

Lane County Child Care Quality Improvement Project Evaluation: Year 1 *Executive Summary*



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Child Care Division**

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EXECUTIVE SUMMARY

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*Human services research designed to promote effective decision-making by
policymakers at the national, state and community level*

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EXECUTIVE SUMMARY

In 2003, the Oregon Legislature enacted the Oregon Childcare Contribution Tax Credit. Taxpayers who make a contribution to the program receive a 75-cent Oregon state tax credit on every dollar. Proceeds from the 2005 tax year were used to fund the Lane County Childcare Enhancement Project (CCEP) administered by Lane Family Connections. CCEP was designed to address three issues: affordability of childcare, provider compensation, and childcare quality.

First, the project subsidizes the cost of childcare for parents whose income is at or below 85% of the state median income and whose children are enrolled in participating childcare facilities. Second, the program offers providers wage enhancements linked to participation and advancement on the Oregon Registry. Third, the program offers facility enhancement funds and mentoring and technical assistance aimed at enhancing childcare quality.

NPC Research, a Portland-based research and evaluation firm, received a contract to conduct a process and outcome evaluation of CCEP. Program-level, provider-level, and parent-level data were collected from a group of CCEP facilities (10 family childcare facilities with 14 staff and 2 center facilities with 14 staff), a group of control facilities, most of whom were participating in CARES (10 family childcare facilities with 11 staff and 3 center facilities with 18 staff), and a group of no-treatment facilities who were not participating in any substantive childcare improvement intervention (12 family childcare facilities with 12 staff and 3 center facilities with 6 staff). During Year 1, baseline and a 6-month follow-up round of data were collected from CCEP and control providers, and baseline data were collected from no-treatment providers. Baseline data were collected from CCEP and control parents (no

parent data collection was conducted for the no-treatment group).



CCEP Activities

CCEP accomplished the following during the first year of the program:

- 95 families received subsidies;
- 15 CCEP providers were enrolled on the Oregon Registry at a Step 5 or higher, qualifying them for wage enhancements that ranged from \$1,000 to \$5,000;
- CCEP family facilities received \$1,000 facility-improvement grants and CCEP center facilities received \$2,000 facility-improvement grants;
- All CCEP facilities received technical assistance and supports from the Project Director. The Project Director logged almost 200 site visits, 800 phone calls, and 200 emails with providers during the first year of the program; and
- The technical assistant provided included helping providers use their space most effectively, encouraging providers to use and display art, helping providers establish schedules and curriculum, teaching providers about child development stages, helping providers enroll on the Oregon Registry, helping providers develop and modify contracts, billing sys-

tems, and rate schedules, and referring providers to classes and helping secure scholarships for these classes.

Parent Outcomes

Parent data included information on family finances and financial stress, the impact of the subsidy on families' finances, and parental satisfaction with care.

- 95 families received a subsidy aimed at capping their childcare payments at 10% of their families' incomes. However, a majority of CCEP subsidy parents reported spending more than 10% of their income on childcare, perhaps due to the fact that subsidy rates were set at the time of program enrollment and were not adjusted unless parent incomes changed by more than 50%.
- 95% of CCEP subsidy parents who were surveyed reported that the subsidies helped them cover basic expenses such as rent, food, and clothing, and reported that the subsidy increased their standard of living.
- CCEP parents were significantly more satisfied with the care their children were receiving than were control parents.

Provider Outcomes

The evaluation collected data to measure provider outcomes in several different areas, including professional development, income and finances, retention and job stress, and childcare quality.

PROFESSIONAL DEVELOPMENT

- More CCEP than control providers enrolled on the Oregon Registry between baseline and follow-up data collection (4 CCEP providers and no control providers). However, almost half (13) of the CCEP providers were still not enrolled by the end of Year 1.
- Almost all providers across groups (CCEP, control, and no-treatment) were

highly motivated for professional development, but no-treatment providers were significantly less motivated than others, and CCEP center providers were significantly less motivated for professional development at follow-up than at baseline.

- CCEP family providers reported a significant increase in sense of community between baseline and follow-up; these gains were not seen for CCEP center providers or control or no-treatment providers.



FINANCES

- There were no differences between baseline and follow-up for financial stress among CCEP family providers or control providers, but CCEP center providers had significantly more financial stress at follow-up than at baseline. CCEP center providers also reported significantly more month-to-month fluctuation in their incomes at follow-up than at baseline.
- Fewer CCEP facility owner/directors reported at follow-up that they always had to remind parents about payments (67% at baseline; 42% at follow-up); this trend was not apparent for the control group.
- More CCEP facility owner/directors felt they had good billing systems at follow-up than at baseline (42% at baseline, 58% at follow-up), a trend that was not apparent for control group providers.

RETENTION AND JOB STRESS

- Between baseline and follow-up data collection, 2 CCEP and 4 control group providers left their positions. All of these providers worked at centers.
- CCEP center staff indicated significantly higher job stress than all other providers.

CHILDCARE QUALITY

The evaluation included providers' self-reports of changes in their practice along with observational measures of childcare quality in several domains, including environmental quality, the quality of caregiver-child interactions, social-emotional development quality, and the quality of the language-cognitive development environment.

- Almost all providers indicated making environmental improvements at both baseline and follow-up.
- There was a trend for CCEP family providers to report changes in guidance and discipline strategies at follow-up, including being more proactive in dealing with potential problems, an increased use of positive guidance techniques, and a more consistent use of structure and boundaries. This trend was not apparent for CCEP center providers or control providers.
- CCEP family providers also reported significantly more changes in things they did to promote social growth and development at follow-up, including an increased use of child-focused promotional strategies, an increased use of positive guidance, and an increase in interactions between providers and children.
- Observational data on environmental quality, the quality of caregiver-child interactions, social emotional quality, and the quality of the language and cognitive learning environments all followed the same pattern. Ratings for CCEP family providers improved over time, while con-

trol family providers did not, while ratings for CCEP center providers stayed the same or decreased over time, while control center providers' scores improved. CCEP center providers' scores were consistently higher at baseline, compared to controls, so this may indicate a "regression to the mean" effect for these analyses.

Conclusions

Results of this evaluation paint a somewhat mixed picture of the outcomes of the CCEP program. First, evaluation data indicate that CCEP family providers made numerous gains in childcare quality over the course of the first year. Parents of children being cared for by CCEP providers were also significantly more satisfied with the quality of care being provided. These gains are particularly noteworthy given the fact that much of the technical assistance and support the providers received was administrative in nature. It is likely, therefore, that by increasing technical assistance geared at substantive early childhood care issues, there may be even more quality gains in future years. Related to the business-related technical assistance, CCEP family providers reported better billing systems at follow-up, relative to controls. CCEP family providers also reported an increased sense of community with other providers, which may be importantly related to reducing the isolation experienced by many family care providers. CCEP family providers were also more likely than controls to have enrolled in the Oregon Registry, although a significant number of providers remained unenrolled at follow-up.

At the same time, however, results were much less positive for CCEP center-based providers. Evaluation data suggest that CCEP center providers felt less engaged in CCEP than CCEP family providers, were less motivated for professional development; felt more financial stress at follow-up than at baseline; felt less a part of a community than CCEP family providers; and may have decreased in

quality over time, relative to control providers. On the observational measures, while the CCEP center providers started out higher on many measures (at baseline) compared to control center providers, there was more likely to be a decrease (worsening) over time in the CCEP center group as compared to controls. Whether this actually reflects decreasing quality or represents a ‘regression to the mean’ for the highest-scoring providers is not clear. Thus, it may be that while CCEP is successfully engaging center *owner/directors* into the program, the benefits of CCEP may not be impacting the center staff. In order to improve the quality of care for children served by these centers it will be necessary to actively engage individual center providers in the program.

In addition, almost half of the CCEP providers are not enrolled in the Oregon Registry and therefore are not receiving wage enhancements. It is unlikely that the program will see substantial gains in key provider outcomes such as increased income, increased participation in professional development activities, and improved quality unless these providers enroll on the Oregon Registry and receive the wage enhancements.



Finally, it should be noted that the intended goal of reducing the proportion of family income spent on childcare was not met for many parents, despite the significant monetary subsidies being provided. The goal of spending no more than 10% of family income on childcare may need to be re-evaluated. Impacts of the subsidy on families’ overall financial situation were difficult to evaluate because the CCEP parents were considerably lower income compared to the other parents participating in the study.