

Otter Creek Child Center

“Celebrating 35 years of helping children discover their love for learning”

Date: March 13, 2019
 To: House Human Services Committee, Rep., Ann Pugh, Chair
 From: Linda January, Executive Director, Otter Creek Child Center
 Kelsey Coleman, Toddler Teacher, Otter Creek Child Center
 Re: H. 194

LINDA JANUARY: Thank you for inviting us to speak with you today about the proposals in H. 194 and the positive impact that this historic bill could have on Otter Creek Child Center and the greater early childhood field.

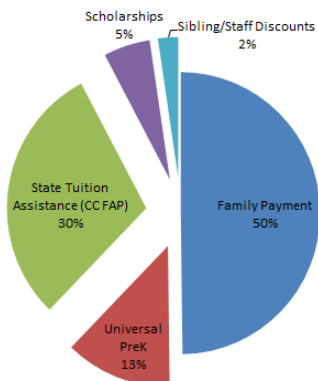
Otter Creek Child Center was founded in 1984 in Middlebury and serves children from birth through five years of age. We are currently serving 51 children from 19 towns in and around Addison County. We strive to provide a high-quality, play-based early care and learning program. So, what does that look like at Otter Creek?

- Ratios that are lower than state requirements, 3:8 instead of 2:8, 3:10 instead of 2:10, and 4:19 instead of 2:20
- Breakfast, lunch, and snack provided and included in tuition
- Pre-qualified Prekindergarten Program to provide Universal PreK
- Teachers who have obtained or are actively obtaining higher education
- Children exploring and learning about the world around them through play for the majority of the day

The proposals in H. 194, if passed, will have a huge, positive impact on Otter Creek by addressing some of our biggest challenges: affordability for families, affordability for teachers, teacher turnover, and diversifying our revenue streams.

I often find myself struggling with the balance of keeping Otter Creek affordable for families and providing enough for teachers. This is a delicate scale, and I’m often left feeling like there is no real solution, or that the scale will never be truly balanced. The average cost per child for the 2017-18 fiscal year was \$15,656.49, but the average amount of tuition dollars coming in per child was just \$10,783.82, *leaving a funding gap of \$4,873 per child.* The charts below show where tuition dollars are coming from and how the gap in funding is being covered:

Tuition Break Down FY17-18



Tuition Tuition: \$525,976.63

Tuition Received From Outside Sources

Family Payment: \$261,972.44

Universal Prek: \$ 65,274.90

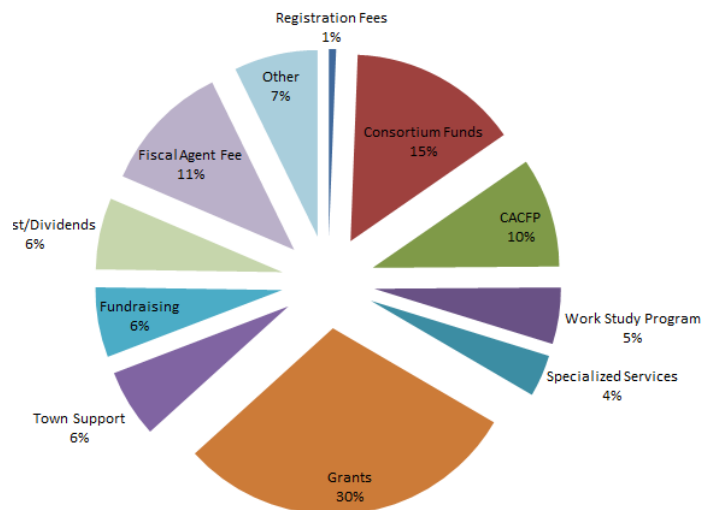
CC FAP: \$158,024.66

Tuition Covered by OCCC

Sibling/Staff Discounts: \$12,291.62

Scholarships: \$28,413.01

Other Revenue Sources FY1718



Total Other Revenue: \$219,302

As you can see, more than \$200,000 of our budget comes from revenue sources outside of tuition. Keeping track, applying for, and managing these revenue sources is a huge part of the work that I do for Otter Creek. Instead of mentoring and supporting teachers, I am writing grants, collecting signatures, reporting, and submitting invoices in order to keep Otter Creek fiscally afloat. Yet, despite this effort, we are still struggling to keep Otter Creek affordable for families and a viable place for teachers to continue to work.

Affordability

Families are paying too much of their income toward child care. We currently have families paying as much as 29% of their income toward child care. Here are some examples of what families are paying at Otter Creek – including some who are not eligible for assistance through the Child Care Financial Assistance Program (CCFAP), by less than \$100.



2 Parent Home
1 Preschooler, 1 Infant
\$75,350
Enrolled 5 Days a week
Total Tuition: \$25,436 34%
w/UPK Funding: 29%



2 Parent Home
1 Infant
\$62,400
Enrolled 5 Days a week
Total Tuition: \$13,739 22%

Increasing 100% financial assistance to families that earn up to 200% of the federal poverty level, and adjusting the benefit sliding scale from 200% FPL to 300% FPL so that no family receives less than 25% financial assistance, would have a huge impact on these families. They would qualify for assistance, reducing the amount they are putting toward child care and increasing the amount they have to meet other basic needs.

Over the last few years, the CCFAP rates for infants and toddlers have increased to the 2017 market rates. These increases have had a huge impact on families and Otter Creek. With the increase of rates, families who received less than 100% financial assistance saw their co-pays decrease as their financial assistance increased. The increase of rates also impacted the amount of funds Otter Creek earmarked for scholarships. With higher rates coming in, less scholarship funds have been needed, allowing us to redirect funds to improving salaries for teachers. Increasing the rates for preschoolers to the 2017 market rates would further improve affordability for both families and providers.

Teacher Turnover

In February, Otter Creek lost an outstanding teacher to People’s United Bank. Brittany had a B.A. in Educational Studies from Castleton University and five years of experience. She accessed classes through the High Ed. Collaborative in order to complete Peer Review for her Early Childhood teaching license. She successfully completed the six classes, passed the Praxis, completed her portfolio, and applied for Peer Review – all of this was done by May 2018.

However, *after* giving her two-week notice, she received an email informing her that her Peer Review interview had been scheduled for May 2019 – one full year after her application.

Brittany recently turned 26 and is getting married this June. When she turned 26 she no longer had access to health

insurance through her parents and had to go through the state exchange. She qualified for subsidies to help pay for the insurance, but when she received a 4.1% pay increase in September her insurance payments went up. She is fearful that when she gets married both her insurance and student loan payments will go up, because both are calculated on household income. People's United Bank offered Brittany a higher hourly wage, health insurance, and retirement; she would have been foolish to not take the position with the bank.

Otter Creek helped Brittany access professional development, navigate the difficult Peer Review process, and increased her pay from \$12.71 per hour to \$16.40 per hour over five years, but it wasn't enough. At times, it feels like we will never be able to do enough.

Supporting teachers through a student loan repayment program and increasing access to scholarship programs may not be enough, but it is a huge step in the right direction to keep teachers like Brittany in the field.

I will now turn your attention to one of our toddler teachers, Kelsey Coleman. Kelsey has been with Otter Creek for two-and-a-half years. She is working on her associate degree with the support of TEACH and will talk to you about how TEACH has supported her in her early childhood education journey.

KELSEY COLEMAN: Thank you for having me here today to speak to you about the amazing program that is the TEACH Early Childhood Scholarship Program.

I applied at Otter Creek to become a substitute teacher with hopes of becoming a full-time teacher, but I didn't know at the time how I would be able to afford to go to college. When a full-time spot opened, I was pleased to find out that the job offer went to me and that there was a chance of me being able to get a higher education. I was informed that a scholarship program called TEACH would help pay for me to get my associate degree in early childhood education. Since September 2017, I have been going to college part-time, working full-time at Otter Creek, and coaching high school cheerleading. The demands of my job, course work, and being present every day at practice was a lot, but because of my three hours of paid release time, I was able to manage all the chaos effectively and still earn over a 3.5 GPA.

I will be receiving my associate degree in about two years, but I am unsure of how I will pursue obtaining my bachelor's degree in early childhood education. At this time, there is currently no TEACH scholarship to support teachers pursuing a bachelor's degree, and with my current rate of pay and monthly expenses, college tuition will not be possible. It would be of great help for aspiring teachers like me for TEACH to have the ability to continue to support teachers who are working toward an associate degree and to expand their scholarship models to include a B.A. track.

In conclusion, we encourage this committee to:

- Improve affordability and address underutilization with CCFAP
- Address access, build capacity, and address low pay with scholarships
- Increase affordability with CCFAP
- Address shortage and low pay with student loan repayment support

Thank you for your time and thank you for your support in addressing these critical issues facing the field of early care and learning.