

## TESTIMONY BEFORE HOUSE SUBCOMMITTEE OF HEALTH AND HUMAN SERVICES

My name is Jason Baker and I am one of the owners of the Goddard School in Twinsburg, Ohio. We provide care and education for children from 6 weeks to six years old. At this current time, we have 162 children enrolled at our school. Of that total, 5 children are paid through publicly funded child care.

My school is 5 star rated in the Step Up To Quality program. We are accredited by the National Association for the Education of Young Children (NAEYC), have an Ohio Healthy Kids Certification and were awarded the Circle of Excellence President's Club by Goddard Corporate.

I am here today to discuss with you how the cost of maintaining the 5 star rated program is an impediment to having more publicly funded children at our school. Currently, 3% of our children are publicly funded. Applications by parents who receive public funds are frequent to our school and we are forced to place most of them on a waiting list. The amount we receive from a publicly funded child is about 80% of what we receive from parents who do not receive help from the state. There are several reasons why this shortfall limits the amount of publicly funded children we can take.

**High Cost of Degreed teachers:** To have a five star school, 75% of teachers must have a college degree in early childhood education or some education related field. Having degreed teachers makes a world of difference for our program. Our teachers write their own lesson plans that they teach to the children in their class. It is our philosophy that the teachers are the ones to best determine the needs of the children in their care. I can tell you from personal experience that children benefit from degreed teachers as both of my children went to the Goddard School. Just like nearly all of the children we graduate to kindergarten, my children were reading by the time they left Goddard. We have several kindergarten teachers who bring their children to our school and they all tell us that they can tell the children who went to the Goddard School in their kindergarten class.

It is becoming more and more difficult to attract degreed teachers. I have heard from many childcare providers and know that this is an industry wide problem. This problem has necessitated an increase in wages and benefits in order to attract said teachers. Our payroll has increased almost 10% over last year and it is based on the need to attract degreed teachers.

Because of the need for degreed teachers, we are in direct competition with area school systems for their services. However, we cannot offer the pay or benefits that a school system can so it is a losing battle. We lose numerous teachers every year (approximately 20%) who take jobs with a school system. This turnover is a constant source of frustration with our parents and puts us at a disadvantage with our competitors who don't have degreed teachers and can boast of lower turnover rates. This turnover creates the constant need and cost of attempting to attract degreed teachers.

**Lower Ratios:** The State of Ohio provides teacher to student ratios that all childcare programs must follow in order to be licensed. In order to be a 5 star program, a childcare center must have lower ratios than even the State allows. Children benefit from lower ratios because they have more direct involvement with their teachers. Teachers, in turn, are better able to assess the needs of the children in their class when there are fewer of them.

An example of lower ratios is in my 3 year old room. The State allows for 24 children with two teachers present. Although I have two teachers, a 5 star program is allowed to go up to 20 children in the same 3 year old room.

A lower ratio is required for 5 star programs occurs in all of my 10 classrooms. The occupancy limit for my 10 classrooms as set by the State is 188 children. We have 162 children currently enrolled and we are currently full. Therefore, by having a 5 star program, my school is voluntarily giving up the right to the tuition from 26 more children. The average tuition paid for a child at my school is \$1,113 per month. This amounts to a staggering \$347,000 of lost tuition per year due to our participation in the Step Up to Quality program and our status as a 5 star program.

**Cost of Professional Development of Teachers:** A 5 star program requires that all teachers complete 25 or more hours of professional development every two year period. I have 22 teachers at my school that I must pay to attend those hours. This works out to an additional 550 hours that gets added to my payroll (225 hours per year) that does not count toward the actual operation of my business. This does not factor in the turnover of teachers who I have paid for attending these hours and then leave for a school system. My new hires then start over at zero hours increasing my costs. Paying for these hours of professional development adds thousands of dollars to my annual costs. This provision alone, I know, has led childcare centers to question their involvement in the Step Up to Quality Program.

**Assessments:** Becoming a 5 star program requires each childcare facility to assess the development of every child. Our school uses a program called Teaching Strategies Gold to assess our students. This costs approximately \$3,000 per year for the right to use it. It also increases the workload on our teachers substantially leading to a higher dissatisfaction rate among them.

In sum, the amount provided by the State for each child enrolled does not cover the total cost incurred for participating in the Step Up to Quality Program. Schools that choose to participate do so with this understanding. However, schools that have only PFCC cannot afford to participate because of the extra costs that they must incur.