

Early Learning Consortium School Readiness Cost Modeling Guidance

As discussed in Tampa, please find Florida's Cost Modeling spreadsheets to date for members to begin interacting. In an effort to assist with the model please find the following **tips** and **tricks** below:

Before you begin you might want to create a copy of the workbook so if during any interaction a formula or error message occurs you may proceed back to the original workbook.

Within the entire workbook everything in **Yellow** can be changed and will flow throughout all tabs, whereas everything in **Pink** should not be altered as the formulas flow through all tabs causing an error message.

- The **Summary Tab** provides comparison data of four models. When using the summary tab to change the variables it will change all four of the scenario-tabbed worksheets. As you can see variables in the Summary Tab include:
 - **Income Mix-** Is the percentage of children that qualify for SR broken down by income thresholds. This is important because all models assume participation in the Child and Adult Food Care Program (CAFCP). Children represented in the lower income bracket are reimbursed at a higher rate in the CACFP than those in the higher income bracket.
 - **Total Classrooms-** This represents the total classrooms by age group. When changed on the summary tab it changes the number of classrooms throughout all four scenarios.
 - **Efficiency-** Is what percent of enrollment capacity a center is operating. Knowing Florida does not have a capacity issue this is the biggest variable in solvency.
 - **Bad Debt-** Represents a percentage of income or fees that are not able to be collected by an operating provider.
- **Four Scenarios:** The four scenarios in the **Summary Tab** represent the following.
 - **Tier 1- Base SR:** Current Statewide Average School Readiness (SR) Rates being paid to licensed facilities using licensing ratios. Basic care to children in accordance with minimum licensing standards.
 - **Tier 1- 50% Reduction to SR:** A 50% reduction in Average School Readiness (SR) Rates being paid to licensed facilities using licensing ratios. Basic care to children in accordance with minimum licensing standards.

- **Tier 4- Gold Seal:** Current Statewide Average School Readiness (SR) Rates being paid to licensed facilities plus a 20 % Gold Seal Differential using accreditation ratios.
- **Tier 4- 75% percentile + Gold Seal:** An increase to the statewide 75% Market Rate for licensed child care facilities plus a 20 % Gold Seal Differential using accreditation ratios.
- **Tabbed- Scenarios-** The four tabbed scenarios represent the data points that are inputs for each model. Everything in **Yellow** maybe changed within a tab to determine impact for an individual scenario and will also change that individual scenario on the **Summary Tab**.
- **6 Grey Tabs-** The last six grey tabs are all of the back-up documentation and data sources and variables used as the inputs for the tabbed-scenarios. Once again everything in **Yellow** maybe changed to reflect different inputs but everything in **Pink** should remain constant.