Staffed Family Child Care Network Cost Estimation Tool User's Guide

Early Childhood National Centers

NATIONAL CENTER ON
Early Childhood Quality Assurance

Acknowledgements

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Introduction

While there is growing recognition of family child care[1] (FCC) as a significant sector of the early care and education (ECE) field, FCC providers often have limited training on how to support child development and may feel isolated from resources and other professionals in the ECE field. State systems often struggle to reach out to these caregivers and offer support. In an effort to address this challenge, the National Center on Early Childhood Quality Assurance (ECQA Center) has developed five new documents addressing promising strategies for States, Territories, and Tribes to improve the quality of care and engage and sustain provider participation in regulatory systems and quality improvement initiatives. Additional information on FCC and the critical nature of supports for and quality in FCC may be found in *Staffed Family Child Care Networks: A Research-Informed Strategy for Supporting High-Quality Family Child Care*, which is available at https://childcareta.acf.hhs.gov/resource/staffed-family-child-care-networks-research-informed-strategy-supporting-high-quality.[2]

Staffed FCC networks are community-based programs that have paid staff who deliver a menu of ongoing support services and resources to affiliated providers.[3] These networks provide many quality improvement supports and services to FCC programs, including: coaching and technical assistance visits to child care homes, training and professional development support, and business and administrative supports.

The *Staffed Family Child Care Network Cost Estimation Tool,* the third in the series of five ECQA Center documents, is designed to assist State, regional and local organizations in better understanding the costs associated with operating a staffed FCC network. Those seeking to expand an existing network or collaborative partners pooling resources to meet the needs of family child care providers may also find the tool helpful. This cost estimation tool (CET) accompanies the resource *Developing a Staffed Family Child Care Network: A Technical Assistance Manual* (TA Manual), which is available at https://childcareta.acf.hhs.gov/resource/developing-staffed-family-child-care-network-technical-assistance-manual.

The CET is designed to function as a dynamic model that can be used to estimate the operating costs associated with services offered by a staffed FCC network and the delivery of those services, in different state and community contexts. The data and assumptions used in the CET are based upon the best available information regarding operating costs obtained from existing FCC networks, expense data from the 2015 Head Start National Summary Program Information Report (PIR) (see appendix for additional information on PIR data), and the professional judgment of the developers of the CET. Additional sources for information include: *Staffed Family Child Care Networks: A Research-Informed Strategy for Supporting High-Quality Family Child Care*[4] and *Staffed Family Child Care Networks: A Strategy to Enhance Quality Care for Infants and Toddlers*[5].

What is in the Cost Estimation Tool?

The CET consists of two parts: this document, the *Staffed FCC Network Cost Estimation Tool User's Guide*, and the actual tool which is an Excel file. It is recommended the user's guide be reviewed first, before opening the Excel file.

> The CET Excel file can be obtained by emailing the National Center on Early Childhood Quality Assurance at QualityAssuranceCenter@ecetta.info or calling 1-877-296-2250.

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[1] The term "family child care" refers to all care offered in a provider's home. The term can also be used to refer to licensed care specifically. "Family, friend, and neighbor care" is used to refer to unlicensed care arrangements.

[2] Bromer, J. & Porter, T. (2017). *Staffed family child care networks: A research-informed strategy for supporting high-quality family child care.* Washington, DC: National Center on Early Childhood Quality Assurance, Office of Child Care, Administration for Children and Families, U.S Department of Health and Human Services.

[3] Bromer, Van Haitsma, Daley, & Modigliani, 2009

[4] Bromer, J. & Porter, T. (2017).

[5] Zero to Three. (2012). *Staffed Family Child Care Networks: A Strategy to Enhance Quality Care for Infants and Toddlers*. Retrieved from https://www.zerotothree.org/resources/205-staffed-family-child-care-networks-a-strategy-to-enhance-quality-care-for-infants-and-toddlers.

The CET addresses the essential elements of a network based on research outlined in *Staffed Family Child Care Networks: A Research-Informed Strategy for Supporting High-Quality Family Child Care* that supports the use of staffed FCC networks as a promising strategy for improving the quality of family child care. The essential elements include the following: an articulated theory of change model to guide program services, network service delivery strategies (individual supports, group supports, content of services tailored to FCC), relationship-based approaches to support (including quality of communication and communication strategies) and staff training and support (capacity building of FCC network staff, supervision, reflective supervision). The CET guides the user in assigning costs to these essential elements by translating them to services delivered by the network. The forthcoming TA Manual outlines specific strategies for implementing the network elements.

How Does the Cost Estimation Tool Work?

The CET assumes there are three major cost factors for any service:

1. Compensation of personnel who are directly providing the service;
2. The caseload for each service (i.e., how many children, families, staff, or sites a staff person can reasonably serve); and
3. The supervision caseload (i.e., how many staff a supervisor can reasonably oversee and support).

The CET includes three different cost models: *Base Promising Practice*, *Most Promising Practice*, and *Custom*. The first two models, *Base Promising Practice*, *Most Promising Practice*, vary in the intensity and volume of services provided and each model is prepopulated with data for personnel and non-personnel expenses. The third model, *Custom*, allows the user to design a custom network by entering their own values for these expenses.

Users begin estimating the cost of a staffed FCC network by determining their level of service intensity and selecting the model: *Base Promising Practice, Most Promising Practice*, or *Custom* that corresponds to the network they envision, on the **Network Variables** worksheet. The user also has the opportunity to further customize the model for their network by selecting from a range of optional services the network can deliver. The **Model Components** worksheet outlines the various services, intensity and volume included in each model.

Personnel and non-personnel expenses are presented as default values on the **Expenses** worksheet. The user can override these default values in order to reflect expenses specific to their community, local economy, and other factors that may impact actual costs. For instance, one must consider the education and experience base that will be required for the various network staff positions, as well as the locality of the network and community standards for hiring professionals, as these factors will influence the annual salary amounts.
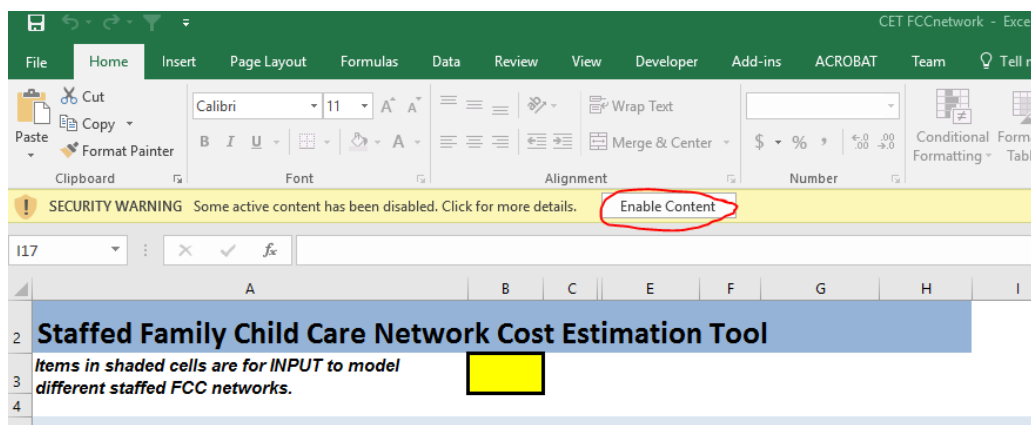
Using the cost and service intensity information as defined by the user, the CET will provide a summary of the estimated annual costs for operating the network, on the **CET Output** worksheet. The user should save each version of the CET that they calculate in order to always have access to the original workbook with the default values populating the expense lines. This allows the user to compare the summary expense information across the different network models they have envisioned.

Instructions for Use

Step 1: Enable Content to Ensure the Excel Workbook Will Function

Upon opening the CET workbook, each user will need to respond to the Security Warning at the top of the content window in the yellow bar by clicking "Enable Content". Image 1 shows what this yellow bar will look like. Clicking the "Enable Content" button will allow data entry and ensure the worksheets function correctly.

Image 1: Enable Content

For some users, depending on one's computer and network settings, a second security window might pop up. This window will ask if the user would like to trust this document. The user should select 'yes', but before submitting their answer they can also check the box in the lower left of the window to have the selection remembered. The computer should then remember the setting and save these security settings to allow the workbook to function in all future uses**.**

Step 2: Enter Network Variables

The user enters data on the **Network Variables** worksheet reflecting the size of the network envisioned, selecting the model that represents the intensity of services, and optional services that will be provided. By varying the size of the network, the intensity of services and optional services selected, the CET output can represent a range of different cost scenarios. The following is an explanation of each variable.

♦ *Size of the FCC Network:* The size of the network is determined by the total number of FCC homes to be served by the network; the total number of teachers/caregivers across all FCC homes, including the provider/owner and staff; and the total number of children served across all FCC homes. The user enters this data on the worksheet. Once a number is entered in the yellow shaded cells, the message in red, depicted in Image 2 below, will disappear.

Image 2: Size of the FCC Network

♦ *Intensity of Services:* The intensity of services delivered by the network is determined by the user selecting one of the model options as shown in Image 3 below. The model options with pre-populated service information are *Base Promising Practice* and *Most Promising Practice*. The user can also opt to create a

Custom version of the intensity and volume of these services by entering their own data. The variances in service intensity and volume are outlined in Table 1: Intensity and Volume of Required Services by Model.

Image 3: Intensity of Services

Select one model	
(Each of the Models are described on the Model Components worksheet)	
Base Promising Practice	●
Most Promising Practice	○
Custom Model *(details on model services and intensity will need to be filled in on Model Components worksheet)*	○

♦ *Optional Services:* The envisioned network can be further tailored by selecting from a menu of additional optional services specific to the needs of the providers being served. As reflected in Image 4 below, the optional services include an annual professional conference for the FCC homes; business services including tax preparation, payroll administration or human resources; loans to FCC providers; administration of the Child and Adult Care Food Program on behalf of the FCC providers; child care subsidy administration for families choosing FCC; and, administration of enrollment of children served by FCC homes. The costs associated with delivering these optional services will be calculated based upon the selections and the envisioned size of the network.

Image 4: Optional Services

Choose optional services to be delivered by FCC network	
(Select each optional service the network delivers)	
Annual Conference	☐
Business Services: Tax preparation	☐
Business Services: Payroll administration	☐
Business Services: Human resources	☐
Loans	☐
Administration of Child and Adult Care Food Program (CAFCP)	☐
Administration of child care subsidy	☐
Administration of enrollment of children served by FCCs	☐

Step 3: Identify Network Model

The service intensity and volume of service for each model are itemized on the **Model Components** worksheet. The worksheet will reflect the model selected in Step 2, on the **Network Variables** worksheet. However, the user may choose to select a different prepopulated model, *Base Promising Practice* or *Most Promising Practice*, or create a *Custom* model by entering values for each of the variables. The variances in service intensity and volume are mapped in Table 1 below.

Note: A user choosing to create a *Custom* model must input the quantities for each of the intensity and volume variables in the *Custom* model column in order for the **CET Output** summary to generate. A user choosing to add optional specialist positions must also check the corresponding optional services delivered on the **Network Variables** worksheet.

Table 1: Intensity and Volume of Required Services by Model

		Base Promising Practice	Most Promising Practice	Custom (must input numbers)
Ratios	# FCC homes per Specialist:	25	10	
	# Specialists per Coordinator/Supervisor position:	8	5	
	# Coordinators per Executive Director *(Executive Director expense populates only if 8 FCC Specialists or more on staff)*:	6	6	
Coaching/ Consultation (FCCH Visits, phone calls, emails, etc.)	# FCC home visits, per home, per year:	6	20	
Training	Training characteristics:	Onsite at FCC Network	In FCC home, onsite at FCC Network, offered in multiple languages based on community need	
	Training Volume (# hours offered per year):	36	60	
Network Meetings	# Meetings per year:	3	6	
Staff Relief (floaters or substitute pool)	# Hours of relief time for required training per FCC provider and staff, per year:	21	21	
	# Hours of relief time for pursuit of quality improvements per FCC home:	200	500	
Support for Quality Improvements	Formal Assessment Tool:	Model may include coaching by FCC Specialist to support implementation	Model includes coaching by FCC Specialist including onsite coaching in the FCC home	
	Licensure pursuit (% FCC homes annually pursuing licensure):	0%	25%	
	Support for accreditation pursuit (% FCC homes that have fee covered, annually):	0%	25%	

		Base Promising Practice	Most Promising Practice	Custom (must input numbers)
	Course Scholarships, Child Development Associate Credential (CDA), AA degree, BA degree pursuit (% FCC providers and staff that have course fee(s) covered, annually):	10%	30%	
Other FCC Supports	Travel Reimbursement for FCC providers/staff (% of FCC homes covered, annually):	0	100%	
	Materials, equipment and supplies for providers, including supplies for use with children (% of FCC homes covered, annually):	0	100%	
	Professional association memberships and subscriptions (% of FCC homes covered, annually):	50%	100%	
Optional Services Positions (Will only calculate if corresponding Optional Service is selected on the Network Variables worksheet)	Specialist – Child and Adult Food Program (CACFP) Administration (# FCC homes per position):	30	30	
	Specialist - Subsidy Administration (# children per position):	40	30	
	Specialist - Enrollment Administration (# children per position):	40	30	
Custom Option Positions User must complete fields in the Custom column with Employee **Title** and FCC's **Rate** (the # of FCC homes per position added) in order for these options to populate the custom model	1st Optional Employee **Title**: (enter information in the Custom column)	N/A	N/A	
	1st Optional Employee FCCs **Rate**: (enter information in the Custom column)	N/A	N/A	
	2nd Optional Employee **Title**:	N/A	N/A	
	2nd Optional Employee FCCs **Rate**:	N/A	N/A	
	3rd Optional Employee **Title**:	N/A	N/A	
	3rd Optional Employee FCCs **Rate**:	N/A	N/A	

		Base Promising Practice	Most Promising Practice	Custom (must input numbers)
	4th Optional Employee **Title**:	N/A	N/A	
	4th Optional Employee FCCs **Rate**:	N/A	N/A	
Not more than 5 optional positions can be added	5th Optional Employee **Title**:	N/A	N/A	
	5th Optional Employee FCCs **Rate**:	N/A	N/A	

Step 4: Enter Network Expenses

The **Expenses** worksheet includes personnel and non-personnel costs. This worksheet is prepopulated with estimated default values for these expenses, based on the variables selected in step 2 on the **Network Variables** worksheet, and the intensity of services in the network captured in step 3 on the **Model Components** worksheet. The user can however override these default values to more accurately reflect their local context and economy.

Personnel Expenses

As shown in Image 5, the Personnel section on the **Expenses** worksheet includes the following positions most commonly found in FCC networks:

♦ FCC Network Executive Director

♦ FCC Network Coordinator (may be Supervisor or Manager)

♦ Family Child Care Specialist (may be Child Development Specialist)

♦ Substitutes/Floaters

♦ Administrative Support Services

Up to five additional positions can be added by the user on the **Model Components** worksheet.

> It is important to save a new version of the CET when the user overrides the default expense values. This will ensure access to the original CET Workbook containing the pre-populated cells. The user will be prompted with a warning if they are changing these expense values; the warning prompts them to save this new version of the CET. Selecting the *Reset Default Expenses* button will also return the default expense values to these fields.

Image 5: Personnel Expenses

Personnel Expenses	Use default salary (or enter whole number)	Variable	FTE
Executive Director	$80,000	annual	-
Family Child Care Network Coordinator	$55,000	annual	-
Family Child Care Specialist	$38,000	annual	-
Substitutes/Floaters	$11.24	hourly	
CACFP Administration Specialist	$30,000	annual	-
Subsidy Administration Specialist	$35,000	annual	-
Enrollment Admininstration Specialist	$35,000	annual	-
Benefits (Use default 20% of salary or enter different whole number; mandatory benefits are 9-10%)	20%	Total FTE:	-

Wages: The default salary values were established by pulling from the best available cost information for comparable positions. The user may override these values on the **Expenses** worksheet and fill in their own expense information specific to the locale and context.

Benefits: The cost for benefits is set as a percentage of the salary total. A default value of 20% is used, however a whole number can be entered to customize the calculation.

Note: The *Personnel Expenses* for the *Base Promising Practice* and *Most Promising Practice* models do not include the required components for delivering Early Head Start/Head Start services through FCC providers. The user can build an Early Head Start/Head Start model by selecting *Custom* model in step 2 on the **Network Variables** worksheet; entering the quantities for each of the intensity and volume variables in the *Custom* column and adding the required personnel position title(s) and additional number of children served (if applicable) in step 3 on the **Model Components** worksheet; and inserting annual salary amounts in step 4 on the **Expenses** worksheet.

Non-Personnel Expenses

The non-personnel expenses include program management and administration expenses, and education program expenses for FCC providers and network staff. The default values reflected in Image 6 below are based on the best available cost information. The user may override these values on the **Expenses** worksheet and fill in their own expense information.

Image 6: Non-Personnel Expenses

Non Personnel Expenses	Use default annual amount (or enter whole number)	
Office equipment for network staff (tablets, computers, desks, etc.)	$1,500	one time set up fees
Overhead (10% per person, travel, rent, office supplies)	10%	
Miles (Mileage for Network staff)	15	Roundtrip miles per FCC visit or activity
Mileage Reimbursement Rate	0.56	
Assessment Tools/Annual fees	$50	Per Network employee
Training (materials/food/incentives/speaker fees)	$75	Hourly
Translation (simultaneous during trainings and translation of materials)	$25	Hourly
FCC home visits/consultation materials (educational tools/resources for providers, screening/assessment	$200	Per home/month/year
Business support: Payroll Administration	$85	Per home/month/year
Business support: Human Resources	$85	Per home/month/year
Business support: Tax Preparation	$85	Per home/month/year
Conference (food, speakers, rent, materials)	$10,000	
Materials, equipment and supplies for providers; Supplies for use with children - arts and crafts, toys, books, games, consumable materials for children	$300	Per FCC home
Mileage/Travel for Providers (to attend network meetings)	15	Roundtrip miles per meeting or activity
Licensure support for informal caregivers (licensure fees, material kits to achieve licensure, staffing fees)	$600	Per FCC home
Professional association memberships and subscriptions - Network	$300	For the Network
Professional association memberships and subscriptions - FCC home	$200	Per FCC home
Zero interest loans and grants	$12,500	Per FCC home
Scholarships for college courses/continuing education	$250	Per credit (3 hour courses)
Scholarships for accreditation	$1,100	Per FCC home (25% of FCCs in network/year)

Step 5: Review Annual Total Costs

The **CET Output** worksheet contains a summary of the variables used to calculate the cost estimation including: number of FCC homes served by the network; number of providers/staff employed by the network; number of children served across all FCCs; the model selected representing the intensity and volume of services; the optional services selected; and the number of positions for each category of staff.

The **CET Output** worksheet calculates the estimated annual cost for each personnel and non-personnel expense line, and a grand total of the annual costs to operate the network envisioned, based on the variables selected and the cost data entered on the other worksheets in the tool. No input or changes are required on this worksheet.

For example, Image 6 depicts the annual total expenses of $880,124 for a FCC network that serves 100 total FCC homes, 125 providers/staff, and 500 total children. The base promising practice model was selected to reflect the intensity and volume of services. No optional services were selected and no additional personnel positions were added in this example.

Any number of scenarios can be estimated by simply changing the variables based on the network envisioned. Be sure to save each scenario before clicking the 'Reset Default Expenses' button at the top of the **Expenses** worksheet, which will delete the data just entered and allow a new scenario to be created.

If the **CET Output** worksheet does not populate, review each of the worksheets, starting with step 1, **Network Variables**, to be certain variables have been selected and data has been entered. For example, the **CET Output** will not populate if the user has not entered data for the size of the network and selected a model representing the intensity and volume of services. If the *Custom* model has been selected in step 2 on the **Network Variables** worksheet, all data must be entered in the *Custom* model column in step 3 on the **Model Components** worksheet before the **CET Output** worksheet will populate.

Image 6: Example of Total Annual Expenses Calculation on CET Output Worksheet

FCC Network Summary

Network Size

Total FCCs in Network	100
Total Providers/Staff at FCC homes	125
Total Children Served by FCCs	500
Model Selected	Base

Personnel Stats	FTE
Executive Director	0.08
FCC Coordinator	0.50
Family Child Care/Development Specialist	4.00
CACFP Administration Specialist	-
Subsidy Administration Specialist	-
Enrollment Administration Specialist	-
Total FTE	**4.58**

Optional services to be delivered by network (populated by selections on Network Variables worksheet)

(continues on next page)

FCC Network Cost Model
Annual Expense Summary

Personnel Costs	Annual Cost
Executive Director	6,667
Family Child Care Network Coordinator	27,500
Family Child Care Specialist	152,000
Substitutes/Floaters	99,755
CACFP Administration Specialist	-
Subsidy Administration Specialist	-
Enrollment Administration Specialist	-
Additional Optional Personnel	-
Total Personnel	285,922
Benefits at % of salary	57,184
Total Personnel Costs	**$ 343,106.00**

Non Personnel Costs	Annual Cost
Office equipment for network staff (tablets, computers, desks, etc.)	6,750
Overhead at % of salary	28,592
Mileage (for Network staff)	50
Assessment Tools/Annual fees	225
Training (materials/food/incentives/speaker fees)	2,700
Translation (simultaneous during trainings and translation of materials)	900
FCC home visits/consultation materials (educational tools/resources for providers, screening/assessment materials)	120,000
Business support materials (items associated with offering business supports such as PR, HR, taxes)	-
Conference (food, speakers, rent, materials)	-
Materials, equipment and supplies for providers; Supplies for use with children - arts and crafts, toys, books, games, consumable materials for children	30,000
Mileage/Travel for Providers (to attend network meetings)	-
Licensure support for informal caregivers (licensure fees, material kits to achieve licensure, staffing fees)	15,000
Professional asssociation memberships and subscriptions - Network	300
Professional asssociation memberships and subscriptions - Providers	20,000
Zero interest loans and grants	-
Scholarships for college courses/continuing education	312,500
Scholarships for accreditation	-
Total Non-Personnel Costs	**$ 537,018**
Total Annual Expenses	**$ 880,124**

Conclusion

Staffed family child care networks can offer a system of supports for family child care providers. Whether provided through a single agency network, multiple networks across a state or region, or a collaborative partnership of stakeholders at the local level, staffed networks can help improve the availability and quality of family child care, provide a vital child care option for parents, and perform a critical role in the field of early care and education. For additional information on the CET or for additional details on the assumptions used in the CET, contact the National Center on Early Childhood Quality Assurance at QualityAssuranceCenter@icfi.com.

Appendix: Resources for Accessing Data

Head Start Program Information Report

♦ Cost estimation data used in the tool was obtained in part from the Office of Head Start Program Information Report (PIR). The PIR is an important source of descriptive and service data for the Head Start community, their partners, Congress, and for the general public. PIR data is compiled for use at the federal, regional, state, and local levels. The full PIR data set, prior year reports, and PIR forms are available to the public on request. Specific data requests for Head Start, Early Head Start or both can be accessed in a variety of ways:

♦ All current HSES (Head Start Enterprise System) users have access to the full PIR data set in HSES via the Reports tab at https://hses.ohs.acf.hhs.gov/pir/

♦ Access to the PIR is open to any Head Start/Early Head Start grantee or delegate. See https://eclkc.ohs.acf.hhs.gov/data-ongoing-monitoring/article/program-information-report-pir

♦ Each Head Start State Collaboration Director has access. To find a Collaboration Director in your area, see https://eclkc.ohs.acf.hhs.gov/programs/head-start-collaboration-offices-state

♦ Or contact the Head Start Enterprise System (HSES) help desk to request access.

  ▪ Email: help@hsesinfo.org

  ▪ Call: Toll Free 1-866-771-4737 Local 703-312-5363

  ▪ Hours of Operation: Monday–Friday 8 a.m.–7 p.m. ET (excluding federal holidays and weather-related federal office closures)

U.S. Department of Labor

♦ Wages and Education https://www.dol.gov/general/topic/wages/educational

♦ Bureau of Labor Statistics https://www.bls.gov/

♦ Occupation and salary profile information by zip code https://www.dol.gov/general/location

♦ State Workforce or State Employment Agencies https://doleta.gov/programs/pdf/state_workforce_officials.pdf

The National Center on Early Childhood Quality Assurance (ECQA Center) supports State and community leaders and their partners in the planning and implementation of rigorous approaches to quality in all early care and education settings for children from birth to school age. The ECQA Center is funded by the U.S. Department of Health and Human Services, Administration for Children and Families.

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