Early Childhood Education Association of Colorado
The Voice for Child Care Providers & the Children They Educate

DATA Tracking for White Paper

December, 2024

Provider Statements

2023 CORA and Data Analysis: Sept 2023 UPK Summary.xlsx

2024 CORA and Data Analysis: 043-2024_follow-up.09.30.2024 Deliverable.xlsx

ECEA Community Based Provider Survey: ECEA 2024 Community Based Survey summary

Survey responses are 247 programs (community based homes, centers, and preschools) at a 95% confidence level with a 6% margin of error.

Executive Summary Links:
https://leg.colorado.gov/sites/default/files/images/office_of_early_childhood_7.10.18_presentation.pdf

Hear from Providers in their own voices on our website.

Highlighting Impacts

- **Hiring Compliance Staff**
  Based on 56 programs with the average cost of $41,071 per program for compliance staff. That's 47% of programs. There are 2177 preschools and centers licensed minus 737 school district based programs, is a total of 1,440 programs. 47% of those equals 677 programs. 677 x 41,071 = $27,805,067

- **Onboarding Staff Costs**
  Based on 25,446 professionals.. 30% turnover rates (2019) 7,633 professionals lost per year. Cost to onboard a new staff member is 16% of the annual salary.

  Cost per report: 16% of salary. At $15/hr 4,992 per person. 30% of professionals=7,633
  We divide this amount by two to absorb the other reasons why turnover occurs.

  7633 x 4,992 = 38,103,936/2 = $19,051,968

WIG links: https://dashboard.colorado.gov/governors-dashboard/early-childhood

- **Quality Rating Existing Direct Costs**
  Based on the state WIG of 1,442 high quality rated programs with the average spending of $10,051.58 per program.
  Equals $14,494,378

- **Quality Rating Cost Increases**
  Cost shifting from Public to private
  SB23-214 pg 34 ($22,961,871),
  HB24-1430 pg 34 ($12,458,245)

This is the funding amount that historically has offset costs for the industry. $10,503,626 in funding support shifts to the industry to absorb without funding support.

- **Revenue shift from community based programs into school district system with UPK implementation**
  Low end of range:
  Based on the decrease in community based placements from year 1 to year 2 of UPK. As of the first of the year, community based programs lost 3,669 UPK slots. That multiplied by the average 15 hour rate of $6,044.37. This number does not include the additional revenue that programs lose when children do not come back for care for the remainder of the work day.

  High end of range:
  To demonstrate those full day revenue losses we based the same number of programs (3,666 x $300/wk for 52 weeks). Total revenue loss for the year is $57,189,600.

- **Decreasing UPK Ratios**
  Low end of range:
  Doing the math directly for only UPK lost revenue:
  7,168 children lost in classrooms x average 15 hour rate of 6,044.37 = 43,326,044

  High end of range:
  Full day tuition losses for programs given that they are unable to restore the ratios to licensing 1:12 ratios during off UPK hours.

  We know from public comment that programs are facing the potential loss of $62,000 per classroom. If you split the total cost by 4 children it represents a loss of $15,500 per child in the ratio decrease. You lose about the same if you do the math at $300 per child for the year.

  CDEC anticipates 43,000 UPK children in year 2. If you evenly distribute the children across programs, taking 1:12 ratios, based on 43,000 children with a maximum group size of 24 gives us an average of 1,792 classrooms, each losing 4 children.
  1,792 classrooms (1792 x 4)
  7,168 children lost in ratio decrease
  $15,500 revenue lost per child
  7,168 x 15,500
  EQUALS **$111,104,000 total lost revenue**

- **Specialized Training Costs-UPK**
  Ensuring that all UPK staff meet the new training requirements. For 36,080 students at a 1:12 ratio we come to 3006 teachers. 8 hours each of training at $20/hour equals $480,960. ECEA bases the base number of students on a CORA request and conversations with the data team that specify the actual number of participants that are funded versus the number of people that have started an application in the system.

- **CCCAP Funding Below Market**

Based on the remaining 2/3rds of pending provider rate increases that will be implemented in October of 2025 and 2026.

- **FAMLI - per child loss of revenue (annualized)**
  There are ONLY 3,566 slots available in centers/homes/preschools

  9144 infant spaces in centers x $350=3,200,400/wk x 22.5 weeks (adjusted for previous six week start dates)=72,009,000
  1385 homes x 2 infant slots = 2770 spaces in homes x 250 = $692,500/wk x 22.5 weeks)=15,581,250
  10529 infant slots statewide and $87,590,250 in lost revenue for the industry
  https://data.colorado.gov/stories/s/ukut-mhzu/

- **NEW - Federal Transportation Requirements**
  To have two individuals certified for a program so that you always have a backup it is costing on average $1,300.00. **That does not include the cost of all of the mandatory UA's** that are frequent and inflexible in their administration, posing additional staffing strains.

- **NEW - EPA Regulations**
  Every program will have to meet new federal requirements. It's too soon to know how much the regulations will cost programs and how much funding will flow with the new regulations.

- **The Intangibles**
  Federal posting requirements:
  "Lead Agencies have flexibility to determine how to present information regarding child care provider licensing violations and compliance actions taken. This includes determining the length of the history to be included for providers, distinguishing between the severities of different violations, or posting information about compliance action or fines only after the provider has exhausted their due process rights or waives their rights."

Scaling back a system links:
2022: https://leg.colorado.gov/sites/default/files/documents/2021A/bills/2021a_hum_act.pdf
2024: https://leg.colorado.gov/sites/default/files/documents/2024A/bills/2024a_ear_act.pdf
JBC Report: https://leg.colorado.gov/sites/default/files/fy2024-25_earbrf.pdf
CPP Funding:
https://spl.cde.state.co.us/artemis/edserials/ed55069internet/ed550692022internet.pdf
Population: https://censusreporter.org/profiles/04000US08-colorado/
Women in workforce:
https://www.bls.gov/news.release/famee.nr0.htm#:~:text=The%20participation%20rate%20for%20married,changed%20from%20the%20previous%20year.