investment in early childhood programs and professionals; help for families to afford child care; and support for Early Care and Education (ECE) programs to achieve their quality goals (see page 22).

Objectives

- Gather data regarding the current state of child care in central Ohio.
- Understand the day-to-day experience of child care professionals operating a child care business in central Ohio.
- Communicate the needs, challenges, and priorities of the child care community to policymakers, business leaders, media, and the community at large.

Methods

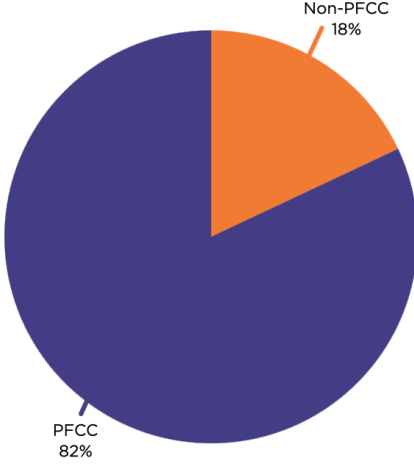
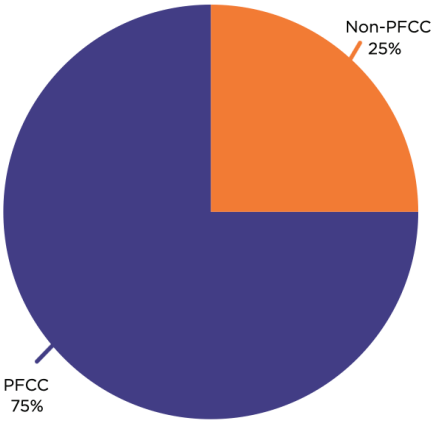
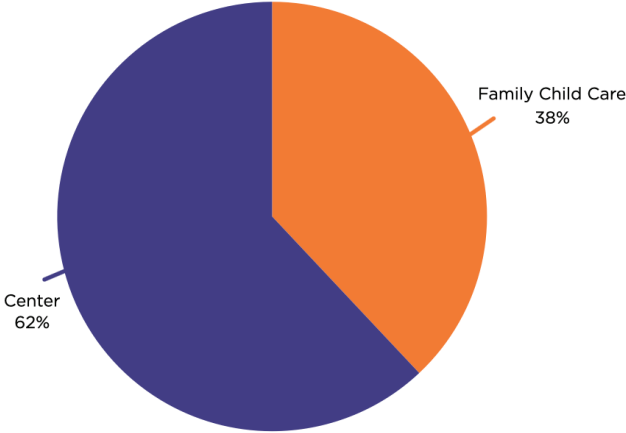
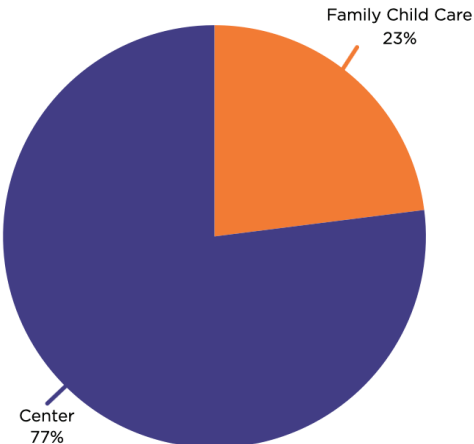
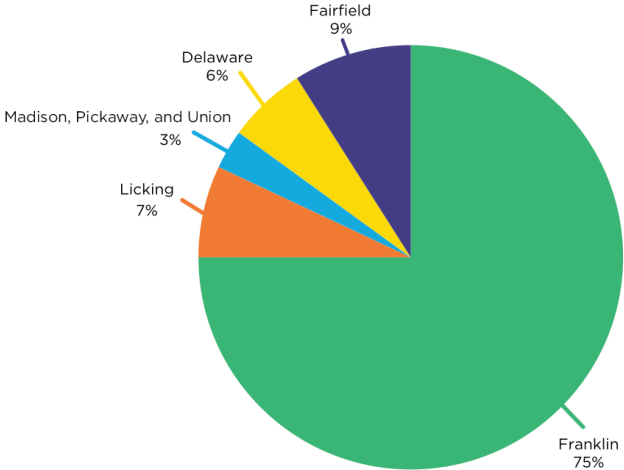
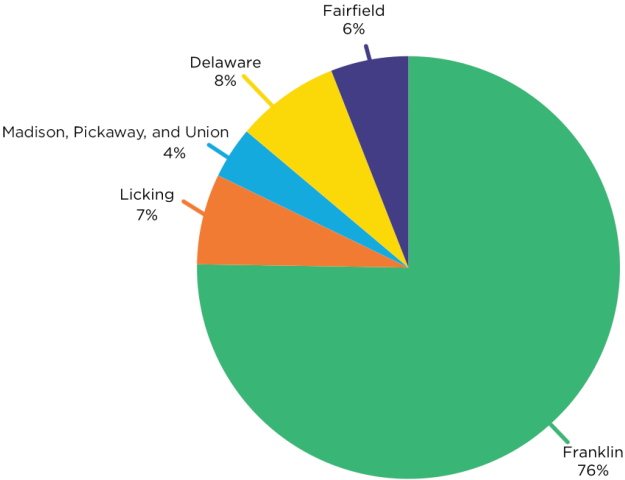
- An online survey was distributed September 9, 2024, to all 1,241 licensed providers in central Ohio via e-mail.
- Over the course of 5 weeks, providers received reminders to complete the survey via email, phone, in-person visits, and social media.
- Throughout the data collection period, survey respondents were randomly selected to receive gift cards, children's books, and classroom materials to encourage and thank them for their participation.
- A total of 415 responses were collected (259 child care centers, 156 family child care homes) representing 33% of the survey population.
 - This sample size is representative of all child care providers in central Ohio, with a margin of error of 5%.
 - The child care programs that completed the survey constitute 27% of all centers and 55% of all family child care programs in central Ohio. Therefore, the results are generalizable by the two major program types.
- Data was gathered on program operations including staffing, enrollment, and financials.
- Several questions prompted for, or had options for, open-ended responses.

Representative Demographics of Survey Respondents

The 2024 Central Ohio Child Care Provider Survey respondents are representative of the population of all central Ohio providers (centers and family child care programs). Responses reflect a higher response rate of family child care (FCC) programs and an over-representation of programs providing Publicly Funded Child Care (PFCC). Administrative data from the Ohio Department of Children and Youth (DCY) allow Action for Children to compare survey respondents with the universe of child care providers in central Ohio. Where feasible, Action for Children supplements reporting of survey data with reporting of comparable DCY data.

Service Delivery Area by County

Survey Responses by County



Summary of Findings

Survey results at-a-glance, by county across central Ohio

Provider confidence outlook

- Eleven percent of child care providers report they are unsure if they will be open in the next three months. This is a two-percentage point decrease from 2023. This trend is evident in all counties, with the exception of Madison, Pickaway, and Union, which stayed stable at 0%.
- While this trend suggests that providers are slightly more confident in the short term, nearly half (48%) of all providers in central Ohio are unsure if they will be open in the next 12 months without additional public support. This is down from 54% in 2023.
- Family child care (FCC) programs appear to be much more challenged, with substantially more reporting concerns about closure in both the short- and long-term.

| | SDA9 (central Ohio) | Delaware County | Fairfield County | Franklin County | Licking County | Madison, Pickaway, and Union Counties | Centers | FCCs |
|---|------------------------|--------------------|---------------------|--------------------|-------------------|---|---------|------|
| Unsure if they will be open without additional public support in the next 3 months | 11% | 0% | 6% | 13% | 4% | 0% | 8% | 16% |
| Unsure if they will be open without additional public support in the next 12 months | 48% | 17% | 37% | 54% | 37% | 15% | 41% | 61% |

Monthly revenue and expenses

- Over half (55%) of child care providers reported that monthly revenue does not cover their expenses — three percentage points higher than in 2023. However, this masks varying experiences by county.
- Delaware and Fairfield counties experienced dramatic increases in revenue gaps since 2023, 19 and 20 percentage points respectively.
- Madison, Pickaway, and Union improved overall with a decline of 13 percentage points.
- Franklin and Licking counties have remained stable on this metric. Again, FCCs appear more challenged, with a larger proportion reporting monthly losses.

| | SDA9 (central Ohio) | Delaware County | Fairfield County | Franklin County | Licking County | Madison, Pickaway, and Union Counties | Centers | FCCs |
|---------------------------------------|------------------------|--------------------|---------------------|--------------------|-------------------|---|---------|------|
| Monthly revenue NOT covering expenses | 55% | 38% | 47% | 58% | 45% | 38% | 49% | 65% |

Enrollment vs. Capacity

- As in 2023, most child care programs are still far from full capacity. If all surveyed programs were at full capacity, an estimated 9,604 additional children would receive care.
- Across central Ohio, surveyed programs are at 66% enrollment, slightly higher than the 63% enrollment rate shown in the administrative data maintained by the Ohio Department of Children and Youth (DCY).

- Fairfield, Madison, Pickaway, and Union providers are the most challenged across the region, operating at 53% and 55% capacity, respectively, according to DCY data.
- On average, FCCs appear to be operating much closer to total capacity than centers.
- Apart from FCCs (who are more likely to offer multiple shifts/schedules), providers responding to the Action for Children survey report higher enrollment rates than shown in DCY data, suggesting that survey respondents may have somewhat stronger operations than non-respondents.

| | SDA9 (central Ohio) | Delaware County | Fairfield County | Franklin County | Licking County | Madison, Pickaway, and Union Counties | Centers | FCCs |
|-------------------------------|------------------------|--------------------|---------------------|--------------------|-------------------|---|---------|------|
| Action for Children Survey | 66% | 70% | 61% | 65% | 67% | 67% | 65% | 77% |
| DCY | 63% | 64% | 53% | 64% | 65% | 55% | 62% | 111% |

*Ohio Department of Children and Youth (DCY)

Programs want to hire

- Just under two-thirds of child care centers (64%) and nearly half (46%) of family care programs across central Ohio have open positions and/or a desire to hire staff. This improved only slightly from 2023 (66% and 41%, respectively), and reflects the ongoing staffing crisis for child care providers.
- Approximately 1,456 staff are needed for centers, and 131 for family child care programs to continue providing quality care to the children in central Ohio.

| | SDA9 (central Ohio) | Delaware County | Fairfield County | Franklin County | Licking County | Madison, Pickaway, and Union Counties |
|----------------|------------------------|--------------------|---------------------|--------------------|-------------------|---|
| Centers Hiring | 64% | 55% | 50% | 68% | 64% | 56% |
| FCCs Hiring | 46% | 0% | 43% | 51% | 14% | 0% |

Tuition Increases

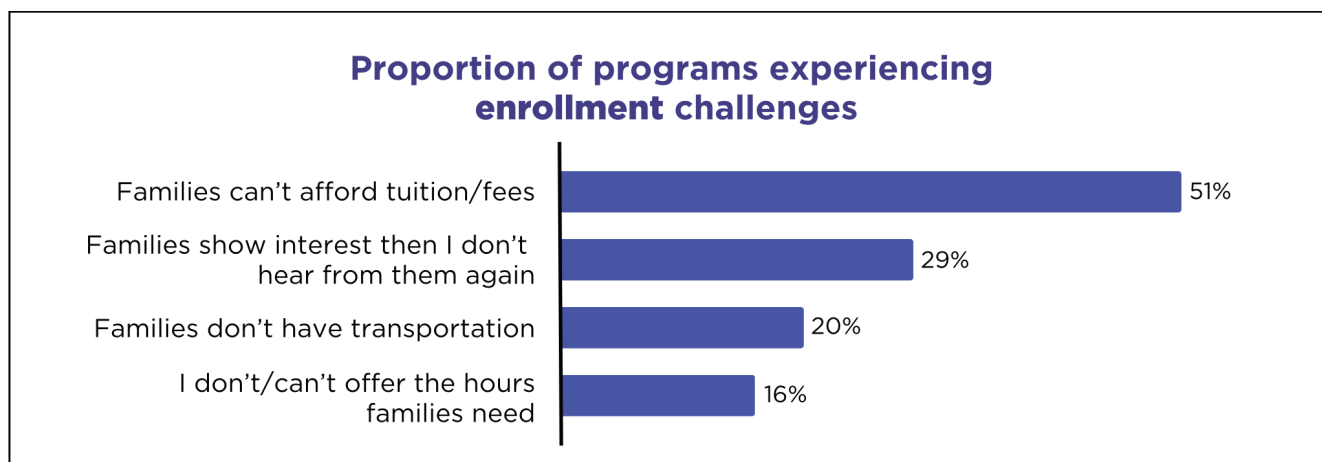
- For the third consecutive year, nearly two-thirds of child care providers (64%) reported raising tuition in the past 12 months. Fifty-two percent of those providers report planning to raise tuition again in the next six months.
- A larger proportion of child care centers (73%) reported raising tuition in the past 12 months relative to family child care (49%). Of these, however, a much larger proportion of FCCs plan on raising tuition again in the next six months (73%), compared to centers (44%). This may be indicative of certain segments of the industry experiencing particularly rapid growth in operating costs.

| | SDA9 (central Ohio) | Delaware County | Fairfield County | Franklin County | Licking County | Madison, Pickaway, and Union Counties | Centers | FCCs |
|--|------------------------|--------------------|---------------------|--------------------|-------------------|---|---------|------|
| Programs that raised tuition in the past 12 months | 64% | 92% | 58% | 62% | 62% | 69% | 73% | 49% |
| Percentage of programs listed above that plan to raise tuition again in the next 6 months | 52% | 41% | 71% | 51% | 44% | 50% | 44% | 73% |

Capacity and Enrollment

As a whole, child care programs in central Ohio are under enrolled. If all surveyed programs were operating at full capacity, an additional 9,604 children could be served. As a rough approximation, extrapolating this figure to all programs in the seven-county region implies an estimated 34,789 additional children could be enrolled in care. This equals approximately 23% of all children under age six in the same area.

When asked why they were serving fewer children than their license allows, the most common reasons were lack of new enrollment (50%), followed by lack of staff (16%; see page 9). Thirty-seven percent of programs find it difficult to recruit new families. Providers identify affordability as the primary barrier to enrollment for families. Lack of transportation and hours needed are also challenges to enrollment.



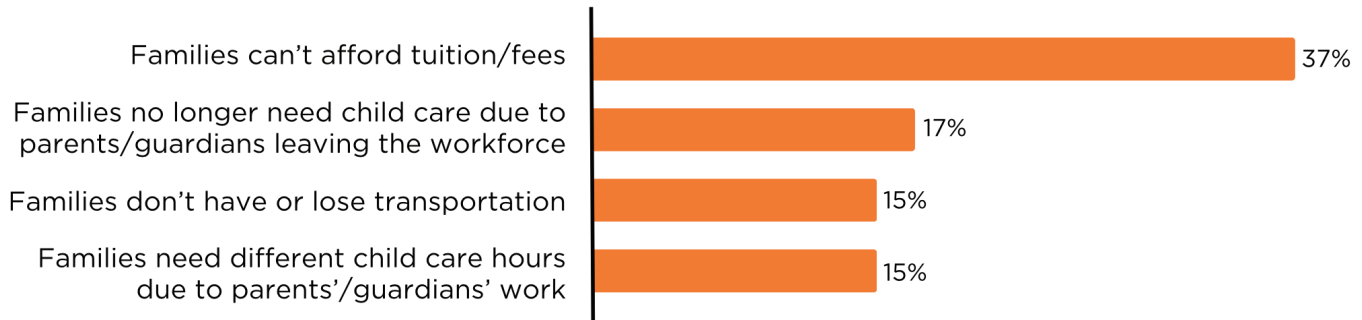
Three out of four surveyed programs indicated retaining families was extremely or somewhat easy. However, when asked what the biggest challenges are in retaining families, only 31% of the surveyed programs said they didn't experience challenges. It's evident that even though programs may not struggle with keeping every enrolled family, there are still families they struggle to retain.

As with enrolling families, cost, transportation, and hours are primary barriers to retaining families. According to [Groundwork Ohio's spring 2024 survey](#), these are the same barriers that parents and primary caregivers identify for maintaining enrollment.²

*Families don't qualify for PFCC, but can't afford care.
~ Center, Franklin County*



Proportion of programs experiencing retention challenges



Many only want a few hours a week because more families work from home.

~ Center, Franklin County

Families across central Ohio continue to endure the struggle of finding child care that meets their needs and fits within their budget. The availability of care varies by type and location, even within central Ohio. Child care is difficult to find in some areas. Moreover, programs with low enrollment exhibit a spatial pattern. In Franklin County, programs with low enrollment are clustered in 43229 (Northland), 43213 (Whitehall along East Broad Street), 43227 (East Livingston Avenue by South Hamilton Rd), 43068 (southern Reynoldsburg), 43215 (Downtown), and 43206 (East of Parsons Avenue across from German Village, and Vassor Village), and 43222, 43204, 43228 (along West Broad Street from Franklinton, through Greater Hilltop to beyond Westgate). These areas align with the high-priority zip codes³ identified by CelebrateOne.



The current ages I am getting calls for are my fully enrolled classes, so they have to go on my waitlist.

~ Center, Delaware County

Persistently low compensation for child care professionals

As documented throughout this report, the majority of child care providers are in a risky financial position. This is the result of a vicious cycle, where low wages lead to staff shortages, which then lead to low enrollment rates, which then lead to revenue shortfalls. Providers can respond by either increasing tuition or lowering wages, but both strategies will further exacerbate low enrollment rates, leaving providers in an impossible bind.

Nearly two-thirds (64%) of child care centers surveyed have open positions and/or want to hire. Of these, 64% want to fill two or more positions. This represents 395 early care and education professionals and staff; extrapolated out to central Ohio as a whole, this is approximately 1,456 vacancies. These professionals are not easy to find. Sixty-eight percent of child care programs find it difficult to hire staff, and 25% have difficulty retaining staff. This is not a surprising or new finding given that early childhood professionals are consistently underpaid relative to the broader workforce, despite the skilled labor they provide.



[My biggest concern about the future of child care in central Ohio is] being able to pay employees what they are worth. The cost of living is very expensive. There are a lot of child care providers in central Ohio that are very passionate about what they do and go above and beyond for the children, and don't get the compensation that they deserve.

~ FCC, Franklin County

Among the 48% of child care centers who have one or more empty classrooms, 90% plan to open or reopen these spaces. However, of the remaining 10% that don't plan on reopening the empty classrooms, 92% report lack of staff as a barrier.

The US economy experienced record high inflation in 2021 and 2022. To assess how child care professionals' wages are holding up against inflation, 2019 is taken as the base year.⁴

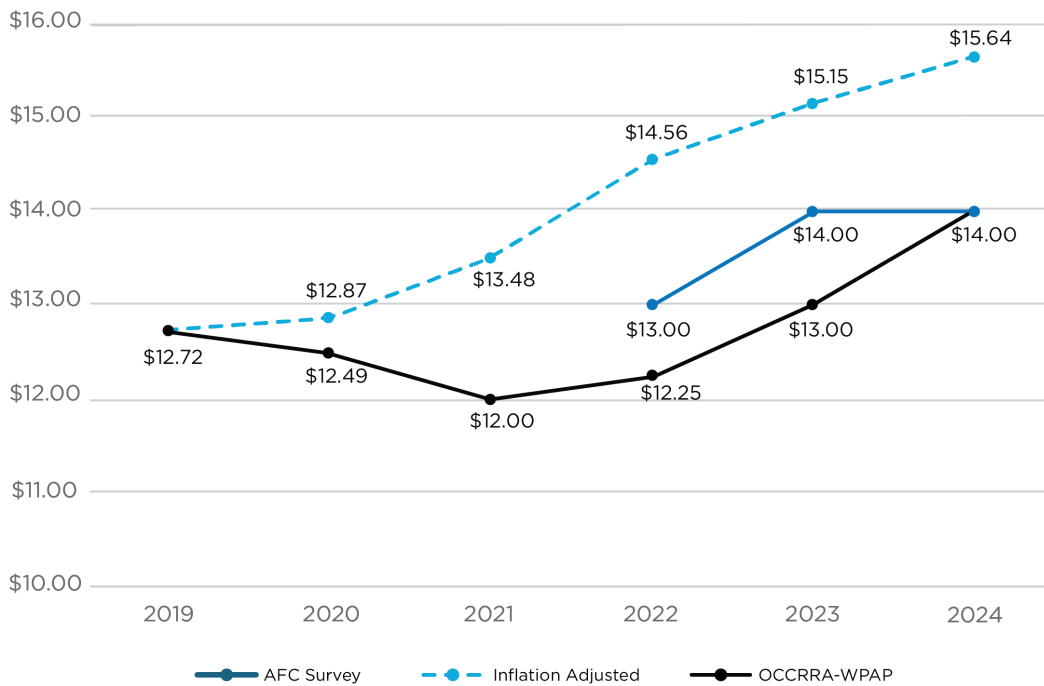
Median hourly pay for assistant teachers in the central Ohio area would need to be at least \$15.64 in 2024 to provide spending power equivalent to that in 2019. In comparison, Action for Children's data places the current median hourly pay for newly hired assistant teachers at just \$14.00. For lead teachers, the median hourly pay in 2024 would need to be at least \$17.59 to have kept pace with inflation, whereas the value observed in Action for Children's data is only \$15.00. Survey data also show that wages for center-based assistant and lead teachers have been flat over the past year, and the Workforce and Program Analysis Platform (WPAP) data confirm that wage growth for these roles slowed between 2023 and 2024.

There should be proper funding available to pay child care teachers more money. Everything is going up in cost but teachers' wages. If we want to get quality staff members, we need to be able to pay them more money.

- Center, Franklin County

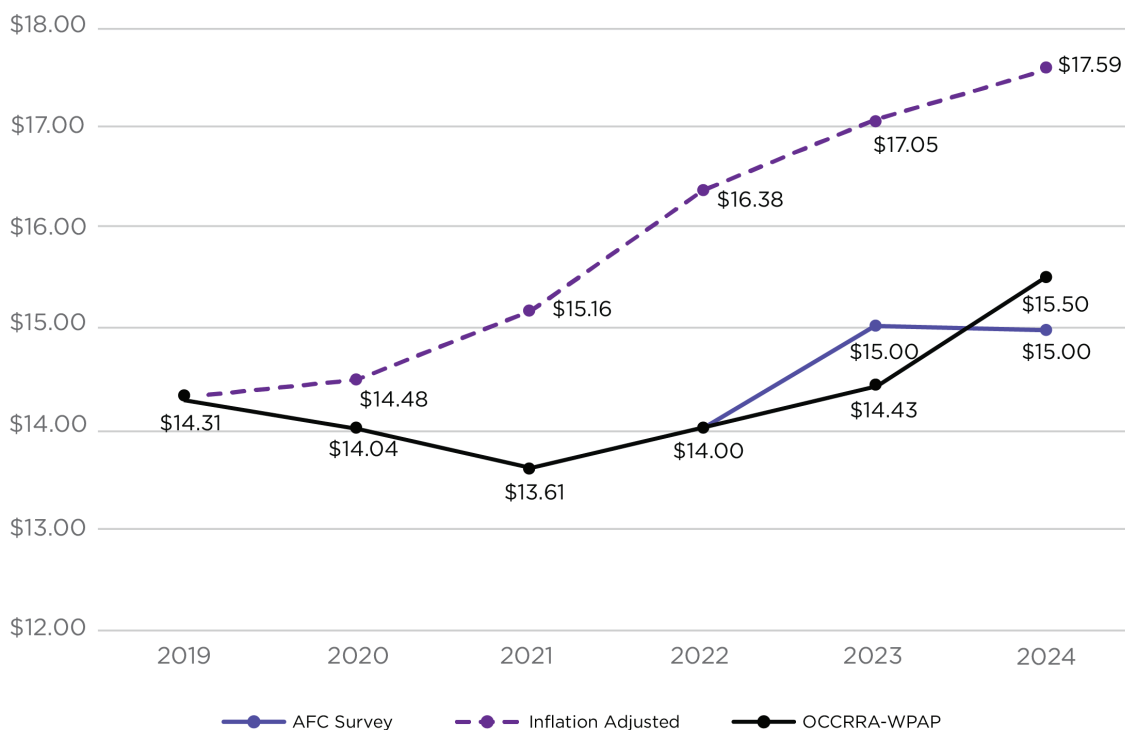


Median Hourly Pay, Newly Hired Assistant Teachers



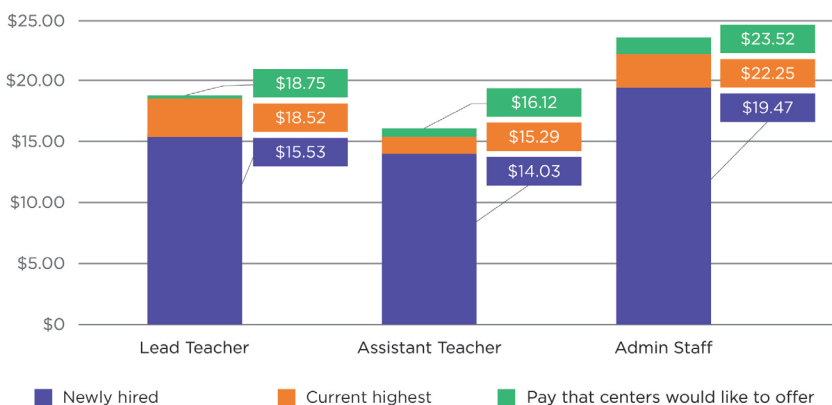
Note: Action for Children did not begin collecting information on compensation until 2022. Inflation adjustment based on data from the Federal Reserve Bank.

Median Hourly Pay, Newly Hired Lead Teachers



The highest pay rates reported in our survey are more in line with overall inflation. On average, the *highest* wage paid to lead teachers is \$18.52 and \$15.28 for assistant teachers. When asked for a reasonable, competitive wage they would like to pay staff, responses were modestly higher. But, per the ALICE household budgets built by United Way⁵, the averages for both the highest wage and the desired wage are still significantly below the livable wage of \$46.83 for a family of four with two working adults, an infant, and a preschooler living in Franklin County, Ohio. If this trend continues, child care centers will find recruiting workers even more challenging in upcoming years.

Average Hourly Pay Role at Center-based Programs



Low wages are seen not just in child care centers but in family child care programs as well. Family child care programs are typically one-woman operations; 72% of the FCC programs surveyed have no staff other than the respondent. Despite this, 46% of FCCs would like to hire, with 57% of these saying the inability to pay staff holds them back. In fact, about half of FCC providers (51%) do not allocate a salary for themselves. Of those who do, the average salary is only about \$1,595 per month.

What is Family Child Care?

Family child care (FCC) is when an individual, sometimes with staff, cares for a small group of children in their own home. For most FCCs, the maximum number of children they are legally allowed to care for at one time is six; some larger programs can serve up to 12. Just like child care centers, FCCs need to be licensed by the state of Ohio and meet a specific set of standards outlined in the Ohio Administrative Code covering health and safety, staff-to-child ratios, and space and equipment. Some FCCs are able to offer schedules and structures many families value, such as flexible hours and a consistent caregiver from infancy to school-age.

While valuable, the small group size and personalized care offered by FCCs can pose challenges for their bottom line. Many FCCs are owner-operated; when they are sick or take time off, they may need to close their program during that time and possibly forgo their income. The professional's own children count toward their ratio, which limits the number of paying families they can serve. If a family welcomes another child and the FCC is at the maximum group size, the professional is at risk of the entire family withdrawing to



Being a solo-run home child care, it's all on me. If I raise rates to cover costs, my families suffer. I've been in business for almost 27 years and all my kids aged out of care when they left. It gets harder every day to open my doors because it's costing me more to open than to not, but I can't not be open because of the kids and families that depend on me.

~ FCC, Fairfield County



...No one can be flexible like [family child care programs] are to meet the needs of families...Ohio is growing quickly...We are the providers that can meet the needs when it comes to the schedules parents work...I have two moms that have to be to work at 4AM... We are the ones that can meet that need.

~ FCC, Franklin County

Child care programs are limited in their ability to offer a competitive salary, and they are similarly constrained in offering benefits to potential workers. Only 37% of child care centers offer a retirement plan, and 16% of those do not have any employer contribution. Likewise, only 14% percent of FCC providers have a retirement account for themselves.

Health insurance is also uncommon. Only 36% of centers offer a health insurance plan for their employees, primarily because doing so is cost prohibitive. Some respondents note that their employees don't need or are not interested in health insurance because their wages are so low that they qualify for Medicaid. In contrast, 80% of FCC providers report having health insurance for themselves. Given that only 30% of these respondents receive health insurance through a family member, and the low - or non-existent - wages they pay themselves, it is likely these professionals also receive health insurance through Medicaid or another public program.

I'm limited to 6 children at a time which prevents me from enrolling new children to avoid ratio violations.

~ FCC, Franklin County

I don't allocate a salary for myself because usually by the time I pay the bills and my employee, I am pretty close to splitting even. If I do have extra cash, it typically goes right back into supplies for the child care.

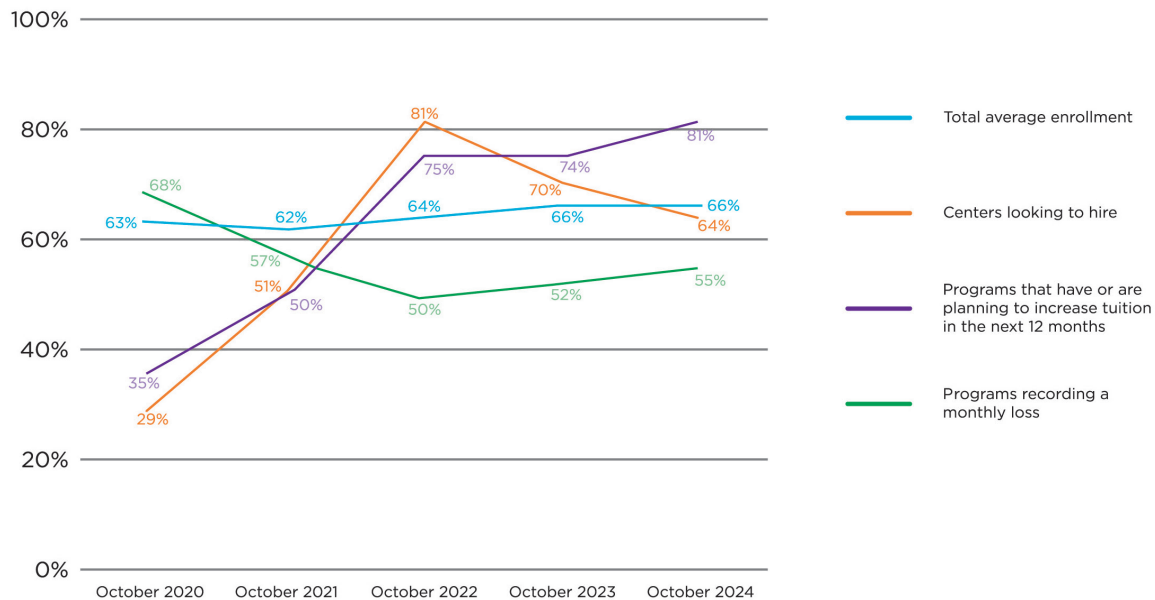
~ FCC, Licking County



Making Ends Meet

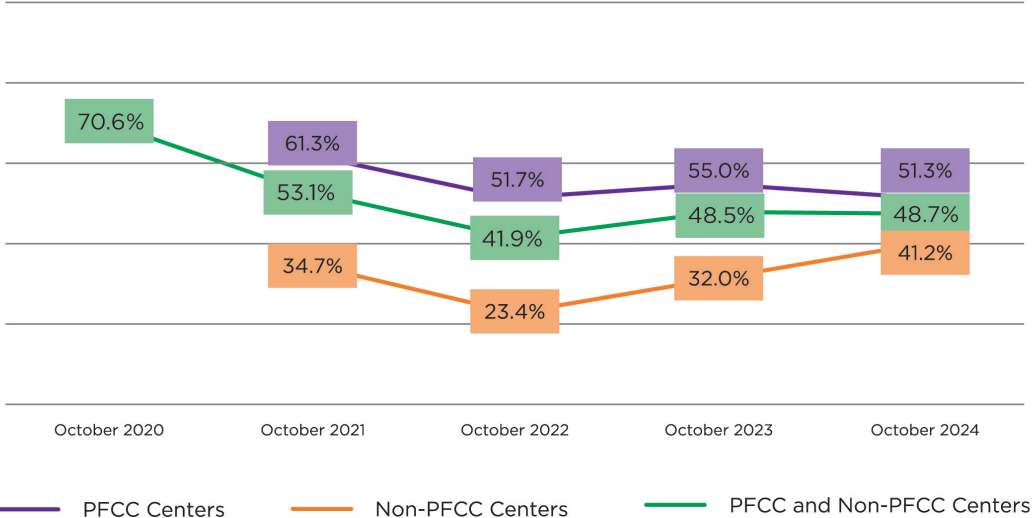
More than half (55%) of programs surveyed report that their monthly income does not cover their monthly expenses. After falling to 50% in 2022, this figure has been slowly increasing again. Any sector in which half of the businesses operate on a monthly loss is at risk. When that sector is child care, the workforce at large is threatened.

Annual Comparison (2020-2024)



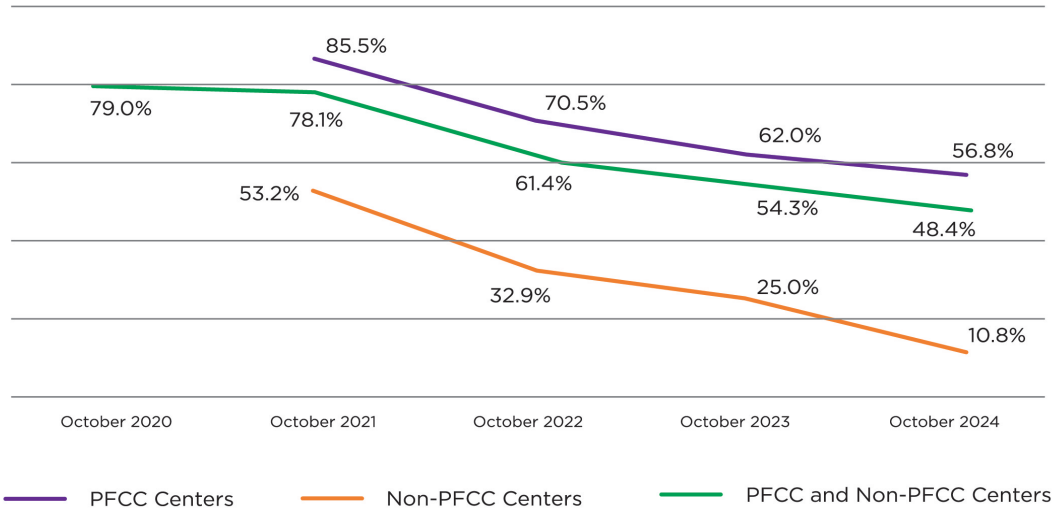
Although centers with a Publicly Funded Child Care (PFCC) agreement are more likely to report revenue gaps overall (51% versus 41%), centers without a PFCC agreement display a more pronounced increase in revenue gaps over time. The percentage of PFCC programs experiencing a monthly gap has hovered around the low-to-mid fifties over the last two years, whereas the percentage of non-PFCC programs experiencing a gap has increased by roughly 10% in each of the last two years.

Center Programs Recording a Monthly Revenue Gap



In the years since the pandemic, local, state, and federal governments have stepped up to provide support to child care programs and the families that rely on them. In central Ohio, these have included Stabilization Grants, Hero Pay⁶, and Franklin County RISE.⁷ However, funding for many of these programs has ended. Relative to previous years, fewer respondents are concerned about closing if they don't receive this public support. This number peaked at 79% in 2020 and has now dropped to 48%. While this is a significant improvement, it is still deeply concerning that nearly half of all child care providers are afraid they'll have to close their doors if they don't receive additional public support. It is a testament to the dedication of child care and early care and education professionals that they continue to operate under razor-thin margins, even as more are experiencing monthly losses.

Concerned about Closing in the next 12 Months without Additional Public Support



While fear of closure has declined for child care programs overall, programs with PFCC agreements are much more likely to feel at risk of closure—57% compared to 11% among programs without PFCC agreements. This has been a persistent trend over time, though the difference between PFCC and non-PFCC programs has increased over the last 12 months. In the fall of 2023, 75% of non-PFCC programs felt confident they could stay open without additional public support, compared to 38% of PFCC programs—a 37-percentage point difference. In the fall of 2024, that difference widened to 46 percentage points; 89% of non-PFCC programs feel confident they can remain open, compared to only 43% of PFCC programs.

Publicly funded child care is a critical support to low-income families working and going to school as well as an essential revenue source for child care programs. However, programs with a PFCC agreement are in a more tenuous financial position relative to non-PFCC programs, as they tend to have a wider monthly revenue gap.

SPOTLIGHT:

Publicly Funded Child Care

Publicly Funded Child Care (PFCC) is care provided to a child that is paid for, either partially or fully, by government funds through an application process. To qualify for PFCC funding in Ohio, a family must have a yearly income less than 146% of the federal poverty level (FPL), or less than \$36,500 annually for a family of three. The adults must also have a qualifying activity, such as work or school. The state gives PFCC funding directly to child care programs on behalf of the families. The higher a program's Step Up To Quality (SUTQ) rating is, the higher the reimbursement rate they receive from the state for PFCC recipients.

In July, 2024, the Ohio Department of Children and Youth (DCY) increased its PFCC reimbursement rates to be in compliance with federal standards for funds received through the Child Care and Development Block Grant Act. Federal regulations require that states reimburse child care providers at the 50th percentile of the market rate, to ensure that low-income families have equitable access to quality child care. With this change, all PFCC programs are paid a base rate, which increases with their Step Up To Quality level: Bronze programs increase by 10%, Silver programs increase by 15%, and Gold programs increase by 25% (also see page 19).

PFCC programs are currently reimbursed based on child attendance. This means the days a child does not attend are not paid after the family has utilized all their allowable absent days. This is a financial hardship for programs because the staffing and operating expenses are typically the same or only minimally reduced by a child's absence, but the reduction of income is impactful. This is in contrast to typical private pay contracts, where families are expected to pay based on enrollment. DCY is planning to reimburse based on enrollment in July 2026.

As of April 2024, families that do not qualify for PFCC but earn less than 200% of the FPL may qualify for Child Care Choice Program (CCCP) vouchers. Once a family is denied PFCC they are automatically moved to the CCCP process. Once a family is approved for CCCP, they are awarded an amount dependent on factors such as income and the number of children in the family. These funds can only be used at child care programs that have an established PFCC agreement, and are also paid directly to child care programs on behalf of the families.

Note: "Provider agreement" has been used to reference the contract between the State of Ohio and child care programs who accept children whose care is funded by PFCC. The Department of Children and Youth recently replaced "provider agreement" with "agreement for early care and education services" to refer to the contract to accept PFCC, CCCP vouchers, ECE grants, and/or other special projects.⁸

SPOTLIGHT: Publicly Funded Child Care

| | PFCC Programs | Non-PFCC Programs |
|---|----------------|-------------------|
| Records a Revenue Gap | 58% | 41% |
| Average Monthly Loss | \$5,483 | \$3,791 |
| May Close Within 3 Months | 12% | 5% |
| May Close Within 12 Months | 57% | 11% |
| Participates in SUTQ | 88% | 29% |
| Enrollment-to-Capacity Ratio | 74% | 68% |
| • Center | 64% | 71% |
| • Family Child Care | 86% | 44% |
| Wants to Hire More Staff | 60% | 45% |
| • Center | 71% | 46% |
| • Family Child Care | 47% | 38% |
| Average Highest Pay for Lead Teachers at Centers | \$17.79 | \$20.55 |

PFCC programs appear to be more fragile in several respects. Twelve percent of PFCC programs are concerned they'll close in the next 3 months, and 57% are concerned they'll close within 12 months, compared with 5% and 11%, respectively, for non-PFCC programs. PFCC programs are also more likely to have expenses that exceed their income each month (58% compared to 41%), and those financial gaps average larger for PFCC programs, by approximately \$1,700. Additionally, PFCC programs show a stronger desire to hire (60% versus 45% of non-PFCC centers). Relatedly, centers accepting PFCC also tend to have lower values for the highest hourly pay offered to their lead teachers (\$17.79 versus \$20.55). However, PFCC programs are closer to fully enrolled (74%) than non-PFCC programs (68%).

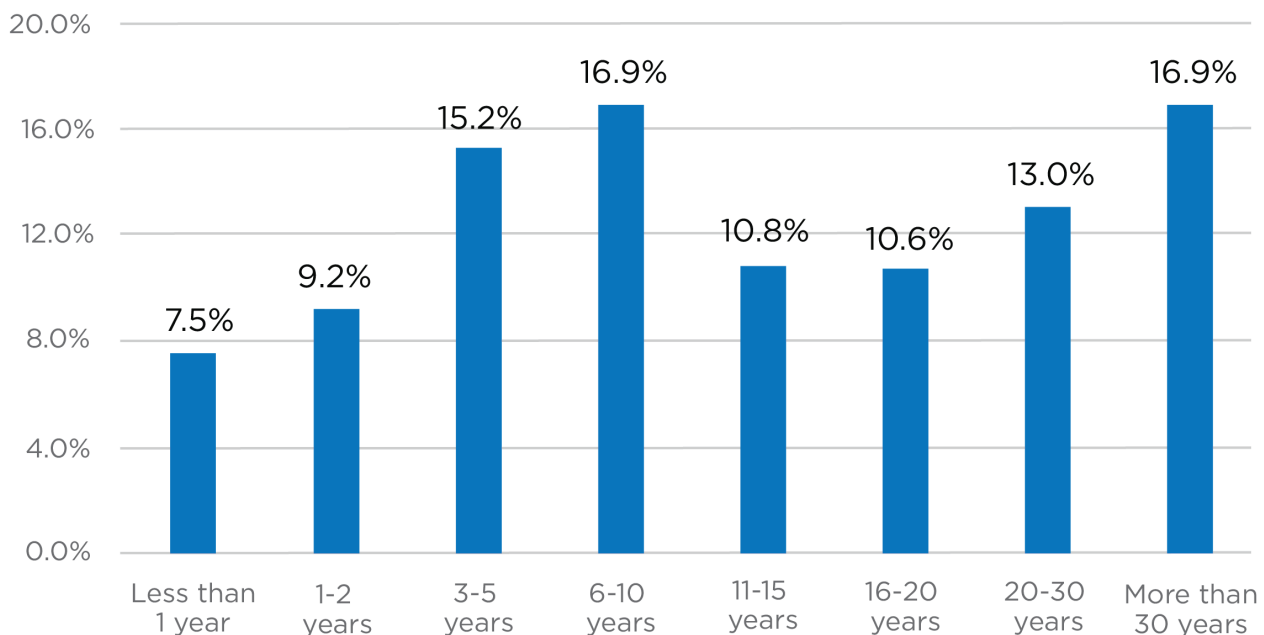
SPOTLIGHT:

New Programs in central Ohio

Seventeen percent of providers responding to Action for Children’s survey operate programs that are less than three years old. As with other small businesses, these new providers exhibit more economic insecurity than more established providers (operating for three years or longer). Among new providers, 67% report costs exceeding revenue, compared to 52% of established providers, with average monthly losses almost twice as large (\$8,945 for new providers versus \$4,474 for established providers). New providers also express greater concerns about closure, with 14% unsure if they will still be open in three months and 65% unsure if they will be open in 12 months. In comparison, 10% of established providers are unsure of their status in the next three months, and 45% are unsure about the next 12 months.

New providers are more likely to have PFCC agreements - 93% compared to 79% among established providers, suggesting that they serve populations with particularly high need. Just over half of all new programs are family child care (FCC), compared to 35% of established programs. New centers tend to be smaller, with an average capacity of 77, compared to 105 for established centers, and have lower enrollment-to-capacity ratios (61% versus 67%). New programs of both types are also more likely to want to hire additional staff (62% versus 57%). Furthermore, the average highest hourly pay for lead teachers is \$16.34 at new centers, compared to \$18.85 at established centers.

Proportion of Programs By Years of Operation



SPOTLIGHT:

New Programs in central Ohio

Participation in SUTQ is also slightly lower among new providers - 72% versus 78% for established providers. This is not surprising, however, because new programs are exempt from SUTQ in their first provisional year as they start their business and enroll children. However, because PFCC reimbursement rates increase with SUTQ rating (see page 15), the limited capacity of some new providers to invest in SUTQ compounds the uncertainty they face as new entrants in the child care landscape.

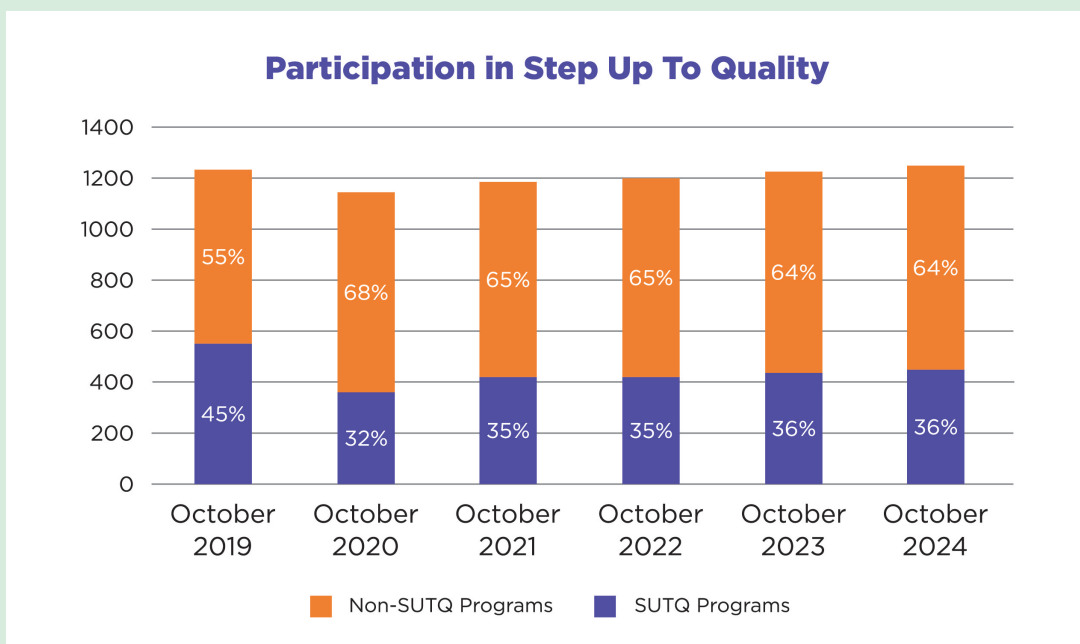
| | New Programs <small>(open for less than 3 years)</small> | Established Programs <small>(open for 3 years or longer)</small> |
|---|--|--|
| Records a Revenue Gap | 67% | 52% |
| Average Monthly Loss | \$8,945 | \$4,474 |
| May Close Within 3 Months | 14% | 10% |
| May Close Within 12 Months | 65% | 45% |
| Has PFCC Agreement | 93% | 79% |
| Participates in SUTQ | 72% | 78% |
| Enrollment-to-Capacity Ratio | 64% | 74% |
| <ul style="list-style-type: none"> • Center • Family Child Care | <ul style="list-style-type: none"> 61% 67% | <ul style="list-style-type: none"> 67% 88% |
| Wants to Hire More Staff | 62% | 57% |
| <ul style="list-style-type: none"> • Center • Family Child Care | <ul style="list-style-type: none"> 65% 60% | <ul style="list-style-type: none"> 64% 42% |
| Average Highest Pay for Lead Teachers at Centers | \$16.34 | \$18.85 |

SPOTLIGHT: Commitment to Quality

This survey looked at child care providers' engagement and commitment to Ohio's child care quality rating and improvement system, Step Up To Quality (SUTQ). SUTQ provides a pathway for continuous improvement for child care programs to offer the high-quality early learning experiences children need. SUTQ is also a critical tool to help parents and other primary caregivers identify quality child care programs. SUTQ standards and requirements of who must participate have evolved several times since its inception in 2006. With these changes come variation in public and early childhood professional experience with SUTQ.

In April 2022, The Ohio Department of Jobs and Family Services (ODJFS), which oversaw Step Up To Quality, made several administrative changes to the program, including reducing paperwork and implementing a continuous rating. Provider sentiment at that time indicated that those changes helped address commonly cited barriers to participating in the program.

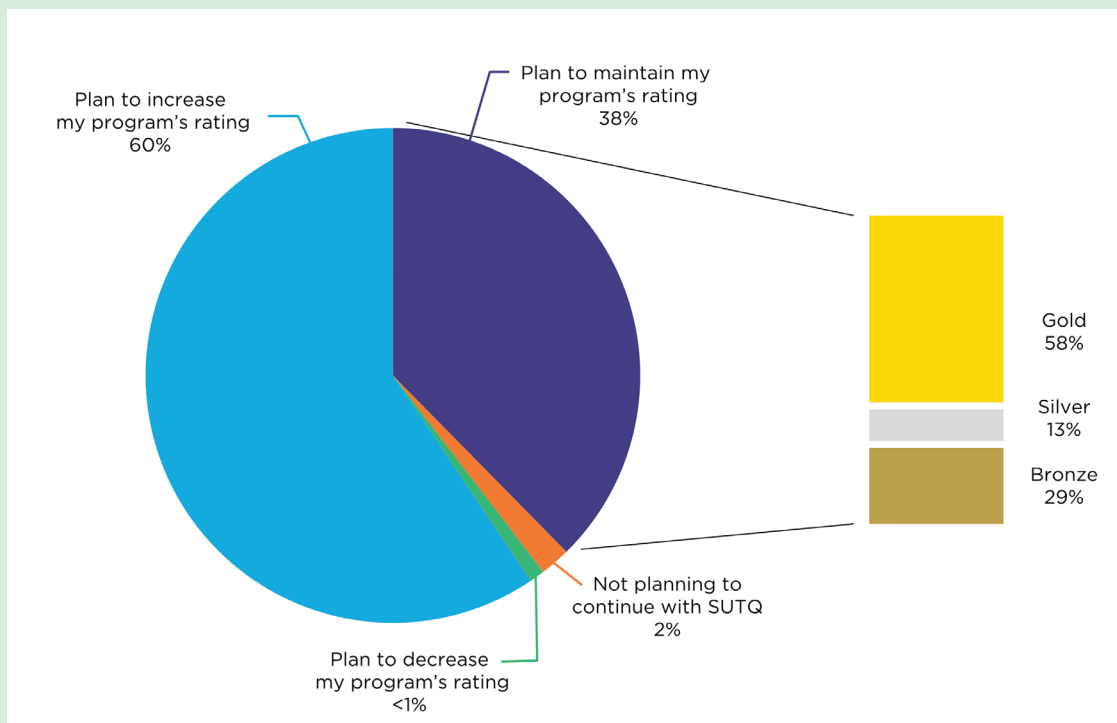
In 2023, the Ohio legislature made all family child care providers and center-based providers whose enrollment was less than 25% PFCC children exempt from all SUTQ requirements. This meant that 266 central Ohio child care programs that earned a SUTQ rating as of September 2023 were no longer required to participate. In the year following that decision (October 2023 to October 2024), only 10 programs (3.7%) stopped participating in SUTQ. (An additional 24 programs, or 9%, closed.) Among the 439 non-SUTQ programs as of September 2023, 70 programs (16%) began participating in SUTQ in the year that followed, including 31 programs who were exempt under the 2023 rules.⁹ Over the last three years, the numbers of both SUTQ-rated programs and child care programs overall have increased, causing the proportion of SUTQ-rated programs to remain steady.



Most recently, SUTQ underwent another evolution, moving from a 5-star to a 3-level system effective July 7, 2024. All rated programs were grandfathered into the new three-level system (Bronze, Silver, and Gold), with the first SUTQ visits to begin in July 2025. By then, programs will need to have met the new SUTQ standards. With this change, the SUTQ standards have been both simplified and increased:

- Required paperwork is significantly reduced.
- All programs are expected to have implemented a curriculum aligned to the Ohio Early Learning and Development Standards (ELDS) and the Science of Reading, as well as a screening tool for all children.
- All programs are required to complete a self-assessment and develop a Continuous Improvement Plan annually.
- Programs must complete a needs assessment for all families.
- Silver- and Gold-level programs must meet additional standards, including implementing an ELDS-aligned child assessment, and lower ratios and group sizes for Gold-level programs.

Of the 320 survey respondents currently participating in SUTQ, 98% plan to continue with SUTQ. This is especially notable given the *increased* standards, and *decreased* expectations of which programs must participate. In addition, 60% intend to *increase* their rating as they continue participating in SUTQ. Of the 38% who wish to maintain their current rating, 58% have already achieved a Gold Rating.



Despite higher standards and changes to a familiar system, child care owners and administrators are overwhelmingly committed to SUTQ. Their reasons for this prioritize quality, increased reimbursement rates (see page 15), and their program's reputation/ability to attract families.

Elevating Care, Empowering Providers: Why Providers and Centers Choose Step Up To Quality

Enrolling families hear you are SUTQ rated and think the care is better. It's a way to advertise that the care is quality. I provide amazing care either way but with that behind your name, people are more likely to enroll.
~ FCC, Franklin County

[SUTQ is a] great program to help with pinpointing areas of growth.
~ FCC, Fairfield County

I like the SUTQ system for the children and it also adds an increase to our pay.
~ FCC, Franklin County

I have always given my families quality service, so I believe my hard work should be acknowledged. When parents see my business, they should see that it is recognized as a highly-rated business.
~ FCC, Franklin County

I like being able to offer my families quality care and education. SUTQ allows for that via trainings and expectations.
~ FCC, Franklin County

I need to give my students the best care and education I can while being fairly compensated.
~ FCC, Franklin County

We value the importance of providing quality care and education for the children and families we serve.
~ Center, Franklin County

For quality, and our budget relies on higher PFCC reimbursement in order to continue to serve low-income families.
~ Center, Franklin County

I truly believe it makes a center better. Expectations are set at a higher level.
~ Center, Licking County



While early care and education professionals are committed to SUTQ, the increase in expectations will require significant support. Programs – especially SUTQ and PFCC programs – are struggling to make ends meet (see page 13). Finding and retaining qualified staff is an ongoing struggle (see page 9). To achieve their goals, programs will need to acquire or maintain one or more of the following:

- Curriculum that aligns to state requirements, with adequate time and training for staff to implement the curriculum.
- Administrative staff with capacity to implement new standards.
- Retention of consistent, professional teachers.
- Stable income to cover costs of high-quality staff, curriculum, consumable materials, changes to space and ratios, and staff professional development.

Next Steps

Child care is an essential infrastructure, without which our economy cannot grow or thrive. Just as with other forms of infrastructure like roads, bridges, and broadband, public investment is necessary to ensure that the market operates at an efficient level. Both the economic and social welfare aspects of our community benefit from supporting children and families, and ensuring access to quality early care and education. The action steps below for leaders in local, state, and federal government; business; advocacy; and philanthropy, would contribute to stabilizing the child care sector and strengthening the broader workforce as a whole.

Increase Financial Support for Child Care Providers

- Child care providers in central Ohio are operating on razor-thin margins, with over half unable to cover their monthly expenses. Without consistent financial support, these critical services risk closure, jeopardizing the broader workforce and community stability.

Leaders can:

- Expand public funding initiatives, including subsidies, grants, and tax incentives, to address the revenue gap experienced by 55% of providers. Prioritize support for programs serving low-income families through PFCC agreements.
- Fund sustained wage enhancement programs for early care and education professionals to combat low compensation and support workforce retention and development.

This child care system does not provide a sense of safety. We provide a service to families yet we don't have health coverage for ourselves or our staff. We are working as hard as [K-12] teachers but we don't get simple things like teacher discounts. We can work hard and get compensated very little. We aren't taken seriously.

~ Center, Franklin County



Expand Access to Affordable Child Care for Families

- Many families in central Ohio are caught in the income gap above eligibility for assistance and below the ability to afford care. Addressing this affordability challenge is essential to ensure every child has access to quality early learning opportunities, and workers can support their families.

Leaders can:

- Support additional and sustained financial assistance programs for families who do not qualify for PFCC but struggle to afford care, including vouchers or sliding-scale tuition scholarships.
- Offer child care benefits for employees, through partnerships with child care programs in their community, addressing both child care affordability and workforce shortages.¹⁰

51% of providers identified affordability as a barrier when trying to enroll families.

Families that don't qualify for public funding are struggling to pay our rates. We are afraid to raise tuition any more, but we are losing money each year we are open.

~ Center, Franklin County



Enhance Enrollment and Capacity Utilization

- Despite a clear demand for child care, programs across central Ohio struggle with low enrollment due to barriers like staffing shortages, unaffordability, and lack of family outreach. Addressing these challenges is key to maximizing capacity and serving more children.

Leaders can:

- Provide start-up grants for equipment, materials, and staff to help programs in high-need areas open unused classrooms.
- Fund shared services networks and child care business supports to help child care programs grow and flourish.¹¹
- Launch a public campaign on the benefits of high-quality child care for children, families, and businesses in underserved areas.



You cannot keep a program open when you don't have new enrollment. If you don't get enrollment, you cannot keep up with the mortgage to keep the program running.
~ FCC, Franklin County

On average, child care programs in central Ohio are operating at approximately 63% of their licensed capacity.

Invest in Quality Improvement

- To meet updated state standards and provide high-quality care and education, child care programs need sustained investments in their programs and staff. These investments are foundational to ensuring all children receive the early care and education they deserve so they can thrive – in the present, at school entry, and in life.

Leaders can:

- Facilitate public-private partnerships to fund initiatives that improve program quality.
- Sustain investment in agencies and programs that provide ongoing quality improvement supports.
- Help child care programs and professionals achieve their quality goals by supporting research-based, responsive coaching and training; competitive wages; enriching materials, books, and toys; and cohesiveness between child care programs and other family supports.

98% of SUTQ providers plan to continue participating in SUTQ.

[I continue to participate in SUTQ] so we can show how much good we are doing, how much hard work we are doing. I will love to see my program going to highly rated.

~ FCC, Franklin County



[I continue to participate in SUTQ] for the increase in pay, running a better child care program, and because of the help of Action for Children.

~ FCC, Franklin County



We cannot maintain quality staff and programming without financial help. Our parents cannot afford to keep up with increasing tuition.

~ FCC, Franklin County

Action for Children is ready and eager to work with leaders across sectors in crafting a comprehensive solution to the child care crisis. The information collected in the Central Ohio Child Care Provider Survey helps to ensure that this solution is rooted in the needs of the child care professionals and families closest to the challenge.

List of Abbreviations

| | |
|------------------|---|
| CCCP | Child Care Choice Program |
| CCR&R | Child Care Resource and Referral |
| COCCP | Central Ohio Child Care Provider Survey |
| DCY | Department of Children and Youth |
| ECE | Early Care and Education |
| ELDS | Early Learning and Development Standards |
| FCC | Family Child Care |
| OCCRRA | Ohio Child Care Resource and Referral Association |
| ODJFS | Ohio Department of Jobs and Family Services |
| PFCC | Publicly Funded Child Care |
| SDA 9 | Service Delivery Area 9 includes counties in central Ohio |
| SUTQ | Step Up To Quality |
| WPAP | Workforce and Program Analysis Platform |

Footnotes

- 1 The child care providers in Madison County, Pickaway County, and Union County each total around 1% of the provider population in central Ohio, therefore, the providers in these counties were combined throughout the report.
- 2 See Groundwork Ohio's 2024 Family Voices Project Report (https://www.groundworkohio.org/_files/ugd/a395ee_d8d5f28e961a46cba28765f8d2b0fefa.pdf)
- 3 Our Work - City of Columbus, Ohio (<https://www.columbus.gov/Government/Mayors-Office/Initiatives/CelebrateOne/CelebrateOne-Our-Work>)
- 4 Data on compensation is drawn from the Ohio Child Care Resource and Referral Association's (OCCRRA) Workforce and Program Analysis Platform (WPAP), which provides statewide information. The COCCPS did not begin collecting information on compensation until 2022. Annual inflation numbers are drawn from the Federal Reserve Bank (<https://www.minneapolisfed.org/about-us/monetary-policy/inflation-calculator/consumer-price-index-1913->)
- 5 <https://unitedforalice.org/household-budgets/ohio>
- 6 <https://d2hfgw7vtnz2tl.cloudfront.net/wp-content/uploads/2022/09/Hero-Pay-Phase-2-Manual-Procedure-Letter.pdf>
- 7 <https://www.actionforchildren.org/franklin-county-rise/>
- 8 <https://dam.assets.ohio.gov/image/upload/jfs.ohio.gov/OFC/DCY01144ProviderAgreement.pdf>
- 9 All programs are exempt from SUTQ in their first, provisional year of operation while they build enrollment and establish their business. Of the 439 non-SUTQ programs in central Ohio as of September 2023, 389 were centers. Seventy-one of these had a provisional, first-year license, and the remaining 318 had a continuous license. Of these 389 centers, 50 (26 provisional, 24 continuous) began to partake in SUTQ at some point between September 2023 and September 2024. Of the 31 programs exempt as of September 2023, 14 were continuously licensed and 17 provisionally licensed.
- 10 Through a grant awarded by the Department of Children and Youth, Action for Children has launched the Child Care Business Partnerships Program, a short-term child care cost-sharing program that connects local businesses and child care programs to offset the costs of child care for parents and other primary caregivers in the workforce. Through this program, businesses can implement child care benefits that enhance employee retention, productivity, and satisfaction, while contributing to the well-being of the community and providing children the benefits of high-quality early learning experiences. Currently, Child Care Business Partnerships at Action for Children is funded for businesses located in Franklin and Licking Counties. For more information, contact sfields@actionforchildren.org, and visit <https://www.actionforchildren.org/community/ccbp>.
- 11 In partnership with the Department of Children and Youth and the Franklin County Board of Commissioners, Action for Children offers a suite of free services for child care professionals seeking to stabilize and strengthen their business. The Shared Services pilot (<https://www.actionforchildren.org/action-for-childrens-shared-services/>) provides a free child care management system (CCMS) and training through brightwheel, financial software and training, and behavioral and mental health resources, and more. The BOSS (Business and Operational Support Services; <https://www.actionforchildren.org/boss>) provides administrators with employee recruitment aides and free job postings, individualized business coaching, and back office material supports. The Village (<https://www.actionforchildren.org/village>), specifically for family child care professionals, provides personalized coaching and mentorship, training and networking aligned to the unique needs of FCCs, and material supports to help professionals improve their quality of care.

Action for Children



78 Jefferson Avenue
Columbus, OH 43215
614-224-0222
actionforchildren.org

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Quotes featured in this report were gathered from our 2024 Central Ohio Child Care Provider Survey. Some quotes have been edited for length and clarity.

Continued Support

You can continue to support Action for Children's advocacy efforts, ensuring our vision that all children have opportunities for quality early learning experiences to prepare them for success in school and life by sharing this document with your local, state, and national government representatives to encourage them to invest in child care.

Action for Children uses this data to guide our programs and advocacy efforts. Your monetary support allows us to continue this effort.

Please visit actionforchildren.org/donate to make your gift today!

Cover Image: 2024 Family Child Care of The Year Award Winner, Paula Bester, reading to children at her central Ohio child care program.