

UNIVERSITY OF CALIFORNIA, SANTA CRUZ

Child Care Task Force Report

February 28, 2011

Members:

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I. Executive Summary

In August 2010, Campus Provost/Executive Vice Chancellor, David Kliger charged the Child Care Task Force with determining whether or not there is a financially sustainable model for providing employer-sponsored child care at UCSC for academic, staff and post-doc employees. Specifically the CCTF was asked to respond to the following questions:

1. *What are sustainable funding structure options for expanded child care services?*
The task force determined that there is a viable model for employee-focused child care **when partnered with an expert third party vendor**: develop (build or renovate) a facility for the purpose of housing a child care center, assume the cost of maintaining the facility (repair, maintenance and janitorial) and contract with a third party supplier with a history of managing employer-sponsored child care programs to deliver the service and manage the program.
2. *What facility options exist for expanded child care services?*
The group determined that there are no available spaces on the campus that could be renovated to provide child care services to staff. Renovating purchased (or leased) space off-campus, and building on the lot at the intersection of Hagar Drive and Coolidge Drive are options.
3. *What is the appropriate administrative location of the UCSC Child Care Services?*
Because of the business aspects of managing a vendor contract, building and managing a facility and the perceptions of the program as an employee benefit, the task force recommends the organizational oversight of a program, once developed, reside in Business and Administrative Services.
4. *Should child care services for students be included in an expanded childcare service or should it be housed separately?*
The task force discussed separate and combined student/employee child care programs and recommends the student program remain separate at this time. Students would be able to use the employee child care center at the employee rate if space is available.

In order to continue to move the project forward, the committee also recommends that the CP/EVC, after consultation with senate and administration representatives take the following actions:

- a) Implement identified minimal cost "quick-wins":
 - i. Using existing structures, link current students who provide child care to campus families seeking child care providers, and
 - ii. create a web-based campus family resource network;
- b) Commit funding for one-time investment and on-going operations;
- c) Assign Executive Sponsor to provide oversight and establish structure to move to next level of planning including:
 - i. Initiate the next phase of the project including appointing a team

- ii. Begin developing on-going oversight function for employer-sponsored child care (negotiation, contract review, etc.)
 - iii. Determine financing for project;
 - iv. Engage campus in more detailed program discussions and finalize the elements of the program (hours, market rate, observation space for research, etc.); agree to the definition of a quality employer-sponsored child care program;
- d) Issue a Request for Proposal in order to engage an experienced supplier
- i. Conduct a campus child care demand survey,
 - ii. Research and analyze on or off campus sites and building designs.
 - iii. Oversee the build/renovation and start-up of the new center.

II. Background

In the early 1990's a UC Commission reported on the importance of and need for quality child care programs on each of the campuses. The report recognized that the availability of quality, affordable, convenient child care contributed to recruitment, retention and productivity of academic and staff employees. UC President Atkinson authorized up to \$1.25 million funds be made available to each campus as a matching, one-time allocation for the purpose of creating a dedicated child care facility for the campus.

The Santa Cruz campus had a history of researching solutions to the need for child care which preceded the Commission report. At the point the matching funds became available efforts to develop a program intensified. Work efforts focused on locating sites and designing a facility. Suitable sites were found (and subsequently added as potential sites to the current Long Range Development Plan) and building and project plans developed - funded in part by a grant awarded by the Packard Foundation for the purpose of developing a plan. In 1996, UCSC submitted a plan, which was reviewed and ultimately rejected by Office of the President (OP) as it exceeded the building limit of \$20,000 per child care space.

Following OP's rejection of the project, staff pursued off-campus child care facility options, including building, buying and leasing options. Talks with land and building owners took place, but were abandoned, due to the lack of a firm indication of the direction the campus wished to pursue.

A review of the last 20 years of research and investigation of child care solutions was conducted as a part of the task force project. From this historical perspective, the Task Force agreed that three missing elements are believed to contribute to the challenges of moving child care forward at UCSC:

1. Firm commitment of funds;
2. An executive sponsor -- to champion the work and to balance the desires of parents, researchers, designers, builders and teachers with the constraints of a budget;
3. Broad consensus about the baseline program.

It is clear from previous efforts that space can be found both on and off campus, and that there is a need for quality child care for faculty and staff. The Task Force also learned that the program elements impact the building design, driving the building or renovation costs upward, and/or increase the on-going operational costs of the program. For this reason, the Task Force first focused on:

- a. Baseline program attributes (hours, age);
- b. Definition of quality (staffing standards, ratios);
- c. Level of integration of university research and instruction;
- d. Financial sustainability of the baseline program.

An overview of the efforts to implement a dedicated employee child care program can be found in Appendix B.

III. Task Force Goals

The first meeting of the Child Care Task Force was opened by the Campus Provost/Executive Vice Chancellor (CP/EVC) David Kliger. He described the group's charge: to **determine whether or not a sustainable business model for quality employee child care can be developed for our campus.** He clarified the following:

- **Employees** are defined as faculty, staff and post-docs and while students and community members should not be excluded from plans if financially feasible, the Task Force should focus on creating a viable program for employees.
- A **Sustainable Model** is a quality program, in an appropriate facility that is affordable and financially predictable in the near term and long term for both families and the campus.
- Some **Funding** for the model would be provided by the campus for a portion of start-up capital constructions costs, and on-going operational support expenses. However the type and amount of funding was still to be determined.

CP/EVC Kliger expressed commitment from the Chancellor and incoming CP/EVC Galloway in support of the development of a child care solution for employees. Ideally recommendations would be made in time for a solution to be available to the campus by September 2011, but the most important task was to deliver a recommendation for a long-term solution.

Early in the Task Force deliberations, it became apparent that the campus holds a long history of investigating solutions to the need for quality child care for its employees. The Task Force documented a 20-year history of investing campus resources in program and facility exploration without resolution and through this process, set an additional goal for themselves: **To support campus decision makers as they make a firm and final decision regarding the employee child care issue.**

IV. Process

The Task Force began its work in early September, 2010, with the bulk of the activity occurring in December and January. The Task Force reviewed and discussed information about child care programs, facilities, and financing, and then agreed on a series of recommendations and documented them in this report. Some of the major areas of focus include:

Child Care at UCSC -discussed management challenges of running a self-operated center which include unique cost drivers (facilities repair and maintenance, teacher wages, and benefits), additional licensing requirements for Title V programs (which provide subsidy to low income families), and managing the expectations of a highly engaged family client base.

Other Child Care Programs - reviewed programs within the community, centers throughout the UC and at other universities. Review included capacity and quality of programs; costs and funding; population served; research component; and operator.

Program Elements - discussed a wide range of needs and wants of the campus community and created a list of potential components of a care program for the campus community.

Program Quality - gathered information on quality standards within the industry and how they are measured.

Third Party Operators - developed and issued a Request for Information (RFI) to solicit input from vendors regarding vendor-run child care; received and reviewed responses from three vendors. Held additional information gathering sessions with two of the three respondents.

Facility Options - reviewed the work of previous child care committees and workgroups, and discussed on-campus, off-campus, build, lease, or buy options for a facility. Reviewed site upgrades/renovations designed and executed by third party operators to meet the specific requirements of an employer based child care program.

Child Care Demand - Compiled data on population of UCSC affiliated children age 0-4; determined next steps for refining data which will likely include a survey, and timing for gathering this data. Sources used to determine potential demand and suggestions on additional information needed can be found in Appendix C.

Academic and Research Programs - reviewed research and academic programs at child care centers on other university campuses. Discussed potential integration with third party operators, and considered issues and opportunities associated with integrating research and/or academic programs into a child care program. Discussed current academic and research programs on campus that could benefit from a child care center integrated with academics and research. Discussed facility needs to accommodate integrated academic and research programs in child care. Discussed potential research grant funding for an integrated program. Appendix D provides additional information about combining research and child care programs on university campuses.

V. Assumptions

There are a myriad of choices that could be considered as part of a child care program for the campus. Unfortunately, the broader the array of program choices (e.g., extended hours of care, drop-in care, sick-care, etc.), the more costly the program will be; diminishing the financial viability of the program. As a result of information review and discussion the Task Force developed the following recommended baseline parameters for the program. These program elements allow a reasonable financial model to be developed, while meeting the most essential needs of campus employees for quality child care.

- **Engage a Third Party Operator to provide employer-sponsored child care.** A self-operated center would not have the financial stability of a third party vendor due to fluctuations in funding (budget cuts to programs) and increases in internal costs such as facilities repair and operation, salary costs, benefit costs, internal recharge costs. Working with a vendor brings specialty knowledge and experience to run a complex and multi-dimensional business; this expertise is not readily found as a core function of a university. (See appendix E.)
- **The center must be operated to the standards of the National Association for the Education of Young Children (NAEYC).** NAEYC accreditation is not necessary, but a

review process which assures standards are maintained would be required. This standard includes the ratios for children to adults, and the educational preparation of the center staff.

- **Hours of operation: 7:30 - 6:00.** If financially feasible for the third party operator, part-time and/or drop in hours would be available.
- **UCSC employees (and full-fee paying students) would pay a slightly lower-than-market rate** (based on an assumption of the quality of care provided). If the program is opened to community members, the fees would be comparable to local centers with comparable programs (high-market). (See appendix F.)
- **Location on campus or within 2 miles of the base of campus.**
- **The program maximum will be 142 children; minimum 88.** Campus demand would be determined during the Request for Proposal process. This range could be decreased, but should not exceed the range maximum. Industry experience provides a good model for maximizing resources and quality. It is recommended that the center size be no smaller than 88 children and no higher than 142. See appendix E for additional information.
- **Program Age Range will be 5 weeks to 6 years (Infant to Pre-K).** After-school programs and/or summer camps may be offered if deemed financially feasible by the third party operator.
- **Opportunity for UCSC students to fulfill academic requirements** would be available. Students seeking opportunities to work in child care classrooms to fulfill academic requirements would be integrated in the program, to the extent program capacity allows.
- **To support UCSC faculty research which requires observation,** observation glass will be included in the facility design (which could also be used by parents and teachers). Additional equipment for observation, supplied by the researcher, compliant with State regulations, and vetted through a review process would be placed in the facility.

Child care program elements factor heavily in the business plan for the center. These baseline assumptions are believed to be the best balance between the essential needs of UCSC employees and the resources required. These were the basis of developing viable financial models discussed in the next section. A full listing of all options considered can be found in the Appendix E.

VI. Facility Options to Investigate

Once program attributes were determined, it was possible for the Task Force to discuss the possibilities for developing a facility in partnership with a third-party vendor. Three viable options were identified. Appendix E includes a brief description of other options considered and rejected as long term solutions, including the use of the Granary and other on-campus space.

1. Build facility on-campus: Several sites have been identified on campus as possible sites for a child care facility. The most attractive, from the perspective of access, and ease of building, is the site at Faculty and Staff Housing, at the intersection of Hagar and Coolidge. Child care at this site is consistent with use plans in the LRDP.
2. Lease building off-campus: Renovate a facility to create a child care center. The third party vendors indicated in discussions with the Task Force that there are options for leasing and renovating off campus, in locations which present easy access to the campus.
3. Buy and renovate building off-campus: This option has not been investigated as thoroughly. Based upon discussions with vendors and the campus real estate office, it is assumed that options exist in the community, but specific sites/buildings have not been identified.

VII. Cost Estimates, Timing and Financing Options

UCOP Matching Funds

In February 2001 UC President Atkinson set aside matching funds to for each campus to construct a new child care facility. Those funds are still available for campus use. To request the funds the campus must submit a Project Planning Guide for approval by the Office of the President. In 2001 the cost of construction could not exceed \$20,000 per child, based on State requirements for capacity. There are three levels of matching funds available.

	Option A	Option B	Option C
Campus Funds	\$1,000,000	\$1,500,000	\$2,000,000
President's Matching Funds	\$750,000	\$1,000,000	\$1,250,000
Minimum # of Children	88	125	163

In recent conversations with UC Office of the President (UCOP) held to discuss the availability and appropriate use of the funds it was determined:

- Campuses can use funds to buy and renovate, though UCOP preference is that we build.
- If there is a compelling reason (cost, lack of available space for purchase, etc) a campus may lease and renovate a facility, however lease must be at least 30 years. The preference is that campuses build facilities.
- \$20,000 per child was the state standard in 2000, UCOP will verify the amount spent per child at other campuses and consider adjusting the \$20,000 per child benchmark.

Facility Options

There are three feasible facility options presented here. Option 1 is to build on-campus, Option 2 is to lease and renovate off-campus, and Option 3 is to purchase a building and renovate off-campus. Some assumptions apply to all the facilities, such as the size.

Assumptions that apply to all facility options

Vendor-operated child care center for 88 to 142 children ages 5 weeks to 6 years in a facility of 10,000 to 11,500 square feet. Planning for the facility project will incur costs and those costs are not included here. These planning costs include staff time to issue a Request for Proposal (RFP) to work with a vendor, searching, selecting, and negotiating for a lease or building purchase.

Option 1 - Build On-Campus

Build a child care facility on campus. The committee has identified a preferred spot for building, an area near the base of campus by faculty/staff housing. The LRDP classifies this area as housing and allows for child care as an approved use. The lot is flat and has road and utility access. It is also close to the main entrance of campus allowing for easy access. The lot is currently an open meadow area and would require site development work.

Assumptions

A child care center was planned at this location in the past. The planning information was referenced to estimate costs. The estimated cost in 2007 was projected forward to today's dollars (which resulted in a 10% decrease) and then 8% was added for inflation from 2011 to 2013. If the campus made a decision by the end of 2011 then construction could occur in 2013. It is very difficult to predict what the construction market will look like 2-3 years from now. Site work will cost approximately \$2,150,000 and the cost to build is projected to be \$540-\$650 per square foot.

Timeline

The time from decision to opening is estimated between 3 to 5 years.

Pros

The child care center will be on campus providing close access to most employees. The center will be close to West Lake school if an after school program is developed. The campus will own the facility and have an asset. The facility will be specifically designed to maximize efficiency of space and accommodate the campuses needs. UCOP matching funds are available to finance the facility.

Cons

Building a facility from the ground up will most likely take the longest out of the three options and will be the most expensive. Parking will need to be addressed. This location may increase traffic to the campus.

Option 2 - Lease and Renovate Off-Campus

Lease a building off-campus on the Westside of Santa Cruz within 2 miles of the main entrance that could be renovated into a child care facility. A particular space has not been identified, but vendors have searched and located a few options that would be feasible. The campus has

conducted research in the past on lease options and should this option be chosen we are confident a suitable space could be identified.

Assumptions

Assume a 20-year lease or longer. We will need to obtain a permit from the City of Santa Cruz to allow for child care as a use of the space as well as to renovate the space. Costs to lease in this area are estimated at \$22 per square foot per year. Renovations are estimated at \$300 to \$350 per square foot.

Timeline

The time from decision to opening is estimated between 18 months to 2 years.

Pros

This option provides the lowest one-time costs to start employee child care. This option would allow for the quickest time from decision to opening. The campus may have flexibility to expand the program if a needed as more space may be available to lease.

Cons

The university would not be acquiring an asset. UCOP may not provide matching funds towards a child care facility. The on-going costs would be higher as we would have a lease payment. The location would not be on-campus.

Option 3 - Buy and Renovate Off-Campus

Purchase an existing building off-campus on the Westside of Santa Cruz within 2 miles of the main entrance that could be renovated into a child care facility. A particular space has not been identified and the current inventory has not been reviewed to determine if any such spaces are available. The campus has conducted research in the past on purchase options and should this option be chosen we are confident a suitable space could be identified.

Assumptions

The campus would locate and purchase a building that could be renovated to a child care center. We will need to obtain a permit from the City of Santa Cruz to allow for child care as a use of the space as well as to renovate the space. Purchasing a space is estimated at \$200 per square foot. Renovations are estimated at \$300 to \$350 per square foot.

Timeline

The time from decision to opening is estimated between 2 to 3 years.

Pros

The campus would own an asset. A purchase and renovation should be less expensive than building. The center will be located off-campus and may be more accessible to the community if we need to enroll community members. UCOP matching funds are available for the renovation.

Cons

The child care center will not be located on campus near the majority of the work force. Finding a space to purchase may be difficult.

Vendor Operated Needs - who will pay for what?

The committee issued a Request for Information (RFI) as part its work. This allowed the committee to ask questions to employee child care providers or third party vendors. These vendors shared information with the committee about a variety of aspects of child care. One of the topics discussed was financing. How could a third party vendor work with the University to finance an employee child care center? Both vendors that we interviewed were willing to operate a child care center for the campus of the size and age range we requested without an operational subsidy. The vendors do require that the campus provide a facility and maintain the facility. The vendors were willing to finance the facility if the campus repaid those start-up costs over the life of the contract.

Financing Options

The facility options are listed above, but how will we pay for a facility? There are two components to the facility costs, the start-up costs and the on-going costs. The one-time or start-up costs are for things such as building, buying, or renovating a facility. The on-going costs are for items such as leasing and maintaining a facility. The University may finance the facility in a variety of ways or in combination.

External Financing

Capital Planning Rates issued by UCOP are currently 7%. The University could externally finance the facility through bond issue.

Financing with vendor

One vendor provided planning rates of 10% to finance a facility. Vendors would be willing to pay for the creation of a facility, the University would repay this investment over the life of the contract, typically 20 years.

One-Time Funds

The University could commit one-time funds for this purpose.

Facility Costs Table

Estimated costs UCSC would need to pay for a child care facility.

	Option 1		Option 2		Option 3	
	Build On-Campus		Lease and Renovate Off-Campus		Buy and Renovate Off-Campus	
	Low	High	Low	High	Low	High
Estimated Facility Start-Up Cost						
Cost to Build (1)	6,200,000	9,625,000	-	-	-	-
Purchase Building (2)	-	-	-	-	1,500,000	2,300,000
Renovation Cost (3)	-	-	2,250,000	4,025,000	2,250,000	4,025,000
Estimated Start-Up Cost	6,200,000	9,625,000	2,250,000	4,025,000	3,750,000	6,325,000
Estimated Annual Operating Cost						
Lease Cost (4)	-	-	165,000	253,000	-	-
Utility Cost (5)	19,425	29,785	19,425	29,785	19,425	29,785
Facility Maintenance (6)	24,225	37,145	24,225	37,145	24,225	37,145
Fire Recharge (7)	4,950	7,590	-	-	4,950	7,590
Custodial Cost (8)	39,208	78,416	39,208	78,416	39,208	78,416
Estimated Annual Cost	87,808	152,936	247,858	398,346	87,808	152,936
Finance 50% of Start-Up Costs						
One-Time Funds Needed (9)	3,100,000	4,812,500	1,125,000	2,012,500	1,875,000	3,162,500
Annual Cost -20 Yrs & 10% Int (10)	364,125	565,274	132,142	236,387	220,237	371,466
Annual Cost Per Child (11)	5,136	5,058	4,318	4,470	3,501	3,693

The numbers shown here are estimates and should be used for discussion purposes as order of magnitude.

Assumptions

88-142 space child care center

7,500 - 11,500 square foot facility

Construction begins in 2013

(1) Estimate of \$2,150,000 for site costs and \$540/sf to \$650/sf to build

(2) Estimate \$200/sf to purchase a commercial office space on the West Side of Santa Cruz

(3) Estimate of \$300/sf to \$350/sf to renovate

(4) Lease estimated at \$22/sf

(5) Estimated utility cost of \$2.59 per year per sqft

(6) Facility maint includes building maint, refuse disposal, grounds, and long-term maint at \$3.23/sf

(7) New facilities are subject to an annual assessment to contribute to fire safety of \$.66/sf

(8) Custodial approved recharge of \$37.70/hour, assume 4 or 8 hours per day, 5 days per week

(9) One-time funds needed that UCSC must provide if the campus finances 50% of start-up costs

(10) Annual cost to repay the loan if externally financed at 10% interest with a 20 year pay back period. This is only one of the financing options used as an example. As interest and payback period change the annual cost will also adjust

(11) Estimated Annual Operating Cost plus Annual Financing Cost divided by 88 children for low and 142 children for high

Low cost calculated using 88 children in 7,500sf, \$540/sf to build and \$300/sf to renovate

High cost calculated using 14 children in 11,500sf, \$650/sf to build and \$350/sf to renovate

Annual Cost is the amount UCSC would need to contribute to maintain a facility every year

Assumptions on cost developed in consultation with Physical Planning & Construction, Physical Plant, and Real Estate Office.

Timeline that applies to all facility options

There are many factors that influence the time to opening a center. The factors include staff time to create a Request for Proposal (RFP) so that we may contract with a third party vendor to develop the program; creation of a facility plan; campus approval of the plan; work with regulatory commissions for approval of the plan; securing financing; building or renovating the space; these are a few of the process components. When the center is completed opening immediately might not be an option depending on the month; child care has a few times per year when it is optimal to open due to enrollment. We may complete the center in March and not open the center until September when enrollment will be more advantageous.

VIII. Recommendations

Each option presents a set of pros and cons which must be weighed. Without more detailed analysis on facilities and a financial commitment to the project, it was difficult for the Task Force to deliver a definitive recommendation on whether to buy, build, or lease, and how to finance the project. The one thing the Task Force agreed upon however, was the importance *of the shortest time to completion and the least costly* as essential criteria in the decision.

The task force recommends the following next steps to continue to move the project forward:

- (1) Implement identified minimal cost "quick-wins":
 - (i) Using existing structures, link current students who provide child care to campus families seeking child care providers, and
 - (ii) Create a web-based campus family resource network;
- (2) Commit funding for one-time investment and on-going operations;
- (3) Assign Executive Sponsor to provide oversight and establish structure to move to next level of planning including:
 - (i) Initiate the next phase of the project including appointing a team
 - (ii) Begin developing on-going oversight function for employer-sponsored child care (negotiation, contract review, etc.)
 - (iii) Determine financing for project;
 - (iv) Engage campus in more detailed program discussions and finalize the elements of the program (hours, market rate, observation space for research, etc.); agree to the definition of a quality employer-sponsored child care program;
- (4) Issue a Request for Proposal in order to engage an experienced supplier
 - (i) Conduct a campus child care demand survey,
 - (ii) Research and analyze on or off campus sites and building designs
 - (iii) Oversee the build/renovation and start-up of the new center.

Additionally, the Task Force was asked to make recommendations on the following issues related to employer-sponsored child care:

What is the appropriate administrative location for employee child care?

Because of the business aspects of the program and the perceptions of the program as an employee benefit, the Task Force recommends the organizational oversight of a program, once developed, reside in **Business and Administrative Services**.

Should student and employee child care services be integrated or separate?

The Task Force discussed separate and combined student/staff child care programs and recommends **the student program remain separate at this time** for the following reasons: the Student Services fees, and referendum fees were voted on by students to support their fellow students and clear lines between student support and general campus support should be in place, and the current student child care program receives a grant from the state which allows low-income student families to pay a discounted child care rate. The overhead associated with administering these subsidy grants tend to limit the number of organizations that offer this support to families. The Task Force did not want to limit the availability of child care to students based on cost.

CHILD CARE TASK FORCE REPORT

APPENDICIES

- A. Committee Charge Letter
- B. History of Child Care Project Planning
- C. Campus Demand and Community Availability
- D. Academic Enterprise - Combining Research and Child Care Programs
- E. Child Care Program, Management and Facility Options Considered
- F. Rate Comparisons

APPENDIX A: Child Care Task Force Charge Letter

August 10, 2010

CFW representative Professor Elizabeth Abrams (summer)
Interim Associate Vice Chancellor John Barnes
Assistant Dean Kyle Eischen
Principal Budget Analyst Jessica Gallione
Vice Provost / Dean, Graduate Studies Tyrus Miller
SAB representative and Coordinator Claudia Parrish
Special Assistant to the CP/EVC Linda Kittle, Chair
Associate Vice Chancellor Jean Marie Scott
Director Saladin Sale
Faculty at large (TBD)
Post doc parent (TBD)

Dear Colleagues:

Re: Child Care Services Task Force

Thank you for agreeing to serve as a member of the Child Care Services Task Force. The Task force will explore mechanisms by which the campus might expand availability of child care services to other campus constituencies, including faculty, staff, and post-docs.

This group has a very targeted focus – to find a sustainable infrastructure and financial options for employee child care. Once a viable model is identified, a follow-up Child Care Advisory Committee will be established to support program and policy issues and to oversee the delivery of the service. In this phase, I as the Task Force to address the following questions:

1. What are sustainable funding structure options for expanded child care services?
2. What facility options exist for expanded child care services?
3. What is the appropriate administrative location of the UCSC Child Care Services?
4. Should child care services for students be included in an expanded childcare service or should it be housed separately?

Special Assistant Linda Kittle will chair the Task Force and will be responsible for keeping me informed of your progress. I am available, as will be the new CPEVC to support your work as needed. Although most of the work will be done in the fall, the task force will meet once or twice in the summer to identify research that can be done by staff in advance. Please provide monthly progress reports to the CPEVC, with final recommendations no later than end of Fall quarter 2010.

Thank you again for your willingness to serve on this important Task Force. If you have any questions, please contact Ken Christopher, 9-3885, kenc@ucsc.edu.

Sincerely,

David S. Kliger
Campus Provost and
Executive Vice Chancellor

Cc: Chancellor Blumenthal
Interim Vice Chancellor Delaney
Senate Chair Gillman
Dean Sheldon Kamieniecki
Vice Chancellor McGinty
Vice Chancellor Vani

APPENDIX B: (Cont). History of Child Care Center Projects

Conclusions about Facilities drawn from history

The Campus has a 30 year history of discussing child care and researching options for housing the program.

Over the past 10 years there have been many active attempts to develop a facility:

- 1999-2001 - PPG for facility at west entrance by FSH \$5-6 million, program assumptions: 120 children, 10K sqft
- 2003 - at Granary site - failed due to cost, historic district, granary limitations
- 2006-2007 - meadow at employee housing - intersection of Hagar & Coolidge \$10 mil
- 2008-09 - investigated off-campus options (Westside options)

Using modular buildings has been researched and determined to be a less than optimal solution. Primary issues are the costs to create the infrastructure (readying the site) are comparable to building a facility. We rejected a modular system because the life span of modular buildings is only about 20-25 years, which is likely shorter than the financing package and the final product is of lower quality.

The Granary facility is too small for a program of a size that could be financially sustainable. Renovating/adding space to the building is challenging (difficult process and elevated costs) as it is a Historic Building.

Individuals who worked on the Capital Projects and Real Estate research and negotiations were interviewed to learn about the campuses previous efforts to develop a sustainable child care program. Staff from Employee Housing, Student Housing, Capital Planning and Construction, and Capital Planning and Space Management were interviewed and developed the Campus History of child Care Planning and Funding Time Line

APPENDIX C: Campus Demand and Community Availability

Early in its deliberations, the Task Force discussed the value and importance of dependable data regarding demand. A sub-group reviewed existing sources of demand data:

- Survey of Faculty Importance of Childcare (No demand data available);
- Child Care wait lists from the campus Early Education Services program, prior to the program closure announcement (95 Children);
- Number of dependents age 0 - 4 enrolled in health insurance plans (356 children);
- Program Size - UC Programs (figure 1)

The sub-group determined that up-to-date, solid demand data did not exist and consulted with third party suppliers of employer-sponsored child care on the timing of soliciting information on current demand. Based on their experience working with universities and other large organizations the suppliers advised the Task Force to conduct surveys after a campus funding commitment had been formalized.

For the purposes of projecting budget/cost ranges for a campus-sponsored program the Task Force used a range of 88 - 144 spaces. These figures were provided by the campus EES Director and the Child Care consultant working with the Task Force as numbers which optimize staffing and provide capacity for children to progress through the program as they age (see Appendix E - Size). Based on the waitlist information and the number of dependents enrolled in health insurance plans, conversations with the employer-sponsored child care providers, and the planning assumptions used by the campus in previous planning efforts the Task Force agreed demand would likely fall within this range and these figures would be adequate for determining viable program models. The Task Force recognized that a survey of employee demand must be conducted.

The task force agreed with the advice received to wait to fully survey the campus on child care demand until a funding commitment is secured. However there is an opportunity to include demand questions in the Campus Climate survey scheduled to be conducted in Fall 2011. The survey includes a section on general child care which may be expanded to ask additional questions to further refine the estimated demand for a child care program. The Task Force recommends including questions on the surveys for Faculty, Staff and Graduate Students and Post Docs.

APPENDIX C: Campus Demand and Community Availability

figure 1

UC Child Care Programs Enrollment Snapshot - 2010

	Staff	Faculty	Community	Total
Berkeley	100	77	0	177
Davis-Vendor	117	31	33	181
Irvine	58	76	44	178
Irvine-Vendor	58	56	73	187
Los Angeles	82	172	0	254
Merced	17	9	7	33
Riverside	40	44	6	90
Santa Barbara	70	52	13	135
Santa Cruz (2009)	24	32	0	56
San Diego	104	37	20	161
San Francisco	20	22	1	43
San Francisco-Vendor	77	39	15	131
Total	767	647	212	1626

Community Availability

Another factor which led the committee to use the range of 88 - 144 is the limited availability of Child Care within the Santa Cruz community. The UCSC Child Care Report and Resolution, published in May 2004, by the Committee on Faculty Welfare reported that in a survey of faculty conducted in February, 2004, 40% of the respondents experienced dissatisfaction with the access to and quality of child care in Santa Cruz.

In 2009, an inventory of available child care spaces throughout Santa Cruz county was taken. Information was collected by contacting providers listed with the Child Care Switchboard, a referral service provided by the Santa Cruz County Office of Education. The inventory, provided as a service to families displaced by the closure of the Granary, and discontinuance of services offered to employees, demonstrated there were limited spaces available in the community.

APPENDIX C: Campus Demand and Community Availability

This list was created from information provided by the Santa Cruz County Office of Education's Child Care Switchboard. There are providers throughout Santa Cruz county that are not included on this list because we were unable to speak with a member of the center's staff about their program. A center's inclusion on the list does not represent an endorsement or referral to the program by the University.

Community Contacts

	Name of Center/ Contact Number	Philosophy	Age-Groups Served				Updated	Availability & Other Notes	Location
			Infant	Toddler	Pre- school	School Age			
APT	Aptos Academy 688-1080				•	•	12/4/09	Some openings. Pre-School, Pre-K (2.9 years up through 8th grade)	Bonita Drive, Aptos
APT	Cabrillo College Children's Center 479-6352	Play-based		•	•		12/4/09	No current openings. Accept on-going applications but currently full. Have full & half day options	Cabrillo College, Aptos
APT	Meghan's Daycare & Pre-School 689-9727	Small operation, maximum 8 spots	•	•	•		9/4/09	Mon– 3 open AM, 3 open PM; Tues – closed; Wed-2 open AM, 3 open PM; Th- 3 open AM, 3 open PM; Fri – 4 open AM, 3 open PM	Gertrude Ave., Aptos
APT	Pleasant Acres 684 0655	After school care only				•	12/4/09	5 openings for after-school care only	625 Willow Hts, Aptos
APT	Rose Blossom Nursery School 662 8458	Play-based, individualized. Open 8am-2pm.			•	•	10/13/09	No current openings.	Freedom Blvd, Aptos
APT	Santa Cruz Montessori 476-1646	Montessori – Main campus on Soquel Drive; Winston campus located 2446 Cabrillo College Drive, Soquel.		•	•	•	12/4/09	6 openings in 18 mo.-3 yrs. Program. F/T is 8:45am-2:45pm & P/T is 8:45am-12 noon.	6230 Soquel Drive, Aptos
APT	Santa Cruz Toddler Care Center 476 4120	Rye Philosophy		•			9/22/09	No current openings. Waitlist 6-12 months	1738 16th Avenue, Santa Cruz

APPENDIX C: Campus Demand and Community Availability

	Name of Center/ Contact Number	Philosophy	Age-Groups Served				Updated	Availability & Other Notes	Location
			Infant	Toddler	Pre- school	School Age			
APT	Simcha (Sim-Ka) Preschool - of Temple Beth El 479-3444	Accredited NAEYC, Jewish, interfaith play-based, over 30- years.		•	•		12/4/09	January openings: 3 yr. old program – 4 open part or full day M/W/F. 4 open on T/Th. Pre-K program – 3 open part or full day M/W/F. Call for information.	3055 Porter Gulch Road, Aptos
APT	The Children's Cottage 688-9025	Montessori – home based child care			•	•	12/4/09	Currently no spaces.	Clubhouse Dr, Aptos
BC	Little Munchkins (831) 338-6228, or (831) 588-5148	Family owned, home-based day care.	•	•	•		12/4/09	No current openings	501 Fairmont Drive, Boulder Creek, 95006
BC	Little People's School (831) 338-4112	Science based curriculum, both full and part-time, elementary and day care.		•	•	•	12/4/09	1 open on Monday; 1 open on Thurs., 3 open on W/F. No openings on Tues. Call for specific information.	13171 Railroad Avenue, Boulder Creek, 95006
BL	Glen Arbor School 336-2932	Parent participative, adheres strongly to state standards. Teaches handwriting without tears, letter recognition, science. It is also a thematic school (safety and health, nutrition, etc.)		•	•	•	7/23/09	Openings available.	9393 Glen Arbor Road, Ben Lomand, CA, 95005
CAP	Capitola Sonshine Preschool/Capitola Community Church 475-7150	Christian-based			•		12/4/09	4-5 current openings	4575 Capitola Road Capitola, CA 95010

APPENDIX C: Campus Demand and Community Availability

	Name of Center/ Contact Number	Philosophy	Age-Groups Served				Updated	Availability & Other Notes	Location
			Infant	Toddler	Pre- school	School Age			
Los Gatos	Building Blocks Preschool Coop (408) 353-2847 Membership: (408) 353-5159	Parent-Cooperative preschool thru LG-Saratoga Rec. Dept. Gentle encouragement, small group play, parent-directed projects, with Teacher/Director supervision.			•		9/4/09	Pre-K: M-W-F-8:30am-12:30pm – 2 openings T-Th -1 opening Heavy parent component.	23845 Summit Road, Los Gatos, 95033
SC	Montessori Children's Garden 476-6185	Montessori, Family Day Care	•	•	•	•	12/4/09	1 infant opening; 3 pre-schl. openings.	3185 Thurber Ln Santa Cruz, CA 95065-1857
SC	A Child's Reflection 426-3655	Play-based learning philosophy, both structured and free time.	•	•	•		12/4/09	January: 6 open in Infant/Toddler group; 10 open in both pre-schl. & pre-K groups.	327 Church Street, Santa Cruz, 95060
SC	Calvary Episcopal Church Childcare Center 425-1332	Play-based/academic-based		•	•		7/23/09	Limited availability	532 Center Street, Santa Cruz
SC	Common Threads Montessori Preschool 427-1316	Montessori-based, blend with open-ended classroom. Dramatic play, puzzles & manipulative, Piaget			•		12/4/09	No current openings;	208 Rankin St, Santa Cruz
SC	Discoveryland Christian Preschool 476-9684	Bible-based curriculum, creative curriculum with religious emphasis		•	•		12/4/09	6 PT & 4 FT openings. Call for information.	427 Capitola Road Extension, Santa Cruz
SC	Emeline Preschool Center 459 8866	Play-based, heavy focus social interaction & problem solving		•	•		12/4/09	Full – no current openings.	1030 Emeline Avenue, Bldg. "O", Santa Cruz
SC	Family Network Preschool 462-2535	Mixed-age group, developmental pre-school, socially based program. Celebrate diversity/anti-bias.		•	•		12/4/09	No openings.	1225 Brommer St, Santa Cruz

APPENDIX C: Campus Demand and Community Availability

	Name of Center/ Contact Number	Philosophy	Age-Groups Served				Updated	Availability & Other Notes	Location
			Infant	Toddler	Pre- school	School Age			
SC	Kinder Cottage 475-0899	Play-based		•	•		12/4/09	No current openings. Parents welcome to visit & be wait-listed.	3834 Gross Rd., Santa Cruz
SC	LifeSpring Preschool 477-0584	Play-based, thoughtful collaborative curric. academic via play-based		•	•		12/4/09	3 toddler openings; 10 pre-school openings.	2560 Soquel Ave. Santa Cruz, CA. 95062
SC	Live Oak School District Child Development Programs 831-462-1116 x274	Outcomes based preschool – supports entry into primary school			•		7/23/09	Program is expanding.	Various sites in Live Oak
SC	Midtown Montessori School 423-2273	Montessori, Environmental, Organic Food. Open year around.		•	•	•	11/9/09	Waiting List – call for information.	818 North Branciforte Ave, Santa Cruz
SC	Penny's Playhouse	Family based Childcare 426 6275	•	•	•	•	11/9/09	No openings	S. Branciforte, Santa Cruz
SC	The Village Pre- School 423 3588	Waldorf School			•		12/4/09	Have current openings. Call for information.	California Ave, Santa Cruz
SC	Organic Beginnings Childcare 262-7503	Opening in February 2010					12/4/09	Capacity is 14; have 10 openings available.	
SC	Good Shepard Pre- School 476-4000	Pre-school part of Good Shepard Catholic School (K-8). Also have extended day program.			•	•	12/4/09	4 openings on Tues & Wed. all day or half day	2727 Mattison Lane, Santa Cruz
Santa Clara	KidzAcademy (408) 261-9523	Lots of structure: circle time, music and movement, back to basics.	•	•	•		11/9/09	Several openings. Non-profit, deliberately small (50 children), four unit classroom.	1224 N Winchester Boulevard, Santa Clara, 95050

APPENDIX C: Campus Demand and Community Availability

	Name of Center/ Contact Number	Philosophy	Age-Groups Served				Updated	Availability & Other Notes	Location
			Infant	Toddler	Pre- school	School Age			
SQL	Mid-County Children's Center 476-8890	International emphasis, children of teachers, Spanish immersion, English, depends on make-up of children, combination of Montessori and Play-based. Master teachers	•	•	•		11/9/09	4 infant openings; 4 pre- schl. openings	305 Alturas Way, Soquel
SQL	Rocking Horse Ranch Preschool 462-2702	Child-based and Led -- Play oriented.			•		11/9/09	2 openings for PM sessions (1:30pm - 5:30pm), Mon. - Fri., \$35/session	4134 Fairway Dr, Soquel
SQL	Soquel Parent Education Nursery School 831-600-7860	Part of the Adult School, teachers are simultaneously providing adult education to parents while caring for children. Co-operative involvement required.	•	•	•		10/13/09	No current openings.	397 Old San Jose Road, Soquel
SV	Baymonte Christian Preschool 438-0100	Independent, interdenominational Christian school. Two campuses – Granite Creek & Scotts Valley Dr.			•	•	9/22/09	Granite Creek campus - full. Scotts Valley Dr. campus: T/Th - 4 open in 3 yr.old class. M-W-F -1- 4pm, openings for 4-5 yr. age group. Though this is a pre-school, it also hosts a K-8 school.	5000B Granite Creek Road, Scotts Valley, 95066
SV	Delightful Days Preschool 438-5178	Home care with strong parental relationship. New parents invited and encouraged to work closely with the program.	•	•	•		11/9/09	Full – no current openings. Maximum of six children.	Scotts Valley
SV	Early Childhood Learning Center 438-7980	Faith-based, non- denominational Christian school, part of Bethany College. No specific, or exclusive, teaching style is employed		•	•	•	9/22/09	7 openings in 4 yr. old class; 5 openings in 2-3 yr. old class.	800 Bethany Drive, Scotts Valley, 95066- 2820

APPENDIX C: Campus Demand and Community Availability

	Name of Center/ Contact Number	Philosophy	Age-Groups Served				Updated	Availability & Other Notes	Location
			Infant	Toddler	Pre- school	School Age			
SV	In Kirsten's Care 439-8721	Home day-care, parent separation anxiety, sharing, communication, learning to play together.	•	•	•		12/4/09	11 openings. Call for information.	Scotts Valley
WAT	Go Kids Preschool at Via Del Mar 728-5907			•	•		11/9/09	Full – no current openings. Priority given to low-income families. Pre-School.	Watsonville
WAT	Head Start Preschool 688 3802				•		12/4/09	Waiting List. Call for information. Priority given to high risk families.	East Lake Ave., Watsonville
WAT	Pajaro Valley Children's Center 722-3737	Play-based	•	•	•		12/4/09	10 pre-schl. openings; 5 infant openings.	Watsonville

APPENDIX C: Campus Demand and Community Availability

Programs that Accept Subsidies

	Name of Center/ Contact Number	Philosophy	Age-Groups Served				Updated	Availability & Other Notes	Location
			Infant	Toddler	Pre- school	School Age			
APT	Cabrillo College Children's Center 831-479-6352	Play-based		•	•		12/4/09	No current openings. Accept on-going applications but currently full. Have full & half day options	Cabrillo College, Aptos
WAT	Head Start Preschool 688-3802				•		12/4/09	Waiting list. Call for information. Priority given to high risk families.	East Lake Ave., Watsonville
WAT	Mari Goose Day Care 724-7678	Play based learning, no "worksheets"; lots of puzzles & toys; teaches good manners; toilet training.		•	•		11/9/09	2 openings for infant to school age.	Mesa Verde Dr., Watsonville
SC	Live Oak School District Child Development Programs 831-462-1116 x274	Outcomes based preschool – supports entry into primary school			•		7/23/09	Program is expanding.	Various sites in Live Oak

APPENDIX D: Academic Enterprise - Combining Research and Child Care Programs

Childcare is commonly linked to research and education activities on campuses throughout the country. As such, childcare serves a dual function of providing quality childcare and serving as part of the overall campus academic infrastructure. This also creates opportunities for active research to benefit childcare through external grant funding. In fact, one of the reasons many campuses foster these links is to *create the opportunity* to seek external funding that generates wider benefits across campus. In other words, the combination allows campuses to have the infrastructure that is necessary for seeking certain types of funding, particularly Federal funding. Thus, while many campuses provide multiple childcare centers and options, often through outside vendors, they maintain at least one center that includes a research component. Within the UC system, at least Berkeley, Davis, Merced, San Diego and Los Angeles all have research and/or education activities linked to at least one childcare facility.

Research involves a range of activities, from natural observation (e.g., watching children behind a one-way mirror) to activities involving one-on-one interaction with children in more controlled situations (e.g., each child is escorted to a separate room for the activity).

Education also involves a range of activities, from teacher training to classroom observation by undergraduate students. These activities can be tied to a specific course or linked to an overall program.

In terms of facilities, the most basic infrastructure required for research and education is a one-way mirror that connects an observation booth and the classroom. This enables researchers or students to observe children without disturbing their daily activities. The size of an observation booth can range from a narrow space (e.g., 4 feet in depth, allowing 5-8 people to stand) behind the one-way mirror to a much bigger room. The space also provides opportunities for parents and teachers to observe children in the classroom.

UCSC does not currently have (nor has ever had) any facilities available to foster active partnership/relationship between childcare and research and education activities.

Current Research and Education Activities

Although UCSC has not formalized a relationship between its academic and childcare programs, research and education around early childhood development are well established with both on-campus and off-campus activities.

On Campus

APPENDIX D: Academic Enterprise - Combining Research and Child Care Programs

Currently, the core of child research and education is within the Psychology Department in the Division of Social Sciences. Six current faculty members conduct research on early childhood development: Nameera Akhtar, Maureen Callanan, Jean Fox Tree, Barbara Rogoff, Su-hua Wang, and Stephen Whittaker. This research has been supported by external funding from federal agencies and private foundations. Additionally, Psychology faculty have developed innovative proposals (particularly a 2005 proposal by Maureen Callanan and Catherine Cooper) that have envisioned bringing together existing research and childcare across campus.

On campus facilities, located in the Social Sciences 2 building, include labs for directed research with children. This, however, is not sufficient for naturalistic observation of children or for observing a large number of children simultaneously.

Education activities on child development include various courses taught by the Psychology faculty, from lower- and upper-division courses to senior seminars. In particular, Psychology 10 (*Introduction to Developmental Psychology*) has long been integrating naturalistic observations of children at childcare settings as a component designed to teach students about developmental research through hands-on experience. Specifically, students observe children from different classrooms (i.e., different ages). Based on the observations, students write a research paper discussing developmental changes on a selected area such as peer relation or emotional regulation. Because UCSC does not provide any facility allowing such observations, students have been going to the Cabrillo College Children's Center to receive such training (see below).

Off-campus

Approximately 360 students each year travel to the Cabrillo College Children's Center (CCCC) as part of their course work linked to Psychology 10 (roughly 120 students per quarter). CCCC is fitted with an observation room that provides students with the opportunity to perform small-scale field assignments and research papers as described above. CCCC provides this service free of charge for the moment. As a side note, CCCC is a California designated "model" childcare center, only one of a handful in the state. Equally important, the program is structured around research with all parents understanding and giving permission for any observation-based research to take place.

Additionally, Psychology faculty members sponsor numerous internships (with no pay) at childcare centers throughout the community, via the course Psychology 193, *Field Study*. Students are assigned to a childcare center where they obtain hands-on experience with interacting and observing children. During the internship faculty sponsors meet with students several times throughout the quarter to help students connect their fieldwork and academic interest. These internships serve as a "win-win" solution to provide wonderful training for students and additional classroom help for childcare centers.

APPENDIX D: Academic Enterprise - Combining Research and Child Care Programs

Future Possibilities

The research and educational opportunities that are currently underway at UCSC would not only be strengthened but expanded by creating better organizational and physical infrastructure on or near campus. In other words, building strong research and childcare ties is not only a question of convenience but of opportunity costs. Once infrastructure and relationships are in place, research and educational opportunities can begin to be deepened and extended. The campus has tremendous resources already devoted to children (active research, Lifelab at the farm, Seymour Center, active internship programs, etc.). A more defined center of activity will generate synergies and new possibilities for collaboration. One essential feature and a welcoming consequence of including research/education components in childcare would be improved fundraising both generally and for specific programs across campus.

A key aspect of planning is to build these kinds of expectations into the design of childcare from the beginning. It is physically and organizationally essential to include the following:

1. Research should be a part of all discussions with potential outside vendors.
2. At a minimum, an observation booth for each classroom should be included in facilities (e.g., a space of 4 feet behind the observation glass/one-way mirror). To maximize investment, this can be designed as a multi-use space.
3. Psychology faculty should be included in discussion on the design of the observation space.
4. The childcare center and the campus should actively seek reciprocal connections between childcare and campus academic enterprise.
5. Among other agreed to indicators of the performance of a center (e.g., parent satisfaction, child safety, financial viability) evaluation should include a) how well the childcare center is contributing to research and education on campus and b) how well research and education are contributing to raising the quality and lowering the cost of childcare.

Fundraising efforts should have a developed portfolio around childcare that supports synergies across childcare, research and education

APPENDIX E: Program, Management and Facility Options Considered

Options for the program are possible, but will add cost. Below is a summary of program elements, and facility and management options considered in the process of recommending the baseline program:

- **Size:** More than 142 children, less than 88 children (numbers in between are also sub-optimal). The maximum and minimum numbers were chosen because they provide the capacity for children to move from program to program. Ideal numbers close to double as program age increases. This allows children entering the program at any age to be able to progress to the next age group.

One hundred forty two children is seen as a good program maximum. This number allows more tuition fee paying children to spread the operational overhead cost, without adding more administrative staff (Program Coordinator, Administrative Assistant etc.).

Eighty-eight as the minimum number accounts for a minimum of two teachers per age group.

The teacher:child ratio negotiated with a supplier coupled with campus demand could alter the minimum and maximum numbers, but the concepts of doubling to create strong classroom feeder programs and maximizing the capacity of teachers will remain factors in determining the size of the program.

Program	Minimum	Maximum Spread over multiple classrooms
Infants	8	16
Toddlers	16	24
Two's	24	42
Preschool	40	60
Total	88	142

- **Research Facility:** Include more than simple observation space for research such as rooms for 1:1 work, meeting spaces, group observation spaces.
- **Subsidies for low income families:** Care subsidies funded either by the State or the University. There are a variety of ways in which a subsidy may be offered, beyond the proposed reduced rate. Options were not investigate as part of this phase of the project. We view this as an additional program that could be explored at additional cost.
- **School Age After School Care:** the practicality of a school age program is limited to its vicinity to a K-5 school with unmet after-care demand. Alternatively programs can offer transportation from local schools to the site.

APPENDIX E: Program, Management and Facility Options Considered

- **Part-Time Options:** Some part-time options exist, however they usually do not include drop-in options or non-standard part-time options (either morning hours or afternoon hours).
- **Food Program:** Some vendors include snacks and lunch as part of their program, while others only include snacks. Standards for food (organic, local, etc.) and the inclusion of lunch may be additional costs to some programs.
- **Ill-child Care and Elder Care:** Some universities offer referral to providers for ill-children and help with elder care. These programs typically are offered at a premium, as they are 1:1 care options.
- **Temporary use of the program:** This option would make care available if an employee's regular care providers were unavailable. This may not have an additional cost if drop-off slots were used to fill in for absences.
- **Use the Granary to House a Child Care Program:** The Granary is a historic building which has been used as a child care facility. The building and grounds have undergone significant improvements to bring the site within the standards for State Child Care Licensing. However the site would require interior modification to create a viable program, as the interior layout minimizes "line-of site." The building is suited for only a very small, highly staffed program. Because the building is in a historic district, any modifications to the exterior would be required to go through an extensive approval process.
- **Renovation of Existing Campus (on and off) Space:** An inventory of existing space was reviewed. No on campus space was identified as a good location for a child care center. The major considerations are:
 - Parking - parents must be have easy access and adequate parking to accommodate drop-off and pick-up of their children.
 - Re-location - no vacant spaces are currently available on campus with the necessary interior and exterior square footage. An existing unit (or multiple units) would have to be relocated to accommodate a child care center.

The task force did review one University owned off-campus space (2100 Delaware), which offered adequate parking, and outdoor space, but would require relocating multiple units. Investigation revealed it would be difficult to re-zone the property to allow it to be used as a child care facility, given the former use of the building.

- **Self-Operated Center:** The costs of running a self-operated center on campus make this option less viable than contracting with a third party supplier of employer sponsored child care. The task force questioned operating a child care center, and

APPENDIX E: Program, Management and Facility Options Considered

determined the model would likely not be financially stable in the long term. Specific cost drivers are funding health and welfare benefits and facilities maintenance, repair and janitorial upkeep, and fluctuations in revenue also would impact the financial sustainability of the program.

Staffing:

UCSC pays wages for Child Care Teachers comparable to those in the greater Bay Area:

	Pre-School Teacher Wages
UCSC	\$ 32,510
San Francisco Area	\$ 34,138
San Jose	\$ 33,987

Staffing that impact costs:

- Benefits packages at UCSC are assumed to be better than most, non-state agency child care positions. Our benefit rate is currently an average of 22.5% of the teacher's salary, plus 4% for retirement. This cost will increased to 7% in fiscal year 2012, and may eventually increase as high as 20%. Health and Welfare benefit costs factor strongly in the financial sustainability of the program.
- It is a violation of State licensing to use Teacher's aides to fulfill required adult:child ratios. Aide positions are filled by student workers, and used to assure adequate supervision of the children is maintained when a teacher's attention is diverted to assist an individual child. State licensing regulations for Title 22 programs state that Aides may assist in the classroom, but they can only be supervised by a Fully Qualified Teacher (with a minimum of 12 ECE Core units), and may only escort a child to the bathroom, and stay with children during naps when *all children are asleep*¹ without a Teachers supervision.
- Beyond teaching staff, administrative overhead must also be calculated into the projected costs of a program. This includes Lead Teachers (Teachers with a State Teaching Credential), site supervisors, administrative /business staff, enrollment staff, and a program Director (who can be a site supervisor). If meals are offered, a cook must also be on staff. There were 10.5 FTE administrative, management staff and teaching staff associated with the portion of the program that closed in

¹ Fully Qualified Teachers have completed a minimum of 12 ECE Core Courses; Teachers have a minimum of 4 ECE Core Courses are currently enrolled in additional course work. ECE Core Courses are not required for Aides. UCSC EES program is a Title V program, which stipulates that all teachers have a Teaching Credential (requiring an AA or BA, and 20 hours of coursework annually).

APPENDIX E: Program, Management and Facility Options Considered

2009. Additionally, there were a cumulative 2.5 FTE Aides supporting the program (spread over many students working 3 - 10 hours per week.) (As a note, the campus also assumes analytical support and management oversight of the program without direct cost to the program.)

Facilities Upkeep and Repair & Maintenance:

Historical costs for Early Education Services Program

2007	\$178,000
2008	\$164,000
2009	\$169,000
2010	\$ 75,000

Enrollment Changes

All centers are subject to fluctuations in enrollment which impact revenue. A self-operated model must contain the revenue loss within the constraints of the budget; third party vendors have the mass to assume short term losses due to temporary enrollment dips within the larger structure of multiple centers.

APPENDIX F: Rate Comparisons

The task force recommends a lower than Santa Cruz market rate for comparable programs be made available to faculty and staff (and full-fee paying Student families) in the range of (for monthly, full-time care)

Infants & Toddlers:	\$1,300 - \$1,500
Twos:	\$1,200 - \$1,400
Preschool:	\$1,100 - \$1,300
Pre-Kindergarten:	\$1,000 - \$1,300

A survey of community and UC campus rates was conducted in February 2011. The suggested rates are lower-than market for schools of comparable quality and child:adult ratios. Community and other UC Child Care rates follow:

APPENDIX F: Rate Comparisons

Child Care Programs Market Rate Survey
Santa Cruz Community & UC Campus Rates as of February 2011

Name of Program	Type of Program	Hours of Care	Location	Age Group	Monthly FT Tuition	Monthly PT 4-6 hrs/day	Meals Provided?
Santa Cruz Community Infant/Toddler:							
Santa Cruz Montessori	Center	8:45am - 2:45pm	Near Cabrillo	18mo-36mo	-	\$1,591	No
Toddler Care Center	Center	PT and FT	Live Oak area	12mo-36mo	\$1,715	-	Yes
Scotts Valley Children's Center	Center	PT and FT	Scotts Valley	6mo - 24mo	\$1,438	\$1,077	No
Children's Center of San Lorenzo	Center	PT and FT	Ben Lomond	3mo - 24mo	\$1,388	-	Yes
Cribs Day Care	Home	PT and FT	Scotts Valley	3mo - 24mo	\$1,300	\$1,160	Yes
Cabrillo Children's Center	Center	PT	Cabrillo College	12mo - 24mo	-	\$950	\$50/mo
Happy Days Children's Ctn	Center	PT and FT	Costco Area	3mo - 24mo	\$1,170	-	No
A Child's Reflection	Center	PT and FT	Downtown Santa Cruz	3mo - 24mo	\$1,163	-	No
LifeSpring Preschool	Center	PT and FT	Soquel	18mo - 30mo	\$891	\$650	No
Circle of Friends Too	Center	PT and FT	Morrissey area	18mo-36mo	\$860	\$565	
					Ave. Available Market Rate: \$1450/mo		

UC Campus Infant/Toddler (Faculty & Staff)							
UC Berkeley	Center (non-vendor)	Full-Day	Berkeley	3mo - 24mo	\$1,887		Yes
UC San Francisco	Center	Full-Day	SF	3mo - 24mo	\$1,875		Yes
UCLA	Center (non-Vendor)	Full-Day	LA	3mo - 24mo	\$1,580		Yes
UC San Diego	Center	Full-Day	San Diego	3mo - 24mo	\$1,310		Yes
UC Irvine	Center (non-vendor)	Full-Day	Irvine	3mo - 24mo	\$1,290		Yes
UC Davis	Center (Bright Horizons)	Full-Day	Davis	3mo - 24mo	\$1,285		Yes
UC Santa Barbara	Center (non-vendor)	Full-Day	Santa Barbara	3mo - 24mo	\$1,230	\$860	Yes
UC Riverside	Center (non-Vendor)	Full-Day	Riverside	3mo - 24mo	\$1,055		Yes
UCSC	Center	Full-Day	WestSide Santa Cruz	12mo - 24mo	N/A		Yes
					Ave. Available Market Rate: \$1700/mo		

Santa Cruz County Community Preschool:							
Santa Cruz Montessori	Center	FT	Near Cabrillo	2 - 5yrs	\$1,950		No
Neighborhood Preschool	Center	FT	WestSide Santa Cruz	2 - 5yrs	\$1,780	-	No
Rocking Horse Preschool	Center	FT	Soquel	2 - 5yrs	\$1,575	-	
Children's Center of San Lorenzo	Center	FT	Ben Lomond	2 - 5yrs	\$1,303	-	Yes
Cribs Day Care	Home Center	FT	Scotts Valley	2 - 5yrs	\$1,256	-	Yes
Mount Madonna School	Center	PT	Summit Area	2 - 5yrs	-	\$1,286	No
Messiah Luthern Preschool	Center	PT	WestSide Santa Cruz	2 - 5yrs	-	\$1,189	No

APPENDIX F: Rate Comparisons

Living Earth	Home Center	PT	Santa Cruz/Scotts Valley	2 - 5yrs	-	\$1,071	No	
Coastal Community Presch	Center	FT & PT	WestSide Santa Cruz	2 - 5yrs	\$1,200	\$810-\$1045	No	
Tara Redwood School	Center	PT	Soquel	2 - 5yrs	-	\$925	No	
Baymonte Christian School	Center	PT	Scotts Valley	2 - 5yrs	-	\$950	No	
Cabrillo Children's Center	Center	PT	Cabrillo College	2 - 5yrs	-	\$855	\$50/mo	
Simcha Preschool	Center	FT	Aptos	2 - 5yrs	\$1,194	-	No	
Scotts Valley Children's Center	Center	FT & PT	Scotts Valley	3 - 5 yrs	\$1,161	\$832	No	
Holy Cross Preschool	Center	FT	Downtown Santa Cruz	3 - 5yrs	\$977	-		
Happy Days Children's Ctn	Center	FT	Costco Area	2 - 5yrs	\$953	-	No	
ECLC Preschool (Bethany)	Center	FT	Scotts Valley	2 - 5yrs	\$945	-	Yes	
Circle of Friends Too	Center	FT & PT	Morrissey area	2 - 5yrs	\$940	\$565	No	
Circle of Friends	Center	FT & PT	Scotts Valley	2 - 5yrs	\$940	\$765	No	
A Child's Reflection	Center	FT	Downtown Santa Cruz	2 - 5yrs	\$922	-	No	
Calvary Preschool	Center	FT	Downtown Santa Cruz	2 - 5yrs	\$861	-	No	
LifeSpring Preschool	Center	FT & PT	Soquel	2 - 5yrs	\$760	\$600	No	
Ave. Available Market Rate: \$1350/mo								

UC Campus Preschool (Faculty & Staff Rates)

UC Berkeley	Center (non-vendor)	Full-Day	Berkeley	2 - 5yrs	\$1,400	-	Yes	
UC San Francisco	Center	Full-Day	SF	2 - 5yrs	\$1,415	-	Yes	
UCLA	Center (non-Vendor)	Full-Day	LA	2 - 5yrs	\$1,250	-	Yes	
UC Irvine	Center (non-vendor)	Full-Day	Irvine	2 - 5yrs	\$1,030	-	Yes	
UC San Diego	Center	Full-Day	San Diego	2 - 5yrs	\$1,000	\$675	Yes	
UC Davis	Center (Bright Horizons)	Full-Day	Davis	2 - 5yrs	\$915	-	Yes	
UC Riverside	Center (non-Vendor)	Full-Day	Riverside	2 - 5yrs	\$755	\$460 - \$570	Yes	
UCSC	Center	Full-Day	WestSide Santa Cruz	2 - 5yrs	N/A		Yes	
UC Santa Barbara	Center (non-vendor)	Full-Day	Santa Barbara	2 - 5yrs	\$915	\$625	Yes	
Ave. Available Market Rate: \$1350/mo								

Santa Cruz Community Kindergarten After-School Care (Student Rates)

A Child's Reflection	Center	After-School	Downtown Santa Cruz	K After-School	\$653	-	No	
Campus Kids Connection CKC	Elementary Sch Sites	After-School	Westside Santa Cruz	K After-School	\$579	-	No	
Campus Kids Connection CKC	Elementary Sch Sites	After-School	Westside Santa Cruz	1st-4th Grade	\$317	-	No	
UCSC	Center	After-School	UCSC	K After-School	N/A		Yes	
UCSC	Center	After-School	UCSC	1st-4th Grade	N/A		Yes	
Ave. Avail. Market Rate: Kindergarten \$600/mo								
Market Rate: 1st-4th Grade \$317/mo								

Report Prepared by Emili Willet May 16, 2008

UC Centers updated by Conne Lester Dec. 3, 2008

Local Centers updated by Courtney Tool April 14, 2009

Report updated by Emili Willet Feb 9, 2010

Report updated by Emili Willet Feb 8, 2011

UCSC Child Care Task Force

February 28, 2011

Supplemental: Interim Solutions

The Child Care Task Force (CCTF) was asked to identify sustainable - defined as stable and financially viable over the long-term - employer sponsored child care models. The group successfully identified three employer sponsored, viable options (documented in the final Task Force Report dated 2/28/11) which address the limited availability of affordable, quality child care in the community. All long-term solutions however, would take anywhere from 2-5 years to implement. Given the demand exists now, the Task Force added one more step in their deliberations – to review options for assisting campus faculty and staff in the near term. This list of alternatives considered are attached “CCTF Supplemental: Interim Solutions.”

Many of these alternatives were discussed early in the Task Force process and were purposefully removed as possible long-term sustainable solutions for the campus. Taking a second look, the Task Force confirmed that none are sound, long-term solutions. Take for example, any solution that involves parent cooperative organization run on campus (Items 1-3.) Parent-run childcare cooperatives are an excellent option for many families with flexible work schedules. However, besides problems with the un-sustainable financial model, the constrained size of coop program and the potential institutional risks, these options do not fit with the interests of the campus – to provide options that facilitate employees’ access to work.

Two options centered on financial subsidies to employees either directly or through existing Dependent Care/FSA programs (items 5-6). In some ways, this seems the easiest and most straight forward solution. However, initiating and managing the program would require an administrative infrastructure including staffing, policies and processes be developed. Any financial subsidy, whatever its form, would be considered an employee benefit, which must be bargained with the unions; once included in the benefit package, it is difficult to remove. Questions about who receives the subsidy must be addressed – are the vouchers distributed first-come, first serve, or by lottery, or by some sliding scale based upon salary? While all of these issues could be worked through, the Task Force’s initial assessment was that the amount of benefit per employee would be minimal. It is not seen as a tool to provide advantage in recruitments, or an option which would support retention as it does not address the limited availability of affordable, accessible, quality care in the community.

Two options that would increase space/capacity – to pay a community provider to expand, or to set-up a temporary center on campus using modular buildings (items 8-9) – required a relatively modest investment up front. These solutions are not recommended as long-term or interim solutions as they

would likely serve fewer students, potentially have high start-up costs, shorter life-cycle, and little, if any, return on investment.

A staff a child care screening/referral service was equally problematic (item 7.) Given the existence of already existing resources within the community, this solution does not add significant value for the cost.

A variation on this theme, however, can be done with minimal up-front investment and was included in the report as a “quick win.” In short, the campus Career Center Employment system, at a minimal cost, could provide a service to link student child care providers with campus families (the responsibility to screen and select providers and/or choose a position would remain in the control of the family or the student employee.) Additionally the campus could host a website that links campus families. This “minimalist” bulletin board can serve an important function of networking families throughout the campus community. This site could direct families seeking care to the campus Career Center posting and to outside resources like the county childcare switchboard, the student employment offices at Cabrillo, SJSU and Bethany College. For a minimal cost, the university can host the site (IT cost TBD), pay for the initial set up (less than 5 hours) and assign an employee responsibility for moderating the list serve for inappropriate messaging (approximately 2 hours per month).

The committee also sees potential value in one other interim solution -- seeking a contract with a 3rd party supplier to provide a pre-school program for 39 children, in the Granary building on campus (item 4). In order to make the program viable for an outside vendor, the campus would provide the facility to the program, including costs associated with grounds upkeep, utilities, maintenance and repairs. It is not a low cost solution, but with a positive vendor contract -this solution could be a 2-5 year interim until a larger center is complete, serving as a feeder school to the new center. It is important to note that the committee reviewed the history of programs located in, and the long-term repair and maintenance of the Granary, and recognize that this solution is only a stop-gap measure, as the site is not set up for a efficiently run childcare facility and significant improvements to the facility will be required beyond this time frame.

The attached matrix provides more detail of the pros and cons for each of the options considered. It is important to note that the Task Force was specifically asked to identify viable long-term solutions. Further research of any of the identified interim options may yield information which would indicate a greater value to the campus than initially identified.

CCTF Supplemental: Potential Interim Solutions

Date: February 28, 2011

Index	Option/Management	Facility	# of Children	Ages	Cost Estimates	Pros/Advantages/Opportunities	Cons/ Obstacles/Risks	Notes/TBD
1	Parent Co-Op On-Campus: Provide building to families for use as a parent co-op care program. Cover the cost of facility maintenance, daily upkeep and utilities	Granary	12 - 24	All	\$100K - \$125K	+ Programs are developed and run by parents. + No/Low cost to families	- Limited to 12 children per co-op - Not a licensed program - Ratio 1 parent to 12 children - Not a developmental experience for children - Any issues with the co-op will reflect on UCSC - Not truly an employer sponsored program	- No money may change hands for services - All families must participate in providing care – must be a family member or guardian.
2	Parent Co-Op Off Campus: Lease and ready a building for families to use as a parent co-op care program.	Off-campus site	12 - 24	All	TBD	See Above	See Above	
3	Staffed Parent Co-Op: Pay for building maintenance and daily upkeep. Require parent participation. Charge fees to cover staffing costs.	Granary	39	Pre-School	\$100K - \$125K	+ Parent participation in program + Can be a developmental program.	- Licensing – this would require UCSC reapply for a license with the state. Approval of application is questionable for this site and for this type of program. - Labor – as interim solutions this option would raise questions about the longevity of the program and jobs for staff.	- Likely would require full staffing as an independent program. Current Child Care administrative structure is not scalable. This could impact parent fees. - May be limit on the number of hours the program may operate daily?

Index	Option/Management	Facility	# of Children	Ages	Cost Estimates	Pros/Advantages/Opportunities	Cons/ Obstacles/Risks	Notes/TBD
4	<p>Community Operator or Third Party Operator: Lease building to a community operator. Cover costs of facility maintenance and daily upkeep and utilities in exchange for available space.</p> <p>Community Operator Alternative: Lease space to provider, cover some costs, open center to community.</p>	Granary	39	Pre-school	\$100K - \$125K	<ul style="list-style-type: none"> + Local provider + Easy Access + Reasonable costs + Does not require UCSC to apply for a license. 	<ul style="list-style-type: none"> - May be seen as endorsing the provider. - Limited age group - Building issues may not be a sustainable option for a child care provider. - Labor – this may be view this as 3rd party outsourcing of a function recently eliminated by campus. 	<ul style="list-style-type: none"> - Where would oversight/management of contract occur? - The interim solution could be managed by the ultimate 3rd party operator.
5	<p>Fund Dependent Care Assistance Program: Provide awards for child care directly to employees FSA accounts.</p>	N/A	# based on funding	Up to Kinder	TBD	<ul style="list-style-type: none"> + Predictable expenses + Provides potential tax advantages for employer and employee + Allows employee freedom to choose care option 	<ul style="list-style-type: none"> - Administrative infrastructure must be developed to assess allocation amount (est. .50 FTE on-going) - Start-up may be difficult (not currently available w/in the UC system). - Each union must be informed. Some will require bargaining as a new benefit. - Directly effects only cost of care; does not impact low supply, low visibility or poor quality - Low visibility for campus; less effective recruitment tool than direct service. - Difficult Benefit to take away once long term solution is delivered. - Does not add any additional child care capacity. 	<ul style="list-style-type: none"> - Administrative peaks and valleys – funds are awarded annually or there would be tax consequences for employee. - Sliding scale or a lottery? - Unions must agree to benefit.

Index	Option/Management	Facility	# of Children	Ages	Cost Estimates	Pros/Advantages/Opportunities	Cons/ Obstacles/Risks	Notes/TBD
6	<p>Vouchers/Reimbursements: Vouchers: Provide vouchers to specific child care providers in the community for all or part of cost. Vouchers are given to employees to redeem at the provider. Care provider is reimbursed by employer.</p> <p>Reimbursement: Employees choose the child care provider and receive a direct reimbursement for some portion of the costs.</p>	N/A	# based on funding	TBD -	TBD	<ul style="list-style-type: none"> + Low start-up costs relative to other options + Serves a wide age range and offers parents choices + Uses existing community resources + Employer does not become involved in child care business. + Low employer liability (except if choosing care providers for vouchers) + Useful for organizations with a large workforce. + 	<ul style="list-style-type: none"> - Administrative infrastructure must be (.50FTE estimate) - Start-up may be difficult (not currently available w/in the UC system). - Each union must be informed. Some will require bargaining as a new benefit. - Directly effects only cost of care; does not impact low supply, low visibility or poor quality - Low visibility for campus; less effective recruitment tool than direct service. - May have tax implications for the employee. - Difficult Benefit to take away once long term solution is delivered. 	<ul style="list-style-type: none"> - Would require administrative support to process payments/audit vouchers and reimbursements and award funds. - Sliding scale or a lottery? - Unions must agree to benefit.
7	<p>Resource and Referral Services: Provide periodically updated lists of centers with available space throughout the county.</p>	N/A	All		TBD	<ul style="list-style-type: none"> + Provides “leg-work” of calling care providers to understand whether or not space is available. 	<ul style="list-style-type: none"> - Provides little more value than Child Care Switchboard. - Does not vouch for quality of program. - Availability changes costs increase with the frequency of updates. - Providers may or may not cooperate. - Directly effects only cost of care; does not impact low supply, low 	<ul style="list-style-type: none"> - Administrative support time could range from 10% to 50% FTE, depending on the level of service. Periodic calls to centers are not as helpful as someone calling centers and providing a list of available spaces throughout the community.

Index	Option/Management	Facility	# of Children	Ages	Cost Estimates	Pros/Advantages/Opportunities	Cons/ Obstacles/Risks	Notes/TBD
							<ul style="list-style-type: none"> visibility or poor quality. - Low visibility for campus ; less effective recruitment tool than direct service. 	
8	<p>Connect students seeking work with parents seeking child care help: Using the existing Campus Career Center electronic job board, create an on-going pool of applicants for campus parents to review.</p>	N/A	N/A	All	\$0 – to Minimal Cost	<ul style="list-style-type: none"> + System exists, but parents may not understand it is available to them to advertise for baby-sitters and nannies + Parents screen providers; Providers screen families + No/low administrative overhead 	<ul style="list-style-type: none"> - Is not employer sponsored care or a benefit which would be a draw for a candidate during recruitment. - Care would not be consistent, daily, all-day care, as the providers are students 	<ul style="list-style-type: none"> - Would require minimal investment to establish
9	<p>Create a Web Resource Page: Create a site where parents can find resources for child care and family support within the community.</p>	N/A	N/A	All	\$0 - \$5,000		<ul style="list-style-type: none"> - Is not employer sponsored care or a benefit which would be a draw for a candidate during recruitment. - Care would not be consistent, daily, all-day care, as the providers are students 	<ul style="list-style-type: none"> - Could be expanded to be a family network page – minimal staffing would be needed to monitor postings.
10	<p>Fund Expansion at Local Programs: Contract with local Child Care providers to award grants for expansion in exchange for a pre-determined number of spots made available for employees</p>	Various	TBD	TBD	TBD	<ul style="list-style-type: none"> + Supports local care options 	<ul style="list-style-type: none"> - No return on investment if a long term solution is implemented. - Low visibility for campus; less effective recruitment tool than direct service. - Provides an endorsement of UCSC to specific programs in community. 	<ul style="list-style-type: none"> -

Index	Option/Management	Facility	# of Children	Ages	Cost Estimates	Pros/Advantages/Opportunities	Cons/ Obstacles/Risks	Notes/TBD
11	<p>Use Modulars to create temporary Child Care space: Placement: Campus – find a suitable space for modular on the campus.</p> <p>Placement: Off campus provider</p>	Modular	TBD	TBD	\$150K - \$200K + site costs & on-going utils.	<ul style="list-style-type: none"> + Newer facility, less repair and maintenance + Could be one-time commitment of funds for availability of spaces over a 3 year period 	<ul style="list-style-type: none"> - Costs to ready site can be expensive (utility lines, parking, play areas, etc.) - Modulars are not very durable - Finding a child care supplier with space and willingness to contract w/campus for short term may be challenging. - 	-
12	<p>(Not a near-term solution) Consortium Center: Employers from the area join together to build and/or operate a child care center. Start-up costs are shared, and space allocated based on contribution to expenses.</p>	Various	TDB	TDB	TBD	<ul style="list-style-type: none"> + Resource, liability and costs are shared + Small employers can participate; may enhance town/gown relations + Large size of combined labor force hedges against enrollment dips. 	<ul style="list-style-type: none"> - Not an interim solution. - May involve complicated negotiations among organizations. - Center may be able serve only a limited number of employees from each participating organization. - Recruitment/public relations value may be reduced. - Limited employer/business pool in local community. 	-