ALISON GALLOWAY
CP/EVC

Re: CFW Request for Faculty/Staff child Care Task Force Report Addendum

Dear Alison:

I write to provide you with a response the to the Committee on Faculty Welfare’s (CFW) March 16, 2011, request for an addendum to the Child Care Task Force (CCTF) report (dated February 28, 2011). In their letter, the CFW requested the following information be added as an addendum to the report:

1. An explanation of the estimated $150,000 in annual operating costs assumed by the campus in support of a child care program, and
2. Information about subsidies provided by other campuses in support of child care programs.

Attached is a chart showing the amount of funding provided by other campuses in support of employer-sponsored child care programs and the parent fees paid at each campus, which could be easily added to the report appendices. The campus support and parent fees used by the CCTF to produce a financial model are reasonable relative to levels of support provided and fees paid by parents throughout the UC system.

The chart also shows that some campuses are providing more funding than indicated in the form of “in-kind” support (facilities and other operating costs assumed by the campus), and/or assuming program deficits beyond annual funding. It is important to note that reported program deficits throughout the system are a new trend; one which may reflect a change in one or more variables, such as, the ability to use Student Fees, changes in internal economies and/or the diminishing availability of State and Federal subsidies for care.

In addition to campus comparisons, the CFW requested an explanation of the need for campus support averaging about $1,000 per child care space and requested a sample financial statement from a vendor operated child care program in order to better understand the financial outlook for a supplier. The CCTF model used a standard cost/sq foot calculation used by the campus to estimate facility operating costs, and capped the vendor’s annual income at $75,000. The campus funding comparisons demonstrate that $1,000 in annual campus support per child care space is lower than the average (approx. $2,400/space) funding provided by campuses throughout the system.

In conclusion, the CCTF made an assumption that faculty and staff parents would have high expectations for the overall quality of care supported by the campus for the care of their children. It is expensive to operate child care programs that are developmentally focused in facilities that are
well maintained and appropriate for child care. If this were not the case, more developmentally based programs in quality facilities would be available throughout Santa Cruz County, and it would not be necessary for campuses to provide financial support to operate their child care programs.

Please let me know if you need any additional information or clarification regarding the CCTF report or the response to CFW.

Sincerely,

/s/

Linda Rhoads
Analyst, CP/EVC’s Office

attachment