

Dedication Through Difficulty

Action for Children's 2024 Central Ohio Child Care Provider Survey Report

Virtual Webinar | December 17, 2024
Hosted by Action for Children



WELCOME!

Action for Children



ABOUT ACTION FOR CHILDREN

Action for Children is the local Child Care Resource and Referral (CCR&R) agency for central Ohio, and is committed to assuring quality early learning experiences for all children. Our services focus on transforming the lives of children by supporting the everyday heroes who most influence our children's early growth; caregivers, educators, parents, and guardians.



A Child Care Resource and Referral (CCR&R) organization serves as a resource hub for families, child care professionals and communities. CCR&Rs increase access to high-quality, affordable child care by providing many different services depending on where an individual lives.



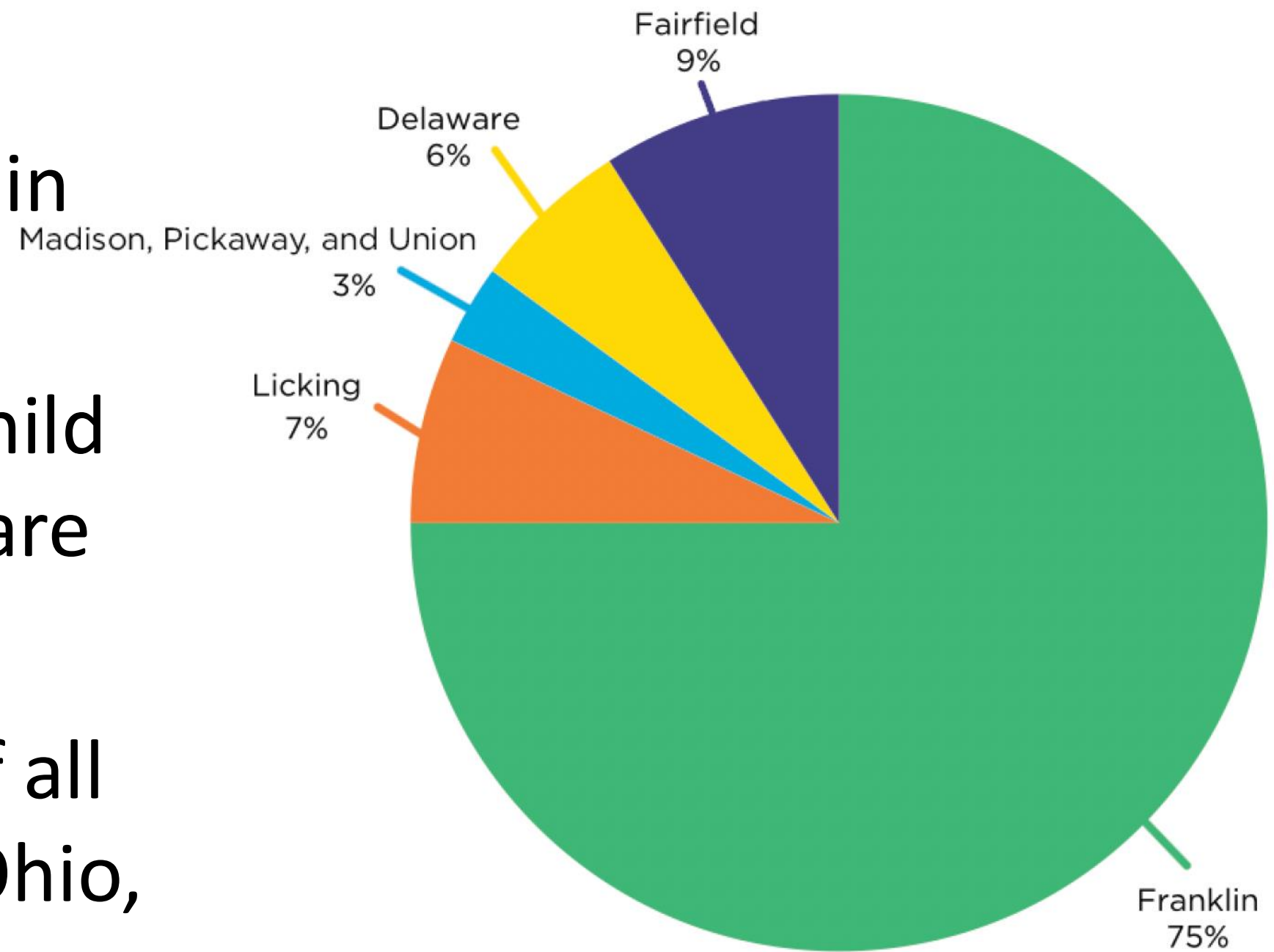
ABOUT ACTION FOR CHILDREN



- Action for Children serves Columbus and Franklin County, as well as Delaware, Fairfield, Licking, Madison, Pickaway, and Union counties.
- Some programs are also available in Knox, Marion, and Morrow counties.

ABOUT THE REPORT

- Survey distributed to providers in SDA9 in September 2024
- 415 responses collected (259 child care centers, 156 family child care homes)
- Sample size is representative of all child care providers in central Ohio, with a margin of error of 5%



2024 REPORT WRITERS



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Thank you to the MANY AFC staff and board members, child care professionals, and reviewers who played a role in producing this report!





Dr. Katherine Glenn-Applegate,
*Director of Child Care Education and Initiatives
at Action for Children*



CHILD CARE IS...

- The workforce behind the workforce.
- An essential infrastructure.
- Currently at risk in central Ohio.
- In need of support from businesses leaders, policymakers, advocates, philanthropists, and storytellers like you.

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STATE OF THE SECTOR

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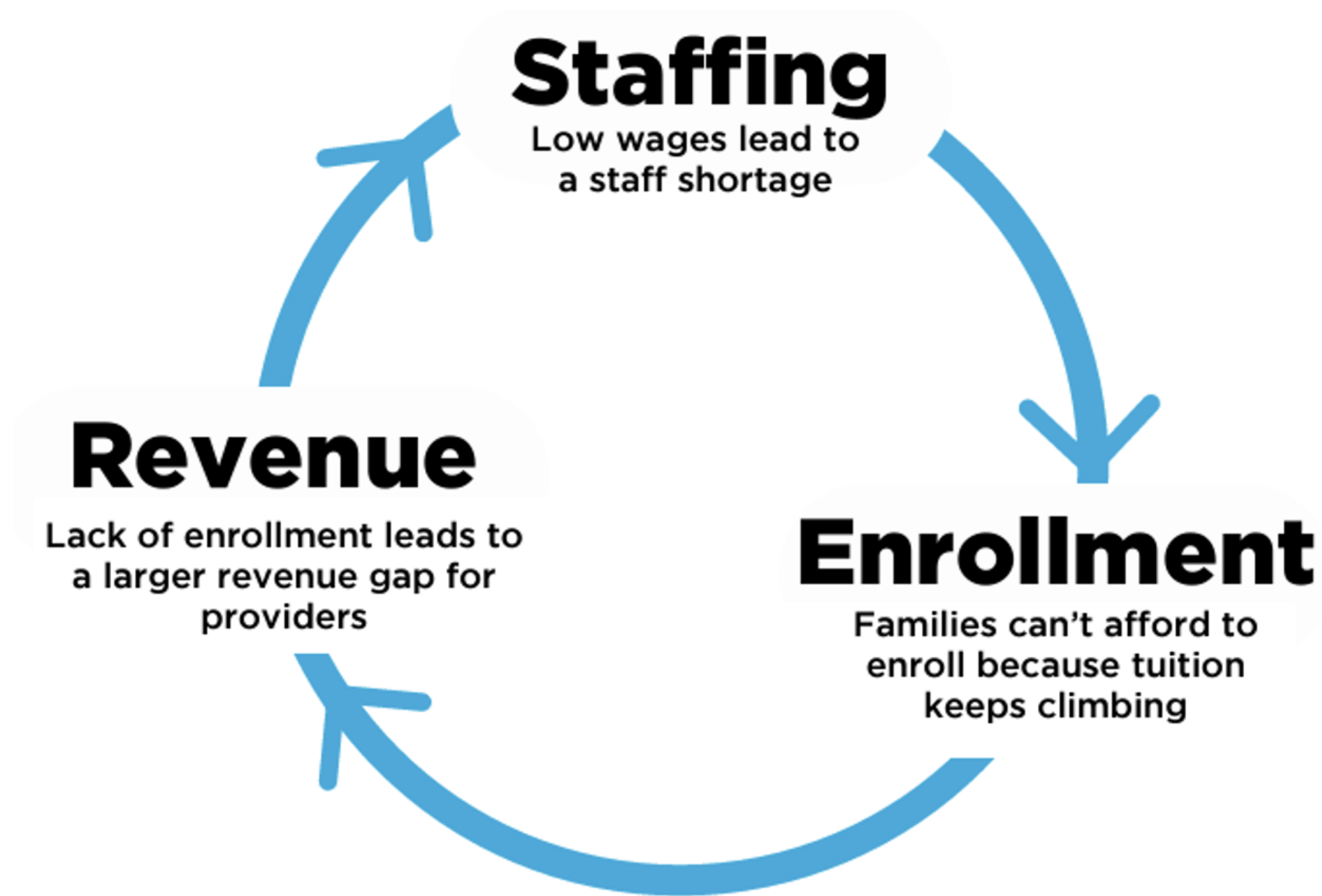


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THE CYCLE FOR PROVIDERS



To address shortfalls, providers can either increase tuition or lower wages – but both will further exacerbate low enrollment, leaving providers in an impossible bind.

PROVIDER CONFIDENCE

	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%

- Provider confidence has been improving steadily – up 31% from 2020 – but certain provider groups are particularly vulnerable.

Family Child Care

Providers offering PFCC

New Programs

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REVENUE VS EXPENSES

	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%

- Between 2020 and 2022, the proportion of programs reporting monthly losses declined substantially from 68% to 50%. However, since then, this number has been creeping up 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.



CHILD CARE STAFFING

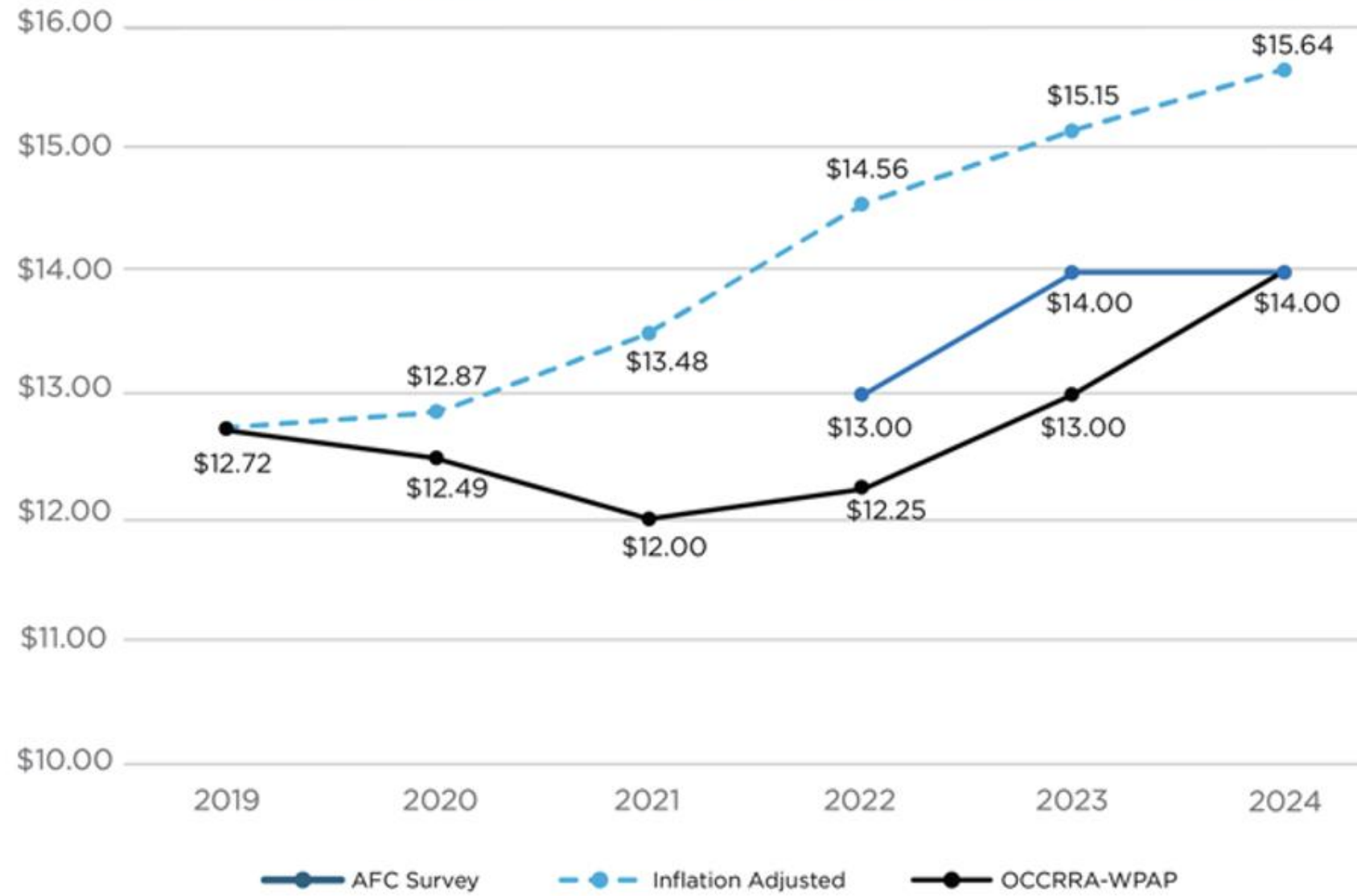
	SDA9 (central Ohio)	Delaware County	Fairfield County	Franklin County	Licking County	Madison, Pickaway, and Union Counties
Centers Hiring	64%	55%	50%	68%	64%	56%
FCCs Hiring	46%	0%	43%	51%	14%	0%

- 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.
- With 64% of centers and 46% of FCCs looking to hire, staffing continues to be a key challenge, though it has been improving over the last two years.

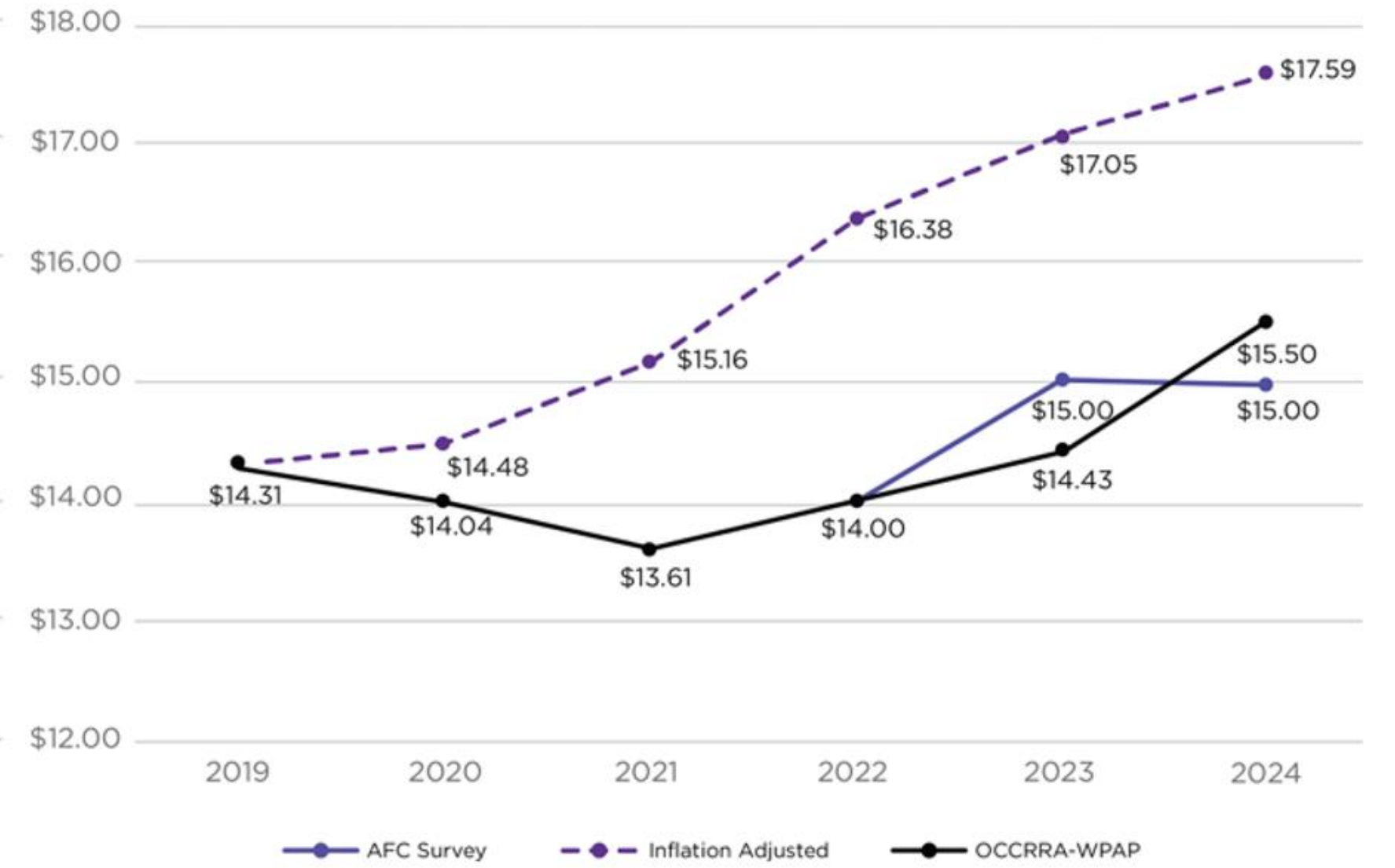


STAFF COMPENSATION

Median Hourly Pay, Newly Hired Assistant Teachers



Median Hourly Pay, Newly Hired Lead Teachers



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DIGGING DEEPER

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PUBLICLY FUNDED CHILD CARE (PFCC)

To qualify for PFCC funding in Ohio, a family must have a yearly income less than 146% of the federal poverty level (\$36,500 annually for a family of three).

Families that do not qualify for PFCC but earn less than 200% of the federal poverty line may qualify for Child Care Choice Program vouchers.

PFCC programs are paid at the 50th percentile of market rate, with Step Up To Quality participants eligible for higher rates (Bronze 10%, Silver 15%, Gold 25%).

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PUBLICLY FUNDED CHILD CARE (PFCC) PROVIDERS

	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%

- PFCC reimbursement is based on attendance instead of enrollment.
- PFCC programs are more likely to experience substantially larger monthly losses and are at risk of closure both in short and long-term.

DID YOU KNOW?
New programs and family child care programs are more likely to have PFCC agreements to serve low-income families.

PUBLICLY FUNDED CHILD CARE (PFCC) PROVIDERS

	PFCC Programs	Non-PFCC Programs
Participates in SUTQ	88%	29%
Enrollment-to-Capacity Ratio	74%	68%
• Center	64%	71%
• Family Child Care	86%	44%

- PFCC programs are also strongly committed to SUTQ.
- Enrollment at PFCC programs tends to be closer to capacity, particularly for family child care providers.



Ruiyu Tan,
Data Analyst at Action for Children

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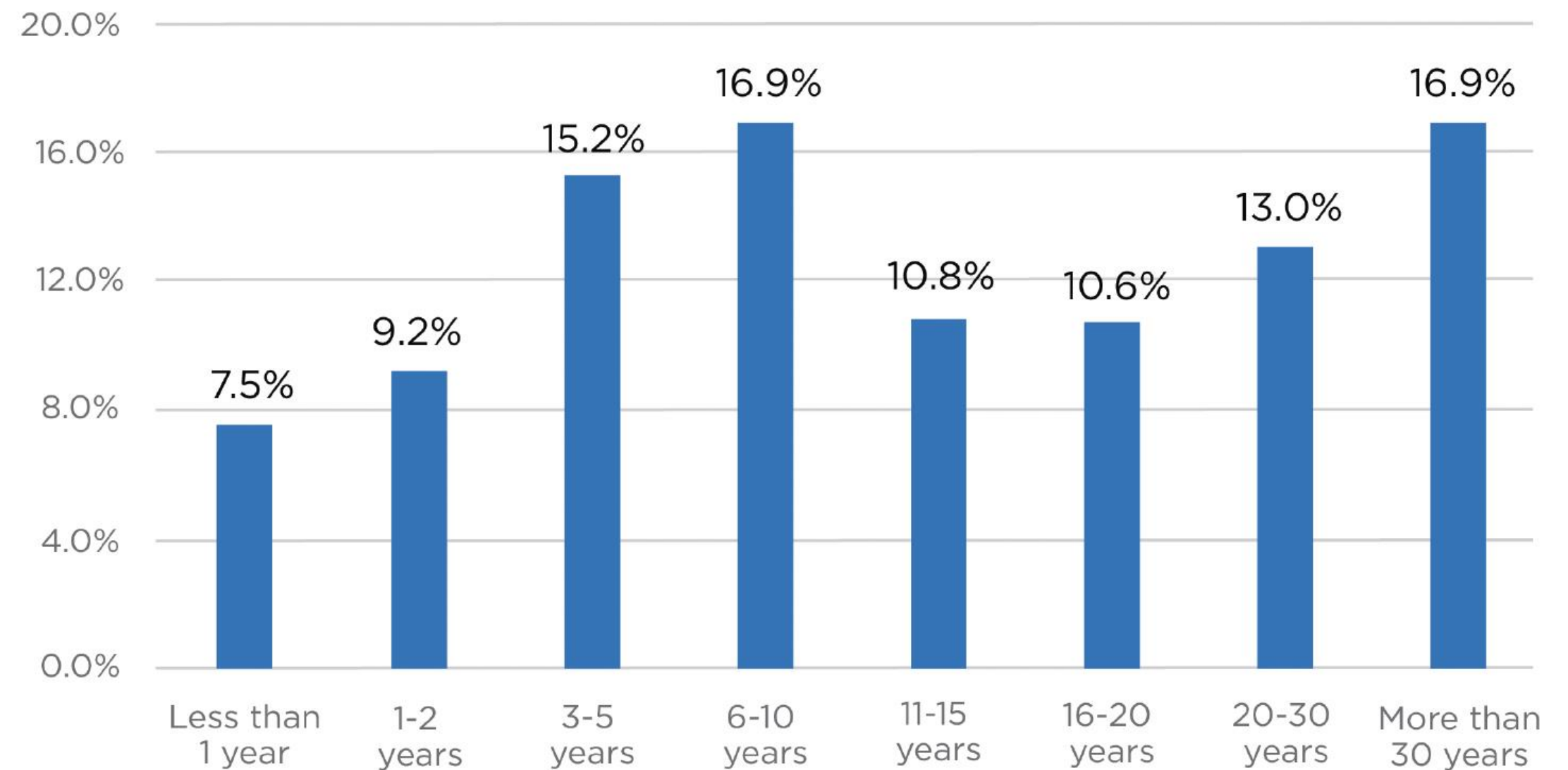


NEW CHILD CARE PROGRAMS

17% of providers surveyed own programs less than 3 years old

- New programs serve fewer children on average than more established programs.
- 69% of programs younger than a year old are concerned about being able to stay open without additional public support.

Proportion of Programs By Years of Operation



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NEW CHILD CARE PROGRAMS

	New Programs (open for less than 3 years)	Established Programs (open for 3 years or longer)
Has PFCC Agreement	93%	79%

93% of programs less than 3 years old have Publicly Funded Child Care (PFCC) agreements

NEW CHILD CARE PROGRAMS

	New Programs (open for less than 3 years)	Established Programs (open for 3 years or longer)
Average Highest Pay for Lead Teachers at Centers	\$16.34	\$18.85

Newly established providers are less likely to offer competitive staff compensation

- The average highest pay for lead teachers in programs less than 3 years old is over \$2 behind that of established providers.



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*Director of Child Care Education and Initiatives
at Action for Children*



STEP UP TO QUALITY (SUTQ) PROVIDERS

Step Up To Quality – Ohio’s Quality Rating Improvement System (QRIS)

- 64% of providers in central Ohio participate in SUTQ as of October 2024.



Department of
Education &
Workforce

Step Up To Quality is a quality rating and improvement system administered by the Ohio Department of Children and Youth. SUTQ recognizes and promotes learning and development programs that meet quality program standards that exceed preschool licensing and school age child care licensing health and safety regulations.

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STEP UP TO QUALITY (SUTQ) PROVIDERS

2023 changes to SUTQ

- All are FCCs exempt.
- Centers serving <25% PFCC are exempt.
- Change from star-system to level system.
- Increased expectations of SUTQ-rated programs.



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STEP UP TO QUALITY (SUTQ) PROVIDERS

Following the 2023 changes...

- As of October 2023, there were 266 SUTQ-rated programs that were exempt.
- In the following year, only 3.7% of those programs stopped participating in SUTQ.
- 31 programs who were not required to participate in SUTQ joined.

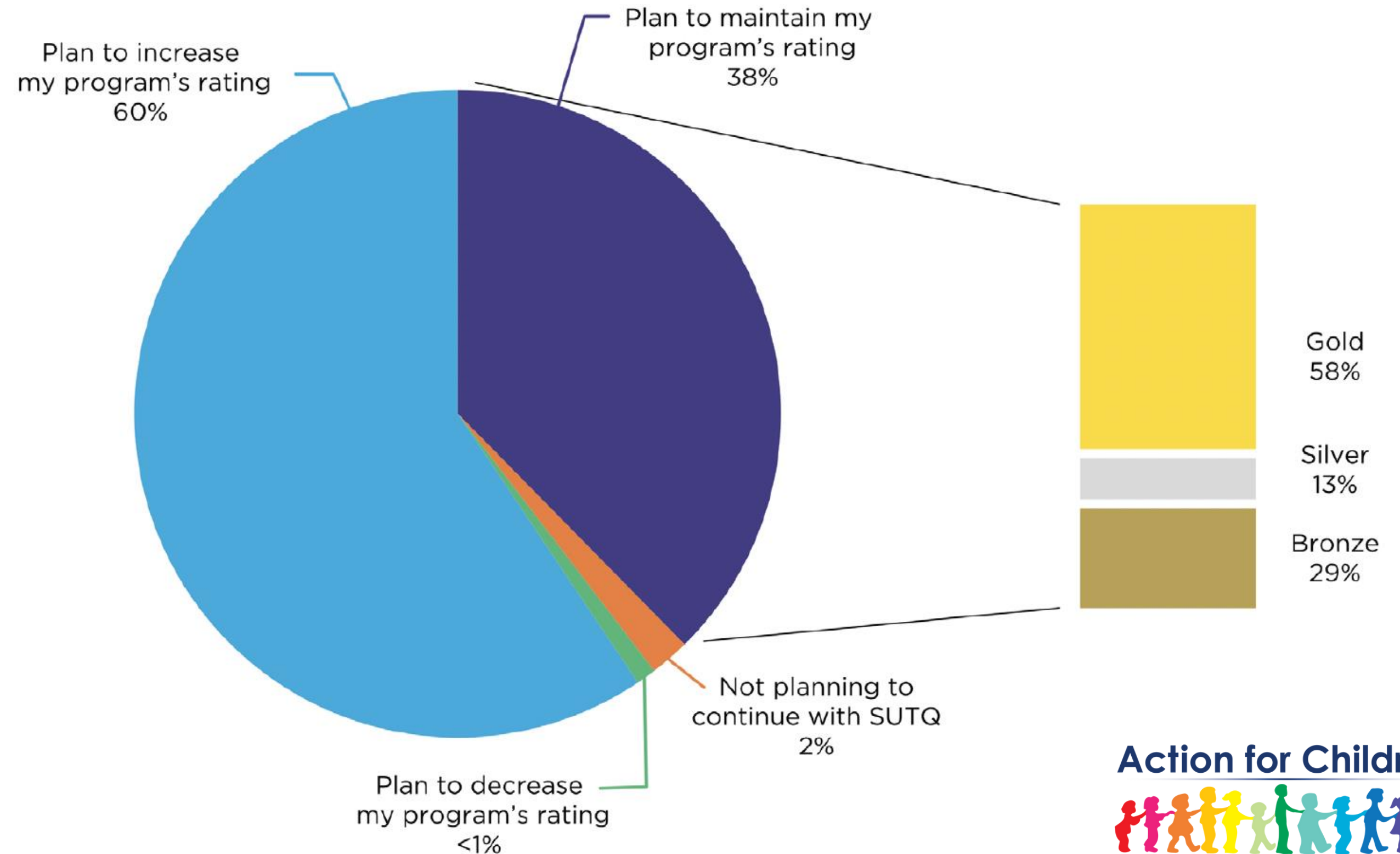


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STEP UP TO QUALITY (SUTQ) PROVIDERS

- We asked programs who are SUTQ-rated if they plan to continue with Step Up To Quality.



STEP UP TO QUALITY (SUTQ) PROVIDERS

- Providers shared their thoughts about Step Up To Quality.

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

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

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

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NEXT STEPS

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1

Increase financial support for child care providers

Leaders can:

- Expand public funding initiatives 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.

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2

Expand access to affordable child care for 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.

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3

Enhance enrollment and capacity utilization

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.
- Launch a public campaign on the benefits of high-quality child care for children, families, and businesses in underserved areas.



You can continue to support Action for Children's advocacy efforts!



- **Read + share this report**
[\(actionforchildren.org/cocccps\)](https://actionforchildren.org/cocccps)
- **Start conversations in your networks + communities**
- **Amplify the voices of providers and families**

THANK YOU!

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