



Lewis & Clark Child Care Feasibility Study

Final Report

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Executive Summary

Child care centers on college and university campuses generate high expectations regarding quality. These centers are expected to serve as models of the highest standards in caregiving and educational practices, in keeping with the role of institutions of higher education in society at large. Lewis & Clark's reputation for educational excellence, and the academic leadership provided by its Graduate School of Education and Counseling, would elevate those expectations even more. A child care center can be an asset or a liability to a college or university. The determining factor is quality.

Campus child care centers typically serve faculty and staff, and parents who are students or members of the external community. These centers also support academic programs as appropriate, and provide rich opportunities for students to gain work experience. The Lewis & Clark Kids and Family Committee's (LCKF) November 2013 survey drew an impressive response, with 67% of faculty and staff participating. An additional 11 adjunct faculty and 299 students responded, for a total response of 810. Remarkably, 93% of the respondents think it is a good idea for Lewis & Clark to have an on-site educational child care program. This level of support is unprecedented in my thirty years of experience.

Three hundred seventy-two respondents took the time to write comments, many of them very thoughtful and insightful. These comments, which begin on page five of this report, lend valuable insight into the thinking and values of the Lewis & Clark community.

At the outset of our work on this project, the assumption was that the center would serve Lewis & Clark faculty, staff and community families. Student parents weren't seen as a large enough population to consider. Had this assumption been correct, I believe a small center accommodating 46 children would have been successful, based on the size of the Lewis & Clark faculty and staff. The survey results, however, reveal strong student demand. Based on these results, more research should be conducted on the needs of student parents.

Since the Great Recession, the early childhood community has seen a trend among families away from full-time center care for their children, toward piecing together a patchwork of arrangements combining center and/or preschool programs with other child care resources such as family, friends or sitters. This pattern is evident in the Lewis & Clark community, although full-time care is still needed and in demand for two-parent working families.

And while faculty and staff at Lewis & Clark definitely want a high quality program, they also want tuition to be set below prevailing market rates for high-quality care. This is the largest risk for the College in deciding whether to go forward with this project. It is impossible to have the highest quality at below-market prices, even with the in-kind subsidies proposed in this report. On the other hand, parents' resistance to high tuition costs tends to weaken after they see a high quality center in operation. Also, the high level of support for a program at Lewis & Clark may help keep enrollment at capacity, easing tuition rates.

If the Executive Council determines that a center is strategically aligned with the College's mission and values, and that it is an important piece of the message the College wants to send to its internal and external communities, an on-site center of the highest quality possible would be a success.

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Preface

The first campus children's program was founded in 1896, and served as a laboratory school to train students at the University of Chicago in early childhood education.¹ As research in child development flourished in the 1950s and 1960s, the number of laboratory preschools grew. Children in these programs spent a couple of hours a day in school, two to three days a week, to support education and psychology departments in their research, practicum and internship assignments, as well as other academic projects. In the 1970s, full-day child care programs began to crop up on campuses in response to new social and economic trends and realities. Among them was a sharp rise in female faculty members, to 36% of all faculty in 2000 from 23% in 1975.² The new model on campuses was the child care center, where children attended the program for a full day; also, ages served expanded to include infants and toddlers. A dichotomy of purpose may have endured for a while, between the laboratory preschools' focus on academic support, and campus day care programs' focus on service and family support. Today, however, any such rift has all but disappeared.³

Laboratory preschools have evolved into full-day programs, with the dual purpose of supporting academic programs as well as faculty, staff, and non-traditional or graduate student families. In the process, the comprehensive model has emerged. This model treats teaching, research, and service as integral and equally necessary components of an effective campus child care program.⁴ A central premise in the comprehensive model is that good care cannot be provided to children unless they're being educated as well. And conversely, good educational experiences cannot be provided without good care. A 2001 membership survey by the National Campus Child Care Coalition (NCCCC) showed that 61% of campus programs were comprehensive programs, 30% aimed to provide service only, and 9% regarded themselves solely as laboratory schools. Not one respondent self-identified as a preschool.⁵ Typically, comprehensive programs today are identified as child care and education programs.

The 2009 Integrated Postsecondary Education Data System reported the total number of on-campus care centers at 1,153, with 166 of these centers at private, not-for-profit institutions.⁶ Twenty-one of Lewis & Clark College's 52 peer institutions provide child care. "The Varieties of Campus Child Care" report states, "Across the nation, higher education leaders are coming to understand that high-quality child care services are essential to the mission of their colleges and universities . . ." ⁷ Again, the 2001 NCCCC survey set the stage for such a statement, showing that 83% of respondents' centers were located on campus and were regarded as an integral part of the institution; 44% were housed in academic affairs, 26% in administrative affairs, and 17% in student services. Thirteen percent were housed in other not-for-profits, including Head Start. Four percent of the centers are managed by other vendors, mostly likely for-profit organizations.⁸

These service-oriented and educational programs deliver a wide variety of benefits to faculty, staff and student parents. Research links quality on-site programs to reduced employee absenteeism and

¹ Debra Carlson, "Campus Early Care and Education Centers: A National Description," *National Coalition for Campus Children's Centers Leadership Series* No. 4 (2003): 29.

² Tracy Boswell, "Campus Child Care Centers," *ERIC Clearinghouse on Higher Education* (2003): 2.

³ Carlson, "Campus Early Care and Education Centers: A National Description," 1.

⁴ Carlson, "Campus Early Care and Education Centers: A National Description," 10.

⁵ Carlson, "Campus Early Care and Education Centers: A National Description," 8.

⁶ Todd Boerssoff, "Varieties of Campus Child Care," Institute for Women's Policy Research, March 2012, 17.

⁷ Todd Boerssoff, "Varieties of Campus Child Care" Institute for Women's Policy Research, March 2012, 1,17.

⁸ Carlson, "Campus Early Care and Education Centers: A National Description," 15-16.

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increased productivity and retention. When parents have access to high-quality care for their children, they are free to concentrate on their work. There is also evidence that at campus centers and workplaces with on-site care, many employees, even those without children, develop a greater commitment and loyalty to their “family-friendly” or “values-based” employer. Many institutions use on-campus child care programs to strengthen recruiting and diversity programs.⁹ For student parents, the benefits are similar; the programs help attract and retain student parents and support their efforts to successfully pursue and complete their studies.

Finally, campus centers typically employ students, both with and without Federal Work Study grants, to help in the classroom or with operations. The centers also support students in such majors as early childhood education, psychology, gender studies, medicine and health care, and neuroscience, and provide valuable resources for the faculty of such departments as well. On March 13, 2013, the Lewis & Clark Kids and Families Planning Committee submitted a memo to Carl Vance, Vice President for Business and Finance and Treasurer, setting forth a valuable discussion on the potential Academic Connections and Benefits of an on-site program at Lewis & Clark.¹⁰

⁹ See, e.g., Carlson, “Campus Early Care and Education Centers: A National Description,” 29; The Consulting Practice, “The Lasting Impact of Employer-Sponsored Child Care,” *Bright Horizons Family Solutions* (2008).

¹⁰ See Lewis & Clark Kids and Families Planning Committee memo to Carl Vance, Vice President for Business and Finance/Treasurer memo March 1, 2013.

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Introduction

This document is the final report on the Lewis & Clark Child Care Feasibility Study for Phase 1. In my proposal, I committed to determining the feasibility of opening a high-quality child care center to serve Lewis & Clark faculty, staff and potentially student parents. This report is based on the following assumptions.

The center will be:

- Constructed on the Lewis & Clark campus;
- Operated by a non-profit partner in alignment with the Lewis & Clark mission, values and culture;
- Managed and supported by Lewis & Clark as an integral part of the campus;
- Set up to serve Lewis & Clark families as well as external families, with Lewis & Clark families receiving first priority for enrollment;
- An asset to the College in hiring and retaining diverse, high-quality faculty, staff and students, as well as enhancing the College work environment and culture;
- Supporting the College's academic departments as appropriate;
- Operating with a financial structure based on:
 - Setting tuition at rates competitive with other high-quality child care programs in the Portland area;
 - Paying staff competitive salaries to attract a highly skilled and experienced Director, as well as skilled and knowledgeable teachers;
 - Working from a business plan that maximizes the services of the Center *and* is financially sustainable for the college long-term *while* supporting quality.

The report is divided into sections and addresses the deliverables outlined in the proposal for Phase 1:

Section 1: Support for an on-site educational child care program at Lewis & Clark

Section 2: Demand for an on-site educational child care program at Lewis & Clark

- Faculty and staff demand
 - Estimating program size based on faculty and staff demand
- Student demand
- Community demand

Section 3: Lewis & Clark faculty, staff and student child care needs and priorities

Section 4: Quality and cost expectations

- Defining quality
- Lewis & Clark parents' quality and cost expectations
 - Quality
 - Cost

Section 5: Construction notes for an on-site center

Section 6: Recommended program model and annual operating budget

- Background
- The case for a non-profit partner
- Other program assumptions
 - Center in-service closures
 - Food program
 - Student employment
 - Start-up costs

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- Program quality and operating assumptions
 - Staff salaries

Section 7. Lewis & Clark model, annual operating budget and revenue and cost reconciliation

- Tuition
- Lewis & Clark model

Section 8: Summary

Section 9: Next steps and recommendations

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Section 1: Support for an on-site educational child care program at Lewis & Clark

The support for child care at Lewis & Clark is striking. The Lewis & Clark Kids and Family Committee's (LCKF)¹¹ November, 2013, child care survey drew a whopping 67% response rate from faculty and staff. In addition, 11 adjunct faculty and 299 students responded, for a total response of 810.

In a striking show of support, 93% of respondents answered yes to this question: "In general, assuming that there will be no direct impact on departmental budgets, do you think it is a good idea for Lewis & Clark to have an on-site educational child care program?"¹² This level of support is remarkably high, and atypical in my experience with organizations considering on-site programs. I monitored the results while the survey was open. That 93% positive response was established early and remained consistent from my first check, with 113 responses received, until the survey was closed.

The survey asked for respondents to share any comments or feedback regarding a possible Lewis & Clark on-site educational child care program (Question 4). There were 372 replies, many of them very thoughtful and detailed.

I tallied comments and identified common themes among responses favoring or opposing the establishment of an on-site center. I paid particular attention to themes involving potential impact on the Lewis & Clark culture, or addressing such current campus concerns as "the recruitment, retention and productivity of faculty and staff," as opposed to respondents' personal implications. Comments with one or more themes were tallied accordingly. Although my analysis was subjective, I'm confident that most readers would have identified the same or similar overarching themes.

The largest percentage (15%, or 55 respondents) addressed the importance of supporting student parents with an on-site center. Eleven percent of comments (40) addressed the importance of having an on-site center to support academic programs, such as the Psychology Department and the Graduate School of Education. Closely related, 9%, or 32, of the comments cited the employment opportunities a center would afford students, to work with children in both regular jobs and work-study assignments. Sample comments (not corrected for grammar or syntax) in support of these themes included:

"I think this would enable a smoother transition to law school for many 1L students. I think it would also help as those 1Ls progress throughout school to enable them to stay in school and take a larger class load than they would otherwise be able to."

"Although I personally do not have any children, I know that plenty of my law school classmates do. I have occasionally seen classmates forced to bring their children to class due to a lack of child care alternatives. Although I have no complaints about the presence of children in classes (they have always been well-behaved), I think it's unfortunate that the school does not provide more support to families. I think it is very notable that these parents are attempting to get a law degree and I'm sure it cannot be easy to do this while raising children. At my undergraduate campus, the school ran an on-site child care program in cooperation

¹¹ Lewis & Clark Kids and Family Committee membership: Chair: Vanessa Holmgren, Director of Internal Communications; Janet Davidson, Associate Professor of Psychology; Jennifer LaBounty, Assistant Professor of Psychology; Damian Miller, Coordinator of Instructional Technology and Program Assessment; Billy Walker, Executive Assistant to the VP and Treasurer; Sarah Warren, Assistant Professor of Psychology.

¹² Please see raw data from survey; Appendix A.

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with the education and psychology departments. Students in these programs benefited by being able to observe these children and put their classroom knowledge to practical use. So, in conclusion, it seems as though a child care program at L&C would be mutually beneficial to the school as well as to parents."

"I think it is a win-win. LC has employees who need quality child care. LC has a psychology department that would benefit from having an on site child care facility."

"I think this is an important thing! It would support staff and faculty. Also, it would create an important work opportunity for students."

Just 18 respondents, or 5%, stated, "No, Lewis & Clark should not do this;" another 24, or 6%, made the point that "there will be a budgetary impact, we need to understand what it is." Opponents suggested the project would have a direct negative impact on other, more important Lewis & Clark priorities, or on the budget. Five commenters expressed the view, "Don't increase tuition to do this;" however, several also wrote other comments in support of a center. Some expressed the view that parents alone should be responsible for all costs associated with a center, and non-parents should not "pay" in any way.

"The child care program should be paid for by the students with children. The cost should not be subsidized by other students."

"Great idea, but my law school tuition shouldn't be raised!"

"There are other things we need to fund that are crucial to the operations of the institution."

"I do have reservations about funding that are not covered by the questions in this survey. Would expenses be covered in full by the parents of children enrolled in the program? If not, then the program involves a subsidy from one segment of the LC community (non-parents) to another (parents). Perhaps such a subsidy can be justified, but it should at least be acknowledged and debated."

"Truthfully, I think that parents should be responsible enough to find arrangements for their children. Students, if they choose to have a child, should be no different. The money used to pay for childcare should be put in other places. I know it wouldn't directly affect departmental budgets, but it is still a waste of money. We have gotten by so far without it."

"I'm concerned about the cost that this would add. The previous question (no direct impact on departmental budgets) is oddly worded and makes me wonder if there would then be an overall budget impact, just not directly on departmental budgets. With the pressure on other areas of the budget (i.e., faculty salaries and existing benefits), I worry that this proposal would add a cost that benefits a few people at the expense of benefits that are felt more broadly by the faculty and staff at the college."

Just as respondents voiced support for student-parents, many expressed strong support for faculty and staff parents as well (9%, or 33 comments). In addition, 10% of the comments spoke to the importance of having an on-site center to recruit, retain and increase productivity of faculty and staff.

"I think this would meet a critical demand for existing staff, faculty and students. AND it would be a tremendous benefit for hiring and retention of staff & faculty."

"I'm sure it would be a big help to those faculty who can't spend more time on campus because of childcare duties, and it would also give students the opportunity to meet faculty's children, which could be really fun! In general, I'm definitely supportive of it, even though I don't have (nor am I planning to in the near future) a child."

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"I think this is a really good idea! I see a lot of faculty/staff with students and there are times when they have to bring their child to work. That can be pretty stressful, especially when they're trying to get a lot of work done. I completely support this initiative."

"It is a wonderful service for parents to have reliable child-care on site. It makes for employees that are more likely to be long term, it helps employees come to work in a more reliable fashion, and it also promotes a healthy work environment where parents can visit with their children during the day."

The importance of building and supporting a strong Lewis & Clark community was a central theme in 23, or 6%, of the comments. Other participants said a center would help increase diversity (10) or support gender equality (7).

"Child care builds community in many ways. We need it badly!!!!"

"This is a terrific idea, and would community as well as provide a benefit to the LC community."

"I think it completely makes sense to have an on-site child care program. It would help our institution acquire and retain the best talent around, and could potentially create numerous work study positions for students. I'm not a parent, but if I would I would absolutely want to have an on-site child care. I also think that this would be a great step towards "walking our talk" in terms of closing the gender equality gap in the work place. There could also be potential for collaboration between the child care center and the Graduate School of Education and the Early Childhood Development Project at CAS. Lots of great opportunities!"

"Innovative idea that will only attract more students from more diverse circumstances and backgrounds while cementing Lewis and Clark's reputation as a leading institution."

Twelve respondents expressed concerns about finding space or a location for a center, or warned that "too many regulations" would cause problems for an on-site program.

"The last question said "... no direct impact on departmental budgets ... " So, as long as it is fully supported and paid for by those using it, I'm sure it will be convenient and appreciated by those using it. But where on any of the 3 campuses do we have the existing space? Corbett House (which needs extensive work)? Bringing in a Portable? I'm sure there a lot of federal/state policies/laws of which need to be followed ... could be very expensive ... maybe having to build a new facility ... so how can it NOT affect the budget when there will probably have to be renovations and/or building to accommodate it? However, the trust the feasibility study will bring all the answers "to the table."

Fewer than a handful of respondents cited the cost of liability insurance, or "so many liability issues," as the No. 1 reason to avoid establishing a center. Despite the fact that liability insurance for an on-site center is typically around \$1500 per year, the myth persists that liability insurance is very costly. I'm unaware of "liability issues" associated with on-site campus centers; if issues were to arise, they would be no different than those raised by having students live, work and attend school on campus. For example, the Helen Gordon Center at Portland State University hasn't faced any liability issues since its inception 41 years ago.

Six percent (23) of the comments discussed the importance of affordable or low-cost tuition (especially for students or low-income staff); one said, "It is a great idea especially if it is affordable to all LC employees." (189) A couple of respondents asked that the center be accessible to all; eight asked for part-time, part-day and drop-in care; six favored nighttime care, and one asked for two centers, both

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downtown and on the campus. Six commenters asked for care for school-age children during summers and school closure days.

Finally, many comments conveyed a sense that establishing an on-site center is something Lewis & Clark should do:

“As a progressive university, it is EMBARRASSING that we don’t have an on-site childcare.”

“I believe on-campus childcare would have an array of positive outcomes for the LC community:
1-make life a bit easier for students, faculty and staff who have kids 2-demonstrate to the LC community our school’s commitment to educational access, economic & gender justice 3-provide skill development opportunities for student interns, workers who assist at the center 4-provide a few employment opportunities via staff positions at the new center 5-help LC get recognized locally, regionally and perhaps nationally for supporting its student, staff & faculty in this way”

Rarely, if ever, is there universal support for any organizational change. Starting an on-site center, as these comments illustrate, is no exception. If Lewis & Clark were to move ahead with plans to start an on-site center, the Executive Council would be wise to determine concerns that need to be further discussed or addressed. To address all of the concerns raised by the survey is outside the scope of this report, but many are examined in the sections that follow.

The widespread support for an on-site center, by construction, affirms a center would align with the Lewis & Clark culture and values. Indeed, many of the comments or themes expressed in the survey underscore this belief, including supporting students in their successful pursuit of a high-quality education; removing barriers to diversity, gender equality, and accessibility; and promoting Lewis & Clark as a leading educational institution. Through the comments and my interviews with Lewis & Clark parents, I’m struck by how important and committed Lewis & Clark is to strengthening and maintaining a strong sense of community.

Child Care Aware of America’s *Parents and the High Cost of Child Care 2013 Report*¹³ made news in Oregon, a state with the least-affordable center-based care, as a percentage of income, for infant care, preschool, single mothers and two parent households. The average cost of center-based infant care actually is highest in Massachusetts at nearly \$16,500 per year, compared to a little over \$13,450 per year in Oregon. Unfortunately, these findings affirm the challenge faced by lower-income single parents and married couples in affording licensed, center-based care. Over the past eight years, the median household income for families with children in Oregon has dropped 9%, while child care costs have risen by 13%.¹⁴

Child care costs, a national issue for working parents, are a major expense in family budgets with no relief in sight. Unlike all other areas of education, including higher education, working parents pay the majority of the cost for early education; and, of course, these costs come when young families can least afford them. The cost of child care is subsidized by child care workers, whose wages are perhaps the lowest among all professional educators. The average wage for full-time child care workers was \$10.25 an hour in 2012, below the federal poverty guidelines for a family of four.¹⁵ Eighty percent or more of

¹³ Stephen Wood and Rosemary Kendall and Child Care Aware of America staff “Parents and the High Cost of Child Care 2013 Report” Copyright©2013 by Child Care Aware of America.

¹⁴ Susan Nielsen, “Oregon’s Child Care Crunch” The Oregonian, November 10, 2013.

¹⁵ Wood and Kendall “Parents and the High Cost of Child Care 2013 Report,” 31.

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the typical program's operating budget is consumed by salaries and benefits. (Often no benefits are offered.)¹⁶ And most centers scramble to meet expenses. The Minnesota Department of Human Services reports that centers in that state operate at a profit of *almost* 1% -- a level not statistically different than break-even.¹⁷

Early childhood care and education is very labor intensive; the highest quality programs have degreed and qualified teachers, small group sizes and low child-to-teacher ratios. Adult-child interactions are the most powerful predictors of children's optimal development and learning. Yet with low wages, benefits and status, child-care workers' average annual turnover rate in 2010 was 25%.¹⁸ In general, high-quality programs attempt to pay a living wage and offer benefits to attract early childhood educators with experience. Given the enormous importance of the early years and the staggering responsibility child care workers take on, it is reasonable to conclude we should be recruiting and retaining the best and the brightest in early childhood programs; this is hard to do when wages are so low. High-quality programs are very difficult to find. In the U.S., it is estimated that less than 10% of child care is of sufficient quality to positively impact children's developmental outcomes, and over 80% of child care centers and licensed family day care homes are considered mediocre.¹⁹

Despite overwhelming evidence in research detailing the critical importance of the early years for brain development, as well as the importance of this period in the development of healthy emotional and social skills and school readiness, no public infrastructure has been developed to support working families and children. If Lewis & Clark decides to develop a high-quality child care program for its faculty, staff and students, it will not solve all of the child-rearing, work challenges and difficulties facing parent-employees or student parents at Lewis & Clark. It will, however, be making an important and valuable contribution to solving the child care dilemma for a portion of the Lewis & Clark parent community, as well as to supporting the culture and educational mission of the College.

¹⁶ Wood and Kendall "Parents and the High Cost of Child Care 2013 Report," 31.

¹⁷ Wood and Kendall "Parents and the High Cost of Child Care 2013 Report," 32.

¹⁸ Wood and Kendall "Parents and the High Cost of Child Care 2013 Report," 32.

¹⁹ Wood and Kendall "Parents and the High Cost of Child Care 2013 Report," 27.

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Section 2:

Demand for an on-site educational child care program at Lewis & Clark

Faculty and staff demand

For the faculty and staff²⁰ at Lewis & Clark, one way to identify the number of children eligible for an on-site educational child care program is to review the ages of children enrolled as dependents in the health care plans. Not every dependent is enrolled in the Lewis & Clark plans, but, nonetheless, the data provides a rough estimate, and if tracked over time, is useful in understanding birthrate trends. The grouping of children in child care centers varies, but in Oregon, children must be five years of age on or before September 1 to enter kindergarten. This drives the classroom structure or groupings at a center, especially for the preschool years. Using the birthdates for enrolled dependents supplied by HR as of May 3, 2013, to the LCKF committee, the chart below shows the total number of eligible children, broken down by age group (reflecting potentially classroom groupings).

Number of Young Children Using Data from Health Care Plans by Age

AGE	Number	Year Enters K'garten
Infants-9/2/13-present	0*	2019
Infants-9/2/12-9/1/13	6*	2018
Toddlers-9/2/10-9/1/11	10	2017
Twos-9/2/10-9/1/11	13	2016
Threes'-9/2/09-9/1/10	17	2015
Four's-9/2/08-9-2-09	18	2014
Total	64	

*No data for children born after May 3, 2013

By extrapolating based on cost data from 82 respondents on the survey who are paying for full-day care for five days a week or less, we identified the number of young children by age and role.²¹ The below chart shows the findings:

Number of Survey Respondents' Children by Age and Role

Age	Faculty/Staff	Student	Adjunct
0-24 months of age	26	6	0
24-36 months of age	16	9	1
3-5 years(preK'garten)	31	8	3
Total	73	23	4

²⁰ As adjunct faculty members don't receive benefits, there are no numbers for them; however, adjunct faculty members are unlikely to use a Lewis & Clark center unless they live very close to the College. In general, throughout this report, therefore, adjuncts are addressed as an interested group vs. a key stakeholder.

²¹ Some respondents have more than one child explaining the difference between number of respondents and number of children.

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Note the above charts show different numbers of children in the different age groups; this reflects the fact that the numbers have been calculated using different dates. Also, the chart using data from the health care plans does not include dependents born and enrolled in plans after May 3, 2013. Nevertheless, for faculty and staff, they roughly correlate, validating the survey numbers.

One hundred twenty-five (n=125) individuals responded to the survey question, “Do you have a child born on or after September 2, 2009?” Among them, 82 respondents, or 66%, said they were currently paying for full-day care for five or fewer days of the week. The chart below shows the faculty and staff respondents’ answers, by role, to the question, “Are you paying for full-day child care?”

Survey Respondents by Role Paying for Full-day Care

Paying for full-day child care?	Faculty/Staff	Faculty	Staff
Yes	62 (72%)	27 (79%)	35 (75%)
No	23 (27%)	7 (21%)	16 (31%)
Not Answered	1 (1%)	0	1 (2%)
Total	86 (100%)	34 (100%)	52 (100%)

On the survey, all 125 survey respondents with young children were asked if they would be willing to have a short telephone conversation with the consultant to provide more detailed data. Sixty-two faculty, staff and student parents provided their contact information. As might be expected, it was difficult to reach these individuals, especially the student parents. Based on the information available, it appears that 18 of the 62 individuals willing to chat with me are students, and 44 are faculty or staff. I interviewed 46 or 74%, of these individuals, out of a possible 62:

- 40 faculty and staff parents with a total of 52 children under 5,
- 6 student parents with a total of 9 children under 5.

The “Child Care Situation” chart below is based on information provided in November, 2013, interviews with 47% of the total faculty and staff members who responded to the survey (40 out of 86) and who also have young children. (This group included 22 faculty and 18 staff members).

Interview Respondents Child Care Situation by Role

Child Care Situation	Faculty & Staff	Faculty	Staff
Paying for Full-time	19 (48%)	13 (59%)	6 (33.3%)
Paying for Full-day (Part-time)	6 (15%)	0	6 (33.3%)
Part-time/other*	15 (37%)	9 (41%)	6 (33.3%)
Total Number	40 (100%)	22 (100%)	18 (100%)

*Includes 1 staff and 1 faculty each with a child in respectively full-time and full-day Part-time) unpaid care with a relative

It is difficult to compare the two charts above, because the questions asked in the survey and in the interviews were different. The chart below combines both sources – the survey and the interviews – and draws a comparison in terms of paying for full-day only:

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Paying for Full-day Care by Source and Role

Yes, Paying for Full-day Care	Faculty & Staff	Faculty	Staff
From Survey Response	72%	79%	75%
From Interviews	48%	59%	66%

It is important to note that not all survey respondents with young children were interviewed. Also, faculty and staff may have provided different answers when completing the surveys and interviews. Questions on the survey may have been interpreted differently by respondents. However, taking the numbers at face value, I did interview 22 of the 34 (65%) faculty survey respondents with young children, and 18 of the 52 (35%) staff members with young children. The last chart reveals an inexplicable gap between the survey and interview responses for faculty. If it were possible to interview the 12 faculty members missing from the interview data, and assume that they were paying for full-day care, there would still be an 11% gap between survey faculty paying for full-day care (79%) and interview faculty paying for full-day care (68%).

On the other hand, the staff gap is quite reasonable, especially since 34 staff members were not interviewed. In fact, if I hypothetically interviewed the remaining 34 staff, and 66% of the 34 reported paying for full-day care, then the gap between the survey staff would be 1 % (66% survey vs. hypothetical 65% interviews). In comparison to the faculty, the staff group was underrepresented in the interviews; yet it appears from the interview and survey data, the staff group is the most likely to use an on-site program on a full-time basis.

In the interviews, I asked the number and ages of children. Although I didn't ask the interviewees for the birthdates of their children, when parents said they had a 5-year-old, I asked whether the child attended Kindergarten. The chart below shows the numbers of children by age for faculty, staff and student parents interviewed:

Children by Age from Parent Interviews

Age Groups	Faculty/Staff	Students
Infants-up to 12 months	12	2
Toddlers-12-24 months	11	0
Two year olds-24-36 months	8	3
Three year olds	13	1
Four year olds	8	3
Totals	52	9

I also asked interviewees about the type of care used for each child, the days spent in care per week, and pick-up and drop-off times.

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Of the 52 faculty and staff children:

- 20 children currently are in full-time care
 - 17 of these children are in care between 8-5:30 PM
 - 2 are in care between 7:30-5:30 PM
 - 1 is in care between 8:30-6 PM

For the remaining 32 children:

- 4 children are in full day programs either 2 or 3 days per week
- 5 children are at home with mother on maternity leave, or in a “pieced together” full-time arrangement, e.g., family, friends, part-time at a center, etc. (all 5 do or will need full-time care)
- 2 are at home with a parent, but the at-home parent would like to find part-time or full-time work;
- The rest of the children are in part-day preschool or day care programs, with a nanny or a relative; their parents juggle work days and schedules to cover their child care needs, one parent doesn’t work outside of the home, and/or a parent works part-time or from home.

Estimating program size based on faculty and staff demand:

Should Lewis & Clark decide to go forward with an on-site program, it is critical to determine the right size for the program (that is, the number of children served), based on anticipated demand. Program size is difficult to determine, but two variables are critical to consider:

- number of young children eligible to enroll (or number of children of faculty, staff, adjuncts and students),
- program quality.

Parents decide to enroll their child in a program based on a wide variety of factors, including the number and ages of children in the family; the availability of family members able to contribute to the child-rearing; family values and goals; child care and education views, values and goals; the special and/or current needs of the child or children; family budget; location of home and work; enrollment of an older child in a school near home; and work schedules and demands. However, when parents have the opportunity to see a truly high-quality program (which unfortunately is a rare experience), the prospect of enrolling their child typically overshadows other considerations and they find a way to cover the cost. If Lewis & Clark moves forward, I strongly recommend that a commitment be made to developing a program of a kind that is not easily found in the community. Quality then becomes the differentiator -- and quality drives enrollment.

Of course, since current Lewis & Clark parents can’t see or experience a future on-site program, asking them whether they would enroll their child in such a program, provided it was of high quality, is an inherently flawed approach. Nevertheless, I did ask this question of the parents I interviewed. I’ve carefully reviewed my notes from the interviews, and applied my own judgment in determining, “Would this parent switch if they could today?” Some parents said, “Yes, I’d switch” with no conditions. Others voiced conditions; however, after assessing their current care, including the cost, I felt confident based on my experience that given the opportunity, they too would decide, “Yes, I’ll switch.”

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Others said yes, they'd switch, but then named potential barriers to enrollment. Among both faculty and staff, the most commonly cited barrier was cost, followed by enrollment flexibility. During the interviews, a third group of parents made clear that they'd be interested. Also, as noted earlier, I did not speak to all of the survey faculty and staff with young children. If Lewis & Clark were to open a center tomorrow, some of them would certainly enroll.

Assume Lewis & Clark were to open a program next fall: About 73 children would be in the age group eligible to enroll. It isn't possible to make more than an informed estimate at this time. However, based on the interview and survey data, and assuming that the center was high quality and below market cost for the quality, a conservative estimate of projected enrollment would be 34 to 38 children, or full-time equivalents.

Student demand

As the survey was not intended for students, minimal marketing to students was done. Law and graduate students were invited to take part in the survey by the Lewis & Clark Kids and Families Committee, and an article in the November 1st *Pioneer Log* student newspaper highlighted the survey, reporting that it would be open on November 4 to all members of the Lewis & Clark community. Two hundred ninety-nine students responded to the survey.

Of the 125 survey respondents with young children, 35 are students, and about half of them (17) are currently paying for full-day child care. I interviewed six student parents; all of them were enthusiastic about the possibility of a Lewis & Clark center, with five of the six saying they would want to enroll their child if a center were available and affordable. The enclosed interview notes from students are recommended reading, and provide valuable insights.

Through the survey and interviews, it became clear that the Lewis & Clark day law students should be identified as a stakeholder group in the development of an on-site program. As noted earlier in this report, the theme with the largest percentage of comments was the importance of supporting student parents with an on-site program. It would be prudent to gain a better understanding of the number of day law students with young children, and of demand for child care among this group. Without any other additional information, I'm confident the day students would fill slots in on-site program. If enrollment flexibility and cost concerns could be addressed, demand may be significant.

Community demand

To assess community demand in the Lewis & Clark "neighborhood," I spoke to the directors of six full-day, year-round child care programs: Blue Skies & Butterflies, Montessori Collaborative, Mt. Carmel Preschool & Daycare, Portland Jewish Academy Early Childhood Center, St. Clare Preschool, and St. Andrews. This group of six centers is the "local comparator group" providing market and cost data. I attempted to talk with the directors of the Mountain Park KinderCare as well as West Hills Montessori, but despite two promises from each that they would meet with me, the conversations never took place.

The centers in the comparator group all are relatively close to the Lewis & Clark campus; three of them are three miles or less away (per Google Maps). In terms of driving time (per Google Maps), they are from 3 minutes to 12 minutes away. The closest center to campus is Mt. Carmel Preschool & Daycare, and the farthest is the Montessori Collaborative at 12 minutes. Four of the Directors reported they

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currently had one or more Lewis & Clark family enrolled in their program -- Blues Skies & Butterflies, Montessori Collaborative, Mt. Carmel and the Portland Jewish Academy.

All the programs but one is fully or nearly fully enrolled. Only St. Andrews maintains a waiting list, it seems; the other programs have a few openings throughout the year and take new families if they happen to call when there is an opening, rather than maintaining a wait list. The exception to this in the comparator group is Blue Skies & Butterflies. This program opened in June of 2013, and the director reports she has a couple of openings in the infant and toddler classrooms, but the preschool is only 50% enrolled. Blue Skies & Butterflies has the least expensive tuition rates of all of the programs.

In discussing the demand for child care in the Lewis & Clark neighborhood, all of the Directors confirmed that the greatest demand is for infant and toddler spaces. The two largest programs, the Portland Jewish Academy Early Childhood Center and the Montessori Collaborative, enroll 180 and 88 children respectively. Of the three centers three miles or less from Lewis & Clark, St. Andrews is the largest, with an enrollment of 71. Mt. Carmel, the closest to the campus, only enrolls 24 children. The St. Andrews Director told me the demand and need was huge for working families, and she has a waiting list for most of the classrooms.

None of the programs take infants and toddlers for less than a full-day, but some offer part-day care for preschoolers. Mt. Carmel reported a need for part-time, but full-day spaces; the other Directors said their demand was primarily for full-time care. In addition, the tuition for part-time or part-day in the comparator group is not significantly less than full-time tuition, because the programs' costs for part-time or part-day spaces don't change.

I also called and spoke to representatives at three nearby elementary schools -- Capitol Hill, Stephenson and Forest Hills. These three elementary schools are each less than 2 miles from the College. Capitol Hill used to have an early childhood program, but due to space issues, it was moved to Stephenson. Capitol Hill does not maintain any kind of resource list for parents of young children, and didn't have any sense of need. The person I spoke to at Stephenson said the need for child care programs for parents was "huge." However, when I probed for the basis of this assessment, I learned it was on the "situation in general" in Portland, rather than on local neighborhood demand. In the end, she said there was demand, but she wasn't sure to what degree. Finally, Forest Hills reported that about 50% of its families are two-parent or single-parent working families, and that almost all of the children enter Kindergarten after having attended preschool. Lewis & Clark may also want to discuss unmet demand for child care with representatives of local neighborhood associations.

I also spoke to the Executive Director of Joyful Noise; Joyful Noise operates four non-profit child care centers, two in downtown Portland and two in northeast Portland. She reported that the heaviest demand is for infant and toddler care; all of her centers are fully or nearly fully enrolled.

For both the local comparator group and the Joyful Noise programs, the directors report there is always some variation in demand over time.

The Helen Gordon Child Development Center (HG CDC) at Portland State University is in some ways a good comparator for Lewis & Clark. The HG CDC serves as a comprehensive care and education program, serving as both a child care resource for families and the University's laboratory school. One-third of the enrolled children are from faculty and staff families, and the program has a long waiting list. HG CDC

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gives priority to faculty and staff families. The demand from these families is so great that at this time, and for the past few years, the Center does not enroll new families from the community.

Having a child enrolled in a college or university program is a bit of a status symbol for families. Given the current demand in the College's neighborhood, if a high-quality program were established on the campus, with faculty, staff and students families having enrollment priority, it is highly likely that any additional open spaces would be filled by families from the external community.²² In my experience, truly high-quality programs such as HGCDC have no trouble maintaining their enrollment numbers.

Again, the key to full enrollment is offering a high-quality program that cannot be readily found in the community.

²² To be successful, an on-site program would need to have both short-term or drop-off/pick-up parking slots & at least a couple of parking slots designated for parent visitors as well as reasonable access to parking for center staff.

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Section 3:

Lewis & Clark College faculty, staff and student child care needs and priorities

In the interviews following the survey, I asked the following questions:

- Number and ages of children,
- Type of care for each child (family day care home, nanny, child care center, etc.),
- Days in child care, drop-off and pick-up times,
- Cost and related questions (About right? Stretched to the limit? Willing to pay more?)
- What are the top 2-3 things you like best about your current situation?
- If you could, would you change anything about your current situation?
- Do you support a Lewis & Clark center? What would be the barriers or challenges to you using it?

Not surprisingly, many parents are interested in a possible Lewis & Clark center offering flexible care options -- part-time, part-days and care schedules customized to meet the needs of parents, and to minimize both cost and the time a child spends away from home.

In general, parents said in interviews said they like the programs and care their children are receiving; factors cited most often were the quality of the teachers and curriculum, location, small group sizes, low child-to- teacher ratios, and costs that fit their budgets. Many parents walked me through the details of their search for a quality program that fit their needs. These parents also expressed frustration about the difficulty of finding a high-quality program to meet their needs.

No themes emerged from the question “What would you change about your current situation?” Answers included teachers being more personable, having better security, offering fresher and healthier food, being more culturally sensitive, improving and expanding the outdoor area, and moving program closer to Lewis & Clark. The enclosed interview notes from the faculty and staff phone interviews include more details.

I spoke to six students, with nine children in the target population. Students in particular are interested in a possible Lewis & Clark center offering part-time, part-days and customized care schedules to meet their child care needs. Based on these interviews, I have no doubt that student parents at Lewis & Clark struggle with finding and affording child care, as well as balancing school and family responsibilities.

Lewis & Clark parents (faculty, staff and students) face a wide range of challenges and difficulties around child care and education throughout the life-cycle of their families. Lewis & Clark families have difficulty finding high-quality infant care due to availability and cost, and they also juggle and patch together a number of child care resources to meet their needs. Compounding these issues is the cost of care, because higher costs limit their choices. A number of faculty and staff work part-time, and this does ease their child care burden.

It is challenging for a small college or organization to offer a range of child care programs such as part-day, drop-in, evening, and sick child care services, as there are not enough families at the college to support these specialized programs. Typically, a small college will offer a program that is designed to meet the largest need, or to provide Monday through Friday full-day care and education. At Lewis &

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Clark, the undergraduate classes and day law school classes are offered mostly between 9 AM and 4 PM, while graduate school classes are held primarily in the evening, with a highly varied day schedule. Also, the majority of the faculty and staff parents reported in the interviews that they dropped and picked up their child(ren) between 8 AM and 5:30 PM. Since center hours have a high impact on operating cost, it seems reasonable for a future Lewis & Clark center to operate from 8 AM to 5:30 PM.

As mentioned earlier in this report, the resources and programs parents utilize are wildly diverse, depending on the following factors: the number and ages of children in their family; the availability of family members able to contribute to child-rearing; family values and goals; child care and education views, values and goals; the special and/or current needs of the child or children; family budget; location of home and work; enrollment of an older child in a school near home; and work schedules and demands. And, of course, families are constrained by the programs and resources available in their community to meet their specific situation and needs.

Based on the interviews, the most influential factors in Lewis & Clark families' decision making about child care and education are quality of care and education, affordability, and enrollment options (part-day/part-time). Proximity to home or a partner's workplace, as well as the Lewis & Clark parent's schedule (such as part-time, 6 AM work start, or 10-month contract) also impact a number of families and their child care needs.

Although families usually are successful in finding programs and resources to meet their work and child-rearing demands, it can be an exhausting and stressful process. These difficulties naturally cause some parents to wish for and want a single-source solution. Reviewing all of the data and comments (both from the survey and interviews) on child care needs and priorities, a variety of child care perspectives, opinions, wishes and wants are evident. Based on the interviews, however, most Lewis & Clark parents are looking for a program on campus to serve infants and preschooler. A few parents mentioned school age programs, and one parent discussed sick child care. A couple of students mentioned evening care, and a few survey respondents mentioned it as well. In reality, however, it is difficult to have children in evening care, due to the complications caused by dinner and bedtimes.

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Section 4: Quality and cost expectations

Defining quality

The success of an on-site program is dependent on its quality. Therefore, it is critical to define “high-quality.”

High-quality programs are determined first and foremost by the quality of the caregivers and teachers and the care giving and teaching pedagogies. The physical environment, both indoors and outdoors, is a critical component of quality. Space needs to be designed to support the physical, social and emotional well being of children, setting the stage for learning success. In a high-quality program, equipment, materials and supplies are carefully chosen to optimize the child’s learning opportunities. High-quality programs also have a community of parents who actively support the program by being willing to learn about, understand, respect and actively support the challenges of group care, and to work closely with the staff to ensure high quality. In other words, parents do not see the program as simply offering a service to them. In high-quality programs, parents work in partnership with the teachers and the program to foster the best quality program possible.

The other major variables defining high-quality care include small group sizes, low child-to-teacher ratios, experienced staff with relevant degrees, low staff turnover, adequate teacher planning time, an ongoing investment in staff professional development, and competitive pay and benefits.

In employer-sponsored programs, parent-employees expect the quality to be higher than other options available in the community. For on-campus programs, the expectations are even steeper. The majority of campus programs are expected to serve as models of quality in early childhood education and care. These centers support faculty and students by serving as a setting to observe children’s behavior, conduct research, create and implement projects, and, of course, support student internships.

These high expectations were confirmed by a 2003 report entitled “Campus Early Care and Education Centers: A National Description.” Some 77% of campus programs were accredited, or in the process of being accredited, by the National Association for the Education of Young Children (NAEYC), according to the report, which was based on a survey by the National Coalition for Campus Children’s Centers. In contrast, only about seven programs in the Portland area are currently accredited by the NAEYC. Also, 87% of the on-campus centers had a waiting list, averaging 119 families, the report said. Seventy-four percent of the respondents indicated children of community families were eligible to enroll in their program.

Campus programs serve as a model for not only other higher education institutions, but for their communities. Campus child care and education programs help translate child development research and knowledge into educational and care-taking practice. Curriculum itself is an evolutionary and developmental construct, and most campus programs are on the forefront of developing curricula and caregiving practices in tune with current research, contributing to the child development and psychology fields. Campus child care staffs are of exceptional quality, with appropriate education and experience, and are generally leaders in their fields.

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The Portland community, and likely the national community as well, would expect Lewis & Clark, known for its high educational standards and its Graduate School of Education, to operate or manage nothing less than the highest quality program possible. The impact of a child care center on Lewis & Clark's reputation as a leading educational institution, as well as on its public image, is an important factor to consider. A high-quality center can be a benefit, a low-quality center a liability.

For those outside the early childhood education and care field, quality is difficult to define. In large part, this is because there are so few high-quality programs available to parents. Working parents are besieged by demands on their time. Parents know quality when they see it, however; they just don't have many opportunities to tour high-quality programs. If Lewis & Clark were to open a program, I strongly recommend it do so with the intention of meeting the NAEYC accreditation criteria. Meeting the criteria would set a baseline for quality. A copy of these criteria is available in the Lewis & Clark College library. (See "NAEYC Accreditation Standards.")

Lewis & Clark parents' quality and cost expectations

Quality:

We asked parents with children currently enrolled in child care programs, as well as respondents anticipating choosing a child care situation in the future, what factors are most important to them in choosing child care. The responses from both groups were remarkably similar, with both choosing the same top-three factors, and both ranking "Quality of caregivers/teachers" as the most important factor.

Ranking of factors in order of importance by respondents anticipating looking for child care

	Ranking
Quality of caregivers/teachers	1
Philosophy of caregiver/teacher program regarding children and the early years	2
Quality of environment/variety of materials	3
Location	4
Cost per month	5
Quality of outdoor environment	6

Ranking of factors in order of importance by current child care users

Factor	Ranking
Quality of caregivers/teachers	1
Quality of environment/variety of materials	2
Philosophy of caregiver/teacher program regarding children and the early years	3
Location	4 (tie)
Cost per month	4 (tie)
Quality of outdoor environment	5

The above data was validated in the interviews. Participants talked about the importance of quality specifically in the areas of lower child-to-teacher ratios, small group size, curriculum, and consistency of

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caregivers and teachers, or low turnover. The importance of teacher-parent communications and the location of the center also emerged as themes.

Cost:

Although Lewis & Clark parents expressed concerns about quality in the interviews, they were also concerned with cost. The cost of programs varies wildly; the best way to gauge parents' cost expectations is to assess their current child care costs. Here are the results from the survey:

Average cost per month for full-time care by age group as reported by all respondents

Age Group	Average Cost	N=
0-24 months	\$1,072	32
24-36 months	\$994	26
3-5 year olds	\$855	42

Average cost per month for full-time care by age group and role

Age Group	Faculty	Exempt Staff	Hourly Staff/Adjuncts*	Student
0-24 months	\$1,041	\$1,133	\$883	\$1,100
24-36 months	\$1,150	\$1,050	\$850	\$939
3-5 year olds	\$905	\$879	\$983	\$825
N=	27	33	17	23

*13 staff and 4 adjuncts

Average mean cost per month for full-time care by age group and role

Age Group	Faculty	Exempt Staff	Hourly Staff/Adjuncts*	Student
0-24 months	\$1000-\$1099	\$1000-\$1099	\$699 or less	\$900-\$999
24-36 months	\$1100-\$1199	\$1000-\$1099	\$700-\$799	\$1000-\$1099
3-5 year olds	\$800-\$899	\$900	\$1000-\$1099	\$700-\$799
N=	27	33	17	23

*13 staff and 4 adjuncts

It is interesting to note that while faculty and exempt staff pay similar amounts for care, students, except for the preschool age group, pay more for full-time care than hourly staff and adjuncts.

For a child care center to be sustainable and successful long-term, however, it has to have a balanced budget, which is largely dependent on accurate tuition forecasts.

One way to make an on-site center at Lewis & Clark more affordable to low-income families is by raising scholarship funds through fund-raising and donations. This model is in place at PSU's Helen Gordon Center. According to the Director, Ellie Justice, most scholarship funds are awarded to Helen Gordon caregivers and teachers, who are among the lowest paid employees at PSU.

Interestingly, Ms. Justice said she rarely hears faculty or staff voice concerns about the HG CDC tuition rates for faculty and staff, with one exception -- the staff employed at the HG CDC as teachers. Not

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surprisingly, students do express concerns about the monthly costs, even though they pay subsidized rates. HG CDC reserves two-thirds of its spaces for students; the remaining third is filled by children of faculty and staff members, plus a handful of children from the community.

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Section 5: Construction notes for an on-site center

This report is based on the assumption that a child care center would be an integral part of the campus and College, and the College will provide the building and play yard; start-up costs; IT support, phone, security system and infrastructure; utilities, and cleaning and maintenance services. There are additional in-kind supports a college can provide to reduce costs, such as automatic payroll deductions for faculty and staff tuition. This kind of support is typical for on-campus programs; respondents to the National Coalition for Campus Children's Centers survey reported that all remodeling, rebuilding and new construction costs were borne by their respective colleges and universities. The range of expenditures in this category ranged from \$60,000 to \$5 million, with an average expenditure of \$1,607,000.²³

The average number of square feet per child in campus centers is 71 square feet, significantly larger than the 35-square-foot minimum per child required by the state. Outdoor square footage averages is 69 square feet per child, with the majority of programs exceeding this number.²⁴ However, high-quality programs typically provide a minimum of 100 square feet of indoor space per child. For example, both the Helen Gordon Center at PSU, and the Mentor Graphics Child Development Center, provide 130 square feet or more per child. Bright Horizons, a national operator of employer-sponsored child-care centers, sets a standard of 80 to 100 square feet per child as ideal, for both indoor and outdoor space.

Start-up cost estimates in this report are based on the assumption that Lewis & Clark, as the owner of the building, will provide as part of the center and play yard construction all of the following: kitchen appliances (commercial dishwasher, stove, oven, freezer, refrigerator, warming ovens, etc.) and tricycle paths, a sandbox, outdoor storage, garden area, covered play area, and a mixture of hard and soft surfaces, per the design. A playhouse and small climbing structure would complete the play yard.

If Lewis & Clark decides to move forward with the construction of a center and play yard, it is critical that an early childhood professional with experience running a program be identified and given a key role on the design team. The environment, and the design of a center and play yard, are key to the quality of a program, and impact both the efficiency of staffing and the flexibility of the program. The College also would need to make sure licensing requirements are met.

For further details on center design, please see the enclosed Lewis & Clark design concepts.

²³ Carlson, "Campus Early Care and Education Centers: A National Description," 26.

²⁴ Carlson, "Campus Early Care and Education Centers: A National Description," 3-13, 16, 19.

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Section 6: Recommended program model and underlying assumptions

Background

Like programs in the community, campus centers are funded primarily by parent tuition fees. The National Coalition for Campus Children's Centers survey reports, on average, the centers received 63% of their funding from parent tuition. The remainder of the funding came from the institutions' general fund, academic departments, block grant funds and work study, student activity fees, fund-raising and other miscellaneous sources. Nearly 20% of the operating budget for the centers came from the respective institutions. Institutions also footed an average of \$109,836 in start-up costs for the centers.²⁵

At the inception of a program, parent-employees in general, as well as faculty and staff parent-employees tend to expect the cost of an employer-sponsored or on-site program to be less than the comparable market. More often than not, this expectation is not fulfilled in practice. There is a reason that high-quality programs are difficult to find: It is almost impossible for them to exist without some kind of subsidy or help with operating costs.

The main factors driving center costs and/or quality are:

- The quality of the teachers, director and staff: are they committed, passionate, creative, knowledgeable—in short, are they the cream of the crop?
- wages and benefits
- teacher to child ratio and class size
- number of children per day in program
- the ratio of infants and toddlers to preschoolers as preschool tuition supports infant and toddler programs
- the daily operating hours and yearly calendar
- center culture
- the food program.

If Lewis & Clark goes forward with a program, I don't recommend that it be operated by a large for-profit corporation. Mountain Park KinderCare, part of a national chain, is less than 1.5 miles from Lewis & Clark. Although the staff there did not respond to my phone calls, they are likely charging similar rates, if not the same, as the KinderCare center downtown: \$1512 per month for infants and toddlers; \$1343 per month for two year olds; and \$1060 per month for preschoolers. And, more importantly, it is in the best interest of the College to offer only a program of the highest quality, in alignment with its overall standards, strategy and mission.

The case for a non-profit partner

My hope at the outset of this project was to propose that a center be owned and operated by Lewis & Clark, staffed, therefore, by Lewis & Clark employees. This approach would be advantageous to the College in many ways, including the fact that the College's reputation and stature would help to attract high-quality candidates to staff the center, as well as community families to enroll their children.

²⁵ Carlson, "Campus Early Care and Education Centers: A National Description," 25-26.

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However, my recommendation is that the center be operated by a nonprofit partner, mainly because of the College's paid time-off policy.

LCCSSA employees are allowed 13 holidays per year (9 regular plus 4 between Christmas and New Year's, or winter break days), and 22 days of sick leave per year, with a maximum accrual of 130 days per employee. They also may earn 15 to 24 vacation days per year. Under the current contract, this means employees have as many as 37 to 46 days off per year, excluding the 13 holiday/winter break days. This policy would be cost-prohibitive in a child care center because an absent staff member requires a substitute.

In my models using a non-profit partner, I'm assuming the following days-off allotment per year:

- 9 holidays (the 9 regular holidays when Lewis & Clark is closed)
- 18 days of paid time off (PTO) for any purpose (earned at a rate of 1.5 days per month)
- 7 days for winter break.

The above plan helps to contain costs by using the PTO model instead of vacation days plus sick days. Also, by closing the proposed on-site Lewis & Clark center for 10 days in December, approximately the last two weeks of the year, staff would enjoy an additional 7 winter break days. A winter closure helps to break the inevitable cycle of re-occurring winter colds, etc., and benefits the children, parents and teachers. Obviously, substitutes would not need to be hired for the 7 winter break days. The closure is a bit more generous than the Lewis & Clark winter break/holiday closure, but it is a fairly easy time for parent employees or student parents to either take vacation, or to find alternate care if needed. Under this model, substitute teachers must be hired for 18 days per year per staff member, excluding the Director position. This compares with the 37 to 46 days of substitute time that would be required under Lewis & Clark's time-off policy.

However, there will be challenges in finding an appropriate high-quality non-profit partner as well. There are only a couple of non-profits operating more than one center in the Portland area. Joyful Noise operates four programs, subsidized by federal and city government, and their centers are NAEYC accredited. I've approached the Executive Director there a couple of times, and she doesn't feel she has the bandwidth to operate any additional centers; she believes to do so would impact the quality of their programs. I'm not sure whether Vermont Hills, the other non-profit operating multiple centers in the Portland area, provides the desired level of quality; this is a question that might be further explored.

Another, more likely option would be for the College to "develop" a non-profit by finding an early childhood educator and leader looking for the opportunity to operate a program at a venue like Lewis & Clark. If the College does partner with a non-profit, I strongly recommend active management of the program through a Board of Directors comprised of members of the Lewis & Clark community. Lewis & Clark would want the center to operate as a legal entity separate from the College; the center's Board may need to be comprised of alumni, retired faculty or friends of Lewis & Clark. If possible, it would be highly desirable that the non-profit work in partnership with the Graduate School of Education.

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Other program assumptions

Center in-service closures:

My models also call for the program to close for in-service or professional development days. For a center to be high-quality, it must be able to conduct a variety of activities that are not possible with young children present, including (all activities not listed):

- classroom set-up, organization of materials, curriculum design and development of materials;
- parent-teacher conferences and new child orientation (new to center and new to a specific classroom and group of teachers);
- Lewis & Clark student worker training and development (minimum required: center policies and procedures; recognizing and reporting child abuse; and CPR & first aid hands-on certification)
- deep classroom cleaning;
- maintenance and repairs (building, play yard and equipment);
- staff training and professional development.

The Helen Gordon Center at PSU closes for 22 in-service and professional development days per year. In my models, a Lewis & Clark Center would close for 6 days in August (a Friday, and the following week); 2 days during spring break, and 2 days in June, for a total of 10 in-service days.

The prevailing practice in professional child care is that tuition is not adjusted for center closures, holidays, illness of a child or parent, or family vacations. I have built in adjustments for expected vacancy rates of 3% for the 9-month academic year, and 20% for the summer months, for the full-day, year-round program.

Food program:

Another consideration is the food program. Centers and/or parents are required to provide two snacks and lunch for each child per day. Most parents expect and want centers to provide the snacks and lunch; however, some parents are willing to pack a lunch as a way of lowering operating costs, and therefore tuition. Typically, and in my models, infant food is provided by the parent until the child is developmentally ready (12-14 months) to participate in the school food program, with both parents and teachers agreeing to the change.

The model presented assumes that a Lewis & Clark center would provide snacks and lunch and hire an in-house cook.

The main advantage to contracting out the food-service program is a reduction in personnel costs (although there are still some costs for food preparation and delivery to the classrooms, dishwashing, etc.). Even when contracting out, a commercial kitchen including a dishwasher, freezer, refrigerator, warming ovens, stove and oven, is almost always required. When a center provides the food service in-house, a full-time cook must be employed to handle all food preparation and clean-up. The main advantage to this approach is lower food costs, and the ability to control food costs; when using an outside contractor for food service, the center is at the mercy of the vendor.

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The difficulties of food service at a center are compounded by children's allergies and the growing preference by parents that their children be served whole, fresh foods, sourced locally and organically certified, with little to no sugar content. Food preparation, serving and even the washing of dishes in centers has been dramatically impacted by the increasing numbers of children with severe and complex allergy issues. Higher-quality centers tend to serve organically certified fare, or non-sprayed food – that is, fruits and vegetables that are not sprayed while set and growing. Indeed, one parent I interviewed said she would love to switch to a Lewis & Clark program, but only if the food served was organic. For these reasons, if Lewis & Clark or its non-profit partner decides to contract out the food service, it is critical that the food service provider is able and willing to work with the center, customizing menus, recipes and ingredients as needed for allergies. (Please see “Fresh n’ Local” information.)

Student employment:

The models in this report depend heavily on the assumption that student employees will assist in operating the center, working primarily in the classroom on a year-round basis including breaks and the summer. Costs in the model presented include five weeks’ pay for substitutes for these student employees, to cover any gaps in student employment during breaks. Students would work under the guidance of two professional teachers. My understanding from a number of individuals at Lewis & Clark is that a lack of student employment opportunities is a concern on campus, and that currently, students seeking work outnumber work opportunities. For those familiar with student employment at Lewis & Clark, there is high confidence that student employees would be available. In the models, student pay is set at \$10.10 per hour.

Start-up costs:

The models incorporate “one-time” start-up costs, distinct and separate from remodeling or in-kind operating costs. As noted above, colleges typically pay start-up costs for new campus centers. It would be advantageous for Lewis & Clark to do the same; this would make it easier to recruit and develop a non-profit partner to operate the center.

Projected start-up costs assume the use of high-quality, long-lasting materials. In my experience, paying for quality at the outset is far better than buying the same item or piece of equipment multiple times. Of course, children are very hard on equipment and materials and some replacement costs are inevitable. The most responsible and budget-effective course, however, is to buy the longest-lasting equipment and materials, to the maximum extent possible. Please see the enclosed list of recommended suppliers.

Program quality and operating assumptions:

In terms of *program quality*, the models assume:

- the program is in alignment with the Lewis & Clark mission and will play a role in supporting its academic programs;
- all child-to-teacher ratios are lower than the minimum state requirements;
- the program meets NAEYC accreditation standards and criteria;
- all staff have the appropriate degrees and experience;
- the center will close for in-service days to allow for staff development, curriculum development, Lewis & Clark student worker training, etc.;

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- the curriculum will be developed by the staff; rooted in constructivist practices in education, inspired by the work of Magda Gerber, Howard Gardner, Piaget, Vygotsky and Reggio Emilia, Italy; and include an anti-bias and diversity focus.

Program operation is directly tied to a center's operating budget model. The operating budget in the model assume:

- the center provides 2 snacks and lunch for each child per day;
- the program operates year-round, Monday through Friday;
- the program hours are 8 AM to 5:30 PM;
- the center is closed over Christmas and New Year's for 7 business days and 3 holidays, as well as for 6 additional holidays when Lewis & Clark typically is closed;
- 18 days of PTO for staff for the full-time, year-round program (1.5 days per month), and 10 days of PTO for short-hour, ten-month staff (1 day per month);
- short-hour, ten-month staff receive paid benefits during the 10-week summer closure;
- the center is closed for 10 in-service days per year;
- members of the Lewis & Clark community would receive priority enrollment for all slots; unfilled slots would be open to families outside of the Lewis & Clark community, who would pay an additional 10% in tuition;
- Parents pay the monthly tuition rate regardless of the number of days the Center is closed, or days when a child is absent because of vacation, illness or other reasons;
- the center operates on the basis of being fully enrolled at full-time capacity; the full-day program offers full-time M-F slots, M-W-F and T, Th scheduling models; enrollment in the short-hour program will be scheduled to support keeping the program fully enrolled at full-time capacity (not as a drop-in program).

Staff salaries:

My model assumes that staff salaries will be set at the lowest acceptable level without hurting the ability to recruit high-quality staff. During the recruiting and hiring process, salaries may need to be adjusted upward to attract the high-quality staff essential to the program.

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Section 7:

Lewis & Clark model annual operating budget, revenue and cost reconciliation

Tuition:

It is difficult to set low tuition rates and offer a program of the highest quality. Typically, centers increase rates by 2% to 3% every year. The cost of tuition emerged in our research as an important factor to the Lewis & Clark community; if tuition is too high, enrollment may be negatively impacted. The two charts below show prevailing tuition rates for high-quality programs, average tuition rates being paid currently by Lewis & Clark parents, and the average tuition rate at centers in the Lewis & Clark comparison group.

Tuition Comparison Chart: March, 2014, monthly full-time tuition; yellow highlighted costs what L&C parents are currently paying per month for full-time care

Age Group	PSU Faculty and Staff	PSU Community	Mentor Graphics Employees	Mentor Graphics Community	Average Tuition- L&C Faculty	Average Tuition for L&C Exempt Staff	Average Tuition L&C Hrly Staff and Adjuncts	Average Tuition L&C Student Parents	L&C Local Comparison Group Average
0-24 mos	\$1,400.00	\$1,540.00	\$1,175.00	\$1,470.00	\$1,041	\$1,133	\$883	\$1,100	\$1,269
24-36 mos	\$1,220.00	\$1,342.00	\$1,134.00	\$1,340.00	\$1,150	\$1,050	\$850	\$939	\$1,178
3-5 yrs	\$1,060.00	\$1,166.00	\$928.00	\$1,040.00	\$905	\$879	\$983	\$825	\$1,000

Lewis & Clark model

After developing and considering several models and reviewing them with the Lewis & Clark Kids and Families Committee, I am recommending a single model for 46 children, year-round with an in-house food program. The model assumes four classrooms and two suites; a 1-to-3 child-to-teacher ratio for infants, toddlers and two-year-olds, and a 1:7 ratio for preschoolers (3 years-prekindergarten). Teachers would have approximately one hour a day of non-classroom time each day for curriculum development and parent communications. Each classroom would be staffed by two professional teachers and one student aide. Start-up costs associated with this model are \$195,020. Tuition would be \$1,400 per month for full-time care for children in the infant and toddler classrooms; \$1,250 per month for full-time care for children in the two-year old classroom; and \$975 or \$950 for preschoolers, depending on the revenue and cost scenario.

Projecting enrollment and enrollment fluctuations over the course of the year is difficult. Ideally, the center's high quality will foster enough demand to keep it fully enrolled all or most of the time. My model is conservative; however, in that it assumes an average vacancy rate of 3% during the nine-month academic year and 20% for the months of June through August. After the center becomes well-established, the vacancy rates should be adjusted to reflect actual enrollment patterns.

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The annual operating budget for a child care center is fairly straightforward; the majority of the cost is in wages and benefits. Please see the enclosed Lewis & Clark Model document for details on operating expense, start up costs, and revenue and cost reconciliation details.

I developed three different revenue and cost conciliation scenarios (A,B,C), varying based on manipulation of three factors: the proportion of Lewis & Clark families enrolled, vs. community (neighborhood) families; full-time vs. part-time enrollment, and full-time tuition rates.

- Tuition revenue in A assumes full-time enrollment by Lewis & Clark families only;
- Tuition revenue in B assumes that both full-time and part-time enrollment are composed again by Lewis & Clark families only;
- Tuition revenue in C is based on the assumption that full-time and part-time enrollment will be composed of both Lewis & Clark *and community* families, and that preschool tuition will be set at a lower level.

The scenarios illustrate the significant impact of variations in the mix of full-time vs. part-time enrollees and Lewis & Clark vs. community families, as well as changes in the tuition rate in combination with these factors. In the scenarios, contingency funds range from -\$14,656 to +17,968. Obviously, a non-profit partner will need to cover expenses, as well as have a reasonable amount of cash on-hand for unexpected expenses; for example, the hiring of an additional staff member as children are arriving in greater numbers than the staffing model in place supports. Other ways the contingency dollars could be lowered would be to decrease tuition levels and/or offer some scholarships based on need to Lewis & Clark families. More importantly, the scenarios demonstrate that a program for 46 children could be financially sound.

The pros and cons/risks of the Lewis & Clark Model are:

Pros:

- Likely to be the right size for Lewis & Clark-only faculty and staff families; roughly requires only 63% (46 children) enrollment of eligible Lewis & Clark families (based on current data);
- Ratios below state minimums allow one teacher to be out of the room or absent without violating state guidelines;
- Relies heavily on employing students, providing students desirable jobs and a rich work experience, potentially related to their academic or career pursuits.

Cons/Risks:

- Heavy reliance on student employment, an untested market and system; the presence of students year-round, including during breaks and the summer, is critical to maintaining intended child-to-teacher ratios;
- The program size potentially could be too small to accommodate demand from student parents, which can't be predicted at this time.

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Below are the three revenue and cost reconciliation scenarios:

A. Revenue and cost reconciliation: Full-time enrollment L&C families only

Revenue			
Classroom	Monthly Tuition	Annual Tuition	Vacancy Rate
Infants-8	1,400	134,400	Less 3% x 9 mos=\$14,688
Toddlers-8	1,400	134,400	Less 20% x 3 mos=\$32,640
Two year olds-10	1,250	150,000	\$54,400 per month tuition
3-5 year olds-20	975	234,000	before vacancy cost
	Total tuition revenue	652,800	
Revenue and cost reconciliation			
	Vacancy rate adjustment	-47,328	
	Adjusted revenue	605,472.00	
	Operating cost	-620,128.00	
	Net (Contingency)	-14,656.00	

B. Revenue and cost reconciliation: Full-time and part-time enrollment, L&C families only

Revenue			
Classroom	Monthly Tuition	Annual Tuition	
8 Infants -6 FT	1,400	100,800	
2 MWF, 2 T/TH	1,687	40,488	
8 Toddlers -6 FT	1,400	100,800	
2 MWF, 2 T/TH	1,687	40,888	
10 Two year olds -8 FT	1,250	120,000	
2 MWF, 2 T/TH	1,506	36,144	
20 3-5 year olds -15 FT	975	175,500	
5 MWF, 5 T/TH	\$1,124	67,440	
	Total tuition revenue	682,060	
Revenue and cost reconciliation			
	Vacancy rate adjustment	-49,449	
	Adjusted revenue	632,611.00	
	Operating cost	-620,128.00	
	Net (Contingency)	12,483.00	

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C. Revenue and cost reconciliation: Both L&C and community families, part-time and full-time enrollment, lower preschool tuition rate than A and B

Revenue		
Classroom	Monthly Tuition	Annual Tuition
8 Infants -4 FT	1,400	67,200
2 MWF, 2 T/TH	1,687	40,488
2 FT <i>Community</i>	1,540	36,960
8 Toddlers -4 FT	1,400	67,200
2 FT <i>Community</i>	1,540	36,960
2 MWF, 2 T/TH	1,687	40,488
10 Two year olds -6 FT	1,250	90,000
2 MWF, 2 T/TH	1,506	36,144
2 FT <i>Community</i>	1,375	33,000
20 3-5 year olds -15 FT	950	171,000
3 MWF, 3 T/TH	\$1,095	39,420
2 MWF, 2 T/TH <i>Community</i>	\$1,205	28,920
	Total tuition revenue	687,780
Revenue and cost	reconciliation	
	Vacancy rate adjustment	-49,864
	Adjusted revenue	638,096.00
	Operating cost	-620,128.00
	Net (Contingency)	17,968.00

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Section 8: Summary

This model incorporates plans for a relatively small center. The College might consider increasing the size of the center, if significant demand emerges from Lewis & Clark day law students, and if it becomes clear that student parents are able and willing to pay higher rates. The model assumes that a few students would enroll their children in a Lewis & Clark Center; it is important to note, however, that the majority of them would be unable to afford to do so, due to tuition rates, and might be disappointed. More research is needed on potential demand among day law students, but this research should be done carefully, without setting expectations for lower tuition rates. It would be advisable to design and build a center for 46 children, with a plan to expand it to 65 to 70 children if warranted, by adding two additional classrooms or one additional suite.

As discussed throughout this report, high-quality early childhood programs are difficult to develop and maintain. Currently, the tuition rates required to sustain high-quality programs make it difficult for middle income families to afford them. Yet these centers are not making money, nor are center teachers and staff making decent wages. As noted earlier, Lewis & Clark would be able to attract quality teachers, especially new graduates in child development. But as these child development professionals become “master teachers” after gaining 4 to 6 years of experience, they likely will leave the program.

One way tuition can be reduced is to increase the ratio of preschoolers enrolled, compared to enrollment of children from infancy through age 3. The cost of care for infants through 3-year-olds is so high that it is invariably subsidized by preschool tuition.

I commend Lewis & Clark for having the courage to explore the costs and opportunities posed by opening an on-site center, and the Lewis & Clark community for wanting a center to support faculty, staff and student families, as well as academic departments and student employment. Child care is not an easy business, but it is a business critically important to our communities. If Lewis & Clark proceeds, it will be important for the Executive Council to stand behind the center and to ensure that it receives the expertise and resources from the College that will be required to succeed. In-kind help can make a huge difference in the success of a program.

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Section 9: Next steps and recommendations

If the Executive Council determines a center is important enough to the College and its internal and external communities to proceed, the following steps are recommended:

1. Learn more about the child care needs of the student population, especially the need for preschool care. This must be done without raising students' expectation about having access to a low-tuition center. The Lewis & Clark Kids and Families committee is well-positioned to do this work.
2. Develop an RFP to identify a suitable partner to operate the program. The RFP should define the program structure, the desired operating agreement, etc., and include the College's contractual expectations. These expectations would include making the partner responsible for the annual operating budget, including losses; meeting NAEYC accreditation standards; defining the College's responsibilities and in-kind commitments; requiring the partner to operate the center as a separate legal entity and to provide the required insurance and licenses and so on. In addition, the College may want to require partners offer some scholarship dollars based on need.
 - Once potential partners have been identified, it will be necessary to engage in ongoing dialog with them to maintain their interest. This will be a delicate undertaking, because Lewis & Clark won't want to proceed with construction until it is clear that the non-profit partner model will work. On the other hand, if the College requests proposals from non-profit vendors without a firm opening date, any proposals may be invalid and vendors unavailable by the time the center opens. It is best to request proposals about a year before the projected opening date, from a group of pre-selected potential non-profit partners. The College should have developed strong relationships with these potential partners, and a sense of confidence that they will develop solid proposals. I'd recommend seeking a minimum of three proposals.
3. Identify a construction site and an architect and develop construction-cost estimates.
 - The best course, should Lewis & Clark proceed to construct a center, is to work either with an early childhood professional consultant who has experience directing a high-quality full-day program (mandatory) and center design experience (strongly preferred); or preferably, with an individual from your selected non-profit partner who has these qualifications. I recommend Lewis & Clark treat the consultant or partner as the team lead; I realize this would be a challenge, as this person would not be a Lewis & Clark employee. However, center design is most successful and effective, in my experience, when the early childhood consultant is seen as the customer and the architect and team works with that person from a position of respect and trust.
 - Before the design phase begins, the project team, including the architect, consultant/partner, and Lewis & Clark facilities and center management, would benefit from a visit to the Clark College (Washington) child care center, with special attention to its play yard. Visits to child care centers at PSU and Mentor Graphics are also recommended. Seeing such high-quality spaces together and spending time with program management can be very helpful in clarifying what designs do and do not work, how they might improve upon their designs, and so on. Such visits are an excellent way of getting the team on "the same page," and sparking new design ideas together.