



OAKLAND COMMUNITY COLLEGE®

Oakland Community College Child Care Assessment

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Prepared by:



College Brain Trust

**Sheryl Gessford
Consultant**

**Dr. George R. Boggs
Team Leader**

Executive Summary

College Brain Trust (CBT) is operating under contract with Oakland Community College (OCC) to provide consulting services to “strengthen college operations and organizational, academic and financial structures in order to improve student success.” CBT consultant, Sheryl Gessford, has been contracted to investigate the operation of OCC Child Care Services and to provide options that would decrease the financial liability for the College.

In completion of this contract, the CBT consultant reviewed documents relating to the licensing and funding of child care centers in the state of Michigan; reviewed OCC specific child care financial summaries and staffing and attendance patterns; visited child care centers at three campuses; and interviewed seven faculty, staff, and administrators. In addition, the consultant explored the relationship between the campus child care staff and a very robust Early Childhood Development (ECD) instructional program.

The consultant found all three child care centers (Orchard Ridge, Royal Oak, and Highland Lakes) to be staffed by highly qualified and passionate individuals. All centers maintain current licenses and operate within developmentally appropriate early childhood principles and practices. All programs are child-centered, and the staff is eager to serve the varied and diverse needs of children, student parents, and ECD students. The entire child care and early childhood staff and faculty are commended for their commitment to children, to student parents, and to the goals of Oakland Community College.

The review and assessment of OCC Child Care Services led to a list of recommended options that will assist OCC administrators in making informed, data-driven decisions regarding both the operational and financial status of child care in the district. The suggestions encompass a variety of improvements in organization, operation, collaboration and communication.

Task Overview

The CBT contract with OCC summarizes the task: “evaluate college child care services and provide options for economic sustainability.”

Findings/observation

The consultant reviewed documents impacting the operation of child care centers in the state of Michigan and at Oakland Community College. This review included:

1. State of Michigan – Licensing Rules for Child Care Centers (Effective June 4, 2008)
Reference Michigan Licensing Requirements (R-400.5201a(2)).

Mandated staffing ratios for Center-Based Care in Michigan

<u>Age Range</u>	<u>Number of staff</u>
Infant (to 29 months)	1:4
30-35 months	1:8
3 years	1:10
4 – 5 years	1:12
6 – 17 years	1:20
Mixed age group	ratio for youngest child in group

Children who are 33 months or older may be enrolled in a 3-year old classroom with written parental permission. Ratios for Three-year olds shall apply.

2. State of Michigan – Child Development and Care Application for Subsidy (DHS-4583)

Student parents enrolled in “approved education/training/employment preparation” are eligible for a child care subsidy by submitting form DHS-4583. Approved payments are made directly to the eligible child care program.

3. State of Michigan – Child Development and Care Handbook (revised 4-12)

The state pays \$2.50 per hour for children 2 ½ years or older. It is the provider’s responsibility to collect from the parent what the Department does not pay.

The Handbook lists two additional potential funding sources that could bring additional funds to the child care programs. These include:

- Federal program providing assistance with the cost of food served to children
 - Child and Adult Care Food Program (CACFP)
 - www.michigan.gov/cacfp

- Scholarships for professional development of staff
 - Teacher Education and Compensation Helps (T.E.A.C.H.)
 - www.miaeyc.org
4. OCC Teamsters Master Agreement (July 1, 2009 – June 30, 2012)
 - This agreement covers the Child Care Center Coordinators (10 month) at Pay Grade B22.
 - Each center employs one Child Care Coordinator.
 5. OCC Classified Master Agreement (July 1, 2007 – June 30, 2011)
 - This agreement covers the Child Care Assistants at Level I
 - Each center employs Child Care Assistant(s) at 20 – 30 hours per week. The assignments are for 10 months.
 6. OCC Childcare Center Financial Summary – Fiscal years 2010, 2011, and 2012 – provided by Gail Pitts, Controller. (See appendix)
 - The operation of five child care centers has resulted in an annual subsidy of \$400k - \$600k for each of the last eight years.
 - The closure of the two centers (Auburn Hills and Southfield) resulted in a significant reduction of the deficit. However, a substantial subsidy from the general fund remains necessary for the three remaining centers to operate at the current level.
 - At each of the three campus child care centers (Highland Lakes, Orchard Ridge, and Royal Oak), over 80% of operational expenses are allocated to salaries and benefits.

The consultant visited Oakland Community College October 18 -20, 2012. She interviewed OCC administrators, Child Care Coordinators, and the full-time ECD faculty member. Summaries of those interviews follow:

1. Phone interview with Dr. Richard Holcomb, Vice Chancellor for Academic and Student Affairs (October 9, 2012)

The Vice Chancellor provided general background information regarding the child care. He identified the following concerns:

- Child care centers are supported by significant subsidies from the general fund.
- There is a disproportionately high cost for the number of children served.
- There is a lack of coordination/collaboration between the child care centers and the ECD instructional program.
- The organizational structure is unclear.
- There is a lack of consistent training for administrators and child care coordinators on the enrollment software.

- The relationship between child care services and the core mission of the college is not clear.
 - The Centers do not currently serve the most needy student parents.
2. Meeting with Dr. Cathey Maze, Associate Vice Chancellor for Academic and Student Affairs (October 18, 2012)

The Associate Vice Chancellor provided the following general information:

- The child care centers at OCC began in the 1970s when a group of faculty volunteers set up an informal child care system so that “women could go to college.”
- Over time, the programs became more formalized.
- Organizational structure and accountability has remained unclear.
- The three operating sites currently serve 125 children per year college-wide.
- Centers at Auburn Hills and Southfield have been temporarily closed.
- Staff is highly paid.
- The Early Childhood Development (ECD) instructional program is staffed by a full-time faculty member and adjunct faculty.
- The ECD instructional program is currently housed at Highland Lakes.
- The ECD instructional program is currently working toward accreditation by the National Association for the Education of Young Children (NAEYC).

3. Enrollment and staffing charts for September and October provided by Latosha Redmond, Staff Assistant for Academic and Student Affairs. These charts are included in the appendix.

Currently OCC operates three child care sites. Sites are located at Orchard Ridge, Royal Oak, and Highland Lakes campuses. The consultant visited each of the centers and interviewed the on-site coordinator.

- ❖ Orchard Ridge Site Visit on October 18, 2012 – Coordinator: Debbie Fiott
- ✓ Licensed for 32 children
- ✓ Operates M – Th, 8:30 am – 3 pm, closed on Friday
- ✓ Staffing
 - one coordinator
 - 40 hours per week
 - Ten months
 - three child care assistants
 - 30 hours per week
 - Two ten-month employees, one temporary
- ✓ Enrollments
 - Actual enrollments/attendance range from 1 child per hour to 10 children per hour.

- Highest enrollment is from 11 am – 1 pm.
- ✓ Consultant observations
 - Center is well equipped and has sufficient supplies.
 - Program for children is developmentally appropriate.
 - Coordinator’s office is not located within the center, making supervision difficult.
 - Outside area for children is located some distance from center.
 - Location and access create potential child safety concerns.
 - At hours of maximum attendance, enrollment is approximately 30% of licensed capacity.
 - Staffing is nearly double the state-mandated ratios.

- ❖ Royal Oak Site Visit on October 18, 2012 – Coordinator: Crystal Sanford-Brown
- ✓ Licensed for 13 children
- ✓ Operates M – Th, 7:45 am – 5 pm, Friday 7:45 am – 1 pm
- ✓ Staffing
 - one coordinator
 - 35 hours per week
 - Ten months
 - three child care assistants
 - two at 29.5 hours per week; one at 33.5 hours per week
 - two ten-month employees; one temporary
- ✓ Enrollments
 - Actual enrollments/attendance range from 1 child per hour to 9 children per hour.
 - Highest enrollment is between 10 am and 2 pm.
- ✓ Consultant observations
 - Program is well designed for age of children.
 - Staff is cohesive and dedicated to the children.
 - Center is well equipped and has sufficient supplies but lacks storage.
 - Although outside play area is small, staff utilizes entire campus for child-related activities.
 - The licensed capacity at Royal Oak (13 children) is not a financially sustainable number. Maintaining a staff with so few children results in an excessive cost per child. The facility cannot be licensed for more children without expanding into an adjoining classroom. This cost would be prohibitive.
 - At hours of maximum attendance, enrollment is approximately 70% of licensed capacity.
 - Staffing is nearly double the state-mandated ratios.

- ❖ Highland Lakes Site Visit on October 19, 2012 – Coordinator: Karen Johnson
- ✓ Licensed for 32 children
- ✓ Operates M – Th, 8 am – 4 pm, Friday 8:30 am – 1 pm
- ✓ Staffing
 - one coordinator
 - 35 hours per week
 - Ten months
 - three child care assistants
 - two at 29.5 hours per week; one at 33.5 hours per week
 - two ten-month employees; one temporary
- ✓ Enrollments
 - Actual enrollments/attendance range from 1 child per hour to 9 children per hour.
 - Highest enrollment is between 10 am and 2 pm.
- ✓ Consultant observations
 - Center is well designed with distinct learning areas and the ability to close “areas” when staffing and child enrollment are at minimums.
 - Outside play area is adjacent to center and provides opportunity for outdoor and indoor activities to be scheduled concurrently.
 - Program is developmentally appropriate.
 - Staff is attentive to the needs of both the children and the student parents.
 - At hours of highest attendance, enrollment is approximately 30% of licensed capacity.
 - Staffing is nearly double the state-mandated ratios.

4. Meeting with child care coordinators and ECD faculty member – October 19, 2012

The consultant met with the three Child Care Coordinators and the full-time Early Childhood faculty member (Tiffany Ofeimi). The meeting was facilitated by the consultant with the goal of eliciting the perceptions of each participant regarding the following general topics:

- Relationship of the child care centers to the core mission of Oakland Community College
- Understanding of the Child Care Center budgets
 - Role of coordinators in achieving fiscal accountability
 - Impact of staffing on budgets
 - Sustainable enrollment/attendance goals
- Organizational structure of the centers in relation to the college
- Collaboration between the ECD instructional program and the child care centers

The format of the meeting allowed participants to express their ideas and concerns. The consultant listened and recorded responses. The responses are summarized as follows:

- Core mission
 - The child care centers at OCC exist for the following reasons:
 - To provide access to college to student parents who may need child care services in order to attend classes.
 - To support the ECD instructional program with appropriate practicum/observational opportunities.
 - Child care center budgets
 - The budget process and accounting are not clear to the coordinators.
 - It is unclear where the child care center application/enrollment fees are deposited.
 - Prepayment by parents results in minimum outstanding accounts.
 - The only solution to budget deficits is to increase revenues and/or decrease expenses.
 - Ideas to increase revenues
 - Change fee structure to half-day/full-day rates rather than hourly rates.
 - Increase enrollments to licensed capacity
 - Open hours of centers should match needs of student parents enrolled at a particular campus (i.e. nursing students).
 - Campus-wide marketing of the program
 - Clarify recent email from administration suggesting that coordinators not “enroll additional children.”
 - Explore grant opportunities.
 - Ideas to decrease expenditures
 - Change enrollment age to 30 months through 6 years (reduces mandated staffing ratios).
 - Require parents to pay “supply fee” or contribute food for snacks.
 - Organizational structure
 - Frequent change in responsible administrator has been confusing.

- Coordinators prefer to report to an individual who has an understanding of and interest in child care programs and services.
- Coordinators want to know the status of the two centers that have been closed.
- Collaboration with ECD instructional program
 - OCC has an ECD instructional program at Highland Lakes.
 - Currently ECD practicum students are not placed in OCC centers for practicum/internships.
 - Faculty report that low child enrollment and high number of staff results in an environment that does not meet the needs of the student teachers.
 - Examples of working collaboratively with ECD students were shared. However, both the faculty and coordinators expressed the desire to increase communication regarding the goals and expectations of student interns.

Consultant observations following this meeting:

- There is a high level of anxiety for all employees associated with the child care centers.
- Communication is strained.
- There is a lack of trust and respect for each other.
- The goals of the child care program and the coordinator's responsibility in meeting those goals is unclear.

Analysis

The Child Care Centers at Oakland Community College have grown to a level that is not financially sustainable. The centers lack a clear relationship to the core mission of the college. Staffs of the centers currently experience a high level of anxiety over the perceived indecision from the district regarding the future of the centers. The Child Care Coordinators desire a more transparent budget process and a more clear and consistent reporting structure.

The large financial subsidy allocated to the child care program must be evaluated in relation to the number of children served and whether the child care service had any impact on student retention or success.

Prior to accepting any of the following recommendations, the OCC administration should develop and communicate a goal and vision statement for the Child Care Centers at Oakland Community College that clearly articulates how child care enhances the college mission. Any changes in operating structure will require reasonable lead time – perhaps an 18-24 month period.

Recommendations

Financial/sustainability factors

As currently configured, the Child Care Services program at OCC is not financially sustainable. The three centers as currently operated cannot be fiscally maintained without the continued substantial negative impact on College finances. As a follow-up to a clear vision statement (recommended above), an operational plan outlining the level and breadth of service should be included. The College administration must determine the fiscal level at which child care services will be supported. The options provided below are recommended by CBT for the College administration to consider.

Option #1 – Elimination of all child care centers in the Oakland Community College District.

✓ Financial impact

(Note that the Childcare Center Summary Sheets provided do not appear to accurately represent staff costs for the Orchard Ridge site. Since the closure of the sites at Auburn Hills and Southfield, some staff either retired or were relocated to other sites. The staff expenses may not have been transferred.)

- Royal Oak – Approximately \$190,00 in saving
- Highland Lakes – Approximately \$200,000 in savings
- Orchard Ridge – Approximately \$100,000 in savings

Closing all OCC child care centers would have the immediate impact of saving the district close to half a million dollars in direct expenses. In addition the regularly occurring subsidy of general fund dollars to child care (which has resulted in a “fund balance”) could be stopped. (See attachment.)

✓ Impact on OCC students

- If OCC selects to close all child care centers, the college should focus on the goal of preparing a qualified workforce in Early Childhood Development for Oakland County. ECD students would continue to complete internship requirements at off-campus child care sites.
- Approximately 125 OCC students enroll their children in district-supported child care each year. These students would have to find child care services elsewhere.

✓ If all centers are closed, the administration should

- Work with current staff to move them to other OCC employment. This redeployment of staff would move the expense to a different OCC program and could serve to address unmet staffing needs, particularly in student services.

- Provide staff and parents with adequate lead time to make alternate arrangements.
- Provide an office or individual (through student services) to assist parents in identifying alternate child care and completing the application for Michigan State child care subsidy.
- Work with ECD faculty to identify off-site practicum sites. Criteria for selection should be established.
- Work to negotiate a “reduced rate” for OCC students in the off-campus centers where OCC/ECD students are assigned to complete their practicum.
- Consider rental/lease options with outside agencies (i.e. Head Start, private programs) for operation of child care center(s) on the campuses of OCC.

Option #2 – Close the center at Royal Oak

- ✓ Fiscal Impact
 - Approximately \$190,000 general fund dollars are allocated to the Royal Oak site annually.
 - The annual revenue at Royal Oak is approximately \$5000 higher than the other sites.
 - However, with a licensed capacity of only 13 children, the center is not of sufficient capacity to ever be financially sustainable. The center is staffed at a level to serve more children than the license permits.
- ✓ Impact on OCC students
 - With the small licensed capacity, closure of the center at Royal Oak will impact a relatively small number of students.
- ✓ If the Royal Oak center is closed, the administration should (in addition to the items in option #1)
 - Reallocate the classroom to direct instruction.

Option #3 – Close the Center at Orchard Ridge

- ✓ Fiscal Impact
 - Approximately \$100,000 general fund dollars were allocated to Orchard Ridge for the last fiscal year. Note that the staff costs on the 2012 Childcare Summary Sheet do not appear to reflect the total staff costs. This is perhaps because staff has been reassigned from centers that have been closed, and the expenditures may not have been transferred.
- ✓ Impact on OCC students
 - The Orchard Ridge site is not enrolled to licensed capacity. Those students whose children are enrolled at this site would have to find alternate childcare.
- ✓ If the Orchard Ridge center is closed, the administration should implement selected items in option #1).

Option # 4 – Maintain only one child care center in support of the ECD instructional program

✓ Fiscal Impact

- Closing the centers at Royal Oak and Orchard Ridge would reduce the direct expenses by close to \$300,000
- Maintaining only the Highland Lakes program will provide a district-operated child care center that serves two purposes – child care services for students and internship opportunities for the instructional program. There are advantages from both an instructional and operational perspective to having the internship experience of student teachers associated with a college-operated program. Collaboration insures that the experience is academically sound and results in ECD students being more successful in meeting course outcomes. Utilizing well prepared student interns also has the advantage of reducing some staff costs since the student interns provide an adult presence during periods of staff breaks, etc. However, at this time, there is not collaboration between the instructional and child care services components of the program at OCC.
- At the current level of enrollment and staffing, the Highland Lakes program is allocated approximately \$200,000 of general fund dollars. This can be reduced by maximizing child enrollments to licensed capacity without adding additional staff.
- With full enrollment, the Highland Lakes center could increase revenue to close to \$100,000. With an increase in fees, the revenue could rise even higher.
- Strategies to increase revenues by maximizing child enrollment and altering fee:
 - Develop a fee structure that charges by the day or half day – not by the hour.
 - Increase the hourly rate for drop-in children.
 - Encourage multiple children from the same family by giving a slight reduction to the second child.
 - Reconsider refund policy.
 - Adjust hours of operation to reflect student population at the campus (I.e. nursing students).
- Additional strategies to decrease expenditures should be considered:
 - Limit enrollment to children ages 30 months and older (reduces mandated staffing ratios).
 - Maintain staffing ratio at state required levels. (Current staff is unclear about staffing ratio that college is supporting. This needs to be clarified.)
 - Utilize coordinators in the staffing ratios as needed (breaks, lunch periods, staff absences).

- Ask parents to provide a selected list of classroom supplies at the beginning of each term/semester (i.e. tissues, disinfectant wipes, toothpaste, toothbrush, etc.).
- Hours of service should be adjusted to reflect the student need for child care.
- Daily/hourly staff schedules should be adjusted to represent maximum staffing at periods of maximum hours of child attendance.

Should Oakland Community College decide to accept any recommendation numbered #2 through #4, it should also address the following organizational structure, collaboration, and communication concerns:

1. Develop a clear organizational structure that includes child care services and the ECD instructional program in the same operational unit. The direct report should be at the campus not the district level. The ECD faculty and child care center staff should work collaboratively to develop child care programs that support the goals and student learning objectives of the instructional program. Student interns should be regularly placed in the child care center(s) to offset reduced staffing during break periods.
2. Develop a budget tracking system that is transparent and known to child care coordinator(s).
3. Include child care coordinators and ECD faculty in discussions regarding programmatic changes.
4. Introduce changes within a clear timeline that is known to all.