

# Burlington Early Learning Initiative

## Conceptual Scholarship Model Discussion

September 26, 2018

# Presentation Overview

- Abridged Presentation Focused on Conceptual Financial Model
  - Phase 1 Focused on Capacity and Sustainability Grants – Increasing # Slots
  - Phase 2 Focuses on developing and implementing a Scholarship Model (while reserving some funding to continue to expand spots)
- Presentation Covers:
  - Overarching Goal & Principles Guiding Effort
  - Relevant Burlington Context and Serving the Most Vulnerable
  - Introduction of Conceptual Financial Model for Feedback
  - Defers Other Components (Delivery, Administrative, Eligibility, Outreach) to a later date

**Vision**: Scholarship program to make high quality care accessible for all Burlington families

**Roadmap**: Develop a feasible program that can grow in scale over time and attract non-City funds

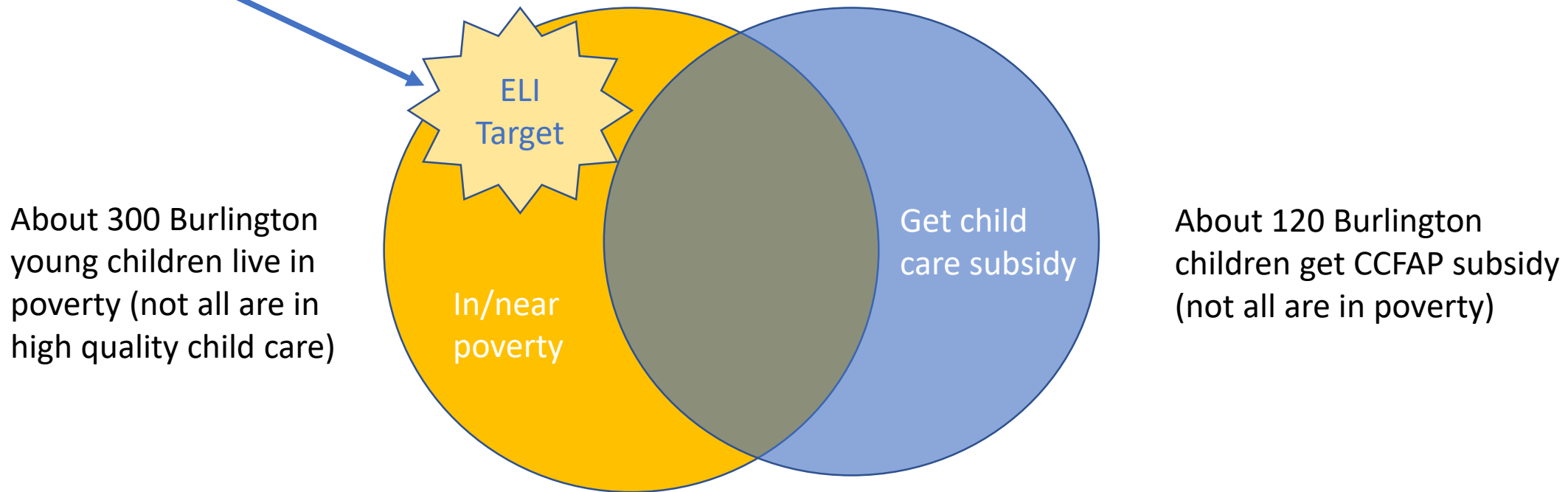
**Reality**: Year 1 is a pilot – we don't know who will apply – and may not have sufficient funds for all

# Guiding Principles:

1. Program is child and family focused.
2. Policies prioritize serving infants and toddlers living in poverty.
3. Program structure must consider continuity of care to maximize impact for recipient.
4. To ensure best outcomes, participating programs must be meeting or pursuing high quality standards through state or national programs and participate in Vermont's Specialized Care provider program.
5. Our partners who work and care for families and children will be included in development, review, and revision processes.
6. Simplicity (administrative and for families) is an important consideration.
7. A well-developed scholarship program can improve financial outcomes for early care and learning programs and is an important strategy for leveraging additional funding.
8. Outcomes and evaluation will inform continuous improvement.

# ELI Scholarship targets young children not already in high quality child care

Children 3 and under, in or near poverty but not in high quality child care



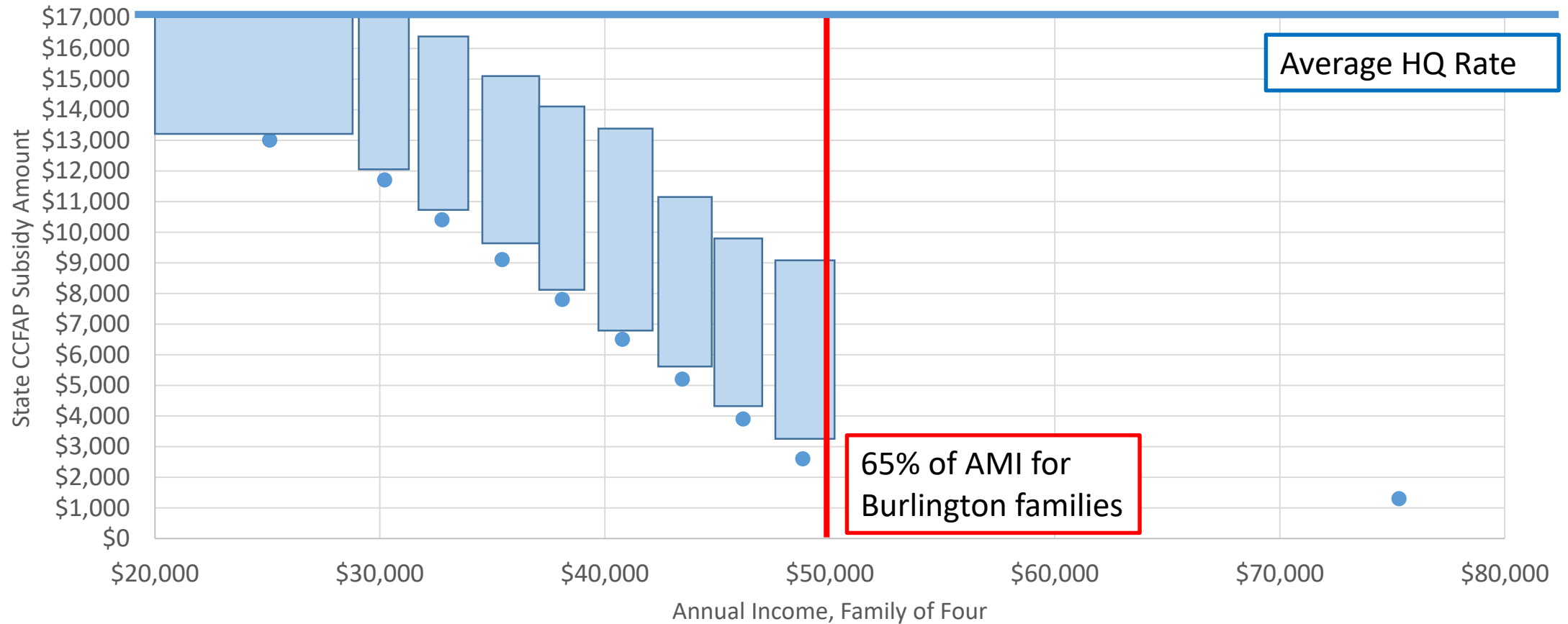
# Summary of child care supply, demand and subsidy in Burlington, VT

Little kids, big market: The average weekly rate of \$270 in Chittenden County. The average high-quality rate is closer to \$325/ week. At full enrollment, child care is a \$15 million industry in Burlington.

	Rates
Average weekly for infant/toddler care	\$270
4 STARS (high quality) CCFAP reimbursement	\$250
Difference (parent co-pay or scholarship)	\$20

Sample families of 4 with 1 infant in child care			
	Single parent, livable wage earner (Family 1)	2 parents @ minimum wage (Family 2)	Two working parents, 1 livable wage, 1 minimum wage (Family 3)
	Annual income \$30,160	Annual income \$43,680	Annual income \$52,000
Market rate	\$14,000	\$14,000	\$14,000
4 STARS reimbursement	\$11,700 (90%)	\$ 5,200 (40%)	\$1,300 (10%)
Difference	\$2,300 / year (8%)	\$8,800 / year (20%)	\$12,700 /year (24%)

# ELI Scholarship: Helping Families & Centers



Building on a successful pilot year, ELI will double the children it serves over 2 years

4 Years of ELI

	Year 1	Year 2	Year 3	Year 4
Capacity Building Grant	\$460,000	\$210,000	\$105,000	\$55,000
Scholarship (average \$7200/child)	0	\$210,000	\$315,000	\$365,000
# of scholarships	N/A	26	43	52
<b>Total</b>	<b>\$460,000</b>	<b>\$420,000</b>	<b>\$420,100</b>	<b>\$420,000</b>



# Timeline

- Establish conceptual model Summer 2018 for public feedback in August and September
- Finalize model with public & Council input Fall 2018; select administrator
- Conduct outreach Fall / Winter 2018-2019 (to centers and families)
- Open Scholarship Applications and Capacity Grant Applications about March 1, 2019 and close about April 1, 2019
- Review program results with Council and Public May 2019
- Allocate funds June 2019 & enroll scholarship recipients by September 2019