



**AGENDA ITEM:** Quality First: Quality and Financing in Early Learning

**BACKGROUND:** Support for improved program quality, and financing that recognizes the costs associated with achieving and maintaining that quality, requires systemic reform and a shift in thinking about early learning. First, there must be a shift so that early learning is recognized as a critical component of the educational continuum. This shift moves from an emphasis on providing child care to support working families to a system focused on the development and education of young children who are ready to transition to kindergarten. The second shift relates to financing so that stakeholders understand and acknowledge that achieving and maintaining quality in early learning costs money, just as quality in K-12 requires significant investment. Early learning is primarily financed by families, so as quality increases, so do costs. A comprehensive early learning system has to simultaneously drive quality and affordability. We cannot improve quality without adequate financing to do so, conversely financing must be linked to a requisite commitment and accountability for improving quality.

Impacting kindergarten readiness and making good on the commitment to provide high-quality early learning for any child in Arizona whose family desires such an opportunity, requires a considerable investment in scale and scope. First Things First believes that linking and bringing to scale two current signature programs, Quality First and Quality First Scholarships, will have a significant effect on critical indicators for kindergarten readiness.

Following two years of quality improvements and information gathered from the initial phases of Quality First, FTF is prepared to present the full Quality First Star Rating System for board review and approval.

**CEO Recommendation(s):** Approve the Quality First Star Rating System as presented.

## First Things First Approach to Quality and Financing in Early Learning Programs

The promise and equal opportunity of affordable, high-quality early learning should extend to all Arizona children. Funded programs must commit to the social, emotional, cognitive and physical development and provides a solid foundation for success in kindergarten and beyond.

First Things First recognizes quality, access and affordability as the essential elements of an early learning system—they are inextricably linked. They all must be included in a comprehensive model that offers access for families to affordable programs that provide quality early childhood experiences for their young children. Four of the eight priority roles approved by the First Things First Board in September 2010 reflect this approach and promise:

- **Early Learning System Development and Implementation** - Convene partners and provide leadership in the development and implementation of a comprehensive early learning system that is aligned both across the spectrum of settings and with the full continuum of the educational system.
- **Quality Early Learning Standards, Curriculum, and Assessment** - Convene partners, provide leadership, and provide funding for the development and implementation of quality standards for early childhood care and education programs and related curricula and assessments. [This is integral to improving the quality of early learning settings.]
- **Professional Development System** – Convene partners, provide leadership, and provide funding for the development and enhancement of an early childhood professional development system that addresses availability, accessibility, affordability, quality, and articulation. [This is integral to improving the quality of early learning settings.]
- **Early Childhood System Funding** – Secure, coordinate, and advocate for resources required to develop and sustain the early childhood system. [This does not mean that First Things First would be the sole funder of the early childhood system, but would take an active role in helping to increase and coordinate available resources.]

Support for improved program quality, and financing the actual cost of achieving and maintaining that quality so families can afford to participate, requires systemic reform and a shift in thinking about early learning. First, there must be a shift so that early learning is recognized as a critical component of the educational continuum. This shift moves from an emphasis on providing child care to support working families to a system focused on the development and education of young children who are ready to transition to kindergarten. The second shift relates to financing so that stakeholders understand and acknowledge that achieving and maintaining quality in early learning costs money, just as quality in K-12 education requires significant investment. Early learning is primarily financed by families, so as quality increases, so do costs. A comprehensive early learning system has to simultaneously drive quality and affordability. We cannot improve quality without adequate financing to do so, conversely financing must be linked to a requisite commitment and accountability for improving quality.

### Current Landscape of Quality and Financing

A comprehensive early childhood system is successful when multiple partners are engaged in and contribute to the array of coordinated and collaborative programs and services that benefit children and their families. This is certainly true and necessary in Arizona, where several local and national partnering agencies and organizations offer professional development for teachers, national accreditation of programs, quality improvement initiatives

and financial subsidies or free or reduced access to programs for children from low-income families. Adequate financing for early learning will require movement away from using individual funding silos that are often inadequate in isolation, to braiding and layering various funding streams together to provide the actual cost of quality care and education.

Current funding sources for the Arizona early learning system include:

Child Care Subsidy – This program is administered by the Arizona Department of Economic Security, and is funded through the federal Child Care Development Fund Block Grant, Temporary Assistance to Needy Families (TANF) federal grant, and the state general fund. However, state fund general dollars were eliminated for FY12. As child care subsidies have decreased, so have the number of children receiving them. On average, in 2009, 45,957 children were eligible and receiving care each month; however, only 33,352 children were receiving care by July 2010, a decrease of 27% or 12,605 children across the state. Similarly, the appropriated budget for FY 09 was \$190 million compared with \$144 million in FY 10. The wait list established in January 2009 is gradually being reduced from a high of about 11,000 children in February 2010. As of May 2011, there were still 4,974 children remaining on the wait list for subsidy.

Head Start – Approximately 22,200 children are served in Head Start and Early Head Start programs in Arizona through community-based non-profit organizations, tribal programs, local municipalities and school districts. All Head Start funding in Arizona is federal funding and totaled \$132.5 million in 2009-2010. Head Start programs are usually 3-4 hours/day, 4 -5 days/week, and 9 months/year. Early Head Start is year round. There is no cost to families for Head Start programs, and eligibility is determined by family income or whether a child has a disability.

Public Preschool Education Grants: Special Education and Early Childhood Block Grant –The Early Childhood Block Grant, with formerly funded school and community based prekindergarten programs, was eliminated by the state legislature in FY 10. The Arizona Department of Education (ADE) continues to fund Special Education with annual expenditures at just over \$5 million.

Families – In Arizona, 54% of children five years and younger live in families defined as low income (incomes at or below 200% of the federal poverty level) or up to \$44,100 for a family of 4. There are approximately 600,000 children 5 and younger in Arizona, and about 179,300 (30%) live in families where both parents work. Approximately 145,800 live with a single working parent. The cost of quality early learning is out of the reach of low-income and many middle-income parents with the current annual average cost for infants and 4-year olds in center-based care at \$9,230 and \$7,350, respectively.<sup>1</sup>

Private, Philanthropic and Faith-Based Organizations – Funding support from these organizations for early learning is typically provided for a small targeted group of children that may qualify for support due to family income level or some other type of eligibility criteria, such as membership in the faith community. Data on the amount of funding support provided by these organizations is not available, but is considered to be a very small percentage of overall financial support available for early learning.

First Things First has developed and currently funds several strategies to increase quality and finance early learning:

Strategy	FY 11	FY 12
Quality First	\$19,902,470	\$20,344,700
Child Care Health Consultation	\$ 5,879,536	\$ 6,480,000
TEACH	\$ 7,521,344	\$ 5,150,037
FTF Professional REWARD\$	\$ 2,884,000	\$ 2,573,750
Mental Health Consultation	\$ 5,305,637	\$ 5,512,500
Expansion Strategies	\$3,149,818	\$2,111,957
Inclusion Strategies	\$1,231,000	\$1,039,148
Family, Friend, Neighbor Care	\$2,381,687	\$2,630,824
QF Scholarships	\$16,565,207	\$20,263,279
Pre-K Scholarships	\$7,621,449	\$8,316,000
<b>TOTAL</b>	<b>\$72,442,148</b>	<b>\$74,422,195</b>

### Impacting Kindergarten Readiness: Linking Quality First and Quality First Scholarships

Neuroscientists, economists and educators are aligned in identifying that early learning beginning at birth is an investment that pays dividends as children enter kindergarten and move through the early elementary grades and transition to college and career. This is especially true for children in low-income families or those born into poverty.

Impacting kindergarten readiness in our state and making good on the commitment to provide high-quality early learning for any child in Arizona whose family desires such an opportunity requires a considerable investment in scale (how many kids and providers) and scope (how comprehensive will supports and services be). First Things First believes that linking and bringing to scale two current signature programs, Quality First and Quality First Scholarships, will have a significant effect on critical indicators for kindergarten readiness, and provide more opportunities for children in low-income families to access quality early learning.

The remainder of this report will provide background information and highlight the proposed changes necessary to implement the Quality First rating system, enhance the Quality First package of services and supports provided and strengthen the link to Quality First Scholarships. Identification and incorporation of these changes are based on the following principles:

- Quality standards are the system foundation
- Quality is incentivized and rewarded
- Decisions are evidence-based and data-driven and include provider and stakeholder input
- Target resources are maximized
- Partnerships exist to enhance systems and provide service
- Complex systems are simplified for participants (providers and families)
- Sustainable financing is available
- Accountability and continuous improvement is measured using indicators and benchmarks

## Cost of Quality in Early Childhood Education Study

First Things First contracted with Burns & Associates in January 2011 to conduct the Arizona Cost of Quality in Early Childhood Education Study, which for the first time in Arizona, provides critical information about the actual costs of delivering early learning in our state and how these costs rise with increasing levels of quality. Fifty-eight for-profit and non-profit center based providers participating in Quality First or the Quality First Rating Pilot Study took part in the cost study and completed a survey that addressed the following areas:

- Direct Staff Costs (including wages and employee related expenses)
- Management/ Administrative Staff Costs
- Operating Expenses (including facility and program costs)

Data from the cost survey were then analyzed with initial assessment (ERS and CLASS) results for Quality First or the Quality First Rating Pilot Study participants to determine how costs relate to quality. The final product is a cost model, based on actual Arizona program costs and Quality First assessment results, for the cost to deliver early learning at each Quality First star level. Results indicate that costs increase as quality indicators are met, with the average annual cost (210 days, 10 hours/day) per child of \$6,142 at a 1-star level, and \$12,916 at a 5-star level, effectively costing twice as much from the lower to the highest level of the scale.

First Things First will share the data with stakeholders and use the study findings to inform financing decisions in First Things First strategies. A copy of the report is provided in Attachment A.

## Quality First Rating Scale

The Quality First Rating Scale (Attachment B) is used to determine the level of provider quality in Quality First, and incorporates evidence-based predictors of quality that lead to child outcomes across a 5-Star scale. The Rating Scale begins with a quality range of 1-Star, which demonstrates a commitment to examine practices and improve the quality of care beyond regulatory requirements, and increases to a 5-Star, which demonstrates a level of quality that provides lower ratios/group size, higher staff qualifications that support significant positive outcomes for young children, curriculum aligned with state standards and child assessment, and nurturing relationships between adults and children that promote emotional, social and academic development .

The following three tools, including two valid and reliable assessment instruments, are used to determine a Quality First Rating:

1. Environmental Rating Scales (ERS) (Thelma Harms, Richard M. Clifford, and Debby Cryer. Teachers College Press)
  - Early Childhood Environmental Rating Scale (ECERS)
  - Infant/Toddler Environmental Rating Scale (ITERS)
  - Family Child Care Environmental Rating Scale (FCCERS)

One of these three valid and reliable assessment tools is used in each provider home or center-based classroom and is the foundational assessment used in determining a Quality First Rating. Each ERS is an observational assessment, comprised of seven subscales, ranging from 37-43 total items. The ERS addresses quality components such as arrangement of indoor and outdoor space (Space and Furnishings), materials and activities offered to children (Activities), interactions between teachers and children (Interactions), use of

language in the home or classroom (Language – Reasoning - ECERS or Listening and Talking - ITERS) , and support for parents and staff (Parents and Staff). Assessors must complete a rigorous training process and demonstrate 90% inter-rater reliability before conducting assessments in Quality First. Assessors are also checked for reliability during every 10<sup>th</sup> assessment they conduct to ensure they maintain the 90% standard.

2. Classroom Assessment Scoring System™ (CLASS) (Robert C. Pianta, Karen M. La Paro, and Bridget K. Hamre. Teachstone Training, LLC)

The CLASS is a valid and reliable observational assessment that is used in addition to the ERS when a provider’s ERS average program score is at or above a 3-Star level and addresses 10 dimensions in three crucial domains of high quality teacher-student interaction:

- Emotional Support: Social and emotional functioning in the classroom is an indicator of kindergarten readiness. CLASS evaluates the dimensions of positive climate, negative climate, teacher sensitivity, and regard for student perspectives.
- Classroom Organization: Classrooms provide the most opportunities for learning when students are well behaved, active and engaged. CLASS considers behavior management, productivity, and instructional learning formats.
- Instructional Support: Good teachers make the most of opportunities to effectively support cognitive and language development through the curriculum. CLASS focuses on the roles of concept development, quality of feedback, and language modeling.

Assessors using the CLASS must complete a rigorous training process and pass the CLASS reliability test before conducting assessments in Quality First. CLASS assessors must also re-certify annually. The CLASS tool is currently used only in center-based classrooms and home-based settings with children ages 3-5 years; however, the CLASS tool for infant/toddler settings was recently released, and will be utilized by Quality First assessors once training is available and completed.

3. Quality First Points Scale

The Quality First Points Scale (Attachment C) is a tool designed by First Things First to assess portfolio documentation in three additional evidenced-based quality areas not addressed in the ERS or CLASS:

- Staff Qualifications: educational degrees and/or credits completed in early childhood education or related field and early childhood experience of the director or assistant director, lead teachers, assistant teachers and family child care providers.
- Administrative Practices: ratios of adults to children and maximum group size for center and home-based providers; retention rate (continuity of care and teaching staff) among the director or assistant director, lead teachers and assistant teachers in center-based settings.
- Curriculum and Child Assessment: alignment of curriculum and ongoing, developmentally appropriate child level assessment to the Arizona Early Learning Standards or Infant/Toddler Developmental Guidelines; communication with families on child activities and progress.

**Quality First Rating Pilot Study** – The Quality First Points Scale was initially drafted and thoroughly vetted among partners, stakeholders and providers in 2009-2010, and contained additional indicators in the areas above, as well as in areas of family and community involvement and administrative business practices. That draft was tested in the Quality First Rating Pilot Study with 32 participating home and center-based providers beginning in November 2010, to determine the effectiveness of the Quality First Rating Scale in predicting quality; to determine if the process of completing and assessing the evidence required by the Points Scale tool could be effectively and easily managed by both providers and assessors; and, whether the Points Scale tool was an effective assessment of quality.

The pilot study yielded interesting and helpful qualitative data highlighting the difficulty by providers in addressing all of the areas and cumbersome indicators in the draft Points Scale tool. The study also highlighted the difficulty assessors would have in scoring the types and volumes of evidence required by the tool. Based on the data collected from the study and continued review of the national research on quality indicators, First Things First revised the Point Scale to include only those quality areas with evidence of predicting quality in early learning programs. First Things First also revised the indicators within the remaining quality areas to include only those with clearly identifiable documentation requirements.

**Recent Stakeholder and Provider Feedback** – Feedback from users and stakeholders has been crucial in the ongoing development of Quality First. In May 2011, First Things First conducted eight information forums, soliciting feedback from partner grantees, stakeholders and advocates, state agency partners, First Things First Program Committee members, Regional Council staff, and providers in three large state regional areas, in addition to comments received by email and phone. We received thoughtful and constructive feedback, particularly related to Staff Qualifications and Administrative Practices. Based on this feedback, First Things First made the following changes in the Quality First Point Scale:

- **Staff Qualifications:**
  - Included a phase-in period, reduced the required number of credit hours in early childhood or related fields, and reduced the percentage of administrators and teachers required to have degrees in recognition that most working providers have just started on a degree pathway and will likely take a longer amount of time to complete the requisite amount of college coursework or degree program.
  - Adjusted requirements for family home providers that are more consistent with center-based administrators and lead teachers.
  - Clarified the definition of lead teacher and assistant teacher.
  - Clarified which degree fields related to early childhood education or child development count toward college coursework and degree requirements.
  
- **Administrative Practices:**
  - Clarified the definition of a group size.
  - Lowered the retention rate from 70-75% to 60-65%.
  - Added the opportunity for providers to develop and implement a written retention plan that addresses barriers to achieving higher retention.

Comments were also received related to ratios and group sizes and the equivalency of some community-based training to college coursework. First Thing First did not make changes to the Point Scale in these areas, but may consider them in the future based on data collected.

**National Accreditation** – Programs accredited by national accrediting bodies recognized by the Arizona Department of Education have already completed a standardized quality assessment process and enter the Quality First Rating system at the 3-Star level without completing an ERS. If the program’s CLASS assessment score does not meet the 3-Star level, the program will receive an ERS assessment to determine the Quality First Rating.

**Comparison of Quality First Model To Other State Quality Systems** – First Things First compared the Quality First model to 12 other states that have a variation from three to 12 years in the length of time their systems have been implemented. The full comparison document is found in Attachment D, but the following highlights are noteworthy:

- Arizona is in line with other states in regard to the percentage of participating providers at each quality level, even those states that have been implementing for 10 years. This is a serious acknowledgment that changing quality in early learning will take time.
- Quality First incentives are comparatively robust, and we tie the amount and flexibility of the incentives to increasing quality levels.
- Quality First requires a minimum 3.0 ERS score at the 3-Star level; many states require a 4.0.
- Quality First provides comprehensive ongoing annual supports and services across all quality levels, while some states provide limited supports, or provide supports only at certain star levels
- Quality First is the only system included in this comparison that incorporates the CLASS assessment in the assessment protocol. This is likely due to the cost of adding an additional assessment.

#### **Does Quality First Improve Quality – Analysis of Baseline and Progress Assessment Data**

The Quality First baseline sample consists of 250 statewide funded child care providers (178 Centers; 72 Homes) spread across 30 Regional Partnership Councils (Navajo Nation not included). Of the 250 providers, 126 (50.4%) received a progress assessment in 2011.

Comparing 126 QF Centers and Home based providers on their initial versus progress rating scores showed that:

- 86.5% (109 of 126) of providers either improved or maintained their QF rating level
  - ❖ 36 Providers (24 Centers and 12 Homes) improved their QF star rating from a 1 to 2; 2 to 3 or 3 to 4 Stars
  - ❖ 73 Providers (58 Centers and 15 Homes) maintained their QF rating (e.g.: Remained at a Star rating of 2)
- 13.5% (17 of 126) of providers showed a decline in their QF rating level
  - ❖ 11 Centers and 6 Home care providers showed a decline in star rating (e.g.: went down from a QF rating of 3 to 2)

After a year of investment, these numbers are not unusual and mirror national trends in quality rating.

An initial review of data from 53 providers who had an increase in Quality Rating (36) or a decline (17) showed that in the shift was contributed by the changes in scores in the following subscales of ERS and CLASS:

- **ERS:** Activities, Interactions, Language-Reasoning (ECCERS), Listening and Talking (ITERS and FCCERS), Program Structure and Space and Furnishing
- **CLASS:** Instructional Support and Classroom Organization

These subscale scores are an essential element in the analysis of progress in the system and will be followed closely. They are the basis for the Quality Improvement Plans that are developed collaboratively by coaches and providers. Targeted support will be geared toward increasing subscale scores.

Overall results show that the majority of child care providers, both at baseline and progress, were at a 2 Star rating level (Progressing Star). A copy of the analysis report can be viewed in Attachment E.

### **Quality First Delivery Model in FY 12 and Beyond**

In response to study data and feedback from grantees and providers, the Quality First service delivery model (Attachment F) is being revised to provide more targeted coaching, financial resources and services in order to support providers in addressing their Quality Improvement Plan and move to the next rating level. Most of these changes don't go into effect until FY13. First Things First considers FY12 as a transition year because statewide and regional budgeting for this year was planned for in early FY11, prior to development of all the proposed changes to the Quality First model. The following policy changes reflect how we are applying what we have learned in the past two years to improve enhanced Quality First service delivery in the next several years:

#### **FY12 Implementation (transition year):**

- Reinforce the shift to an early learning system with desired child outcomes by implementing Quality First as a rating system that measures quality and also provides pathway options with significant financial supports tied to quality improvement.
- Providers with a rating of 3, 4 or 5-Stars receive assessments only every two years, but continue to receive the full package of supports and services annually.
- Providers with a rating of 3, 4 or 5-Stars receive a Quality Bonus, which offers greater flexibility to those providers to decide on how Quality First financial incentives will be spent. The provider's financial reporting would include identification of which quality areas were impacted.
- Quality First participants remain in the system until they determine they will no longer participate, or if funding is no longer available to support their participation.
- The Quality First Rating System builds on the health and safety standards regulated by the Arizona Department of Health Services. A percentage of each Quality First provider's Enhancement Grant or Quality Bonus will be applied to offset a portion of their child care licensing fee (through an agreement between FTF and DHS).
- Quality ratings will not be advertised in FY12 in order to give providers time to adjust to the Rating system components.
- Providers on the Quality First waiting list in the past two years will receive priority points during selections so as to improve their chances of participation.

#### **FY13 Implementation (in addition to FY12 changes):**

- The amount of quality incentives and financing is tied to increasing quality levels.
- Quality First will implement a differentiated coaching model, with higher intensity supports at the 1 and 2-Star levels to move the Quality Improvement Plan forward, and less coaching intensity at the 3-Star level to prepare for rating or quality maintenance. Low coaching intensity at the 4 and 5-Star levels will support identification and coordination of technical assistance.
- A new coordinated consultation approach will be available to all Quality First participants, and provides flexibility to providers to access technical assistance based on their own prioritized needs. The menu of services will include consultation for child care health, mental health, inclusion-special needs and specialized instructional support in the areas of curriculum, child assessment and classroom instruction.

The specialized instructional support is intended to provide targeted expertise so providers may focus on making progress in quality indicators that significantly change outcomes for kids related to kindergarten readiness. This coordinated consultation approach will equalize access to technical assistance for all providers, regardless of their region because the technical assistance is included in the Quality First unit cost. Regional Councils currently funding consultation strategies that include Quality First providers will be able to redirect that funding to other strategies or reduce the amount.

- A percentage of each Quality First provider's Enhancement Grant or Quality Bonus will be applied to offset a portion of their child care licensing fee (through an agreement between FTF and DHS). The percentage of fee covered increases with increased quality levels.
- Quality First Scholarships will be automatically allotted as part of the Quality First per provider cost to execute the link between quality and financing. The number and amount of scholarships is tied to increasing quality levels, effectively increasing access for low-income children to high quality early learning.
- Quality First will focus on recruitment and coordinated ongoing professional development for coaches in order to provide increasing levels of coaching to providers that is consistent across the state.
- Ratings for providers enrolled prior to July 1, 2012 will be advertised in FY13. Ratings for newly enrolled providers will not be advertised until the beginning of the second year of participation, unless desired by the provider.

### **Costs of Quality First and Early Childhood Financing**

**Costs of the Quality First Model** – The costs of providing the revised FY13 Quality First model is a contributing source of financing for early learning, and will include the cost of assessment, coaching, TEACH scholarships, specialized technical assistance, and incentives. The per provider cost will be the same across all star levels, but the type and amount of coaching and incentives will vary within the unit cost depending on the star rating; that is, the higher the rating, the higher the Quality Bonus incentive, the higher the funding for technical assistance and the lower the coaching costs. Assessment and TEACH scholarships remain stable across all star levels.

**Costs of Quality First Scholarships** – Quality First Scholarships are a significant source of financing for early learning, and will be automatically allotted per provider funded for Quality First. The number and amount for each scholarship is tied to increasing levels of quality and the scholarship cost will be added to the Quality First cost. This new approach may result in scholarships distribution across a larger number of providers in individual regions than in prior years. Some providers may receive more scholarships than before, some may receive them for the first time, and some providers may be impacted by receiving fewer scholarships than in the past. First Things First is committed to a continuity of care for young children currently benefiting from Quality First Scholarships and will identify an approach to transition these scholarships so children are not abruptly left without early learning services.

The actual costs of both strategies are still being finalized at this time, but will be available before Regional Councils begin FY13 funding plan development and in preparation for the September 2011 Board meeting when the board will consider FY13 budget allocations.

First Things First initiative language stipulates that 90% of all tobacco tax revenue be deposited into the Program account, and that 90% of that account is distributed to regions. As with all First Things First program strategies, because regions receive the majority of the revenue, regions also provide the majority of funding to implement strategies at the local, as well as statewide level. Expanding the scale and scope of Quality First and Quality First Scholarships is dependent on significant investment from the statewide program account FY 12 - \$8.6 million or 62% of statewide funding). This investment will remain at least at the current level, and possibly increase in

future years. The contribution of statewide program funding will be used to offset the per provider cost of Quality First. This will likely result in a regional Quality First unit cost that is lower than in previous years; however, the cost of Quality First Scholarships will then be added. Depending on if and to what degree Regional Councils previously funded Quality First Scholarships, the regional investment in these two strategies may remain the same or change. Regional Councils may also choose to continue allotting additional funding for more Quality First Scholarships and increased technical assistance support independent of the Quality First package of services and the per unit cost for those providers enrolled or applied for Quality First. In FY12, Regional Councils have allotted a combined \$28.9 million for Quality First and related services, and \$20,263,279 for Quality First Scholarships.

Regional Councils with limited funding allocations may have challenges in funding Quality First and Scholarships for providers in their region beginning in FY13. This is an issue that requires further thought and discussion within First Things First to ensure Regional Councils can consider funding these strategies if desired.

Finally, all of the partners in the early childhood system have a responsibility to ensure we provide a quality early learning and financing system that has the capacity meet the demand of families who desire quality early learning for their child, the demand of providers who choose to participate.

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<sup>i</sup> National Center for Children in Poverty. Early Childhood Profile: Arizona. (2010). Available at: [http://www.nccp.org/profiles/AZ\\_profile\\_16.html](http://www.nccp.org/profiles/AZ_profile_16.html). Also see National Association of Child Care Resource and Referral Agencies. 2009 Child Care in the State of Arizona. Available at: <http://www.naccrra.org/randd/data/docs/AZ.pdf>. Budget TRAX, Morrison Institute for Public Policy, IMPACT: Child Care Assistance Programs, [http://morrisoninstitute.asu.edu/publications-reports/2011-budget-trax-impact-child-care-assistance-programs/at\\_download/file](http://morrisoninstitute.asu.edu/publications-reports/2011-budget-trax-impact-child-care-assistance-programs/at_download/file)



## Arizona Cost of Quality in Early Childhood Education Study

The Arizona Cost of Quality in Early Childhood Education Study was undertaken to provide critical information about the actual costs of delivering early care and education and how these costs rise with increasing levels of quality.

These findings are specific to Arizona and the study was conducted in collaboration with early care and education providers participating in Quality First or the Quality First Rating Pilot Study. Insight gained from the Cost of Quality Study will inform First Things First's overall Quality, Access and Affordability planning. Results are available at the statewide level only and the model reflects costs in for-profit and non-profit center based providers only.

### Methodology:

Using the best research and experience available from other states and combining that with thorough knowledge of Arizona, First Things First in collaboration with Burns & Associates developed a cost survey to obtain data on actual program costs for early care and education providers participating in Quality First or the Quality First Rating Pilot Study.

Burns & Associates provided assistance and consultation in the completion of the cost survey and served as the primary contact for providers. Fifty-eight early care and education providers completed the survey. The data provided included:

- Direct Staff Costs
  - including wages and employee related expenses
- Management/ Administrative Staff Costs
- Operating Expenses
  - including facility and program costs

### Assumptions and Limitations:

The model is intended to reflect the cost of providing child care in a center-based environment since centers provide most licensed child care in the state and are the majority of the providers that participated in the cost survey. Cost structures for other service settings, such as public schools and private homes, are different enough that they were not incorporated into this model.

Program costs vary widely depending on the ages of children served and the hours of operation. In order to allocate costs across age groups, the following assumptions were made:

- A provider offers services to a range of children from birth through age five that mirrors the overall totals reported in the cost survey (i.e., infants account for 9 percent of total attendance hours, 1 year-olds for 15 percent, 2 year-olds for 21 percent, 3 year-olds for 28 percent, and 4 year-olds for 27 percent).
- A child is in care for 10 hours per day and 250 days per year (260 work days in an average year less 10 holidays).

For actual care, costs for a center that provides care primarily to infants will be more cost intensive than the model cost because of the lower staff ratios required for infant care (i.e., a child care worker may only care for an average of 5.5 infants at one time, two workers for every 11 children, while a child care worker may care for 15 four year-olds at once).

If a program operates for fewer days per year (or hours per day) than assumed in the model, that program will likely have higher per child per hour facility expenses than assumed in the model because there are fewer 'billable' hours across which to spread the program's fixed costs.

Difficulties in estimating corporate costs, designation of staff as administrative versus teaching costs, and differing methods for estimating facilities costs are also limitations.

It is also important to note that cost data were self-reported and errors may have been made. Errors were minimized through the robust review of the surveys. At least one round of follow-up questions was sent to every responding provider to clarify any items that appeared to be in error. Burns & Associates also spoke personally with a majority of responding providers to further ensure mutual understanding of the survey data.

#### Direct Staff Costs:

Direct staff costs, which incorporate both wages and staffing ratios, are the largest cost factors in the model. Because of their importance in the model, additional detail is provided here on staff costs, employee related expenses and benefits, and staffing ratios.

Teacher Salary is the hourly wage paid to child care teachers. The model relies on Bureau of Labor Statistics data for standard occupational classification (SOC) 25-2011: Preschool Teachers, Except Special Education (May 2010 data). This SOC includes preschool teachers in a variety of settings including centers, public schools, and religious institutions. Reviewing national data, teachers in child care centers are typically paid less than those in other settings. On average, center teachers are paid 12.6 percent less than the overall average (\$12.27 versus \$14.04).

Turning to Arizona-specific data, the median hourly wage for all individuals in this SOC is \$10.96. However, the analysis of national data demonstrated that center-based teachers are

typically paid less than the all-industry average (the BLS does not make industry-specific data for SOC's available at the state level). The models, therefore, apply the 12.6 percent 'discount' to arrive at a median hourly wage of \$9.58.

This wage is used for the one and two star centers. Given the expectation that in the next three years, 75% of teachers in three and four star centers will have a minimum of a Child Development Associate (CDA) credential or equivalent, the model uses the discounted 75th percentile, or \$12.95 per hour. For teachers in five star centers (who are expected to have a minimum of an associate's degree), the discounted 90th percentile of \$17.05 per hour is used (see Table 1 for wages for all star levels). This wages translates to an annual salary of almost \$35,500, which, based on the provider survey, is much greater than current industry paid wages.

It should be noted, that while \$9.58 is the hourly teacher cost utilized in the model for one and two stars, centers responding to the cost survey – that were predominately of the one and two star levels-- reported a median teacher wage of \$9.17. There are indications in the data provided by Quality First and Quality First pilot participants that hourly wage at the one star level may be lower than the discounted median used for one and two star centers in the model. However, because of the low sample size of one star survey participants, the model utilizes the same hourly wage for one and two star centers.

Table 1.

	One Star	Two Star	Three Star	Four Star	Five Star
<b>Hourly teacher wage</b>	\$9.58	\$9.58	\$12.95	\$12.95	\$17.05

For Administration and Program Support Staff, a base amount of \$4.00 per child per day was derived from provider survey data. For a center with a typical daily attendance of 60 full-time children, this equates to \$60,000 per year for administrative and program support staff (60 children \* \$4.00 per day \* 250 days). For three and four star centers there is a 10 percent increase and for five star centers there is a 20 percent premium. These amounts are based on expectations that three and four star center directors will have at least an associates' degree while five star directors will have a bachelor's degree premium (see Table 2 for annual other staff wage for all star levels).

Table 2.

	One Star	Two Star	Three Star	Four Star	Five Star
Annual other staff wage	\$60,000	\$60,000	\$66,000	\$66,000	\$72,000

The model accounts for all mandatory benefits. FICA – Social Security and Medicare taxes –are 7.65 percent of wages. For State Unemployment Insurance and Workers’ Compensation, the model assumes a 1.00 percent rate for each quality level, though actual rates varied among the study participants. The only optional benefits currently incorporated are health insurance and paid time off. Health insurance benefits are only reflected at the five star level and assume a \$250 monthly cost per teacher to the center. Also, the model assumes that teachers in one to three star centers do not receive sick or vacation days while teachers in four and five star centers receive 15 days per year.

Cost varies significantly based on ages of children served, primarily due to staff ratios. In the cost survey, providers were asked to identify the assignment of staff time across age groups in order to calculate total direct care cost by age group. If those data were unavailable, the total direct salary costs for each room were allocated across the service hours for each age group. Total direct staff wages were calculated by multiplying direct care workers’ hourly wage by the number of hours per week that they work by the number of weeks per year that the program operates. These costs were then allocated to each room proportionally according to the number of workers that the provider reported staffed each room. For example, if a provider reported two classrooms with Room 1 typically staffed by one employee and Room 2 typically staffed by two employees, one-third of the direct care staffing costs were assigned to Room 1 and the remaining two-thirds were assigned to Room 2. The model is based on the following ratio guidelines for Quality First (see Table 3 for Quality First ratio guidelines).

Table 3.

Staffing Ratios	1 Star Licensing ratios		2 Stars Licensing ratios		3 Stars QF Points Scale		4 Stars QF Points Scale		5 Stars QF Points Scale	
	0-12 Mo.	1:5 or 2:11	0-12 Mo.	1:5 or 2:11	0-12 Mo.	1:5	0-12 Mo.	1:4	0-12 Mo.	1:4
	13-24 Mo.	1:6 or 2:13	13-24 Mo.	1:6 or 2:13	13-24 Mo.	1:6	13-24 Mo.	1:4	13-24 Mo.	1:4
	25-36 Mo.	1:8	25-36 Mo.	1:8	25-36 Mo.	1:8	25-36 Mo.	1:6	25-36 Mo.	1:6
	37-48 Mo.	1:13	37-48 Mo.	1:13	37-48 Mo.	1:13	37-48 Mo.	1:9	37-48 Mo.	1:9

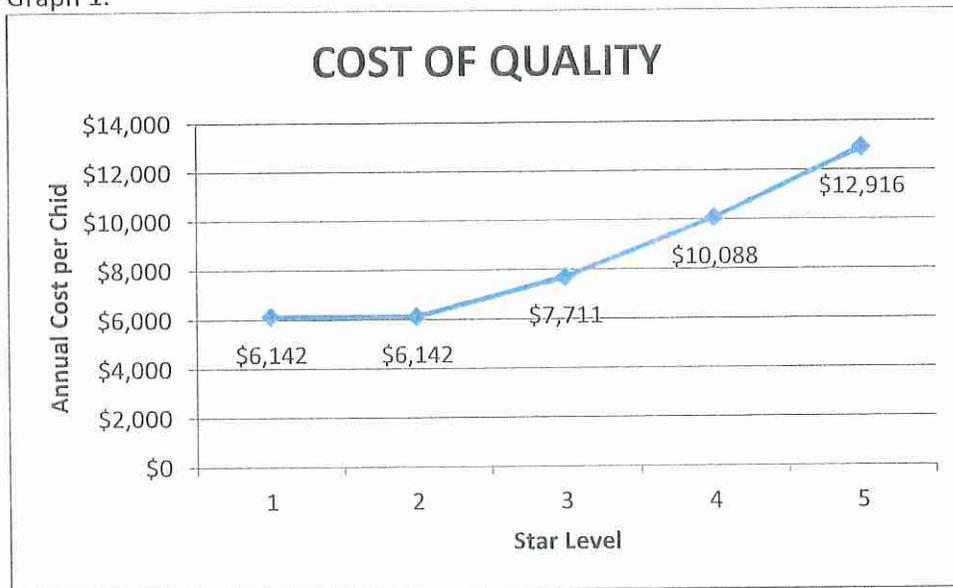
	1 Star Licensing ratios		2 Stars Licensing ratios		3 Stars QF Points Scale		4 Stars QF Points Scale		5 Stars QF Points Scale	
	49-60 Mo.	1:15	49-60 Mo.	1:15	49-60 Mo.	1:15	49-60 Mo.	1:10	49-60 Mo.	1:10

Another factor in the model of costs is the incorporation of teacher assessment and individualized instructional planning time. The model assumes that teachers in three to five star centers have three hours per week of non-classroom time per week which is covered by a substitute.

### The Cost of Quality

Data from the cost survey were then analyzed with initial assessment (ERS and CLASS) results for Quality First or the Quality First Rating Pilot Study participants to determine how costs relate to quality. The final product of the Study is a model, based on actual Arizona program costs and Quality First assessment results, for the cost to deliver early care and education at each Quality First star level. Results indicate the following trend and costs as related to quality (see Graph 1).

Graph 1.





# FIRST THINGS FIRST

*Ready for School. Set for Life.*

## QUALITY FIRST RATING SCALE

**Key to Abbreviations:**

ERS – Environmental Rating Scales

- ECERS – Early Childhood Environment
- ITERS – Infant/Toddler Environment
- FCCERS – Family Child Care Environment

CLASS – Classroom Assessment Scoring System

- ES – Emotional Support Domain
- CO – Classroom Organization Domain
- IS – Instructional Support Domain

Quality First Points Scale

- SQ – Staff Qualifications
- AP – Administrative Practices
- CA – Curriculum and Assessment

*Star ratings will not be advertised until July 1, 2012*

### HIGHEST QUALITY



Demonstrates a level of quality that provides an environment of lower ratios/group size and higher staff qualifications that supports significant positive outcomes for young children in preparation for school. Curriculum is aligned with state standards and child assessment. Relationships between adults and children are nurturing and promote emotional, social, and academic development.

### QUALITY PLUS



Demonstrates a level of quality that provides an environment of developmentally appropriate, culturally sensitive learning experiences. Curriculum is aligned with state standards. Relationships between adults and children are nurturing and promote language development and reasoning skills.

### QUALITY



Demonstrates a level of quality that provides an environment that is healthy and safe with access to and availability of developmentally appropriate materials. Curriculum is aligned with state standards. Interactions between adults and children are enhanced. Staff qualifications exceed state requirements.

### PROGRESSING STAR



Demonstrates a commitment to provide environments that are progressing in the ability to foster the health, safety and development of young children.

### RISING STAR



Demonstrates a commitment to examine practices and improve the quality of care beyond regulatory requirement.

ERS Average Program Score <b>1.0 – 1.99</b>	ERS Average Program Score <b>2.0 – 2.99</b>	ERS Average Program Score <b>3.0 – 3.99</b> No classroom score below <b>2.5</b>	ERS Average Program Score <b>4.0 – 4.99</b> No classroom score below <b>3.0</b>	ERS Average Program Score <b>5.0 &amp; above</b> No classroom score below <b>3.0</b>
CLASS N/A	CLASS N/A	CLASS Average Program Score ( ES ) ( CO ) ( IS ) 4.5 4.5 2.0	CLASS Average Program Score ( ES ) ( CO ) ( IS ) 5.0 5.0 2.5	CLASS Average Program Score ( ES ) ( CO ) ( IS ) 6.0 6.0 3.0
Points Scale N/A	Points Scale N/A	Points Scale 6 point minimum ( SQ ) ( AP ) ( CA ) 2 2 2	Points Scale 10 point minimum ( SQ ) ( AP ) ( CA ) 2 2 2	Points Scale 12 point minimum ( SQ ) ( AP ) ( CA ) 4 4 4



# Quality First Points Scale Scoring Document

## Directions for Scoring:

1. If all indicators in one row are "yes", continue to the next row.
2. If any indicator is "no", stop.
3. All indicators in each row must be marked "yes" in order to earn the points indicated at the end of each row.

**Staff Qualifications – OFFICE OF CHILD CARE LICENSING REQUIREMENTS (regulations are paraphrased)**

One Administrator (Director or Assistant Director) has the following education and experience:	Teachers have the following education and experience:	Assistant Teachers have the following education and experience:	Family Child Care Providers have the following education and experience:	Points Earned
<p><b>R9-5-401</b></p> <p>1. At least 24 months of child care experience, a high school or high school equivalency diploma, and:</p> <ul style="list-style-type: none"> <li>• Six credit hours or more in early childhood, child development, or a closely-related field from an accredited college or university</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• At least 60 hours of training in early childhood, child development, or a closely-related field, and an additional 12 hours of training in program administration, planning, development, or management;</li> </ul> <p>2. At least 18 months of child care experience and:</p> <ul style="list-style-type: none"> <li>• An N.A.C., C.D.A., or C.C.P. credential</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• At least 24 credit hours from an accredited college or university, including at least six credit hours in early childhood, child development, or a closely-related field;</li> </ul> <p>3. At least six months of child care experience and:</p> <ul style="list-style-type: none"> <li>• An AA or AAS in ECE, child development or closely related field.</li> </ul> <p>4. At least three months of child care experience and:</p> <ul style="list-style-type: none"> <li>• A BA or BS in ECE, child development or a closely-related field.</li> </ul>	<p><b>R9-5-401</b></p> <p>1. Six months of child care experience and:</p> <ul style="list-style-type: none"> <li>• A high school diploma or high school equivalency diploma</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• At least 12 credit hours from an accredited college or university, including at least six credit hours in early childhood, child development, or a closely-related field;</li> </ul> <p>2. Associate or bachelor degree from an accredited college or university in early childhood, child development, or a closely-related field</p> <p>OR</p> <p>N.A.C., C.D.A., or C.C.P. credential;</p>	<p><b>R9-5-401</b></p> <p>1. Current and continuous enrollment in high school or a high school equivalency class;</p> <p>2. High school or high school equivalency diploma</p> <p>3. Enrollment in vocational rehabilitation, as defined in A.R.S. § 23-501</p> <p>4. Employment as a teacher-caregiver aide for 12 months</p> <p>5. Service as a volunteer in a child care facility for 12 months;</p>	<p><b>R9-3-303</b></p> <p>1. If the staff member will work with enrolled children only while supervised by the provider or assistant provider, be at least 16 years of age or registered as a Level I with S*CCEEDS;</p> <p>2. If the staff member will work with enrolled children without being supervised by the provider or assistant provider:</p> <ul style="list-style-type: none"> <li>• Be at least 18 years of age and have a high school diploma, high school equivalency diploma, associate degree, or bachelor degree</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Be registered as a Level II-A with S*CCEEDS</li> </ul>	<p>N/A</p>

**Staff Qualifications (must meet standards in all columns of each row to receive points)**

Administrators (Director and Assistant director) and Teachers* have the following education and experience:	Assistant Teachers have the following education and experience:	Family Child Care Providers have the following education and experience:	Points Earned
<p><b>2a. July 1, 2011</b>                      25% have  <u>Education:</u>                      12 college credit hours in early childhood or related fields listed in the documentation requirements section.                      OR                      Certificate of completion in ECE or child development from a community college                      OR                      CDA                      AND  <u>Experience:</u>                      1 year of teaching in or administration of an early care and education program</p>	<p><b>2b. 50% have</b>  <u>Experience:</u>                      6 months of experience working in an early care and education program</p>	<p><b>2c.</b>  <u>Education:</u>                      6 college credit hours in early childhood or related fields listed in the documentation requirements section.                      OR                      Certificate of completion in ECE or child development from a community college                      OR                      CDA                      AND  <u>Experience</u>                      1 year of experience in an early care and education program</p>	<p>2 points</p>
<p style="text-align: center;"><b>Education Requirements Starting July 1, 2015</b></p> <p><u>A total of 50% have the following education</u>                      25% have                      12 college credit hours in early childhood or related fields listed in the documentation requirements section.                      OR                      Certificate of completion in ECE or child development from a community college                      OR                      CDA                      AND 25% have                      AA or AAS in ECE                      OR                      AA or AAS that includes at least 15 college credit hours in early childhood or related fields listed in the documentation requirements section.                      OR                      BA in any field w/at least 15 college credit hours in early childhood or related fields listed in the documentation requirements section.</p>			

\*Teacher refers to one who is primarily responsible for the classroom operations, including writing the lesson plans, conducting the parent-teacher conferences, and documenting the children's developmental progress.

Staff Qualifications (must meet standards in all columns of each row to receive points)

Administrators (Director and Assistant director) and Teachers* have the following education and experience:	Assistant Teachers have the following education and experience:	Family Child Care Providers have the following education and experience:	Points Earned
<p>4a. <u>A total of 75% have the following education</u></p> <p><u>Education:</u></p> <p>25% have 12 college credit hours in early childhood or related fields listed in the documentation requirements section.</p> <p>OR</p> <p>Certificate of completion in ECE or child development from a community college</p> <p>OR</p> <p>CDA</p> <p>AND</p> <p>50% have AA or AAS in ECE</p> <p>OR</p> <p>AA or AAS that includes at least 15 college credit hours in early childhood or related fields listed in the documentation requirements section.</p> <p>OR</p> <p>BA in any field w/at least 15 college credit hours in early childhood or related fields listed in the documentation requirements section.</p> <p>AND</p> <p><u>Experience:</u></p> <p>1 year of teaching in or administration of an early care and education program</p>	<p>4b. 50% have</p> <p><u>Experience:</u></p> <p>6 months of experience working in an early care and education program</p>	<p>4c.</p> <p><u>Education:</u></p> <p>12 college credit hours in early childhood or related fields listed in the documentation requirements section.</p> <p>OR</p> <p>Certificate of completion in ECE or child development from a community college</p> <p>OR</p> <p>CDA</p> <p>AND</p> <p><u>Experience</u></p> <p>1 year of experience in an early care and education program</p>	<p>4 points</p>

\*Teacher refers to one who is primarily responsible for the classroom operations, including writing the lesson plans, conducting the parent-teacher conferences, and documenting the children's developmental progress.

**Staff Qualifications (must meet standards in all columns of each row to receive points)**

Administrators (Director and Assistant director) and Teachers* have the following education and experience:	Assistant Teachers have the following education and experience:	Family Child Care Providers have the following education and experience:	Points Earned
<p><b>6a. 25%** have</b>  <i>**50% starting July 1, 2015, 75% starting July 1, 2020</i></p> <p><b>Education:</b>                      BA or BS in ECE or related field                      OR                      State of AZ Provisional/Standard Teaching Certificate in Early Childhood Education                      OR                      State of AZ Provisional / Standard Teaching Certificate in Early Childhood Special Education with ECE endorsement.                      OR                      State of AZ Provisional/Standard Teaching Certificate in Elementary Education with ECE endorsement.                      AND  <b>Experience:</b>                      6 months of teaching in an early care and education program                      AND                      The remaining percentage of teachers meets the requirements at the 2 point level.</p>	<p><b>6b. 50% have</b></p> <p><b>Experience:</b>                      6 months of experience working in an early care and education program</p>	<p><b>6c.</b></p> <p><b>Education:</b>                      AA or AAS in ECE                      OR                      AA or AAS that includes at least 15 college credit hours in early childhood or related fields listed in the documentation requirements section.                      OR                      BA or BS in any field w/at least 15 college credit hours in early childhood or related fields listed in the documentation requirements section.                      AND  <b>Experience:</b>                      1 year of experience in an early care and education program</p> <p style="text-align: center;"><b>July 1, 2020</b></p> <p>BA or BS in ECE or related field                      OR                      State of AZ Provisional/Standard Teaching Certificate in Early Childhood Education                      OR                      State of AZ Provisional / Standard Teaching Certificate in Early Childhood Special Education with ECE endorsement.                      OR                      State of AZ Provisional/Standard Teaching Certificate in Elementary Education with ECE endorsement.                      AND  <b>Experience:</b>                      1 year of experience in an early care and education program</p>	<p><b>6</b>                      points</p>

*\*Teacher refers to one who is primarily responsible for the classroom operations, including writing the lesson plans, conducting the parent-teacher conferences, and documenting the children's developmental progress.*

## STAFF QUALIFICATIONS - Documentation Requirements

- Official Transcripts for all staff with college credits or diplomas. *Only courses with a grade of C or better will be accepted.*
- Complete staffing tab in the Quality First Dashboard, for each employee. **\*\*coach verifies**
  - Enter each staff using the [Add new row](#) link.
  - Enter Director, Assistant Director, Teacher, and Assistant Teachers are included. *Do not include staff who do not work directly in the classroom with children.*
  - Click on [Edit Details](#) for each staff member and enter the information required. *Do not enter college credits or degrees.*

***The related fields below are considered for college credits and degrees:***

- Child and Family Studies
- Human Development
- Elementary Education
- Special Education
- Developmental Psychology
- Social Work
- Consumer Studies
- Human Services

**Administrative Practices - OFFICE OF CHILD CARE LICENSING REQUIREMENTS (regulations are paraphrased)**

Ratios and Group Sizes – Center Based <i>Age of youngest child determines ratio of group. All classrooms will be assessed.</i>	Ratios and Group Sizes – Home Based	Retention	Points Earned
<b>R9-5-404.A</b> Infants 1:5 or 2:11 1-year-old children 1:6 or 2:13 2-year-old children 1:8 3-year-old children 1:13 4-year-old children 1:15 5-year-old children not school-age 1:20	<b>R9-3-306</b> 1. The provider or the assistant provider is present and actively involved at the child care group home when one to five enrolled children are at the child care group home 2. At least one adult staff member in addition to the provider or the assistant provider is present and actively involved at the child care group home when six to 10 enrolled children are at the child care group home.	None	N/A

**Administrative Practices (must meet standards in all columns of each row to receive points)**

Ratios and Group Sizes*** – Center Based <i>Age of youngest child determines ratio of group. All classrooms will be assessed.</i>	Ratios and Group Sizes*** – Home Based	Retention	Points Earned
<b>2a.</b> Group sizes are a maximum of no more than two times the ratio of children per a single adult  <ul style="list-style-type: none"> <li>• Infants 1:5, max of 10 children</li> <li>• 12-24 months 1:6, max of 12 children</li> <li>• 2 year olds 1:8, max of 16 children</li> <li>• 3 year olds 1:13, max of 26 children</li> <li>• 4-5 year olds 1:15 max of 30 children</li> </ul>	<b>2b.</b> Ratios and group sizes are the following:  <b>Up to 5 children enrolled</b> <ul style="list-style-type: none"> <li>• 1:5, max of 5 children</li> </ul> <b>6 – 10 children enrolled</b> <ul style="list-style-type: none"> <li>• 1:5, max of 10 children</li> </ul>	<b>2c.</b> In the past 2 years, the retention rate for Director, Assistant Director and Lead Teachers does not fall below 60%.  If a program falls below 60%, 2 points will be earned with a written retention plan to address barriers and propose recommendations to be implemented.	2 points

**Administrative Practices (must meet standards in all columns of each row to receive points)**

Ratios and Group Sizes*** – Center Based <i>Age of youngest child determines ratio of group. All classrooms will be assessed.</i>	Ratios and Group Sizes*** – Home Based	Retention	Points Earned
<b>4a.</b> Group Sizes are the following: <ul style="list-style-type: none"> <li>• Infants 1:5, max of 10 children</li> <li>• 12-24 month 1:6, max of 12 children</li> <li>• 2 Year Olds 1:8, max of 16 children</li> <li>• 3 Year Olds 1:12, max of 24 children</li> <li>• 4-5 Year Olds 1:13, max of 26 children</li> </ul>	<b>4b.</b> Ratios and group sizes are the same as the previous level.	<b>4c.</b> In the past 2 years, the retention rate for Director, Assistant Director and Lead Teachers does not fall below 65%.  If a program falls below 65%, 4 points will be earned with a written retention plan to address barriers and propose recommendations to be implemented.	4 points

Administrative Practices (must meet standards in all columns of each row to receive points)

Ratios and Group Sizes*** – Center Based <i>Age of youngest child determines ratio of group. All classrooms will be assessed.</i>	Ratios and Group Sizes*** – Home Based	Retention	Points Earned
<p>6a. Ratios and Group Sizes meet the following:</p> <ul style="list-style-type: none"> <li>• <b>Infants</b> 1:4, max of 8 children</li> <li>• <b>12-24 months</b> 1:4, max of 8 children</li> <li>• <b>2 year olds</b> 1:6, max of 12 children</li> <li>• <b>3 year olds</b> 1:9, max of 18 children</li> <li>• <b>4-5 year olds</b> 1:10, max of 20 children</li> </ul> <p>Ratios and groups sizes at the 6 point level are based on NAEYC Accreditation Standards.</p>	<p>6b. Ratios and group sizes are the following:</p> <p><b>Up to 5 children enrolled</b></p> <ul style="list-style-type: none"> <li>• 1:4, max of 5 children</li> </ul> <p><b>6 – 10 children enrolled</b></p> <ul style="list-style-type: none"> <li>• 1:4 max of 10 children</li> </ul>	<p>6c. In the past 3 years, the retention rate for all classroom staff does not fall below 65%.</p> <p>If a program falls below 65%, 6 points will be earned with a written retention plan to address barriers and propose recommendations to be implemented.</p>	<p><b>6 points</b></p>

**ADMINISTRATIVE PRACTICES – Documentation Requirements**

- Complete staffing tab in the Quality First Dashboard, for each employee.
    - Ensure that hire date and termination date is accurately reflected for each employee, including those that are no longer employed.
    - Do not remove any employees that are no longer employed. The “Active?” checkbox should be empty for people no longer employed.
  - Complete the classroom ratios and group sizes form.
- \*\*\***Group Size.** There may be more than one group in a particular room. When more than one group occupies the same classroom, staff must be able to identify which children they are responsible for supervising at any time during the day. The ratios and group sizes at each point level will be assessed for each group that occupies the same classroom.

Curriculum and Child Assessment - OFFICE OF CHILD CARE LICENSING REQUIREMENTS (regulations are paraphrased)			
State Standards and Program Guidelines	Curriculum	Child Assessment	Points Earned
None	<p><b>R9-5-501.C.5</b></p> <p>1. Prepares and posts a dated lesson plan in each indoor activity area for each calendar week, which is maintained on facility premises for 12 months after the lesson plan date and provides opportunities for each child to:</p> <ul style="list-style-type: none"> <li>• Gain a positive self-concept</li> <li>• Develop and practice social skills</li> <li>• Think, reason, question, and experiment</li> <li>• Acquire language skills</li> <li>• Develop physical coordination skills</li> <li>• Participate in structured large muscle physical activity</li> <li>• Develop habits that meet health, safety, and nutritional needs</li> <li>• Express creativity</li> <li>• Learn to respect cultural diversity of children and staff</li> <li>• Learn self-help skills</li> <li>• Develop a sense of responsibility and independence</li> </ul>	None	N/A

Curriculum and Child Assessment (must meet all columns of each row to receive points)			
State Standards and Program Guidelines	Curriculum	Child Assessment****	Points Earned
<p><b>2a.</b></p> <p>Teachers*, Directors and Assistant Directors have completed the approved 2 hour training on the Introduction to the Arizona Early Learning Standards (AZELS)* and Infant – Toddler Developmental Guidelines (ITDG) within 6 months of the date of hire. <i>The Infant-Toddler Developmental Guidelines will be required when written and available.</i></p> <p><i>*A valid Arizona Early Childhood Teaching Certificate or Endorsement is accepted in lieu of training.</i></p>	<p><b>2b.</b></p> <p>The Arizona Early Learning Standards and Infant-Toddler Developmental Guidelines (when complete) are clearly reflected in the written activity plans.</p> <p><b>AND</b></p> <p>There is a written process for sharing curriculum with families.</p>	<p><b>2c.</b></p> <p>Assessment of children’s growth and development is an ongoing process and is conducted during children’s daily activities and routines to assess progress in the 4 domain areas of social, emotional, cognitive and physical development.</p> <p><b>AND</b></p> <p>Parent Teacher conferences are offered once per year.</p>	2 points

\*Teacher refers to one who is primarily responsible for the classroom operations, including writing the lesson plans, conducting the parent-teacher conferences, and documenting the children’s developmental progress.

Curriculum and Child Assessment (must meet all columns of each row to receive points)			Points Earned
State Standards and Program Guidelines	Curriculum	Child Assessment****	
<p><b>4a.</b> Programs follow the Arizona Guidelines for Early Care and Education Programs (Birth through age 5) recommendations for transitions between environments.</p>	<p><b>4b.</b> Written curriculum plans include specific learning objectives for children based on each child's documented or observed assessment information.</p>	<p><b>4c.</b> Assessment of children's growth and development includes gathering and documenting information received from families either from child information surveys, daily communications with families, or formal conferences held with the families.</p> <p><b>AND</b></p> <p>Programs use a variety of methods that include observation/anecdotal notes, children's work samples, developmental checklists.</p>	<p><b>4 points</b></p>

Curriculum and Child Assessment (must meet all columns of each row to receive points)			Points Earned
State Standards and Program Guidelines	Curriculum	Child Assessment****	
<p><b>6a.</b> Teachers*, Directors and Assistant. Directors have completed the approved training on at least two of the modules of the Arizona early Learning Standards or Infant – Toddler Development Guidelines (when written and available).</p>	<p><b>6b.</b> Written activity plans include strategies, modifications, and/or adaptations to fully involve all children with special health and/or developmental needs, including gifted and talented (e.g. adaptive materials are listed to be gathered, wide range of materials allow for individual use based on development, etc.).</p> <p><i>This item may be N/A</i></p>	<p><b>6c.</b> Additional child assessment strategies include developmental and sensory screening activities (either provided directly or arranged for by the provider) and, when necessary, families are referred to appropriate health or intervention agencies.</p> <p><b>AND</b></p> <p>Parent teacher conferences are offered twice per year.</p>	<p><b>6 points</b></p>

\*Teacher refers to one who is primarily responsible for the classroom operations, including writing the lesson plans, conducting the parent-teacher conferences, and documenting the children's developmental progress.

### CURRICULUM AND CHILD ASSESSMENT – Documentation Requirements

- AZELS and/or ITDG training certificates for all Lead Teachers, Directors, and Assistant Directors.
  - Certificates for the Introduction to the standards.
  - Certificates for individual modules.
- Curriculum plans for each classroom for the most recent full month (4 weeks of plans per classroom).
  - (2 points) AZELS or ITDG is indicated on each curriculum plan.
  - (4 points) individual children's goals are reflected on the curriculum plan or documented and linked to the curriculum plan.
  - (6 points) Modifications for children with special health and/or developmental needs are indicated on the curriculum plan or documentation is provided that links to the curriculum plan.

- Five child assessments including at least one child in each classroom in the program. *Assessor will choose randomly.*
  - Documentation of social development is included in each child’s assessment.
  - Documentation of emotional development is included in each child’s assessment.
  - Documentation of cognitive development is included in each child’s assessment.
  - Documentation of physical development is included in each assessment.
  - Parent-teacher conference schedule which indicates how many time per year conferences are offered.
  - Observation/anecdotal records are included in each child’s assessment.
  - Children’s work samples are included in each child’s assessment.
  - Developmental checklists are included in each child’s assessment.
  - Information received from families is included in each child’s assessment. Documentation includes, but is not limited to the following:
    - Family surveys about child’s growth and development.
    - Documentation of communications with families about child’s growth and development.
    - Documentation of formal conferences that include the family’s perspective.
    - Documentation of parent interviews to understand the child’s development from the family perspective.
- Developmental Screening and/or referral forms for families to receive screenings.

\*\*\*\*Recommendations have been made to First things First to designate a standardized, statewide child assessment tool. First things First will consider this recommendation for future implementation in the Quality First Points Scale.

## Comparison of Quality Rating Systems

STATE	LICENSING	STAFF QUALIFICATIONS	RATING	INCENTIVES	COACHING/TA	ASSESSMENT
<b>Arizona (2009)</b> <b>Quality First</b>	License not rated	3★ <b>Director</b> – Associates in ECE or relate field <b>Teacher</b> – 30 ECE credits or Certificate of Completion or CDA	1★ - 30% 2★ - 63.5% 3★ - 5.5% 4★ - .5% 5★ - 0%	\$3,500.00 – \$15,000.00 annually for incentives	2 hrs /month minimum - ongoing	ERS 1★ - 1.0 – 1.99 2★ - 2.0 – 2.99 3★ - 3.0 – 3.99 4★ - 4.0 – 4.99 5★ - 5.0 - 7.00
<i>Voluntary participation</i>		4★ <b>Director</b> – same as above <b>Teacher</b> – same as above	*preliminary data	Tiered Early Learning Scholarships (est. totals available August 2011)		CLASS 3★ 4.5, 4.5, 2.0 4★ 5.0, 5.0, 2.5 5★ 6.0, 6.0, 3.0
<i>20% DHS licensed centers participating</i>		5★ <b>Director</b> – Bachelor’s in ECE or related field <b>Teacher</b> – Associates in ECE or related field	2 years			
<i>20% DES certified homes participating</i>						
<b>Colorado (2000)</b> <b>Qualistar</b>	License not rated	<b>Administrator</b> – Minimum level given points is AA in ECE or any AA with at least 24 ECE credits.  <b>Teacher</b> – Minimum level given points 45 hours of training, Non Credit CDA or 3 ECE credits	1★ - 21% 2★ - 5% 3★ - 57% 4★ - 16% 2 years Program must pay for rating @ \$1,200.00 per classroom	Teacher Scholarships Tiered Reimbursement	Within one month of a program receiving their Quality Performance Profile	Minimum recognized ERS 3.5 ERS Score required for rating 100% classrooms assessed
<i>Voluntary participation</i>						
<i>20% participating</i>						
<b>Pennsylvania (2002)</b> <b>Keystone STARS</b>	License not rated	2★ 50% <b>Teachers</b> with AA including 18 ECE credits 50% <b>Assistant Teachers</b> with 3 ECE credits 3★ <b>Director</b> at AA with 18 ECE credits <b>Teachers</b> 100% with AA including 18 ECE credits <b>Assistant Teachers</b> 75% with 6 ECE Credits and 25% with 6 credits 4★ <b>Director</b> BA including 30 ECE Credits <b>Teachers</b> same as above <b>Assistant Teachers</b> 50% with 6 ECE credits and 25% with AA including 18 ECE credits	1★ - 43% 2★ - 20% 3★ - 8.5% 4★ - 9.5% 1 year	1★ -\$315.00- \$9,450.00 2★ - 4★ - \$788.00 – \$63,000.00 Teacher Scholarships Wage Enhancements Retention Bonuses Startup Costs Tiered Reimbursement	1 - 6 months in duration	1★ - 2★ - ERS written plan for all subscale scores below 3.0 3★ - 4.25 no classroom less than 3.5 4★ - 5.25 no classroom less than 4.25 ERS score required for rating 33% classrooms assessed
<i>Voluntary participation</i>						
<i>60% participating</i>						

## Comparison of Quality Rating Systems

STATE	LICENSING	STAFF QUALIFICATIONS	RATING	INCENTIVES	COACHING/TA	ASSESSMENT
<b>North Carolina (1999)</b>  <i>Mandatory participation for license</i>  <i>100% participation by licensed programs</i>	Rated License	<b>Director</b> – Level I North Carolina Early Childhood Administration Credential <b>Teacher</b> – 75% North Carolina Early Childhood Credential and 3 semester hours in ECE or CD (not including the credential coursework) <b>Assistant Teachers</b> – 75% have one year of full time verifiable EE work experience or be enrolled in 3 semester hour of ECE or CD	1★ - 24% 2★ - 8% 3★ - 21% 4★ - 20% 5★ - 27% More than 2 years	Offered at local level provided by Resource and Referral Agencies Teacher Scholarships Wage Enhancements Retention Bonuses Tiered Reimbursement		Minimum recognized ERS 4.0 ERS Score required for rating 33% classrooms assessed
<b>Illinois (2007) Quality Counts</b>  <i>Voluntary participation</i>  <i>% participation not available</i>	License not rated	1★ 10% of staff meet Great START education levels 2★ 20% of staff meet Great START education levels 3★ 25% of teaching staff meet Great START education levels for teachers (3C, 5C or above) 4★ 30% of teaching staff meet Great START education level 6 or above for teachers AND 30% of staff have current CPR/First Aid Cert.  Great START education levels minimum recognized by title: <b>Assistant Teacher</b> – 6 semester hours in ECE or CD <b>Teacher</b> – CDA/CCP/Montessori Credential + 12 semester hours towards a degree. <b>Director</b> – Associate’s Degree in ECE/CD	1★ - 12% 2★ - 32% 3★ - 56% 4★ - 0% More than 2 years	Teacher Scholarships Wage Enhancements Retention Bonuses Tiered Reimbursement		1★ - ERS 3.0 2★ - ERS 3.5 3★ - ERS 4.25 or Accreditation 4★ - ERS 5.0 and Accreditation  ERS Score required for rating 33% classrooms assessed

## Comparison of Quality Rating Systems

STATE	LICENSING	STAFF QUALIFICATIONS	RATING	INCENTIVES	COACHING/TA	ASSESSMENT
<b>Vermont (2003) Step Ahead Recognition System – STARS</b>	License not rated	Minimum education recognized	1★ - 5%	\$250.00 –	1 – 4 hours	Minimum recognized ERS 4.0 no subscale below 3.0 ERS Score used to achieve additional points in system 100% classrooms assessed
		Northern Light Career Ladder Level I Certificate	2★ - 12%	\$1,550.00	1 year in duration	
		Level I – 45 hour EC Professional Course or 3 CD college Credits	3★ - 26%	depending on star earned.		
		Level II – CDA or 12 college credits in 2 VT Core Knowledge Areas or 120 hour approved portfolio	4★ - 34%	Tiered		
			5★ - 23%	Reimbursement		
<i>Voluntary participation</i>			1 year			
<i>24% participating</i>						
<b>Iowa (2006) Iowa Quality Rating System</b>	License not rated	<b>Director</b> – National Administrator Credential or Aim4Excellence credential or Pre-Kindergarten Principal License or Head Start Management Acceleration Program	1★ - 17%	Upon re-rating	1 – 4 hours	Minimum recognized ERS 3.0 – 5.0 with no subscale below 2.0 ERS Score used to achieve additional points in system 33% classrooms assessed
			2★ - 43%	\$400.00 –		
			3★ - 22%	\$4,000.00		
			4★ - 12%	depending on size and star achieved		
			5★ - 6%	No Tiered		
<i>Voluntary participation</i>			2 years	Reimbursement		
<i>18% participating</i>						
<b>Indiana (2001) Paths to Quality</b>	License not rated	<b>Director</b> is a member of nationally recognized EE organization and 25% of staff (including director) has CDA OR EC Degree or 45 clock hours of training leading to EC degree or CDA credential.	2★	1★ - 75%	2-3★ - noncash	No ERS, used in evaluation only
				2★ - 12%	award of	
				3★ - 6%	\$300.00	
				4★ - 7%	(homes) or	
				1 year	\$1,000.00	
<i>Voluntary participation</i>						
<i>% participation not available</i>						
		3★		Startup Support		
		50% of staff (including Director) have CDA or 60 hours leading to a CDA or EC Degree		Teacher Scholarships Tiered Reimbursement		

## Comparison of Quality Rating Systems

STATE	LICENSING	STAFF QUALIFICATIONS	RATING	INCENTIVES	COACHING/TA	ASSESSMENT
Louisiana (2007) Quality Start Child Care Rating System	License	2★	1★ - 76%	Teacher	Bi-Weekly	Minimum
	not rated	<b>Director</b> – 3 semester hour credits in ECE and 3 semester hour credits in administration <b>Teacher</b> - 75% have 3 semester hour credits OR enroll in list of approved courses and complete w/in 1 year.	2★ - 19%	Scholarships	contact more than 4 hours	recognized ERS 3.75
<i>Voluntary participation</i>		3 - 5★	3★ - 2%	No Tiered	1 year in duration	ERS Score required for rating
<i>34% participating</i>		<b>Director</b> – 6 semester hours in ECE and 3 semester hours in administration <b>Teacher</b> – 100% 3 semester hour credits in ECE or enroll and complete w/in 1 year.	4★ - 3%	Reimbursement		33% classrooms assessed
Florida (Miami-Dade) (2008) Quality Counts	License	3★	1★ - 14%	Only at 4 and 5	1 – 4 hours	Minimum
	not rated	<b>Director</b> - FL Credential <b>Teacher</b> - 100% have DCF Staff Credential <b>FCC</b> – enrolled in DCF Staff credential	2★ - 35%	star levels	Ongoing in duration	recognized ERS 3.0 at the 1 point level
<i>Voluntary participation</i>		4★	3★ - 40%	Teacher		3.5 at the 2 point level,
<i>33% centers participating</i>		<b>Director</b> – FL Advanced Level Credential <b>Teacher</b> - 25% AA degree with 18 ECE college credits <b>FCC</b> – DCF Staff credential	4★ - 9%	Scholarships		4.0 at the 3 point level,
<i>20% Family Child Care programs participating</i>		5★	5★ - 1%	Wage		4.5 at the 4 point level,
<i>100% Head Start programs participating</i>		<b>Director</b> – FL Advanced level Credential and AA with 18 ECE college credits <b>Teacher</b> – 50% AA degree with 18 ECE college credits. <b>FCC</b> – CDA or 9 college credits.	More than 2 years	Enhancements		5.5 at the 5 point level.
<i>10% Public Schools participating</i>				Tiered		ERS Score required for rating
				Reimbursement		33% classrooms assessed

## Comparison of Quality Rating Systems

STATE	LICENSING	STAFF QUALIFICATIONS	RATING	INCENTIVES	COACHING/TA	ASSESSMENT
Delaware (2007) Delaware Stars for Early Success  Voluntary participation  8% participating	License not rated	Licensing	1★ - 79%	One time merit award ranging from \$250.00 – \$2,500.00 depending on type/size and star level. Teacher Scholarships No Tiered Reimbursement	Monthly contact	3★
		<b>Director</b> – Associate Degree in ECE or relate field with at least 15 college credits in ECE or Bachelor’s Degree with 15 college credits in ECE.	2★ - 16%			no ERS score below a 3.0
		3★	3★ - 2%			4★
		3★	4★ - 0%			no ERS score below 4.0
		<b>Director</b> licensing + 3 college credits in Administration	5★ - 0%			5★
		<b>Teacher</b> – 10% completed 6 ECE college credits	More than 2 years			no ERS score below 5.0
Florida (Palm Beach County) (2000) Quality Counts  Voluntary participation  23% participation of programs that accept subsidized children	License not rated	3★	1★ - 1%	Calculate by star rating and number of children enrolled No Tiered Reimbursement	ERS Scores 1★ - 3.0 – 3.49 2★ - 3.5 – 3.99 3★ - 4.0 – 4.49 4★ - 4.5 – 5.49 5★ - 5.5 – 7.0	
		<b>Director</b> licensing + 6 college credits in administration	2★ - 4%			ERS Score required for rating
		<b>Teacher</b> – 25 % complete 9 ECE credits	3★ - 23%			50% classrooms assessed
		4★	4★ - 39%			
		<b>Director</b> licensing + 3 college credits in Administration	5★ -			
		<b>Teacher</b> – 50% have AA/AAS	1 year			
3★	License not rated	<b>Director</b> – BA/BS in ECE or related filed	1★ - 1%	Calculate by star rating and number of children enrolled No Tiered Reimbursement	ERS Scores 1★ - 3.0 – 3.49 2★ - 3.5 – 3.99 3★ - 4.0 – 4.49 4★ - 4.5 – 5.49 5★ - 5.5 – 7.0	
		<b>Teacher</b> – 50% have AA/AAS	2★ - 4%			ERS Score required for rating
		<b>Director</b> – DCF Staff Credential and 3 ECE or 45 hours of ECE training	3★ - 23%			50% classrooms assessed
		<b>Teacher</b> – 75% DCF Staff Credential and 75% have 3 ECE college credits or 45 hours of ECE training	4★ - 39%			
3★	5★ -					
<b>Director</b> – same as level 2	1 year					
<b>Teacher</b> – 90% DCF Staff Credential and 90% have 3 ECE college credits or 45 hours of ECE training	4 and 5 ★					
4 and 5 ★	License not rated	<b>Director</b> – Advanced Level Director’s Credential and 12 ECE college credits	1★ - 1%	Calculate by star rating and number of children enrolled No Tiered Reimbursement	ERS Score required for rating	
<b>Teacher</b> 25% (4★) – 50% (5★) AA degree with 12 ECE credits	2★ - 4%	<b>Teacher</b> 25% (4★) – 50% (5★) AA degree with 12 ECE credits	3★ - 23%			50% classrooms assessed

## Comparison of Quality Rating Systems

STATE	LICENSING	STAFF QUALIFICATIONS	RATING	INCENTIVES	COACHING/TA	ASSESSMENT
<b>New Mexico (1999)</b>	Rated License	Aligned with state career lattice	1★ - 0%	Teacher	1 - 6 months in duration	4★ - ERS 4.0
<b>Look for the Stars</b>		<ul style="list-style-type: none"> <li>• The Career Lattice comprises the following six levels:                             <ul style="list-style-type: none"> <li>○ 45-Hour Entry Level Course</li> <li>○ Child Development (CDA) credential or <b>New Mexico Child Development Certificate</b></li> <li>○ one-year vocational certificate</li> <li>○ Associate of Arts degree (<b>two-years certificate</b>)</li> <li>○ Bachelor's degree</li> <li>○ Master's degree in Early Care.</li> </ul> </li> </ul>	2★ - 46% 3★ - 4% 4★ - 6% 5★ - 13%	Scholarships Tiered Reimbursement		5★ - ERS 4.0  ERS Score required for rating 100% classrooms assessed
<i>Mandatory participation for license</i>			1 year			
<i>69% participating</i>						
		Employee benefits required at 3 – 5★ levels. Three or 4 benefits approved by the Office of Child Care must be provided.				

## Quality First Baseline and Progress Data Assessment: QF Rating Scale

6.3.2011

The Quality First baseline sample consists of **250** statewide funded child care providers (178 Centers; 72 homes) spread across 30 Regional Partnership Councils (Navajo Nation not included). Of the 250 providers, **126** (50.4%) received a progress assessment in 2011.

The QF Rating Scale was applied on the baseline and progress sample utilizing scores from two measures: (1) **ERS**- Environmental Rating Scales (ECERS, ITERS, and FCCERS); (2) **CLASS**-Classroom Assessment (Domains: Emotional Support, Instructional Support, and Classroom Organization).

BASELINE (250): 178 QF Center and 72 Home Based Care Providers' Rated Using QF Star Rating Scale								
Star Rating Level	Number of Centers (% against 178)	Large Centers	Medium Centers	Small Centers	Number of Homes (% against 72)	Large Homes	Medium Homes	Small Homes
RISING STAR 1*	54 (30%)	8	36	10	30 (42%)	0	1	29
PROGRESSING STAR 2*	113 (63.5%)	29	65	19	36 (50%)	0	0	36
QUALITY 3*	10 (5.5%)	2	5	3	6 (8%)	0	1	5
QUALITY PLUS 4*	1 (.5%)	1	0	0	0	0	0	0
HIGH QUALITY 5*	0	0	0	0	0	0	0	0
PROGRESS (126): 93 QF Center and 33 Home Based Care Providers' Rated Using QF Star Rating Scale								
Star Rating Level	Number of Centers (% against 93)	Large Centers	Medium Centers	Small Centers	Number of Homes (% against 33)	Large Homes	Medium Homes	Small Homes
RISING STAR 1*	13 (14%)	3	8	2	8 (24.24%)	0	0	8
PROGRESSING STAR 2*	73 (78.5%)	21	44	8	21 (63.6%)	0	0	21
QUALITY 3*	6(6.5%)	0	4	2	3 (9.1%)	0	0	3
QUALITY PLUS 4*	1(1%)	1	0	0	1 (3.03%)	0	0	1
HIGH QUALITY 5*	0	0	0	0	0	0	0	0

## QF Gain Score Analysis

The data analysis on the provider quality rating showed a statistically significant increase in mean scores (1.77 to 1.94) from baseline to the progress assessment approximately 12-18 months later;  $t(125) = 2.74, p = .007$  (2-tailed paired t-test).

Comparing 126 QF Centers and Home based providers on their initial versus progress rating scores showed that:

- 86.5% (109 of 126) of providers either improved or maintained their QF rating level
  - ❖ 36 Providers (24 Centers and 12 Homes) improved their QF star rating from a 1 to 2; 2 to 3 or 3 to 4 Stars
  - ❖ 73 Providers (58 Centers and 15 Homes) maintained their QF rating (e.g.: Remained at a Star rating of 2)
- 13.5% (17 of 126) of providers showed a decline in their QF rating level
  - ❖ 11 Centers and 6 Home care providers showed a decline in star rating (e.g.: went down from a QF rating of 3 to 2)

An initial review of data from 53 providers who had an increase in Quality Rating (36) or a decline (17) showed that in the shift was contributed by the changes in scores in the following subscales of ERS and CLASS:

- **ERS:** Activities, Interactions, Language-Reasoning (ECCERS), Listening and Talking (ITERS and FCCERS), Program Structure and Space and Furnishing
- **CLASS:** Instructional Support and Classroom Organization

An important additional observation on the 17 providers who declined in rating shows that 4 providers who received the CLASS assessment in addition to ERS decreased their rating in spite of maintaining their initial ERS scores in progress. The CLASS subscale that consistently contributed to this decrease was the Instruction Support score.

Overall results show that the majority of child care providers, both at baseline and progress, were at a 2 Star rating level (Progressing star).

**Pilot Study Results**

A pilot study was implemented to test the Quality First Point Scale (version 2010) on a sample group of 32 child care providers. The QF Rating Scale was applied to the pilot sample utilizing scores from three measures: (1) ERS- Environmental Rating Scales (ECERS, ITERS, and FCCERS); (2) CLASS-Classroom Assessment Scoring Assessment (Domains: Emotional Support, Instructional Support, and Classroom Organization), and (3) Quality First Point Scale. A breakdown of the provider rating distribution is shown in the table below, and is consistent with the distribution in the baseline and progress assessment analysis showing the largest distribution of providers at the 2-Star level.

Pilot Study Sample: 30 Center and 2 Home Based Care Providers' Rated Using QF Star Rating Scale								
Star Rating Level	Number of Centers (% against 32)	Large Centers	Medium Centers	Small Centers	Number of Homes (% against 2)	Large Homes	Medium Homes	Small Homes
RISING STAR 1*	4 (13.33%)	1	3	0	1 (50%)	0	0	1
PROGRESSING STAR 2*	25 (83.33%)	6	10	9	1 (50%)	0	1	0
QUALITY 3*	1(3.33%)	0	0	1	0	0	0	0
QUALITY PLUS 4*	0	0	0	0	0	0	0	0
HIGH QUALITY 5*	0	0	0	0	0	0	0	0



QUALITY FIRST RATING PACKAGES

1 ☆

2 ☆

3 ☆

4 ☆

5 ☆

Fiscal Year 12  
July 1, 2011—June 30, 2012

- Individualized Coaching
- T.E.A.C.H. Scholarships
- Child Care Health Consultation
- Enhancement Grants  
Based on licensed capacity (0-5)  
Linked to improvement plan  
% designated for licensing fees  
% accessible for purchasing
- Annual Program Assessment

- Individualized Coaching
- T.E.A.C.H. Scholarships
- Child Care Health Consultation
- Enhancement Grants  
Based on licensed capacity (0-5)  
Linked to improvement plan  
% designated for licensing fees  
% accessible for purchasing
- Annual Program Assessment

- Individualized Coaching
- T.E.A.C.H. Scholarships
- Child Care Health Consultation
- Enhancement Grants  
Based on licensed capacity (0-5)  
% \*Quality Bonus  
% designated for licensing fees
- Program Assessment every 2 years.

- Individualized Coaching
- T.E.A.C.H. Scholarships
- Child Care Health Consultation
- Enhancement Grants  
Based on licensed capacity (0-5)  
% \*Quality Bonus  
% designated for licensing fees
- Program Assessment every 2 years.

- Individualized Coaching
- T.E.A.C.H. Scholarships
- Child Care Health Consultation
- Enhancement Grants  
Based on licensed capacity (0-5)  
% \*Quality Bonus  
% designated for licensing fees
- Program Assessment every 2 years.

Fiscal Year 13 and beyond  
Starting July 1, 2012

- High Coaching Intensity
- T.E.A.C.H. Scholarships
- Enhancement Grants  
Based on licensed capacity (0-5)  
Linked to improvement plan  
% designated for licensing fees  
% accessible for purchasing
- Quality First Scholarships
- Technical Assistance Specialties  
Child Care Health Consultation  
Mental Health Consultation  
Inclusion - Special Needs
- Annual Program Assessment

- Medium Coaching Intensity
- T.E.A.C.H. Scholarships
- Enhancement Grants  
Based on licensed capacity (0-5)  
Linked to improvement plan  
% designated for licensing fees  
% accessible for purchasing
- Quality First Scholarships
- Technical Assistance Specialties  
Child Care Health Consultation  
Mental Health Consultation  
Inclusion - Special Needs
- Annual Program Assessment

- Rating Coaching Intensity
- T.E.A.C.H. Scholarships
- Enhancement Grants  
Based on licensed capacity (0-5)  
% \*Quality Bonus  
% designated or licensing fees
- Quality First Scholarships
- Technical Assistance Specialties  
Child Care Health Consultation  
Mental Health Consultation  
Inclusion - Special Needs  
Specialized\* Instructional Support
- Program Assessment every 2 years

- Rating Coaching Intensity
- T.E.A.C.H. Scholarships
- Enhancement Grants  
Based on licensed capacity (0-5)  
% \*Quality Bonus  
% designated for licensing fees
- Quality First Scholarships
- Technical Assistance Specialties  
Child Care Health Consultation  
Mental Health Consultation  
Inclusion - Special Needs  
Specialized\*\* Instructional Support
- Program Assessment every 2 years

- Rating Coaching Intensity
- T.E.A.C.H. Scholarships
- Enhancement Grants  
Based on licensed capacity (0-5)  
% \*Quality Bonus  
% designated for licensing fees
- Quality First Scholarships
- Technical Assistance Specialties  
Child Care Health Consultation  
Mental Health Consultation  
Inclusion - Special Needs  
Specialized\*\* Instructional Support
- Program Assessment every 2 years

\*Quality Bonus - offers greater flexibility to quality providers to decide on which areas of improvement QF financial incentives will be spent. The provider's financial reporting would include identification of which quality areas were impacted.

\*\*Specialized Instructional Support includes mentoring in the areas of curriculum, child assessment, and classroom instruction.