



Publicly Funded Child Care and Step Up to Quality Study Committee

Final Committee Report
December 14, 2022



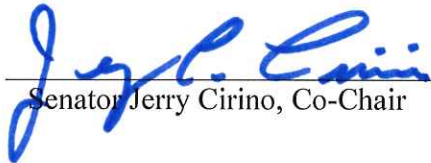
December 14, 2022

Dear Speaker Cupp and President Huffman:

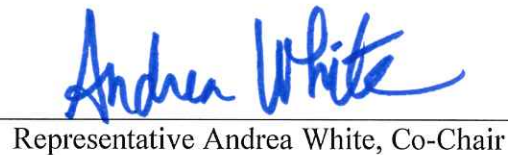
Over the course of the last year, the Study Committee on Publicly Funded Child Care and Step Up to Quality has held in-depth discussions with stakeholders involved in the state's child care and early learning communities to gain insight on the structure, implementation, and operation of Ohio's publicly funded child care and early learning and development systems. The committee has reviewed information provided to it over the course of eight public hearings and has devised recommendations for areas in which this structure can be improved for the benefit of the citizens of Ohio.

Accordingly, enclosed is a report highlighting the findings of the Study Committee. If implemented, these changes will improve the value and quality of children's early learning experience and families' need for accessible child care. Thank you for your attention to this important issue.

Sincerely,



Senator Jerry Cirino, Co-Chair



Representative Andrea White, Co-Chair

I. Statement from Co-Chair Senator Jerry Cirino

Driven by a number of concerns related to access to child care for Ohioans, the Joint Legislative Study Committee on Ohio's Publicly Funded Child Care (PFCC) and Step Up to Quality (SUTQ) Program was created in June 2021. The committee's formation came through House Bill 110 of the 134th General Assembly based upon those concerns.

The COVID-19 pandemic and other ongoing macroeconomic factors have influenced Ohio's workforce in a variety of ways. Lower than normal workforce participation has affected Ohio's economic recovery, affecting a broad range of employers of all sizes and across industries.

One of the factors contributing to low workforce participation is the inability to locate affordable and accessible child care across the state. While many parents seeking to enter or remain in the workforce have access to private-pay services or company-provided services, many do not. Through Publicly Funded Child Care (PFCC), those who qualify are able to access publicly supported child care where available in their community. Publicly funded child care providers must participate in the Step Up to Quality (SUTQ) program, which is Ohio's quality rating and improvement system that provides an additional incentive payment to providers based upon their star-level rating. HB 110 charged the Committee with reviewing aspects of both of these programs.

The Committee held eight public meetings and listened to the concerns of dozens of witnesses representing all stakeholders engaged in the child care and early learning space. Individuals submitting written and in-person testimony included parents, center-based and family home providers, teaching and care giving early childhood professionals and students, pediatricians, college professors and leaders, Ohio Department of Job and Family Services (ODJFS) and Ohio Department of Education (ODE) staff and early childhood advocates and associations. The committee itself included a broad cross-section of business, child care, government and legislative members as specified in law.

The Committee Co-Chairs asked members of the Committee to study current programs, listen to testimony (written and in person), ask questions and debate potential recommendations through the twelve-month process. This process has culminated in the following report, which contains nine key recommendations based upon observations made over the last year.

In the evaluation of issues related to access, capacity, quality, and affordability, the Committee became acutely aware of the difficulty families frequently face in securing child care. This issue is prevalent throughout the state and was highlighted even further in testimony received from rural and Appalachian communities. Capacity has also been identified as a significant issue having a serious impact upon both child care providers and upon families in need of child care options. The key importance these factors have upon the child care market was the basis for the Committee's recommendation for program changes to attract and retain child care providers serving a low census of PFCC-eligible children.

The Committee was also made aware of numerous environmental issues, which have created headwinds in delivering child care services. Two key environmental factors having a substantial impact on providers are workforce shortages and the inflationary impact on provider's costs. Neither factor is unique to child care. Both factors have been exacerbated by the fact that the average childhood education worker earns between \$10-\$13/hour.

In an effort to better support current providers, as well as attract new providers, ODJFS has been working with the Committee throughout the process to execute streamlined processes to reduce administrative burdens for those wishing to participate or to advance in their star rating. The impact of the state's regulatory structure was another

factor within the child care conversation that was an important component of the Committee's review, with an eye toward the effect that the state's regulatory requirements have upon providers and the families they seek to serve. The Committee's recommendations include additional action tailored to address both of these concerns.

It further became clear to the Committee through testimony that many providers do not possess the business skills or experience to deal with the rapidly changing cost structure within the child care field. ODJFS has also begun efforts to assist providers in obtaining access to various business and support trainings to better assure long-term provider sustainability. The Committee recommends additional steps that will help fulfil this important identified need.

Another concern identified during the Committee's hearings was a lack of predictability and stability within the cost structure for providers serving PFCC-eligible families through a model that compensates providers based on attendance rather than program enrollment. The Committee's report includes recommendations for improvements that could be made to provide more predictability to providers while ensuring appropriate safeguards remain in place on utilization.

It was also made clear to the Committee throughout testimony that data acquisition, modeling and dissemination of information are in need of improvement if programs are to be properly evaluated in the future. This too is the basis for recommended action by the Committee.

The Committee has also provided updated fiscal information on the sources of publicly funded child care and the SUTQ program, as well as different models regarding the fiscal health of these programs. The charts in the report will show that, depending on the inclusion/exclusion of certain sources of funding, SFY 2026 may well represent the year that funds for the program may need to be re-evaluated, if not earlier.

This Report is submitted with a deep appreciation for the support Ohio taxpayers have shown for Ohio child care and for their continued support. I wish to express my thanks and gratitude to the members of the Committee for their time working on these issues and the members of the public who helped inform the Committee's work.

II. Statement from Co-Chair Representative Andrea White

Against the backdrop of a child care and workforce crisis, the Joint Legislative Study Committee on Ohio's Publicly Funded Child Care (PFCC) and Step Up to Quality (SUTQ) Program was created to study issues accessing and sustaining publicly funded child care and quality early learning. The committee's formation came in the midst of the COVID-19 pandemic through House Bill 110 (Oelslager) in June 2021.

As parents seeking to enter or remain in the workforce struggled to access affordable, quality child care, employers wrestled with finding qualified workers to meet the needs of their businesses and customers. These pressing long-term issues continue to impact providers serving families through both private pay and publicly funded child care. An urgent need to ensure a strong child care and early learning system to support Ohio's current and future developing workforce, including providing financially sustainable publicly funded child care, created the impetus for this joint legislative committee.

The committee's work included a deep-dive into the issues facing the sector and its workforce. Along with providing a quantitative look at the current requirements, funding and scope, the committee was tasked with examining long-term financial sustainability and the issues and barriers that get in the way of families seeking access to PFCC and quality-rated early learning and development programs. Additionally, market conditions, administrative burdens and industry challenges facing home and center-based child care providers participating in PFCC and SUTQ were thoroughly investigated.

The committee held eight public meetings to listen to the concerns of dozens of witnesses representing all stakeholders in the child care and early learning space. Individuals submitting written and in-person testimony included parents, center-based and family home providers, early childhood professionals and students, pediatricians, college professors and leaders, Ohio Department of Job and Family Services (ODJFS) and Ohio Department of Education (ODE) staff, as well as early childhood advocates and associations. The committee itself included a broad cross-section of business, child care, government and legislative members as specified in law.

As the committee repeatedly heard from witnesses, ensuring access to quality child care is about far more than supporting parents and increasing the workforce. It's about investing in the education, school readiness and future trajectory of our children's lives. This investment, in turn, paves a long-term successful path forward for our families, our communities and our state.

All states are required to spend at least 9% of their federal child care development funds on quality improvement activities. Ohio's Step Up to Quality (SUTQ) program was developed as a means of recognizing and promoting learning and development programs that meet quality program standards that exceed licensing health and safety regulations.

Multiple national studies confirm that children participating in quality early learning are more likely to be ready for kindergarten, graduate from high school, have higher earnings, and be less likely to depend on welfare services in adulthood. Ohio's own Step Up to Quality (SUTQ) validation studies conducted in 2017 ¹ and 2020 ², showed that children participating in a "star-rated" program were more kindergarten ready than children who did not.

¹ Heinemeier and D'Agnostico, 2017, pg. vi, accessed at: <https://education.ohio.gov/getattachment/Topics/Early-Learning/Step-Up-To-Quality-SUTQ/SUTQValidationStudy2017-1.pdf.aspx?lang=en-US>

² Jones, Pettey, and Rockwood, 2020, pg. 5, accessed at: <https://education.ohio.gov/getattachment/Topics/Early-Learning/Step-Up-To-Quality-SUTQ/SUTQValidationStudy2020.pdf.aspx?lang=en-US>

Serving as Committee Co-chairs, Senator Jerry Cirino and I asked the committee and others for proposed recommendations to improve the PFCC and SUTQ programs. From there, the committee narrowed recommendations into the final list found in this report. These strategies address short-term, immediate administrative and workforce concerns while also making forward-looking recommendations to ensure that future legislators and policy makers are equipped with the necessary data to make informed decisions and preserve high-quality child care in the state.

It is important to note that these recommendations flow from research and testimony provided from witnesses which documented key challenges impacting access, affordability and sustainability of publicly funded child care and quality early learning – not only for parents and providers, but for Ohio as well.

Among top findings:

- **Workforce Shortages and Trends**

One of the core reasons why the child care sector workforce continues to experience shortages is its comparatively low wages. This was the case before the pandemic and has only been further exacerbated by competition from record numbers of unfilled jobs in many sectors and an overall strong labor market. Today, the average early childhood education worker makes between \$10-\$13/hour. These wages cannot compete long term with other occupations that require similar or less education. For example, May 2021 data from the U.S. Bureau of Labor Statistics measures the average wage for receptionists at \$14.87/hour and warehouse workers at \$17.65/hour. Additionally, data from the University of California Berkley's Center for the Study of Child Care Employment tells us that Ohio early childhood educators with a bachelor's degree are paid 26.5% less than their colleagues in the K-8 system.

In order to retain staff from leaving for less stressful and higher paying roles that allow them to better meet their families' financial needs, child care providers and the state have relied on using one-time federal COVID relief funding to shore up wage gaps through bonuses and temporary pay raises. However, providers indicated in testimony that they are heading for a financial cliff once these relief dollars are exhausted.

- **Increases in the Cost of Doing Business**

On top of the need to pay workers more competitively, child care providers face soaring inflation that impacts supplies, rent, utilities and virtually every other cost of doing business. As of October 2022, year over year inflation is 7.7%. While high inflation has impacted every industry, publicly funded child care providers face unique challenges with their provider reimbursements locked in for two years through the budget appropriation, which is calculated with a snapshot market rate assessment.

Additionally, Ohio PFCC is still paid on an attendance-based model. One of the main challenges this presents according to witness testimony is reimbursement uncertainty and inconsistency for providers, compared with caring for children of private-pay customers who are charged upfront based on enrollment. When PFCC providers, especially family home providers only serving a few children, don't have a consistent source of income, it can put a significant financial strain on their bottom line – discouraging them from continuing to serve publicly funded children and disincentivizing new providers to join the field.

- **Costs and Workforce Impact on Access**

Paying for rising child care costs continues to take a toll not just on providers, but on Ohio's working families. Many families struggle to afford the cost of quality child care or live in a region with limited supply.

According to the Ohio Child Care Resource & Referral Association, the 2021 statewide average rate of child care charged to parents across all regions of Ohio was between \$6,700 and just over \$10,000 per year for children ages birth to five, depending on whether the care was home-based or center-based.³ These costs can be substantially higher depending on where in the state the provider is located. Montgomery County's Preschool Promise, for example, reports current year-round infant care ranging from \$10,000 to \$16,500 in their community. For working families making less than 142% of the federal poverty level (FPL) at the time of initial application, the state will assist in paying the cost of child care. For example, a single mother with two children beginning a job earning less than \$32,702.60 (\$15.72/hour) may qualify for PFCC. As the family's income grows, they pay an increasing portion of the cost until they earn a maximum of 300% FPL. Contrast this with a single mother of two who is offered a job paying \$33,280 (\$16.00/hour). She would not qualify for PFCC, and would likely spend more than half her salary on child care, with little left to stretch for groceries, rent, clothing, health care and other basic needs. In essence, she faces an access issue.

It should be noted that despite boosting wages with pandemic relief funding as noted earlier, many child care providers continue to have difficulty recruiting and retaining employees to staff the rooms – and PFCC approved slots – they have available. As a result, parents continue to face waiting lists and access issues – even when paying the full cost themselves. Many families also live in a region of Ohio where demand for child care greatly exceeds supply – particularly families living in poverty. For example, according to [Ohio | County Health Rankings & Roadmaps](#), there are 841 child care centers in Franklin County which represents 9 child care centers per 1,000 children under the age of 5. In comparison, in Holmes County, there are 10 child care centers, equating to 3 child care centers per 1,000 children under the age of 5. Through the committee process and testimony from multiple individuals in diverse parts of the state, it became apparent that targeted, specific strategies are needed to incentivize providers to begin or remain in business – particularly in Ohio's underserved areas. More data is also needed to quantify the number of families needing child care to help ascertain the full extent of supply and demand gaps.

Lack of access to affordable, quality, conveniently located child care remains a key reason why many Ohioans who left the workforce during the pandemic have not returned according to a recent Groundwork Ohio survey. Sixty percent of non-working or part-time working moms with children under age five in Ohio would go back to work or work more hours if they had access to quality child care at a reasonable cost.⁴

- **Reducing Administrative Burdens and Increasing Business Supports**

In an already strong labor market, it was cited during testimony to the committee that administrative and programmatic burdens have been another deterrent to more providers entering the sector, particularly home providers. Duplicative paperwork, difficulty navigating system requirements and technology, and inconsistent compliance evaluation processes were just some of the areas often mentioned as barriers.

Additionally, while in the industry because of their passion for serving children, several family home providers and center-based providers cited the need for more business skills, staff training and access to shared services to help them sustain a profitable operation and navigate PFCC/SUTQ requirements. While more work is needed, ODFJS and ODE have made significant changes to both the PFCC and SUTQ systems as the committee has met over the past year to attract new and assist existing providers by eliminating some of these cumbersome requirements.

³ OCCRA, Annual Report. 2021, p. 2.

⁴ Groundwork Ohio Statewide Survey, Public Opinion Strategies, 7 December 2021, p. 5.

ODJFS, in conjunction with partners such as the Ohio Child Care Resource and Referral Association, has also conducted extensive focus groups and studies to identify and strengthen skills training to help providers with all aspects of their business, as well as other resources. The continued reduction of these administrative burdens on the part of ODJFS and ODE will help create a better path to increase the number of providers seeking to enter and remain in this challenging sector.

- **Lack of Data and Resource Coordination**

Witnesses frequently cited the lack of data available for answers when questioned during committee hearings. Legislators and other policy makers must be equipped with comprehensive, current and long-range data in order to make informed policy decisions. Such qualitative and quantitative data is needed to effectively evaluate the long-term impact of Ohio's SUTQ star rating system, early learning and child care investments. Data and cost modeling are also imperative to continue tracking and predicting the long-term financial sustainability of both publicly funded child care and Step Up to Quality.

Other states, such as Iowa, have comprehensive integrated data systems that educate and inform policymakers in the child care and early learning space. While isolated data exists in multiple Ohio agencies and limited data is contained in the state's Innovate Ohio platform, much more work needs to be done to ensure more robust collection, integration and improved access of meaningful data to drive policy in this arena.

Additionally, many resources are currently available to prospective parents in the market for child care on state, county, and child care resource and referral agency sponsored websites, but families can't always find them. While the state has helpful resources such as www.boldbeginning.ohio.gov or www.childcaresearch.ohio.gov among others, they cannot reach their full utilization potential if the public is not aware of or can't easily locate the resources.

- **Long-Term Funding Sustainability**

One of the core underlying challenges legislators and state policymakers must continue to address is the looming funding cliff for the PFCC system. As of 2018, Ohio was spending a larger portion of its Temporary Assistance to Needy Families budget on child care than 46 other states. That same year, ODJFS released its first TANF spending plan demonstrating that funding child care through the TANF Sustainability Fund will no longer be sufficient by state fiscal year 2024.

Throughout the last state operating budget and continuing through the work conducted by this committee, ODE and ODJFS have provided up-to-date funding data and sustainability projections. An infusion of one-time federal pandemic relief dollars have helped bring urgent reinforcement to providers facing dire circumstances, delaying the pending fiscal cliff. However, ODJFS estimates from April 2022 show that once all potential ARPA discretionary child care allocations are exhausted, the TANF Sustainability Fund could go into a deficit in SFY2027.

Additionally, this study committee has documented the glaring report from providers that Ohio's existing market-rate reimbursement methods are not always enough to cover their costs – and may need adjusted to ensure providers are willing to stay in the PFCC system. The fact remains that additional funding streams must be identified to ensure the long term sustainability of Ohio's PFCC system once TANF funds run out. Moving forward, it is imperative that decision-makers have accurate, robust data and cost modeling to continue tracking and providing for the long-term financial sustainability of Ohio's publicly funded child care system and Step Up to Quality program.

In the pages of this report, the committee’s findings outline facts and recommendations future policy makers can pursue in the next Ohio General Assembly and beyond. It is imperative that Ohio continues to find resources and solutions to meet the challenges of supporting early childhood learning and quality child care – for both the workforce of today and the developing young workforce of tomorrow.

This report would not have been possible without the dedication and thoughtful contributions of Committee members and dozens of Ohio parents, child care providers, interested parties and staff who willingly shared their knowledge, experiences and ideas to spark these recommendations for change. A full list of witnesses and testimony presented to the Committee is included in Appendix A of the report.

We are grateful for everyone who contributed to this process and for the steadfast support Ohioans provide for the care and early learning of our youngest citizens and their families. The investments made today will yield great dividends not only for our children’s future trajectory, but our state’s ultimate success.

Note on Committee Hearings and Information:

Prior to December 14, 2022, the study committee has held eight public hearings. Information presented in this report is primarily based on presentations made to the committee during those hearings. Facts, figures, and information not available in these presentations are cited within the report. More information, including copies of committee testimony, are available at <https://ohiosenate.gov/committees/study-committee-on-ohios-publicly-funded-child-care-and-step-up-to-quality-program> and at <https://ohiohouse.gov/committees/study-committee-on-ohios-publicly-funded-child-care-and-step-up-to-quality-program/meetings>.

A full list of witnesses and testimony presented to the committee is included in Appendix A of the report.

III. Study Committee Recommendations

1. Complete a thorough review of all existing SUTQ standards to identify areas of improvement and make changes to enhance child outcomes, while removing unnecessary administrative barriers to system participants. ODJFS and ODE should continue to reduce administrative burdens and enhance/streamline efficiencies to attract and retain a strong sector of quality early learning and child care providers.

- Agency reviews should include, but not be limited to, engaging stakeholders and national expert(s), re-evaluating study data to make sure standards are meeting intended results (staff/child interaction and Administrator excellence), impact on kindergarten readiness, requirement for ratings for specific programs, flexibility of standards for programs, and better alignment with accreditations or credentials across recognized early childhood organizations.
- Re-evaluate and align Star levels and reimbursement incentives to correspond with improved/changed standards to promote quality incentives that add value for children.
- Consideration should be given for providing alternate pathways to gaining higher star ratings for Type A and B providers, leveraging years of experience and demonstrated/assessed knowledge bases.
- All online and printed materials on PFCC/SUTQ standards and requirements should be reviewed and streamlined to increase ease of use, with separate onboarding sections for child care centers and home providers.
- Develop a continuous improvement plan for PFCC/SUTQ to support ongoing evaluation and future changes to the system as necessary.
- Remove redundancies and inefficiencies in paperwork and information requirements between licensing and the PFCC/SUTQ application and reapplication each year; for reapplication, only require updated information for any fields that changed and confirm information is still valid.
- Allow community partner forms to be completed at the beginning of a partnership and signed when the partnership ends, rather than yearly.
- If necessary, add fields to paperwork requirements to help providers identify students with special needs.
- Set a timeline in which SUTQ application/certification must be acted on by state agencies to decrease processing and rating time.
- Allow reciprocity for requirements (and standards as indicated above) that meet or exceed SUTQ for programs, such as Head Start or other nationally accredited programs, considering national benchmarks.
- Explore additional opportunities to align ODJFS and ODE duplicate standards/requirements with Pre-K and Early Child care. When an ODE duplicate documentation or requirement exists, allow schools to use existing ODE system for compliance with SUTQ where feasible.
- Allow PFCC authorization to extend to the first day of kindergarten.
- Allow for “cure periods” or more flexible deadlines for providers falling short on non-safety related program requirement compliance, including documentation, and at risk of losing their star rating.
- Refine rules and training for SUTQ inspectors to ensure there is consistency in practice and application across inspectors and across the state.
- Create evaluation system to survey providers after SUTQ inspections to improve accountability for inspectors, enabling appropriate appeals when applicable prior to termination.
- Give county JFS organizations reasonable advance notices of provider termination agreements to allow them time to work with families to find alternative child care arrangements.

2. Create an exemption for Family Child Care Home providers enrolling a low amount of children receiving PFCC from being required to be rated under SUTQ.

- To reduce the administrative burden while maintaining existing PFCC providers and encouraging others to serve the population, ODJFS and ODE should utilize best practice expertise to determine a 10 to 20 percent maximum

exemption percentage for Type A and Type B Family Child Care Home programs that serve a small number of PFCC families, allowing them to receive the base rate for reimbursement without participating in SUTQ. The departments should evaluate this exemption to determine if additional children are being served.

- Exemption process should involve county JFS entities and inspection requirements should be established for exempt providers to ensure quality.
- The departments' role in supporting programs toward participation in Step Up to Quality should continue to evolve to meet provider needs, including providing access to training options and technical assistance.

3. ODJFS should use data, including national best practices, and market research and conditions, to explore different payment structures for PFCC – starting with paying on enrollment rather than attendance. Additional payment structures to explore could include paying based on a weekly minimum attendance of 1 – 2 days/week; paying a split rate that includes a base for enrollment and hourly for attendance; and changing payment type categories.

- Guidelines and safeguards for an enrollment-based system should link continued and future eligibility and copay rates to actual attendance to incentivize parent/child participation.
- ODJFS should review and possibly adjust attendance standards for parents to meet and should allow parents/guardians a grace period for job searching to enable them to retain their child's spot with part-time hours during a temporary job loss (with accountability requirements built in).
- ODJFS should conduct its review of these possible adjustments and provide its recommendations to the Legislature.

4. Provide optional shared services and business development resources based on feedback of child care providers to assist them in creating a sustainable business, leveraging and utilizing existing state and local business and entrepreneurial supports.

- ODJFS should work with an outside vendor(s) to fund and provide software and related training and/or technical assistance to child care programs – helping them determine optimal operating capacity, effectively manage their business, achieve cost savings through economies of scale and recruit workers, as well as other business solutions supports.
- ODJFS should work with child care programs and stakeholders to determine additional supports that are needed and may be provided through shared services alliances in the local community or the Resource and Referral Centers. (Examples could include family outreach training, creating advertising materials, finding families who need services, etc.)

5. Urgent action is needed to increase professionals entering the field, not only to fill the available PFCC slots, but to enable all families to access quality, affordable child care. Address the early care and education workforce crisis through a comprehensive strategy involving Ohio Departments of Development, Higher Education, local colleges and universities, and high schools to build pathways with a pipeline to fill critical jobs. Recommendations which should be explored and implemented include:

- The Legislature should explore revising the state statute which prohibits individuals seeking teacher licensure from being paid and/or completing student teaching requirements where they work – which will not only benefit students, but providers who lose workers while teaching requirements are obtained elsewhere.
- Leverage and expand current programs for students entering in-demand and critical jobs within state agencies, schools, colleges and universities, and create new programs to provide incentives for students entering the early childhood learning sector. This could include, among other options, studying the feasibility of a micro credential-type program, expanded scholarships, tuition reimbursement and tax credits (or loan forgiveness earned over time for those who pursue higher education and then work a required number of years in an HHS field.)

- Expand partnerships with local high schools, career tech centers, community colleges, universities and businesses to create early learning career pathways, apprenticeships, degree programs and other avenues to credential and degree attainment. Some examples: Implementing the Career Compass program to support individuals starting in high school and providing a career ladder through child care, while pursuing a degree in a health and human services field; Creating articulation for credentials to count toward college credit, or coursework to count toward credentialing.
- Examine content and contact hours for all professional development and training required to begin working in a program. Explore more ways to apply past education and professional development or applicable college coursework to determine alternative ways to “count” toward requirements.
- Explore increased state investments in TEACH Early Childhood Ohio and POWER Ohio programs to support and retain professionals pursuing child development associate and post-secondary degree attainment.
- Study the feasibility of expanded scholarships, tuition reimbursement, tax credits (or loan forgiveness earned over time) for those who pursue higher education and then work a required number of years in an HHS field.
- Explore and leverage opportunity for shared service initiatives and group pools, even across industries, to help providers to provide health insurance to workers to reduce low wage and Medicaid barriers.

6. Identify and develop business strategies specifically designed to address identified areas of greatest need where the demand for child care outpaces the supply and, in general, consider more provider incentives and supports to help providers remain, re-enter, or enter the field. Continue to engage the business community and others in local partnerships to support and expand child care programs in underserved areas.

- The state should explore funding and programmatic requirement change options to enable schools and other child care providers in areas with a considerable shortage of child care options to more fully and flexibly be utilized to meet this gap.
- The state should consider developing and funding a grant program or other financial options for incentivizing for providers to enter or re-enter the field, providing resources for equipment, curriculum and other supports. ODJFS should look to previous or existing programs that the Department of Development and other state agencies have used to incentivize other in-demand/critical sectors for ideas to leverage and replicate.
- The state should inventory existing owned facilities and explore retrofitting to provide site-ready options for child care providers to locate – charging minimal rent for facilities.
- Provide funding opportunities and targeted tax credits for providers to help reduce overhead and cover costs for certain required professional development courses or certifications similar to TechCred investments (CPR, communicable disease training, child abuse training, etc.).
- Require that all policy updates, standards, and guidance be made available on one simple landing page so providers and staff can easily access instructional opportunities on their own time.

7. Continue to engage the business community and others in local partnerships to support and expand child care programs, particularly in underserved areas.

- Create a comprehensive strategy, including funding incentives and an Employer Toolkit, to educate and incentivize businesses and other local partners to invest in providing on-site child care, expand employee child care benefits and other options.
- Once guidelines or strategy is established, ODJFS and other agencies and organizations can work with stakeholders to establish partnerships and connections between child care providers and private companies. Just some of the benefits include enabling providers to cut costs and increase staff salaries, increase access to child care for the business employees, reduce employee time off due to child care issues and increase early learning and preparation for the workforce of tomorrow.

8. Move Ohio forward in the state’s ability to make data-driven policy decisions impacting early childhood needs, learning, programs and supports. This starts with the inclusion of early childhood information into the Innovate Ohio Platform so that data can be accessible to the public and policy makers to inform policy decisions. A fully integrated data system which crosses systems and programs between social service, developmental disabilities, health and education agencies will equip stakeholders with the information needed to make systemic improvements and to address targeted early childhood needs.

Additionally, ODJFS should continue to support and enhance childcaresearch.ohio.gov in order to better support families seeking access to PFCC slots. Finally, continue to support and enhance the data dashboard within the Ohio Professional Registry to continue using professional employment data to inform policy, relief initiatives, and rebuilding efforts.

- ODJFS should solicit input from families, Type A and B and center-based child care providers, child care resource and referral centers, and advocates to create effective strategies that support additional optional connections between families seeking access to PFCC and providers who serve those families.

9. Continued focus will be needed on improving access, increasing workforce participation and sustainability over time. ODJFS and ODE should continue to model and share long-term financial projections on anticipated revenue and expenditures for the state’s child care system, with consideration toward ensuring reimbursements cover providers’ costs of doing business, while continuing to incentivize providers reaching a higher quality rating.

- Study the feasibility of basing reimbursement rates on an actual cost model vs. market rate, including an inflationary measure to maintain a necessary floor of income to the provider to cover business costs.
- Study the feasibility of basing reimbursement rates on a higher percentile of market rate.
- Where able, make changes to allow the “layering” or “braiding” of multiple private and public investments/funding streams.
- As data becomes available, explore funding structure for SUTQ providers tied to child outcomes with Kindergarten and Third Grade to encourage high-attaining schools and teachers.
- Explore funding formula incentives to providers to create more time slots for 2nd and 3rd shift and other non-traditional hours for parents.
- Study and provide data on how many workers are accessing and potential workers not accessing publicly funded child care due to the starting Federal Poverty Level eligibility rate (142%) and ending rate (300%) to determine barriers and explore potential solutions. Based on findings, cost model increases to the FPL to determine impact on Ohio families and available PFCC slots.
- Explore providing grants to invest in and incentivize new and returning providers in child care deserts, as well as recruiting and retaining child care workers.

IV. Background on Child Care in Ohio

Overview

The state of Ohio provides subsidized child care to assist income-qualified parents who are engaged in the workforce, school, or job training program. Quality child care is provided by multiple types of operators, including licensed child care centers, Type A (7-12 children) and Type B (1-6 children) family home child care settings, and through preschool and school age programs. Each licensed provider must comply with necessary health and safety standards. Child care centers, Type A programs, and preschools must be licensed to perform child care services. Type B and school-age programs must also be licensed if receiving public funding. The state also requires that, as of September 2020, a licensed provider must be rated under the Step Up to Quality program in order to participate in the state's publicly funded child care (PFCC) program.

Publicly funded child care is provided via a combination of money from federal Child Care and Development Fund (CCDF) grants, Temporary Assistance for Needy Families (TANF), and state expenditures. The process to apply for and receive PFCC currently includes the following steps: eligible families choose a state regulated program that fits their needs and apply for funding assistance; that application is reviewed and approved by the county job and family services agency; the provider signs a provider agreement for PFCC with the Ohio Department of Job and Family Services (ODJFS) and the eligible family is authorized to a provider with an agreement. The state then pays the child care provider directly for the time in which that family's children attend and receive child care.

Programs are regulated by ODJFS or the Ohio Department of Education (ODE). Families who are enrolled in Ohio Works First (OWF) or are at or below 142% of the federal poverty level (or 150% of the federal poverty level for families of a child with special needs in need of child care) are generally eligible to participate in the program, and may remain in the program on a graduated sliding scale until they reach 300% of the federal poverty level.

Step Up to Quality (SUTQ) is Ohio's quality rating and improvement system for licensed early learning and development programs. Programs are rated one to five stars based on their adherence to the quality standards set for each star level rating. Qualifying programs have an increased base rate that is 4% higher than non-rated programs. Additionally, such programs receive an enhancement above their SUTQ rated base payment rate depending on the star level attained, ranging from 5% for a one-star rating to 35% for a five-star rating. The Step Up to Quality program is jointly administered by ODJFS and ODE.

History

Federal law requires that each state expend money on quality activities as part of their Child Care and Development Block Grant (CCDBG) funding. The reauthorization of the CCDBG Act in 2014 added required activities for states to improve the quality of child care services for all children, including developing and implementing a tiered Quality Rating and Improvement System (QRIS). Ohio, along with other states, first began development of a QRIS after passage of the Child Care and Development Block Grant Act of 1990. Ohio was one of the first states to do this.

Ohio adopted a statewide tiered QRIS for licensed child care providers in 2006, called Step Up to Quality, which was initially a voluntary rating system for licensed child care programs established by rule⁵. Participation in the program made a child care center eligible for grants, technical support, training, and other assistance. Providers were also

⁵ Ohio Administrative Code, Chapter 5101:2-17.

eligible for monetary awards for maintaining their quality rating. In 2012, S.B. 316 of the 129th General Assembly established a new requirement that all publicly funded child care providers participate in SUTQ by July 1, 2020. Also in 2012, H.B. 487 of the 129th General Assembly required early childhood education programs be SUTQ-rated by July 1, 2016, and that special education programs for preschool children with disabilities run by school districts, education service centers, or county boards of developmental disabilities be rated by July 1, 2018.

Additional updates to the SUTQ program have occurred since 2012. H.B. 64 of the 131st General Assembly codified the program in the Ohio Revised Code⁶ and required it be jointly administered by JFS and ODE. H.B. 64 further required that Type A homes and child care centers providing publicly funded child care be highly rated by June 30, 2025. “Highly rated” was determined to be rated in at least the third highest tier in Step Up to Quality, meaning they receive at least three stars. Revisions to the program were made in H.B. 166 of the 133rd General Assembly. H.B. 166 removed the requirement that approved child day camps and certified in-home aides be rated under SUTQ in order to participate in publicly funded child care, and added further exemptions from the requirement to participate in SUTQ for publicly-funded providers.

H.B. 197 of the 133rd General Assembly delayed the requirement for licensed providers receiving public funding to be rated under SUTQ from July 1, 2020 to September 1, 2020. H.B. 110 of the 134th General Assembly subsequently removed the requirement that licensed providers receiving public funding be highly rated (at least three stars) by the end of June 2025. Early learning and development programs must still be rated in SUTQ in order to participate in publicly funded child care.

⁶ Ohio Revised Code, Section 5104.29, <https://codes.ohio.gov/ohio-revised-code/section-5104.29>.

V. Snapshot of Program Information

As part of its statutory obligation, House Bill 110 directed the study committee to evaluate all of the following:

- (1) The number of children and families receiving publicly funded child care;
- (2) The number of early learning and development programs, as defined in section 5104.29 of the Revised Code, participating in the Step Up to Quality Program administered by the Ohio Department of Job and Family Services and providing publicly funded child care;
- (3) The number of child care providers licensed by the Ohio Department of Job and Family Services;
- (4) Funding sources for both publicly funded child care and the Step Up to Quality Program;
- (5) The long-term sustainability of those funding sources;
- (6) Eligibility levels for publicly funded child care, including the levels at which families may lose their eligibility;
- (7) Issues regarding access to publicly funded child care and quality-rated early learning and development programs;
- (8) The administrative burdens that result from obtaining and maintaining a quality rating;
- (9) Alternative criteria by which a child day-care center or family day-care home that enrolls a low census of children receiving publicly funded child care may obtain a one-star rating in the Step Up to Quality Program;
- (10) The manner in which the Department of Job and Family Services establishes reimbursement ceilings for publicly funded child care, including through the use of market rate surveys.

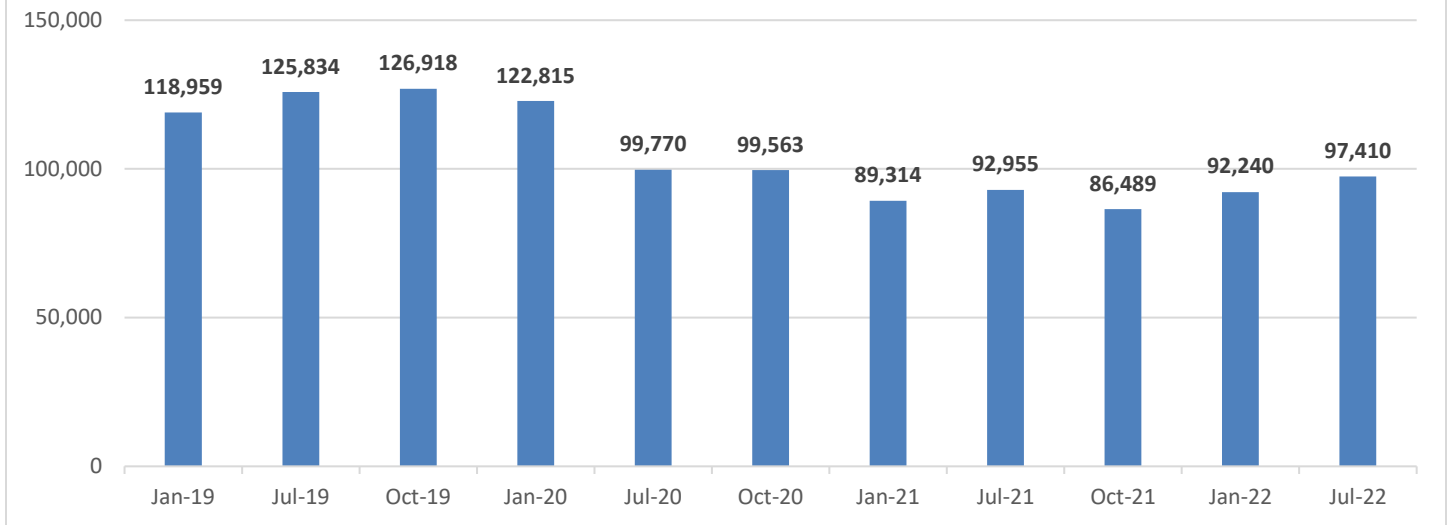
(1) The number of children and families receiving publicly funded child care:

ODJFS estimates that in July 2022, 115,950 children were authorized to receive publicly funded child care through a child care center, Type A, or Type B home. The number of authorized children increases to 115,950 when all programs under ODJFS and ODE, day camps, in-home aides, and out of state registrants are included. Furthermore, 97,410 children utilized PFCC in July 2022 at a child care center, Type A, or Type B home. When including all programs under ODJFS and ODE, day camps, in-home aides and out of state registrants, ODJFS estimates that 98,301 children received PFCC in July 2022. ODJFS estimates that a total of 53,651 families were authorized to receive PFCC in July 2022 (data on utilization by family is not yet available for July 2022).

ODJFS was also able to provide the committee expedited processing of October 2022 utilization data. According to the department, 115,797 children were authorized to receive publicly funded child care through a child care center, Type A, or Type B home. The number of authorized children increases to 117,670 when all programs under ODJFS and ODE, day camps, in-home aides, and out of state registrants are included. Furthermore, 94,512 children utilized PFCC in October 2022 at a child care center, Type A, or Type B home. When including all programs under ODJFS and ODE, day camps, in-home aides and out of state registrants, ODJFS estimates that 95,724 children received PFCC in October 2022. ODJFS estimates that a total of 54,349 families were authorized to receive PFCC in October 2022 (utilization data by family is not yet available for October 2022).

Figure One below provides a tri-annual overview of the number of children served in PFCC from January 2019 to July 2022 (information for October 2022 was not available as of the date of this report).

Figure One: Children Served in ODJFS Publicly Funded Child Care Programs



Source: ODJFS

(2) The number of early learning and development programs, as defined in section 5104.29 of the Revised Code, participating in the Step Up to Quality Program administered by the Ohio Department of Job and Family Services and providing publicly funded child care:

ORC Sec. 5104.29(A) defines an “early learning and development program” as having the same meaning as a “licensed child care program” under ORC Sec. 5104.01. Sec. 5104.01(BB) defines a licensed child care program as a child day-care center licensed by ODJFS, a Type A family day-care or Type B family day-care home licensed by ODJFS, and a licensed preschool program or licensed school child program. Licensed preschool and school child programs are licensed by ODE. According to ODJFS, the Department had licensed 6,293 programs in July 2022. This includes 4,036 child care centers, 286 Type A homes, and 1,971 Type B homes. Of these 6,293 programs, 368 providers are exempt from participating in SUTQ but do hold agreements with ODJFS to provide PFCC. The remaining 5,925 centers, Type A, and Type B homes include 4,423 programs with agreements to provide PFCC, and 1,502 programs without an agreement to provide PFCC. 4,276 of those 4,423 providers were also star-rated under SUTQ. A breakdown on star rating is provided below:

- 1 star: 2,331 programs
- 2 stars: 188 programs
- 3 stars: 615 programs
- 4 stars: 344 programs
- 5 stars: 798 programs
- *Total Rated Programs: 4,276 programs*

An important note to these numbers: not all licensed child care providers choose to participate in Step Up to Quality.

(3) The number of child care providers licensed by the Ohio Department of Job and Family Services:

In addition to the 6,293 licensed child care centers, type A and Type B homes outlined in (2) above, in July 2022, ODJFS had also approved 155 day camps and certified 20 in-home aides providing child care in Ohio. A further 1,492 preschool child care programs and 370 school age child care programs were licensed by ODE. According to ODJFS and ODE, 76 of

the 1,492 licensed preschool programs and 55 of the licensed school age child care programs had PFCC provider agreements.

(4) Funding sources for both publicly funded child care and the Step Up to Quality Program:

Publicly funded child care is supported through several funding sources, including funds from the TANF Services Framework, funding from the U.S. Department of Health and Human Services CCDBG, state General Revenue Fund (GRF) support, and dedicated resources earmarked for early learning and development programs. In the current biennium, appropriations were made in five line items. State GRF is appropriated through Appropriation Line Items (ALIs) 600413 (Child Care State/Maintenance of Effort) and 600535 (Early Care and Education). ALI 600689 provides the overall TANF appropriation for the state, a portion of which is used annually for PFCC. Federal child care funding is appropriated through ALI 600617, and Early Childhood Education funding is appropriated through ALI 600696. A breakdown of those amounts for Fiscal Year (FY) 2023 is provided below.

FY23 Appropriation Levels

Total FY23	\$1,629,340,198
Child Care and Development Block Grant	\$506,938,359
TANF Funds	\$307,508,373
State General Revenue Fund	\$235,040,945
Early Childhood Education	\$12,300,000
ARPA Stabilization Provider Grant*	\$567,552,521*

*temporary funding via American Rescue Plan Act—see item (5) for additional detail.

(5) The long-term sustainability of those funding sources:

ODJFS has provided simulations of expected revenue and expenditure levels for PFCC and SUTQ. As discussed in (4) above, Ohio utilizes a combination of CCDBG, TANF, and state GRF support to fund the state’s early learning and development programs. The CCDBG is composed of three funding sources provided by the U.S. Department of Health and Human Services, as well as two required state contributions in the form of a state match that draws down federal reimbursement based on the Federal Medical Assistance Percentage (FMAP) rate, and maintenance of effort (MOE). In FY23, Ohio’s federal CCDBG is \$333,649,770, reflective of an \$18 million increase in the American Rescue Plan Act (ARPA). The state match for federal reimbursement is approximately \$25.1 million. Ohio’s MOE for the CCDBG in FY23 is approximately \$45.4 million—this can also be used toward the state’s TANF MOE.

Ohio’s TANF Services Framework revenue comes from three sources: the federal TANF Block Grant, TANF Sustainability Fund, and MOE resources. Ohio’s federal TANF Block Grant is \$725.6 million per year. Ohio’s TANF Sustainability Fund includes prior-year TANF Block Grant Funds and holds approximately \$680.7 million in FY23. Ohio’s MOE resources stand at \$416.9 million per year and serve as the state’s response to federal law requiring states to contribute non-federal resources for programs for low-income families; this includes \$149.3 million in GRF from ALI600410 and over \$300 million in other allowable expenditures for TANF-eligible families through programs and activities that further a TANF purpose⁷. Total TANF funding in FY23 (in the form of actual non-obligated available cash within TANF) is \$874.8 million. This is a combination of the state’s TANF Block Grant and the state’s GRF-backed TANF State MOE.

⁷ ODJFS reports that the state generally reports over \$300 million in “other” expenditures toward the TANF MOE, from funds such as Early Childhood Education under ODE, Early Care and Education under JFS, Second Harvest Food Banks, and other programming.

Additional federal funds targeted toward child care were provided to the states as a result of the COVID-19 pandemic. ARPA included approximately \$1.3 billion in increased funding to Ohio to stabilize the child care industry. As of the date of this report, designated funding of \$799.8 million in child care stabilization grants awarded to Ohio by ARPA has been appropriated by the General Assembly, while approximately \$500 million in discretionary funds have not been appropriated. Appropriated stabilization grants are currently being expended by ODJFS to providers with a focus on stabilization, workforce and personnel costs, mental health supports, good and services, access development, and administrative supports, and are being implemented in three phases.

According to ODJFS at the committee’s September 28th, 2022 hearing, phases one and two of the ARPA stabilization grants are nearing completion, and phase three opened in July 2022; \$437.3 million has been issued to 5,864 eligible providers. The stabilization grants were required to be obligated by September 30, 2022, and liquidated by September 30, 2023. The supplemental discretionary grants must be fully obligated by September 30, 2023 and liquidated by September 30, 2024.

Figure Two below shares ODJFS’ latest PFCC estimated framework without the discretionary ARPA appropriation. Figure Three provides the same PFCC framework, but includes the discretionary ARPA appropriation.

Figure Two: PFCC Services Framework, Without Inclusion of ARPA Discretionary Grants

	SFY2022	SFY2023	SFY2024	SFY2025
Revenue:				
Child Care – Federal Line Match	\$ 146,281,296	\$ 338,595,347	\$ 482,721,370	\$ 448,198,789
American Rescue Plan & Match	\$18,009,486	\$ 18,009,486	\$ 18,009,486	\$ 18,009,486
CRRSA	\$ 157,399,852	\$ 110,377,162	\$ -	\$ -
Title XX – Federal Resource	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000
TANF – Federal Resource	\$ 229,631,211	\$ 229,631,211	\$ 229,631,211	\$ 229,631,211
Child Care – State Resources	\$ 237,046,980	\$ 247,340,945	\$ 247,340,945	\$ 247,340,945
Total Revenue:	\$ 792,868,825	\$ 948,454,151	\$ 982,203,012	\$ 1,017,025,791
Expenses:				
Provider Payments	\$ 699,155,814	\$ 854,266,832	\$ 888,489,972	\$ 923,312,781
County Payments:	\$ 19,100,000	\$ 19,100,000	\$ 19,100,000	\$ 19,100,000
Program & Operations	\$ 74,613,011	\$ 75,087,319	\$ 74,613,040	\$ 74,613,010
Total Expenses:	\$ 792,868,825	\$ 948,454,151	\$ 982,203,012	\$ 1,017,025,791

Source: ODJFS

Figure Three: PFCC Services Framework, With Inclusion of ARPA Discretionary Grants

	SFY2022	SFY2023	SFY2024	SFY2025
Revenue:				
Child Care – Federal Line Match	\$ 146,281,296	\$ 270,610,995	\$ 264,309,702	\$ 380,728,994

American Rescue Plan & Match	\$ 94,874,486	\$ 85,993,838	\$ 236,421,154	\$ 154,824,641
CRRSA	\$ 157,399,852	\$ 110,377,162	\$ -	\$ -
Title XX – Federal Resource	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000
TANF – Federal Resource	\$ 229,631,211	\$ 229,631,211	\$ 229,631,211	\$ 229,631,211
Child Care – State Resources	\$ 237,046,980	\$ 247,340,945	\$ 247,340,945	\$ 247,340,945
Total Revenue:	\$ 869,733,825	\$ 948,454,151	\$ 982,203,012	\$ 1,017,025,791
Expenses:				
Provider Payments	\$ 776,020,814	\$ 854,266,832	\$ 888,489,972	\$ 923,312,781
County Payments:	\$ 19,100,000	\$ 19,100,000	\$ 19,100,000	\$ 19,100,000
Program & Operations	\$ 74,613,011	\$ 75,087,319	\$ 74,613,040	\$ 74,613,010
Total Expenses:	\$ 869,733,825	\$ 948,454,151	\$ 982,203,012	\$ 1,017,025,791

Source: ODJFS

Figure Four below provides the most recent JFS forecast for TANF spending from state fiscal years 2022-2025. Figure Five then shows the projected TANF Sustainability Fund balance for state FY2026-2028, both with and without the appropriation of discretionary funds granted by ARPA. Figure Five highlights the point at which the state will have insufficient means to support projected expenditures.

Figure Four: TANF Services Framework for SFY2022-SFY2025 (as of July 2022)

	SFY2022 (preliminary actual)	SFY2023 (estimate)	SFY2024 (estimate)	SFY2025 (estimate)
Revenue:				
TANF – Federal Block Grant	\$725,565,965	\$725,565,965	\$725,565,965	\$725,565,965
TANF Sustainability Fund Balance	\$766,961,865	\$680,738,140	\$566,767,671	\$580,544,292
MOE Resources	\$404,258,845	\$456,275,745	\$453,945,150	\$451,246,320
Total Revenue	\$1,896,786,674	\$1,862,579,850	\$1,746,278,785	\$1,757,356,577
Expenses:				
Publicly Funded Child Care – TANF	\$349,305,590	\$303,008,373	\$229,631,211	\$298,976,571
Publicly Funded Child Care – MOE	\$187,689,814	\$177,593,160	\$175,262,565	\$172,563,735
Local Admin and Program Funding	\$257,958,794	\$279,116,401	\$249,566,401	\$249,566,401
Ohio Works First Cash Assistance	\$203,677,192	\$245,055,893	\$245,055,893	\$245,055,893
Ohio Association of Food Banks	\$22,050,000	\$22,050,000	\$22,050,000	\$22,050,000
Kinship Care Services	\$7,834,048	\$10,000,000	\$10,000,000	\$10,000,000
JFS Administration	\$29,256,571	\$56,464,097	\$50,811,568	\$51,010,861

Child Welfare Initiatives	\$6,306,296	\$7,750,000	\$7,750,000	\$7,750,000
Earmarks	\$23,579,994	\$18,917,400	\$ -	\$ -
NON-JFS MOE Claim	\$48,727,392	\$93,015,259	\$93,015,259	\$93,015,259
Title XX Transfer	\$66,556,596	\$66,556,596	\$66,556,596	\$66,556,596
GOFBCI / Fatherhood Commission	\$13,106,247	\$16,285,000	\$16,035,000	\$16,035,000
Total Expenses	\$1,216,048,534	\$1,295,812,179	\$1,165,734,493	\$1,232,580,316
TANF Sustainability Fund Balance	\$680,738,140	\$566,767,671	\$580,544,292	\$524,776,261

Source: ODJFS

Figure Five: Estimated TANF Sustainability Fund Balance, SFY2026-SFY2028 (as of April 2022)

	SFY2026	SFY2027	SFY2028
With ARPA Discretionary Child Care allocation	\$364,066,166	\$179,712,989	(\$161,040,731)
Without ARPA Discretionary Child Care allocation	\$64,382,838	(\$241,461,361)	(\$582,215,081)

Source: ODJFS

(6) Eligibility levels for publicly funded child care, including the levels at which families may lose their eligibility:

The eligibility levels for children to be served by publicly funded child care are referenced in Figure Six below. This includes the “intake” level at which children in families at or below this level qualify for PFCC, and the “outtake” level at which participating children are no longer eligible to be served by PFCC. Figures for the current operating biennium are projections.

Figure Six: Eligibility Levels for PFCC, FY2004-FY2023

Effective Date	Intake	Outtake	Children Authorized (by state FY)
7/17/2003	150%	165%	FY2004: 95,408 FY2005: 85,351
7/01/2005	185%	186%	FY2006: 89,770 FY2007: 93,397 FY2008: 95,606
7/01/2008	200%	201%	FY2009: 97,385
7/01/2009	150%	200%	FY2010: 103,169 FY2011: 107,865
7/01/2011	125%	200%	FY2012: 113,325 FY2013: 117,893 FY2014: 116,077 FY2015: 115,360 FY2016: 117,625 FY2017: 118,764

7/01/2017	130%	300%	FY2018: 117,123 FY2019: 114,798
FY2022/2023	142%	300%	FY2022 projected: 117-120,000 FY2023 projected: 119-122,000

Source: ODJFS

(7) Issues regarding access to publicly funded child care and quality-rated early learning and development programs:

The committee heard testimony about some of the core factors that have led to serious child care issues in Ohio. The Corporation for Ohio Appalachian Development (COAD) and 4C for Children, along with other witnesses, informed the committee that one issue affecting access stems from providers operating at lower enrollment due to a lack of available staff. At the committee’s May 2022 meeting, COAD highlighted lack of child care supply as an issue affecting access to publicly funded child care and quality-rated early learning development programs. In the 31 counties served by COAD, there were 15% fewer type B child care homes than existed one year previously. In a COAD survey in March 2021, 88% of large employers located in COAD’s region reported that a lack of child care had a negative impact on their business. In a 2021 survey of Southwest Ohio (Butler, Clermont, Hamilton, Warren, and Clinton counties) conducted by 4C for Children, survey results found that child care programs in that area had lost over 230 classrooms because 344 teachers were no longer in those programs. This staffing decline had a compounding effect of a loss of over 2,600 child care slots. This loss was likely more significant due to the fact that the survey only had a 40% response rate.

Data presented to the committee by the Early Childhood Education Alliance in March 2022 stated that child care centers were operating at only 66% of the enrollment of their licensed capacity. Additional testimony provided at the May 2022 meeting by New Systems Ethic, Inc. identified staff turnover and churn as significant factors within its analysis of Ohio’s early childhood education workforce between 2019 and 2021. In an industry with already high staff turnover and stagnant wages compared to pre-COVID numbers, staffing shortages have remained persistent post-COVID.

Another important factor that causes accessibility issues is the increasing cost of child care, which has been further amplified since the COVID-19 pandemic. At the committee’s June 2022 meeting, Groundwork Ohio shared the results of a 2021 survey finding that of those surveyed, 60% of non-working or part-time working mothers with children under the age of five in Ohio would go back to work or work additional hours if they had access to quality child care at a reasonable cost, and 43% of Ohio families surveyed indicated they had had to cut back on their hours of work to care for children since the pandemic. Groundwork’s survey found that 75% of surveyed parents with children under five believe that child care is expensive where they live.

The committee also continually heard about areas of the state where child care demand is outpacing supply. This was highlighted in a report released by The Council for a Strong America in January 2021 that found that 60% of rural Ohioans were estimated to be living in a child care “desert,” which was defined as any census tract that contains either more than 50 children under age 5 where no child care providers are available, or three times as many children as licensed child care slots. Furthermore, the report estimated that 39% of overall Ohioans are living in a child care desert⁸. The committee was informed by the Knox County Area Development Foundation at its May 2022 meeting that data they

⁸ Council For A Strong America, “Early Childhood Programs’ Scarcity Undermines Ohio’s Rural Communities Report,” January 2021, p. 5-6, <https://strongnation.s3.amazonaws.com/documents/1250/d77a0588-bf2f-4f9f-ba19fafadba1e175.pdf?1610545675&inline;:22Early%20Childhood%20Programs%E2%80%99%20Scarcity%20Undermines%20Ohio%27s%20Rural%20Communities.pdf%22>.

reviewed from the American Communities Survey (ACS) indicated that 94,258 current stay-at-home family members in Ohio would choose to find employment if those individuals had access to affordable quality child care.

(8) The administrative burdens that result from obtaining and maintaining a quality rating:

The state, as a result of the 2014 reauthorization of the CCDBG, has implemented quality standards for providers participating in SUTQ beyond the minimum health and safety requirements in place to become a licensed child care provider⁹. A licensed provider that participates in PFCC must complete a provider agreement with ODJFS; a provider that will also seek to be rated under SUTQ must comply with requirements under the following categories:

- Curriculum and planning
- Child screening and assessment
- Interaction and environment
- Staff supports
- Program administration
- Staff management
- Staff education
- Professional development
- Transitions
- Communication and engagement

Figure Seven below references the current breakdown determining star ratings for providers.

Figure Seven: High-Level Summary of Provider Requirements, by Star Level

	1-star	2-star	3-star	4-/5-star
Written transition plan	X	X	X	X
Written Wage Structure	X	X	X	X
Description of professional development plan	X	X	X	X
Community Resource Information	X	X	X	X
Action plan for selecting curriculum	X			
Curriculum Alignment Tool		X	X	X
Family Engagement Activities		X	X	X
Sample transition plan activities		X	X	X
Records Transfer policies		X	X	X
Approved Staff supports		X	X	X
Health and Child Development Information		X	X	X
Development screening tool for children		X	X	X
Self Assessment tool		X	X	X
Continuous improvement plan		X	X	X
Health Referral Process			X	X
Family Education Information			X	X
Development Screening Referral process			X	X
Health Screening Process			X	X
Extra pts for Professional Development				X
Extra Points for Education				X

⁹ Ohio Administrative Code, Rule 5101:2-17-01, <https://codes.ohio.gov/ohio-administrative-code/rule-5101:2-17-01>.

Sub-Domain Points				X
Staff/Child Ratio points				X

Source: ODJFS

The committee was informed by ODJFS at its January 12, 2022 meeting that the Department would soon implement reforms intended to reduce the administrative burden for providers participating in SUTQ. The proposed changes were subsequently implemented by the department on April 15, 2022¹⁰. These reforms are intended to aid newly-licensed providers that are becoming rated and pre-existing providers in maintaining their rating. ODJFS will now utilize a continuous rating process for existing SUTQ-rated providers that will maintain each providers' rating designation, rather than requiring annual renewal or reporting. Modifications to the provider's star rating can still be made based on the annual review by ODJFS staff, but will eliminate the requirement for providers to submit ongoing registration and annual reports to the Department. The department also removed a requirement that programs serving school-age children obtain a school-age curriculum. ODJFS has also reduced the number of forms required for providers based on their star rating. The Department's anticipated paperwork revisions are summarized in Figure Eight below.

Figure Eight: Anticipated Paperwork Requirements for Star-Rated Providers

	Current paperwork requirements	Reduced paperwork requirements
1-Star	11	0
2-Star	24	8
3-Star	38	11
4/5-Star	46	14

Source: ODJFS

Additionally, the committee was informed by ODJFS of work currently underway that may result in increased supports for child care providers. The department is seeking development of child care management software that would offer technical assistance to providers designed to assist them in communications with families and with business supports, including budgeting, reporting, online pay, and other services. ODJFS is also engaging stakeholders regarding a locally-focused shared service pilot intended to determine local providers' needs and create support options for those identified needs. The department is also developing a three-tiered approach to recruitment and retention of early childhood workers that seeks to recruit high school juniors and seniors, enabling them to receive their CDA credential and begin work with a child care provider upon graduation. After graduation, these individuals would be eligible to pursue a degree in the health and human services field utilizing a scholarship intended to retain them within the early childhood or health and human services field.

(9) Alternative criteria by which a child day-care center or family day-care home that enrolls a low census of children receiving publicly funded child care may obtain a one-star rating in the Step Up to Quality Program:

Under current law, a child care center or home-based provider is required to sign a provider agreement with ODJFS in order to receive PFCC, and must ultimately participate in SUTQ. This is required regardless of the number of PFCC-eligible children a provider serves and can create additional administrative burdens both to current providers as well as

¹⁰ Ohio Department of Job and Family Services Child Care Manual Procedure Letter No. 153, "2022 Changes to the Step Up to Quality (SUTQ) Program Reduction of Forms and Continuous Rating," 6 April 2022, [ODJFS eManuals > Family Assistance - Child Care > Child Care Manual > Procedure Letters > CCMPL 153 \(2022 Changes to the Step Up To Quality \(SUTQ\) Program Reduction of Forms and Continuous Rating\) \(ohio.gov\)](#).

prospective providers unwilling to participate in SUTQ. According to ODJFS and ODE, 230 out of 2,163 family child care programs with a provider agreement had utilization under 20% in August 2022—this accounts for 10.6% of programs¹¹.

ODJFS could offer an exemption for Type-A and Type-B family child care home programs that serve a small percentage of PFCC-eligible children. This would allow providers to receive the base rate for PFCC reimbursement, without being required to be SUTQ-rated (the provider would not be eligible for the star-based incentive payment). Implementing this would likely require statutory changes and modifications to the current rule structure.

(10) The manner in which the Department of Job and Family Services establishes reimbursement ceilings for publicly funded child care, including through the use of market rate surveys:

Ohio PFCC rates are determined by a Child Care Market Rate Study conducted approximately every two years. The market rate survey is required under federal law and provides the state with necessary information regarding current market rates for child care programs across Ohio by provider type, child age group, and region. The survey gathers information on rates, enrollment, and barriers to participation in PFCC, and seeks information from child care providers who serve families who pay for child care without financial assistance as well as providers who participate in the PFCC program¹². The information is used in part to establish reimbursement ceilings and payments for PFCC providers, including enhanced reimbursement ceilings for child care providers participating in the SUTQ system. Providers' reimbursement rates vary by the county in which they are located.

Current rates are based on the 2020 Child Care Market Rate Survey, which included 6,401 unique provider locations: child care centers, Type A and Type B family child care homes, approved day camps, and preschool and school age child care programs licensed by ODE¹³. Initial work has begun for the 2022 Child Care Market Rate Survey; ODJFS' vendor contract was approved by the Ohio Controlling Board on April 4th, 2022, and the vendor has begun conducting its survey. The department has indicated it expects to receive data from the survey by the end of November 2022, as of the writing of this report. Information from the 2022 survey will be used to determine reimbursement rates for the following two years.

Current PFCC weekly payment rates were established by ODJFS in Rule 5101:2-16-10 of the Ohio Administrative Code.¹⁴ Each county in Ohio is included within one of three categories. Payment rates vary for providers based on which category their resident county is included within and upon whether that provider participates in SUTQ, as well as the child's age group, whether that child is receiving care full-time, part-time, or on an hourly basis, and on the type of provider.

¹¹ Ohio Departments of Job & Family Services and Education, "ODJFS & ODE Joint Recommendations to the Legislative Committee on Step Up to Quality," p.2.

¹² 2020 Ohio Child Care Market Rate Survey Analysis, "Final Report Draft Prepared for the Ohio Department of Job and Family Services," Strategic Research Group, 28 January 2021, p. 100, <https://jfs.ohio.gov/cdc/docs/2020-Ohio-Child-Care-MRS-Report-FINAL.pdf>.

¹³ 2020 Ohio Child Care Market Rate Survey Analysis, p. 3.

¹⁴ Ohio Administrative Code, Rule 5101:2-16-10 Appendix A, [https://codes.ohio.gov/assets/laws/administrative-code/pdfs/5101/2/16/5101\\$2-16-10_PH_FF_A_APP1_20210322_0854.pdf](https://codes.ohio.gov/assets/laws/administrative-code/pdfs/5101/2/16/5101$2-16-10_PH_FF_A_APP1_20210322_0854.pdf).

VI. Appendix A: Witnesses Testifying Before the Study Committee

Date	Presenter	Topic
12.08.21	<p>Dr. Wendy Grove Director, Office of Early Learning and School Readiness, Ohio Department of Education</p> <p>Mindy Kowalski Assistant Director, Ohio Department of Job and Family Services</p>	<p>In-Depth Briefing: Ohio’s Publicly Funded Child Care System and Step Up To Quality Program</p> <ul style="list-style-type: none"> • Overview of Child Care in Ohio • Ohio’s Publicly Funded Child Care Program • Federal Quality Rating Improvement System (QRIS) • Step Up to Quality, Ohio’s QRIS • Funding Sources and High-Level Funding Summary
1.12.21	<p>Dr. Wendy Grove Director, Office of Early Learning and School Readiness, Ohio Department of Education</p> <p>Mindy Kowalski Assistant Director, Ohio Department of Job and Family Services</p>	<p>Step Up To Quality Program - Assessment</p> <ul style="list-style-type: none"> • Program Original Goals • Results/Metrics/Quality Research In-Depth Review • In-Depth Look at 5-Star System - Review of Requirements, Administrative Burden, Incremental Results, and Expenditures • Current Training and Supports Available for Providers • Then vs. Now Needs Assessment • ODJFS/ODE Current Recommendations For Improvement
2.09.22	<p>Dr. Judy Romano Ohio Chapter of the American Academy of Pediatrics</p> <p>Katie Kelly & Britton Hill Executive Director and Outreach Specialist, PRE4CLE</p> <p>Robyn Lightcap Executive Director, Preschool Promise, Inc.</p> <p>Chara Fisher Jackson Executive Director & CEO, Cincinnati Preschool Promise</p> <p>Angel Rhodes Executive Vice President, Future Ready Columbus</p> <p>Kimberly Tice Executive Director, Ohio Association for the Education of Young Children</p> <p>Dr. Sonia Minnes Research Director, Schubert Center for Child Studies</p>	<p>Invited Stakeholder Testimony</p>
3.16.22	<p>Joy Bivens Deputy County Administrator for Health and Human Services, Franklin County Board of Commissioners</p> <p>Jane Pernicone</p>	<p>Invited Stakeholder Testimony</p>

Director, First Baptist Church Child Care Center, Shaker Heights	
Dr. Rob Fischer Associate Professor, Jack, Joseph and Morton Mandel School of Applied Sciences, Case Western Reserve University	
Meredith Florkey Owner, Ohio Naturally LLC	
Vanessa Freytag President & CEO, 4C for Children	
John Lad Program Officer, Cuyahoga County Office of Early Childhood	
Julie Stone Executive Director, Ohio Head Start Association, Inc.	
Kelly Cain Administrator, Almost Home Daycare	
Julie Thorner President, Mini University, Inc.	
Tiffany Rowland Ph.D. student	
Troy Hunter Program Manager, Ohio State University Nisonger Early Learning Program	
Holly Hankinson Advocacy Director, Women's Fund of the Greater Cincinnati Foundation	
Dr. Elizabeth Hibbs Director, Early Childhood Education Alliance	
Karen Goulandris Board Member, Ohio Association for the Education of Young Children	
Christine Davis Site Manager, Gordon Square Early Learning Center at the Centers for Families & Children	
Emily Penton Manager, Owens Early Learning	
Dr. Joan Spoerl Director, The Literacy Cooperative	
Kaleena Wiseman Director, YWCA of Columbus Early Childhood Center	
Teresa Kobelt Director of Policy, OCALI	
Jeni Hoover Kendal Early Learning Center	

	<p>Chad Wyen Superintendent, Mad River Local Schools</p> <p>Dr. Lisa Courtice President & CEO, United Way of Central Ohio</p> <p>Will Petrik Budget Researcher, Policy Matters Ohio</p> <p>Michelle L. Levero Elementary Principal, New Albany Plain Local Schools</p> <p>Kelsey Bergfeld Director, Advocates for Ohio's Future</p> <p>Lisa Mandelert Self</p> <p>Bobbi Shannon Executive Director of Early Learning, WMCA of Central Ohio</p> <p>Sarah Bishop Director of Child Enrichment Services, Neighborhood Alliance</p> <p>Shaun J. Linton Owner/Administrator, My Place Child Care & School Age Center</p> <p>Scott Raiff Principal & Preschool Director, St. Christopher School</p> <p>Shelly Schenek Principal, Our Lady of Mount Carmel Catholic School</p> <p>Cara Mia Duncan Preschool Director, Corpus Christi Academy</p>	
4.13.22	<p>Michael McCreight Assistant Director, Ohio Department of Job and Family Services</p> <p>MaryBeth Bush Administrator, Mary's Little Lambs Child care and Preschool</p> <p>Trina Averette Self</p> <p>Tarrezz Thompson Self</p> <p>Payge Mays Self</p> <p>Traci Poellnitz Self</p> <p>Rita Wilson Self</p> <p>Bobbi Shannon & Becky Ciminillo</p>	Invited Stakeholder Testimony

	<p>Ohio Association of Child Care Providers</p> <p>Dave Smith President of Ohio Association of Child Care Providers</p> <p>Colin McGinnis CEO, SproutFive</p>	
5.11.22	<p>Melissa Ann Smith Student</p> <p>Kathleen Bryan Self</p> <p>Phyllis Adams Interim Dean, Division of Liberal Arts, Communication & Social Sciences, Sinclair Community College</p> <p>George Goddard Director, Early Care & Education Division, Corporation for Ohio Appalachian Development</p> <p>Chris Ferruso Ohio Legislative Director, NFIB of Ohio</p> <p>Sam Filkins & Julia Suggs Knox County Area Development Foundation</p> <p>Rick Carfagna Senior Vice President for Government Affairs, Ohio Chamber of Commerce</p> <p>Don Upton & Steve Genoway President and Director of Advisory Services & Program Integration, New Systems Ethic, Inc.</p> <p>Kimberly Tice Executive Director, Ohio Association for the Education of Young Children</p>	Public Testimony
6.08.22	<p>Mindy Kowalski Assistant Director, Ohio Department of Job and Family Services</p> <p>Roxane Somerlot Director, Marion County job & Family Services</p> <p>Lynanne Gutierrez Chief Operating & Policy Officer, Groundwork Ohio</p>	Invited Stakeholder Testimony
9.28.22	<p>Mindy Kowalski Assistant Director, Ohio Department of Job and Family Services</p> <p>Dr. Wendy Grove Director, Office of Early Learning and School Readiness, Ohio Department of Education</p>	Update on Administrative Changes and ARPA Funding

VII: Appendix B: Statutory Authority and Committee Membership

The Publicly Funded Child Care and Step Up to Quality Study Committee (the “Study Committee”) was created in statute by Amended Substitute House Bill 110 of the 134th General Assembly.

Pursuant to the Ohio Revised Code Section 307.250:

(A) There is hereby established a study committee to evaluate all of the following regarding both publicly funded child care, as described in section 5104.30 of the Revised Code, and the Step Up to Quality Program, as created by section 5104.29 of the Revised Code:

- (1) The number of children and families receiving publicly funded child care;
- (2) The number of early learning and development programs, as defined in section 5104.29 of the Revised Code, participating in the Step Up to Quality Program administered by the Ohio Department of Job and Family Services and providing publicly funded child care;
- (3) The number of child care providers licensed by the Ohio Department of Job and Family Services;
- (4) Funding sources for both publicly funded child care and the Step Up to Quality Program;
- (5) The long-term sustainability of those funding sources;
- (6) Eligibility levels for publicly funded child care, including the levels at which families may lose their eligibility;
- (7) Issues regarding access to publicly funded child care and quality-rated early learning and development programs;
- (8) The administrative burdens that result from obtaining and maintaining a quality rating;
- (9) Alternative criteria by which a child day-care center or family day-care home that enrolls a low census of children receiving publicly funded child care may obtain a one-star rating in the Step Up to Quality Program;
- (10) The manner in which the Department of Job and Family Services establishes reimbursement ceilings for publicly funded child care, including through the use of market rate surveys.

(B) The committee shall consist of all of the following members:

- (1) The Director of the Ohio Department of Job and Family Services or the Director's designee who has experience in child care oversight;
- (2) The Superintendent of Public Instruction or the Superintendent's designee who has experience in child care or early childhood education;
- (3) Two directors of a county department of job and family services, one appointed by the Senate President and one appointed by the Speaker of the House of Representatives, each with experience in publicly funded child care oversight;
- (4) A home-based child care provider providing publicly funded child care appointed by the Senate President;
- (5) A center-based child care provider providing publicly funded child care appointed by the Speaker of the House of Representatives;
- (6) A representative of the Ohio Society of Certified Public Accountants appointed by the Speaker of the House of Representatives;
- (7) Two representatives, each from a child care advocacy organization, one appointed by the Senate President and one appointed by the Speaker of the House of Representatives;
- (8) A representative of the business community appointed by the Senate President;
- (9) Three members of the Senate, not more than two from the same party, each appointed by the Senate President;
- (10) Three members of the House of Representatives, not more than two from the same party, each appointed by the Speaker of the House of Representatives.

The Senate President shall appoint one of the members described in division (B)(9) of this section to serve as the committee's co-chairperson. The Speaker of the House of Representatives shall appoint one of the members described in division (B)(10) of this section to serve as the committee's other co-chairperson.

The appointments required by this section shall be made not later than thirty days after the effective date of this section.

Members shall serve without compensation.

If a member appointed to the committee no longer satisfies the grounds upon which the member was appointed, the member is ineligible to continue to serve on the committee and a new member shall be appointed in accordance with division (B) of this section.

(C)(1) To evaluate the issues described in division (A) of this section, the committee shall meet at the call of the co-chairpersons, with the first meeting to be held not later than thirty days after appointments have been made. The committee shall hold hearings to receive testimony from the public and relevant state agencies and boards.

(2) Not later than December 31, 2021, the committee shall evaluate and recommend alternative criteria by which a child day-care center or family day-care home that enrolls a low census of children receiving publicly funded child care may obtain a one-star rating in the Step Up to Quality Program.

The committee may issue reports as necessary and shall issue a final report with any findings or recommendations not later than December 1, 2022.

Any report issued by the study committee is nonbinding and shall be considered only as a recommendation.

The committee shall provide a copy of each report it issues to the Governor and to the Ohio General Assembly and Ohio Legislative Service Commission in accordance with division (B) of section 101.68 of the Revised Code.

(3) The staff of the Legislative Service Commission shall provide services to the committee.

(D) This section expires on the adjournment of the 134th General Assembly.

Director Matt Damschroder serves in the role of the Director of the Department of Job and Family Services' appointment.

Dr. Wendy Grove, Director of the Department of Education's Office of Early Learning and School Readiness, serves in the role of the Superintendent of Public Instruction's designee.

The Senate President appointed the following members to the Study Committee:

Senator Jerry Cirino, <i>co-chair</i>	State Senator, R-Kirtland
Senator Andrew Brenner	State Senator, R-Powell
Senator Hearcel Craig	State Senator, D-Columbus
Joe Patton	Director, Allen County Job and Family Services, Allen County
Domanica Ede	Owner, Safe Haven Family Child Care, Allen County
Monica Deitz	Assistant Superintendent, Diocese of Cleveland, Cuyahoga County
Kristi Phillips	Director, Cincinnati Business Committee, Hamilton County

The Speaker of the House appointed the following members to the Study Committee:

Representative Andrea White, <i>co-chair</i>	State Representative, R-Kettering
Representative Mark Fraizer	State Representative, R-Newark

Representative Mary Lightbody	State Representative, D-Westerville
Roxane Somerlot	Director, Marion County Job and Family Services, Marion County
Karen Lampe	President, CWCC Inc., Warren County
Lauren Hagan	Chief Financial Officer, Columbus Metropolitan Library, Franklin County
Todd Barnhouse	Chief Executive Officer, Ohio Child Care Resource and Referral Association, Franklin County

VIII: Appendix C: Additional Suggestions Received by Committee

The Study Committee on Publicly Funded Child Care and Step Up to Quality heard from dozens of witnesses representing all sectors engaged in the child care and early learning space throughout Ohio. Individuals submitting written and in-person testimony included parents, child care center-based and family home providers, teaching and caregiving early childhood professionals and students, pediatricians, college professors and leaders, ODJFS and ODE staff, and early childhood advocates and associations.

The committee gleaned its nine primary recommendations from the wealth of information, ideas and data presented through their testimonies. In addition to the committee recommendations, several suggestions emerged from members through testimony and committee discussion as strong opportunities for potential consideration in future policy discussions. These are not included within the committee's recommendations, but are included in this appendix.

Suggestions provided by committee members include:

1. Model an overtime work system for providers with a high quality rating to apply for compensation beyond their expected daily/ weekly workload. (Domenica Ede, Committee Member)
2. Create child care scholarships for programs whose employees' own children are enrolled in their child care program for family child care and child care centers. This will help maintain full staff and help sustain the staff to child ratio requirements. (Domenica Ede, Committee Member)
3. ODJFS should explore a categorical eligibility for publicly funded child care that includes individuals working in the child care industry as an industry support. ODJFS should explore the cost of child vouchers for children of child care professionals currently employed who are served by their employer, or for newly employed in an identified Critical Occupation through ODJFS. (Karen Lampe, Committee Member)
4. With any shared service participation, ODJFS should clarify that individual participating providers remain the "owner" of their data and that proprietary or private information is not shared or collected in any state data collection. (Karen Lampe, Committee Member)
5. Create a fund to reward providers with high compliance licensing inspections. For high compliance reports (example could be no serious or moderate risks), providers would get to pick a support from a menu of incentives. This allows the noncompliance consequence along with a positive behavior reward. Points could possibly accumulate for larger incentives if this can be figured out with reconciliation. (Todd Barnhouse, Committee Member)
6. Increase the federal poverty level for eligibility to 200% and explore tax credits for middle class families in order to increase access to quality early child care. (Senator Hearcel Craig, Committee Member)
7. Increase eligibility for federally funded child care to 200% of the poverty level. Incentivize large businesses to provide child care. Increase worker pay and promote employee stability through benefits. (e.g. to include child care for their own children at reduced cost) (Representative Mary Lightbody, Committee Member)
8. Consider ways to incentivize and increase the number of male child care providers within the early childhood education field (Kristi Phillips, Committee Member)
9. Reduce the number of stars and enhance compensation for the star-based rating system (Representative Mark Fraizer, Committee Member):
 - a. Replace the five-star rating system with a three-star system
 - b. Re-evaluate the star conditions to promote quality incentives
 - c. Update formula: PFCC rate + 4% + Star-based enhancement = PFCC and SUTQ rate
 - i. 0-star (entry level) = 15%
 - ii. 1-star update = 22%
 - iii. 2-star update = 30%

- iv. 3-star update = 38%
- d. Proposed three-star system requirements

Standards	One Star	Two Star	Three Star
Curriculum and Planning	Identify/Obtain Curriculum	Implement curriculum	Implement curriculum
		Demonstrate alignment to assessment	Demonstrate alignment to assessment
	Teachers have daily access to curriculum	Teachers have daily access to curriculum	Teachers have daily access to curriculum
	ELDS in classrooms	ELDS in classrooms	ELDS in classrooms
	Plan of Activities	Plan of Activities	Plan of Activities
			Intentional activities for all domains
			Learning and exploration opportunities
Child Screening and Assessment	Identify/Obtain screening tool	Administers screening tool w/in 60 days of enrollment	Administers screening tool w/in 60 days of enrollment
		Referrals made w/in 90 days of enrollment	Referrals made w/in 90 days of enrollment
	Results shared with families	Results shared with families	Results shared with families
	Staff trained to administer/score screening tool	Staff trained to administer/score screening tool	Staff trained to administer/score screening tool
		ELA administered	ELA administered
	Formal/Informal assessments conducted	Formal/Informal assessments conducted	Formal/Informal assessments conducted
		Assessment results used to inform instruction	Assessment results used to inform instruction
			Adjust/Refine instruction and evaluate progress
		Families involved in using assessment data for child's plan	
Interactions and Environment	Program learning environment (self-assessment) selected/completed	Program learning environment (self-assessment) selected/completed	Program learning environment (self-assessment) selected/completed

		Owner/teacher sets goals based on self-assessment	Owner/teacher sets goals based on self-assessment
		OCOT standards met	OCOT standards met
			Teachers track progress on action steps and readjust goals as needed
Program Administration	Program(administrative policies) self-assessment completed	Program(administrative policies) self-assessment completed	Program(administrative policies) self-assessment completed
	CIP w/one goal	CIP w/two goals	CIP w/two goals
		CIP includes input from staff/families	CIP includes input from staff/families
			CIP engages community partners
			Conducts annual survey with parents/community partners
Staff Management	Annual PD plans for staff	Annual PD plans for staff	Annual PD plans for staff
	Owner completes the admin CKC self-assessment annually	Owner completes the admin CKC self-assessment annually	Owner completes the admin CKC self-assessment annually
		One formal observation annually for teachers	One formal observation annually for teachers
			Observation results used for PD plans/Program CIP
			Two formal observations for teachers annually
		Classroom self-assessment used for teacher PD plans	Classroom self-assessment used for teacher PD plans
Staff Education	Owner has a HS Dip/GED and CDA w/ a minimum of 50 pts in a CPL 2, or a min of 75 pts in a CPL 2	Owner has a HS Dip/GED and an AA in ECE, or a min of 125 pts in a CPL 2	Owner has a HS Dip/GED and an AA in ECE, or a min of 125 pts in a CPL 2
		One teacher has AA or a min of 100 pts in a CPL 2	One teacher has AA or a min of 100 pts in a CPL 2
			Higher levels of education

	Lead teacher has at least 3.5 hrs. daily of instruction time	Lead teacher has at least 3.5 hrs. daily of instruction time	Lead teacher has at least 3.5 hrs. daily of instruction time
	Administrator has AA/CPL 2 or higher	Administrator has AA/CPL 3 or higher	Administrator has AA/CPL 3 or higher
	50% of teachers have CDA, or one teacher has an AA or CPL 3 or higher	25% of teachers have AA/CPL 3 or higher	50% of teachers have AA/CPL 3 or higher
			Higher levels of education
Professional Development	Owners/teachers must maintain SUTQ PD Certificate every biennium	Owners/teachers must maintain SUTQ PD Certificate every biennium	Owners/teachers must maintain SUTQ PD Certificate every biennium
		Additional levels of PD/training	Additional levels of PD/training
Transitions	Written information to families on transition plans	Written information to families on transition plans	Written information to families on transition plans
	Activities to assist children w/transition plans	Activities to assist children w/transition plans	Activities to assist children w/transition plans
	Children's records transferred upon request	Children's records transferred upon request	Children's records transferred upon request
		Individualized transition plans	Individualized transition plans
			Written policies for transition plans
Communication and Engagement	Family information obtained	Family information obtained	Family information obtained
	Provides family information on community resources	Provides family information on community resources	Provides family information on community resources
	Health and child development information provided annually	Health and child development information provided annually	Health and child development information provided annually
	One opportunity for family engagement	One opportunity for family engagement	One opportunity for family engagement
	Various methods of communication used w/families	Various methods of communication used w/families	Various methods of communication used w/families
		One education training for families	One education training for families
		Written policy re: health screening	Written policy re: health screening

		Child goals developed w/families	Child goals developed w/families
			Documented community partners
			Formal model for family engagement
			Parent volunteer group
Ratios and Acceleration		Program is accredited by an approved body	Program is accredited by an approved body
			Improved staff/child ratios and group sizes maintained
Staff Supports	Written wage structure	Written wage structure	Written wage structure
	One staff support provided	Two staff support provided	Three staff support provided

A complete library of all suggestions, ideas, written testimonies and presentations compiled and submitted through the committee process can be accessed through both the Ohio House and Senate online portals at:

<https://ohiosenate.gov/committees/study-committee-on-ohios-publicly-funded-child-care-and-step-up-to-quality-program>

<https://ohiohouse.gov/committees/study-committee-on-ohios-publicly-funded-child-care-and-step-up-to-quality-program/meetings>