

Early Childhood Action Plan FY25 Budget Request

**Chatham Kids
Matter.**

Early Childhood Action Plan



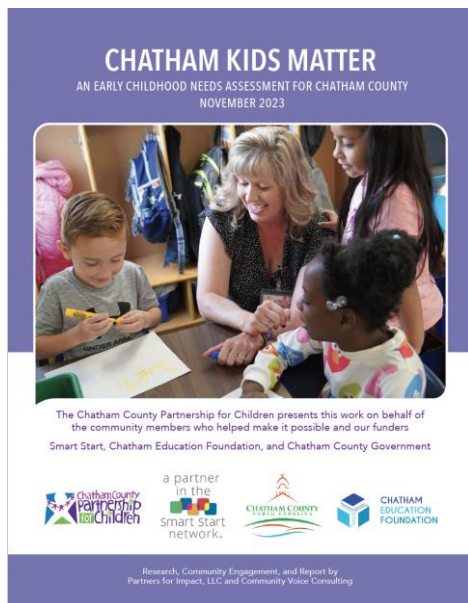
chathamkidsmatter.org

Monday, May 6th, 2024

Our Journey

1

Early Childhood Community Needs Assessment



2

Community Conversations



Our Journey

3

Fiscal Analysis



4

Early Childhood Action Plan



Fiscal Analysis Recommend- ations

AC Priority & Rank	Reccomendations	Capital ¹	Annual Direct Cost	Annual Administration	Annual Direct Cost
1. High	Early Childhood Education Fund, including Y1 Compensation Pilot		\$600,000	\$199,002	\$799,002
2. High	Construct Childcare Center at Parkers Ridge Park ²	\$7,880,630			
3. High	Subsidize NC Pre-K Reimbursement Rates + Afterschool Care ³		\$752,466	\$75,247	\$827,713
4. High	Increase Subsidy Income Threshold to 300% FPL		\$1,590,917	\$99,078	\$1,689,995
5. Medium	Expand Pre-K to 100% Chatham median income +Afterschool Care ⁴	\$1,510,104	\$942,136	\$94,214	\$1,036,350
6. Low	Eliminate Subsidy Waiting List		\$863,028		\$863,028
7. Long Term	Universal Pre-K + Afterschool Care ⁵	\$4,293,633	\$2,961,806	\$63,844	\$3,025,650
	Total		\$7,710,354	\$531,384	\$8,241,737

Prioritized Action Steps for Initial Implementation

Fiscal Analysis Recommendation



Fiscal Analysis Recommendation



Fiscal Analysis Recommendation



ACTION STEPS

The Chatham Kids Matter Community Collaborative and ECAP Advisory Committee worked together to recommend five action steps for initial implementation. These five recommended action steps address the four focus areas (Child Health, Safety & Wellbeing, Child Care Access, Child Care Infrastructure, and High-Quality Learning), as well as the three types of recommendations and strategies (Collaborative, Equity-Oriented, and Fiscal).

The five action steps for initial implementation are:



Action Step 1

Establish an Early Childhood Education Fund and grant process to support providers .



Action Step 2

Initiate conversation with CCCC, CCS, Chatham Health Alliance, and the County to leverage and maximize Chatham Promise to address the workforce pipeline issue.



Action Step 3

Create a multilingual, parent-centered community campaign on the importance of early learning and kindergarten readiness.



Action Step 4

Define the role and responsibilities of a Parent Council, including through conducting discovery conversations with parents.



Action Step 5

Initiate conversations between CCPC, CCS, and Head Start about how to implement evidence-based solutions for child care system enhancements.

FY25 Budget Request

FY25 Budget Request

The Chatham County Partnership for Children respectfully requests **\$600,000** for FY25 to **establish an Early Childhood Education Fund**, which in FY25 includes a **funds for a Childcare Provider Compensation Pilot Program.**

Early Childhood Education Fund

Primary Uses:

- Provider Compensation
- Childcare Subsidies
- Childcare Center Capacity Expansion (Public Funds used for non-capital costs or as a revolving loan)

Additional Activities:

- Fundraise private donations that could be used for private childcare capital costs
- Explore revolving loan concept for public funds to be used for private expansion
- Provide technical and grants writing assistance to centers for expansion
- Explore redirecting economic development incentives to the fund

Early Childhood Education Fund - Year 1

Primary Uses:

- **Provider Compensation**
- Childcare Subsidies
- **Childcare Center Capacity Expansion** (Public Funds used for non-capital costs or as a revolving loan)

Additional Activities:

- **Fundraise private donations that could be used for private childcare capital costs**
- Explore revolving loan concept for public funds to be used for private expansion
- Provide technical and grants writing assistance to centers for expansion
- Explore redirecting economic development incentives to the fund

Childcare Provider Compensation Pilot Program

Conduct a pilot program to compensate early child care employees using NC's Early Childhood Compensation Collaborative Model Salary Scale.

- Pay early childhood educators with equal education equivalent to K-12 scale
- Pay other early childcare workers a “living wage” according to MIT Living Wage Calculator (*i.e. \$18.40/hour in Chatham*)
- Educational attainment also factored into salary scale
- Model tested by UNC-Charlotte

Components

20 classrooms at most underpaid centers (including at least one Pre-K Classroom). Would be facility-wide to avoid pay disparities within centers.

Includes a one-time annual benefits allowance of \$1,000 per teacher.

Targets private childcare centers and family-home centers rated 3 stars or higher; eligibility includes subsidy acceptance and/or TA contract with CCPC.

Includes **professional development requirements**.

Impact Examples

Example 1:

Pre-K teacher has BK licensure and makes \$14/hour; the model recommends \$23.70/hour (equal to public schools teacher salary scale); the compensation pilot would fund the annual difference of \$20,170 (plus FICA \$1,543)

Result: Teacher makes \$49,290 instead of \$29,120

Example 2:

Early childcare teacher has an associate's degree in Early Childhood Education and makes \$13.50/hour; the model recommends \$19.74/hour (living wage plus 7% for educational attainment); the compensation pilot would fund the annual difference of \$12,986 (plus FICA \$1,073)

Result: Teacher makes \$41,066 instead of \$28,080

FY25 Budget Request Justification

N.C. Child Care Stabilization Grants end on June 30th.

Stabilization Grants uses:

1. **Fixed Costs and Family Grants** to help to cover the true costs of child care
2. **Compensation Support Grants** which can either be used for bonuses for all staff or to increase base pay and/or benefits that utilize a compensation scale

Anticipated Impact:

- Center Closure
- Increase in turnover

Cost Breakdown - Compensation Pilot

Item	Cost
Direct Salary + FICA Cost for 20 Most Underpaid Centers	\$254,772
Annual Allowance for Benefits	\$40,000
TOTAL Direct Cost of Compensation Pilot	\$294,722

Cost Breakdown - FY25 Budget Request

Item	Cost
Total Direct Cost of Compensation Pilot	\$294,722
Direct Costs of Early Childhood Education Fund (Year 1)	\$187,500
10% Administrative Cost	\$48,227
New Position to Oversee Program (includes \$2,000 one time)	\$69,501
TOTAL	\$600,000

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Future Requests

Annual request for \$600,000 for the Early Childhood Education Fund.

Return in the Fall to **request CIP funds for Parkers Ridge Childcare Center Feasibility Study.**

Thank you for your support!