Cost of Preschool Quality Tool : User Guide Glossary/Codebook


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Table 2.3.1: Annual Preschool Slot Plans

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Model Metric(s)</th>
<th>Source of Default Values</th>
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</thead>
<tbody>
<tr>
<td>A fully functioning 13-column model within the CPQ. A Scenario is the smallest embodiment of a working CPQ model. Additional scenarios can be created by cutting and pasting the appropriate 13 columns to the right of the original (default) scenario, starting with the Implementation Plan (Worksheet B), and continuing with all remaining worksheets. The only exception is Worksheet C, the Demographic Tables—copying and pasting of the tables in Worksheet C is not necessary when adding scenarios.</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
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<td>A single Scenario can represent a complete System, or it can also be used in combination with other Scenarios to model more complex Systems (as the sum of the Scenarios). Multiple Scenarios can also be used to compare alternative policy decisions or to gain a better understanding of the sensitivity of total costs to changes in a specific assumption or group of assumptions.</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
</tbody>
</table>

System:

A common identifier employed when multiple Scenarios are used to describe a single, combined preschool slot plan. When only one Scenario is necessary, n/a; Scenario and System are interchangeable. | n/a | n/a | n/a |

State/Region:

A drop-down menu on the Implementation Plan (Worksheet B), allowing the user to draw data from various tables in the Demographic Tables (Worksheet C). | n/a | n/a | System-level modeling output is the sum of the output from its Scenarios and can be summarized using separate tables (created by the user); for example, users could create summary tables in the blank worksheets using absolute cell references or the VLOOKUP function in Excel.

Demographic Tables represent an area for continuous improvement within the CPQ; the Tables can be added to or amended by the user to better meet their needs; currently, all data tables are currently formatted at the state level.

Sources and notes are listed below the title of each table in Worksheet C.

Child Populations by Federal Poverty Level, Average Weekly Wages, Levels of Educational Attainment Among Teaching Staff.

Cities, suburbs, towns, and rural areas. The CPQ can be easily modified to create a more direct linkage: for example, if the user believes that a single teacher could only manage two preschool classrooms per day, regardless of whether the class duration is 2.5 hours or 3.5 hours, then the Number of Classes per Day per Adult Teaching Staff Member will equal 1.0 in both cases, and the number of Part-Day teachers required to service the Annual Preschool Slot Plan will be the same.

Users can input any current and projected slot counts for up to 10 years, and vary these counts directly within the CPQ model and by dosage. For more information, see Delivery Model and Dosage, below:

Delivered Model:

The method of delivery of preschool care. These models are pre-loaded in the CPQ: dedicated Child Care Centers, Public PreK (located within public school buildings), and Head Start facilities. The primary differences between delivery models lie in the proportion of Classroom Costs to Total Classrooms per Facility and in the staffing models (See Personnel Costs). | n/a | n/a | n/a |

CPI Eligibility Threshold (% FP): The upper limit for qualifying families participating in an Annual Preschool Slot Plan, as measured by their Federal Poverty Level. There are eight FPL levels for which child populations are calculated at the state level from Demographic Tables C.1 and C.2. Entering a FPL allows the user to measure the percentage of the eligible child population that will be served in their state.

The defaults assume a minimum of 160 days per year for Part-Day care (540 hours per year for a 3.5-x class), a regular school year calendar (approximately 8 months minus weekends for Full-Day care, and a full calendar year (12 months) for Extended Day Care.

The CPQ uses Dosage to calculate the cost for annual salaries to teachers and assistant teachers, as well as the cost for Child Meals. A Dosage of 32 weeks for Part-Day care could include 28 weeks of instruction plus 4 additional weeks of paid staff time for preparation and other administrative work prior to or following the class year; Part-Day teacher and assistant teacher salaries are then prorated for 32 weeks out of a possible 52 weeks of annual employment. Child Meals cost per child per day could be prorated to reflect the offset of the two unpaid weekends (i.e., Meals are provided in only 28 out of the 32 weeks). The default value for classroom instruction per child per day is listed as 3-, 6-, and 10-hours; these values are significant only in that they relate to the user's assumptions for the number of Classes per Day per Adult Teaching Staff Member (By Dosage). For example, if the user believes that a single teacher can only manage two Part-Day classrooms per day, regardless of whether the class duration is 2.5 hours or 3.5 hours, then the Number of Classes per Day per Adult Teaching Staff Member will equal 1.0 in both cases, and the number of Part-Day teachers required to service the Annual Preschool Slot Plan will be the same.

Users could model 3-year-olds and 4-year-olds separately, if desired, by creating a separate Scenario for each age group. Furthermore, users could rescale any year 1-4 hours for any period of time in the past and/or future; for example, a user could characterize Year 3 as the current year and Years 1-2 as the previous three years. For pre-existing preschool programs this can be important, because some annual cost calculations depend on the change in annual revenue over the previous year or years. Such costs include Teacher and Assistant Teacher Degree Tuition Support programs, Curriculum Standards, and Capacity Building (see below).

Users can repackage any Delivery Model, e.g., change Child Care Centers to Family Child Care Homes, so long as they take care to review and readjusting the remaining assumptions within the Scenario to reflect the differences in the new Delivery Model from the defaults. Furthermore, if the user wants to vary a specific assumption or group of assumptions by Delivery Model, but cannot do so within a single Scenario, then the user can create an additional Scenario (identified under a common System name) to meet this need. Similarly, the user can create additional Scenarios to model more than three Delivery Models within a single System.

Table 2.3.1: Annual Preschool Slot Plans

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Model Metric(s)</th>
<th>Source of Default Values</th>
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<td></td>
</tr>
<tr>
<td>A single Scenario can represent a complete System, or it can also be used in combination with other Scenarios to model more complex Systems (as the sum of the Scenarios). Multiple Scenarios can also be used to compare alternative policy decisions or to gain a better understanding of the sensitivity of total costs to changes in a specific assumption or group of assumptions.</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
</tbody>
</table>
**Table B.2.a.2:**

### Available Funding Streams, i.e., Year 0:
- Identifies the existing level of funding in Year 0 and provides the option to break out funding by Delivery Model and Dosage.

<table>
<thead>
<tr>
<th>Component</th>
<th>Description/Explanation</th>
<th>Source of Default Value(s)</th>
<th>Model Metric(s) Impacted</th>
<th>Other Model Elements Altered</th>
<th>Additional Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Slots allocated for Special Needs:</td>
<td>The proportion of slots within each year of the Preschool Slot Plan allocated for children classified as having Special Needs.</td>
<td>n/a</td>
<td>n/a</td>
<td>Yes</td>
<td>This metric is used primarily for noting Special Needs targets and does not drive any calculations within the default version of the CPF. The tool can easily be modified to create a more direct linkage: for example, if additional staffing costs were expected to support Special Needs students, e.g., an additional Special Education teacher for every 550 children enrolled at a Kindergarten or grade school, then the tool could amend the staffing model to incure Costs to include this additional cost (and vary the staffing level based on the % of slots allocated to children with Special Needs).</td>
</tr>
<tr>
<td>% of Slots allocated to Rural Areas:</td>
<td>The proportion of slots targeted within each year of the Preschool Slot Plan for children classified as living in rural areas.</td>
<td>n/a</td>
<td>n/a</td>
<td>Yes</td>
<td>This metric is used primarily for noting Rural slot targets within the overall Preschool Slot Plan and does not drive any calculations within the default version of the CPF. However, the user can adjust various assumptions to reflect impact of the different costs expected to support rural students, e.g., lower wages and facility costs but higher child transportation (if applicable). The user could adjust these differences by creating a separate Scenario exclusively for Rural slots (and one exclusively for Urban slots), or by using weighted average unit cost assumptions within a single Scenario that are reviewed upward or downward based on the relative mix (%) of Rural slots and Urban slots.</td>
</tr>
<tr>
<td>Part Day Care:</td>
<td>A Dosage level that allows for two classes to be accommodated per classroom per day, within an 8-hour work day, e.g., two 3-hour classes plus time for classroom prep, pick-up/dropoff, daily office, etc.</td>
<td>n/a</td>
<td>Provider-Level Implementation Costs</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Full Day Care:</td>
<td>A Dosage allowing for one class per day per classroom within an 8-hour work day, i.e., &quot;6 hours of instruction plus with additional staff time for room prep, pick-up/dropoff, daily office, etc.</td>
<td>n/a</td>
<td>Provider-Level Implementation Costs</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Extended Day Care:</td>
<td>A Dosage allowing for one 10-hr class per day per classroom, i.e., a longer class day for working parents, that would require additional staff time for class prep, pick-up/dropoff, daily office, etc.</td>
<td>n/a</td>
<td>Provider-Level Implementation Costs</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Table B.2.b:**

### Streams

<table>
<thead>
<tr>
<th>Stream</th>
<th>Available Funding Streams, i.e., Year 0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing Funding Streams, i.e., Year 0</td>
<td>Identifies the existing level of funding in Year 0 and provides the option to break out funding by Delivery Model and Dosage.</td>
</tr>
<tr>
<td>Assume Lump Sum Instead:</td>
<td>A Yes/No option to specify when to apply a lump sum amount in Year 0 without a breakout by Delivery Model and/or Dosage.</td>
</tr>
<tr>
<td>Project Future Funding Using Existing Funding, plus Inflation:</td>
<td>A Yes/No option to project the same level of funding for each additional year in the Preschool Slot Plan, regardless of whether Existing Funding is entered by Delivery Model and Dosage or as a Lump Sum. If an Inflation Factor is assumed (see below), then the projected funding will also increase at the rate of inflation.</td>
</tr>
<tr>
<td>Projected Funding Streams by Delivery Model, by Implementation Year:</td>
<td>When the user chooses not to project Full Day Care using Existing Funding (plus inflation), future funding amounts can be entered manually by Delivery Model and Dosage by Implementation Year. As with Existing Funding Streams (Year 0), the user can insert rows for additional calculations in the section without having to edit other workflows in the CPF, as long as the appropriate Subtotal Row is updated, accordingly.</td>
</tr>
</tbody>
</table>

**Notes:**
- One row is provided, but additional rows can be inserted about the Subtotal row without having to edit other workflows in the CPF, or long as the Subtotal Row formula is updated, accordingly. For example, rows could be added to perform mini-calculations around existing funding, and the Subtotal Row formula can be updated so that it only sums the rows containing the results of the mini-calculations.
- Additional rows can be inserted to calculate annual training costs based on the relevant user assumption(s). Rows could also be added to perform mini-calculations around existing funding, and the Subtotal Row formula can be updated so that it only sums the rows containing the results of the mini-calculations.

**Table B.3.a.1:**

### Available Funding Streams

<table>
<thead>
<tr>
<th>Component</th>
<th>Description/Explanation</th>
<th>Source of Default Value(s)</th>
<th>Model Metric(s) Impacted</th>
<th>Other Model Elements Altered</th>
<th>Additional Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Development, Comprehensive Early Learning Standards (CPQ):</td>
<td>NIEER defines Comprehensive Early Learning Standards as (state) requirements tailored to the learning of preschool-age children, in the areas of children's physical well-being and motor development, social/emotional development, approaches toward learning, language development, and cognition and general knowledge. Development costs include the initial expense in defining and ratifying these (state-specific) standards; it is not intended to include post-development rollout or training, which can instead be addressed under Coaching or System Supports.</td>
<td>n/a</td>
<td>State-Level Implementation Costs</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>2. Maximum Class Size (Benchmark: 20 Children or Lower):</td>
<td>An upper limit to the number of children allowed per class.</td>
<td>n/a</td>
<td>State-Level Implementation Costs</td>
<td>Yes</td>
<td>Maximum Class Size assumptions apply equally to all Delivery Models within a Scenario. If the user wanted to specify a different standard for one Delivery Model, then a new Scenario can be created for the Delivery Model(s) in question in order to reflect these differences.</td>
</tr>
</tbody>
</table>

**Notes:**
- Additional rows can be inserted to break out Development costs by line item expense and/or to perform mini-calculations, without having to edit other workflows in the CPF, as long as the Subtotal Row is updated, accordingly. For example, if the user wanted to partially repurpose this section to also account for annual post-development training costs related specifically to the Early Learning Standards (rather than include those costs under System Supports or Coaching), then rows could be inserted to calculate annual training costs based on the relevant expected volume of training, e.g., the Number of Teachers Required to Service Slot Plan. The Subtotal row would then be amended, as needed, to ignore rows involving intermediate calculations.
Targeted Enrollment Efficiency is a factor applied to the
Maximum Number of Preschool Children per Class
to estimate an expected average class size resulting
from scenarios, such as children entering/leaving a
program over the course of a
year, "children entering/leaving the program (i.e.,
toddlers moving into a preschool classroom upon
age 3)," and the associated challenges for a
provider to fill all available slots 100% of the time.

BSE enrollment efficiency is intended to reflect a high level of
capacity utilization while acknowledging there will
be enrollment factors beyond the reasonable
control of the provider.

### 3. Staff-Child Ratio

**Teacher: 1:3 Classroom Adult per 10 Children or Better**

**Maximum Number of Classroom Adults per Class:**

The maximum number of classroom adults per class is
rounded up to the nearest whole number.

**Staff: 1:1 Classroom Adult per 10 Children or Better**

**Maximum Number of Classroom Adults per Class:**

The maximum number of classroom adults per class is
rounded up to the nearest whole number.

The NAEYB Benchmark is 10 Children or lower.

**Number of Teachers and/or Assistant Teachers Required to Service Slot Plan**

Yes

The user should balance the need for specificity in varying the metric with
the resulting CPR model complexity. For example, if a state required separate
classrooms for 3-year-olds from 4-year-olds, with different maximum Staff-Child
ratios, then the user could create one Scenario to model the 3-year-old class
and one for the 4-year-old class plan; however, if the state required
different Staff-Child Ratios by age but allowed mixed classrooms
of 3- and 4-year-olds, due to the uncertainty in predicting the future
frequency and proportions of such classrooms, the user
would be better served by assuming conservative
staffing assumptions for both 3- and 4-year-olds.

### 4. Monitoring

**Facilities will vary in size and makeup (i.e., the number of classrooms by age group),
but the Number of Preschool Classrooms per Facility should represent a minimum
(i.e., expected) value. In the absence of state-level data on this metric, the default values
in the CPR Tool can be used with minimal impact for the cost on a per-child estimate. This
is because the assumptions that drive Facility counts affect only
those costs that are driven on a per-site basis. Costs driven on a
per-child or per classroom basis are not affected, and these
make up the bulk of Provider-Level and State-Level costs.
Nonetheless, understanding the number of Facilities required is
an important logistical consideration, and can also affect
decisions around the state support, such as degree to which the
state can satisfy demand for Capacity Building Funds.
Therefore, it is recommended that the user research the number of
preschool classrooms per facility in their state, so that they
may understand how many need to participate in order to meet an
expansion plan target.**

---

**Table:**

<table>
<thead>
<tr>
<th>Scenario Description/Explanation</th>
<th>Source of Default Values</th>
<th>Model Metric(s)</th>
<th>Interpretation</th>
<th>Other Modifications Allowed</th>
<th>Additional Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Targeted Enrollment Efficiency</strong></td>
<td><strong>BSE enrollment efficiency is intended to reflect a high level of capacity utilization while acknowledging there will be enrollment factors beyond the reasonable control of the provider.</strong></td>
<td><strong>BSE</strong></td>
<td></td>
<td></td>
<td><strong>Yes</strong></td>
</tr>
<tr>
<td><strong>Site Size Capacity Utilized</strong></td>
<td><strong>The standard for the frequency with which a site requires monitoring, in combination with the cumulative Number of Sites Required to Service the Slot Plan, serves to establish the annual volume of Site Visits required.</strong></td>
<td><strong>The NAEYB Benchmark is at least one Site visit every five years</strong></td>
<td></td>
<td></td>
<td><strong>Yes</strong></td>
</tr>
<tr>
<td><strong>Site Visits for Monitoring</strong></td>
<td><strong>The cost per Site Visit should include all direct costs related to conducting and completing Site Visits in the field, and can include activities conducted after a Site Visit if they are directly related to completing the work (reports, etc.) associated with the Site Visit itself.</strong></td>
<td><strong>$5,000 is intended as a reasonable placeholder for a site visit based on a more detailed assessment and rating on quality</strong></td>
<td></td>
<td></td>
<td><strong>Yes</strong></td>
</tr>
<tr>
<td><strong>Site Visits for Ratings</strong></td>
<td><strong>The frequency of Site Visits can vary widely, as it can depend on either Ratings or Monitoring activities, or both. The user can consolidate several different types of Site Visits within a single Scenario, so long as the Frequency is expressed as the appropriate weighted average. Additional Scenarios can be created if the user would like to vary the Frequency of Monitoring by Delivery Model (or other dimension).</strong></td>
<td><strong>The Frequency of Site Visits for Ratings &amp; Monitoring may not exceed the frequency of Site Visits for Monitoring</strong></td>
<td></td>
<td></td>
<td><strong>Yes</strong></td>
</tr>
<tr>
<td><strong>Site Visits for Cost</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Yes</strong></td>
</tr>
</tbody>
</table>
Term/Line Item | Description/Explanation | Source of Default Value | Model Metric(s) Impacted | Minor Modifications | Allowed Unit of Measure | Additional Notes | Additional Notes |
--- | --- | --- | --- | --- | --- | --- | --- |
Cost per Site Visit for State-level Administration of Monitoring Program ($) | Administration of the Monitoring Program captures costs incurred above the field level, including state-level management, other resources, and overhead. As such, Administration is intended to capture the indirect costs to the state associated with running a Monitoring program. The purpose for breaking out Administration from responsibility of other Site Visit activities and costs is to remind users that state oversight is typically required. If a state outsources its Site Visit program to a third-party, then it is reasonable to expect that there will still be a resource at the state level tasked with overseeing the activities of the third party for quality assurance purposes. | $500 is intended as a reasonable placeholder, as illustrated by the example provided in Additional Notes. | Cost of Site visits | | | | |
Cumulative Ratings and Monitoring Participation Rate [%] | The CPQ allows the user to specify less than 100% of Sites scheduled for a Visit actually receive a Visit in a given year, if necessary. Otherwise, if the user expects all scheduled Sites to be visited, then the Participation Rate should be entered as 100%. | The default should be 100%, but states should have expected participation rates on the annual growth in their Preschool Slot Plan and their existing capacity to conduct Site Visits. | Annual Site Visits for Ratings and Monitoring | | | | |
5. Teacher Degree (Benchmark: BA Degree) Total Teachers (Year 0) | Allows the user to specify the number of pre-existing Lead Teachers by Delivery Model, at Year 0, as prior to the expansion of preschool program in volume (children served) and/or quality. | The default should be zero, unless the user is modeling an improvement/expansion to an existing preschool program | Number of Pre-Existing Teachers, by Degree Level; Number of Additional Teachers Required (Years 1+); | Yes | Demographic | Table C.6 reports on the percentage of lead Teachers by degree level within Head Start. However, the CPQ Tool does not dynamically link Table C.6 to any assumptions in the Implementation Plan. Instead, the user can refer to Table C.6 as a reference, and then to make any assumptions for their data in order to derive a state-specific value. | |
% of Teachers with BA degree (or higher), or an AA degree but not a BA (Year 0) | For pre-existing Lead Teachers, the split of Teachers at Year 0 by level of educational attainment (BA or higher, AA, or non-degree). The user can specify the percentage with a BA, and the percentage with an AA (but not BA), and the remaining percentage reflects those pre-existing Teachers without a BA or AA degree. | The default assumes the national average for Head Start Teachers (from Table C.6): 72.7% of Lead Teachers with a BA degree or higher, and 23.7% with an AA degree, with 3.0% remaining to reflect those with neither degree. | Number of Teachers with a BA degree, AA degree, and without an AA or BA degree in Year 0 | | | |
% of Teachers without BA degree Participating in Tuition Support to earn BA (Year 0) | For pre-existing Teachers, the participation rate in Tuition Support among Teachers who do not have a BA (i.e., the standard). | The default assumes the national average for the percent of Head Start Teachers enrolled in a BA Program (from Table C.6): 27.7%. | Number of Pre-Existing Participating Teachers (participating in Tuition Support); Cost of BA Tuition Support program | | | |
% of Participating Teachers with AA degrees (Year 0) | This percentage is applied to the percent of Teachers without BA degree Participating in Tuition Support to earn AA (Year 1), in order to further split those participating into those who have an AA degree and those who do not. | The default assumes the national average for the percent of Head Start Teachers enrolled in a BA Program currently (from Table C.6): 70%. | Number of Participating Teachers (participating in Tuition Support) with AA degrees (Year 0) | | | |
Churn % of Existing Teachers Leaving the Workforce Each Year (distribution by level is maintained) | Percent churn accounts for Teachers leaving the workforce annually, and includes those leaving prior to completing their degree. In this case, the individual may have received tuition support but will no longer factor into the state’s goal for increasing the number of Teachers by degree level. A new teacher hired to replace the teacher who has left may or may not be hired at the same degree level; the probability is determined by the % of new Teachers hired with a BA or higher (Year 1+), the % of new Teachers hired with an AA degree (Years 1+), etc. | A 10% churn reflects an average tenure of 10 years—and sets the maximum expectation for the rate of replacements to be required. | | | The effects of churn can be significant. A 4.0% annual churn can increase the cost of a Tuition Support program by more than 10%, because the number of years required to earn a BA often exceeds one (1) year. For example, if an existing Teacher lacked an AA degree and was enrolled in a BA program that will take five (5) years to complete, then the probability of that Teacher leaving the workforce prior to completing the degree is 62% (100% annual churn over 5 years). Annual costs for the Tuition Support program will approach a similar increase (~60%), with the exact increase dependent on the rate at which new teachers are hired to meet the Preschool Slot Plan. |
### Table: Description/Explanation

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<thead>
<tr>
<th>Source of Default Value(s)</th>
<th>Model Metric(s) Required</th>
<th>Additional Notes</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Entry Schedule of Pre-Existing Teachers (Year 0)</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Years Required by AA Teachers to earn BA degree</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA Program Tuition Cost per Year ($)</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Teachers with ECE Credential (Year 0)</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Additional Notes

- If a user wanted to phase-in Existing Teachers for Tuition Support over two years, then the Entry Schedule should be 50%; if it was four years, then the Entry Schedule should be 25%. Unless there is a specific need to address a potential backlog of Teachers into a Tuition Support program, the Entry Schedule should be left at 100%.

- Users may choose to assume a higher percentage based on different hiring practices, such as when a new standard has been issued for teacher qualifications. In such situations, it is reasonable to assume the Existing Teachers would be given the chance to improve their qualifications, and New Teachers as well, but that New Teachers would be recruited who already meet the new standard.

- Users may choose to assume a higher percentage based on different hiring practices, and/or on different expectations placed on new hires than for existing teachers.

- States must use discretion at arriving at their own estimates. Many studies now cite most students taking 6 years or longer to get their BA (https://www.washingtonpost.com/news/wonk/wp/2014/12/02/why-so-many-students-are-spending-six-years-getting-a-college-degree/); however, many teachers may already have credits towards a higher degree before any tuition support program, and this must be taken into account. As the Number of Years Required increases, the effect of Churn upon Tuition Support Costs is magnified.

- The default assumption for the Number of Years Required to earn a BA assumes a full classload of 20 credits per year, whereas the assumption around tuition reimbursement assumes only 10 hours. This can be interpreted as the state is reimbursing only 50% of annual expected tuition costs. The user should review these assumptions as needed to reflect their own expectations around the number of years required and the annual tuition support cost per year per teacher.

- As with the previous example under Monitoring, a user can build an estimate around staff-level management, other resources, and overhead, is to remind users of the need for state oversight of a Tuition Support program. For example, a state may require proof of completing a class before issuing a tuition reimbursement to a Teacher, and may maintain records in this area for quality assurance.

- The default assumption for the Number of Years Required to earn a BA assumes a full classload of 20 credits per year, whereas the assumption around tuition reimbursement assumes only 10 hours. This can be interpreted as the state is reimbursing only 50% of annual expected tuition costs. The user should review these assumptions as needed to reflect their own expectations around the number of years required and the annual tuition support cost per year per teacher.

- For pre-existing Lead Teachers, the split of Teachers at Year 0 between those with an ECE Credential and those without. This percentage is applied to the Total Teachers (Year 0) specified in the Teacher Degree standard, and is subject to the same Churn assumptions.
Table C.6 reports on the percentage of Assistant Teachers who do not have an ECE Credential (i.e., the standard).

Entry Schedule: If there is already a large number of Teachers in a state and no ECE Tuition Support program, then this assumption allows the state to "spread" the existing Teachers that may opt into a Tuition Support program over a period of greater than one year.

100% assumes that any pre-existing Teachers without an ECE Credential can participate as early as Year 1, without limitations. Entry Schedule of Pre-Existing Teachers into ECE Tuition Support Program, After Year 0 (Annually Schedule Tables).

If users want to phase-in participating Existing Teachers over two years, then the Entry Schedule should be 50%; if they wanted four years, then it should be 25%. Unless there is a specific need to address a potential backlog of Existing Teachers into a Tuition Support program over time, the Entry Schedule should be at least 100%.

Users may choose to assume a higher percentage based on different hiring practices, as well as different expectations placed on new hires than on Existing Teachers.

Users may choose to assume a higher percentage based on different hiring practices, as well as on different expectations placed on new hires than on Existing Teachers.

Table C.6 has state-level data from Head Start on the percentage of teachers enrolled in an ECE program; however, this data may or may not be independent of a tuition support program, and enrollment rates under such a program (sponsored by the state) could be higher or lower. The data in Table C.6 is for reference purposes only—Table C.6 is not dynamically linked to the Implementation Plan assumptions. The calculation for the national Head Start average can be found at the bottom of Table C.6 (cell K348); users can state apply the same formula to derive their own state-specific value.

Table 7: Assistant Teacher Degree (Benchmark: CDA or Equivalent)

For pre-existing Assistant Teachers, the split of Assistant Teachers at Year 0 into the number with a CDA Credential and the number without a CDA Credential;

The default assumes the national average for the percent of Head Start Teachers enrolled in an ECE program (from Table C.6): 34.7%.

Number of Pre-Existing Participating Teachers (Participating in Tuition Support); Cost of ECE Tuition Support Program.

The default placeholder assumes roughly a $2/hr raise for a single FTE (at 2,000 hours per year), then the average cost per hour is $30; finally, if the FTE spent roughly 3 hours per Teacher to administrate their Tuition Support program, then the annual cost per participating Teacher would be $90 * 3 = $270.

Teacher Specialized Training is treated similarly to Teacher Degree and Assistant Teacher Degree with regard to the cost of the Tuition Support program. However, because an ECE credential can be applicable to various degree levels, including an AA and BA degree (or others), for simplicity it is expressed in absolute dollars rather than as a salary factor by degree level.

As with the previous example under the Teacher Degree standard, a user can build an estimate around the potential cost associated for a hypothetical state FTE resource responsible for administrating the Tuition Support program. For example, if a single FTE's salary plus benefits were $40,000, and their overhead (for facility charges, computer, telephone, senior management, etc.) is estimated at 50% of salary plus benefits, then this would result in a total State-Level Administrative expense of $60,000 per year; if this resource worked 2000 hours per year, then the average cost per hour is $30; finally, if the FTE spent roughly 3 hours per Teacher to administrate their Tuition Support participation, then the annual cost per participating Teacher would be $90 x 3 = $270.

7 Assistant Teacher Degree (Benchmark: CDA or Equivalent)

For pre-existing Assistant Teachers, the split of Assistant Teachers at Year 0 into the number with a CDA Credential and the number without a CDA Credential;

The default assumes the national average for the percent of Head Start (from Table C.6): 64.5% of Assistant Teachers with a CDA Credential.

Number of Assistant Teachers with a CDA Credential in Year 0

Number of Pre-Existing Teachers, by Degree Level; Number of Additional Teachers Required (Years 1+)

The default assumes the national average for the percent of Head Start (from Table C.6): 34.7%.

Table has state-level data from Head Start on the percentage of teachers enrolled in an ECE program; however, this data may or may not be independent of a tuition support program, and enrollment rates under such a program (sponsored by the state) could be higher or lower. The data in Table C.6 is for reference purposes only—Table C.6 is not dynamically linked to the Implementation Plan assumptions. The calculation for the national Head Start average can be found at the bottom of Table C.6 (cell K348); users can state apply the same formula to derive their own state-specific value.

Center on Enhancing Early Learning Outcomes
Cost of Preschool Quality Tool: Glossary/Codebook
### Table

<table>
<thead>
<tr>
<th>Table</th>
<th>Component</th>
<th>Term/Line Item</th>
<th>Description/Explanation</th>
<th>Source of Default Values</th>
<th>Mode</th>
<th>Metric(s) Required</th>
<th>Minor Modifications Allowed</th>
<th>Assumed Values</th>
<th>Assumptions</th>
<th>Additional Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of Assistant Teachers with CDA Participating in Tuition Support to earn CDA (Year 0)</td>
<td></td>
<td>The percentage is applied to the total number of Assistant Teachers who do not have a CDA. For example, if 75% of pre-existing Assistant Teachers have a CDA, then 25% do not; if the 25% to which this percentage is applied. So, if 50% of Assistant Teachers who do not have a BA degree participate in tuition support, then the percentage of pre-existing Assistant Teachers who do not participating would be 25% times 50%, or 12.5% of all pre-existing Teachers.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Table C.6 has state-level data from Head Start on the percentage of Assistant Teachers enrolled in a CDA program; however, this data may or may not be independent of a tuition support program, and enrollment rates under a state-sponsored program could be higher or lower. The data in Table C.6 is for reference purposes only–Table C.6 is not directly linked to the Implementation Plan assumptions. The calculation for the national Head Start average can be found at the bottom of the Table (cell L148); users can apply the same formula to their state data in Table C.6 to obtain a state-specific value.</td>
</tr>
<tr>
<td></td>
<td>Entry Schedule: % of Participating Pre-Existing Assistant Teachers Entering CDA Training Each Year</td>
<td></td>
<td>If there is already a large number of pre-existing Assistant Teachers in a state and no Tuition Support program, then this assumption allows the states to “spread” the backlog of Assistant Teachers that may opt in to a Tuition Support program over a period of greater than one year. For example, if the state’s entering CDA Equity Standard is to ensure at least 50% of all Assistant Teachers have a CDA by the end of the Base Year, then the user can enter in the number of Assistant Teachers with a CDA at the end of the first year as 50% of all Assistant Teachers.</td>
<td></td>
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<td></td>
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<td></td>
<td>If a user wanted to phase in Existing Assistant Teachers over two years, then the Entry Schedule should be 50%; if it was four years, then the Entry Schedule should be 25%. Unless there is a specific need to address a potential backlog of Assistant Teachers into a Tuition Support program, the Entry Schedule should be left at 100%.</td>
</tr>
<tr>
<td></td>
<td>Churn: % of Existing Assistant Teachers Leaving the Workforce Each Year</td>
<td></td>
<td>Percent churn accounts for Assistant Teachers leaving the workforce annually, and includes those leaving prior to completing their CDA. In this case, the individual may have received tuition support but will no longer factor in the state’s goal for increasing the number of Assistant Teachers by degree level. A new Assistant Teacher hired as a replacement may or may not be hired at the same degree level, the probability is determined by the % of New Assistant Teachers hired with a CDA (Years 1+).</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The effects of churn can be significant. A 10% churn can increase the cost of a Tuition Support program by more than 10% when the number of years required to earn a CDA exceeds one (1) year.</td>
</tr>
<tr>
<td></td>
<td>% of New Assistant Teachers Hired with CDA Credential (Years 1+)</td>
<td></td>
<td>Allows the user to specify different proportions by degree level for New Assistant Teachers than for Existing Assistant Teachers (see above).</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Users may choose to assume a higher percentage based on different hiring practices. The user can model a Scenario where a higher proportion of CDA degrees will be achieved over time, and can set a higher standard for hiring new Assistant Teachers (i.e., more of those higher will meet the higher standard), than for Existing Assistant Teachers.</td>
</tr>
<tr>
<td></td>
<td>% of New Assistant Teachers without CDA Participating in Tuition Support to earn CDA (Years 1+)</td>
<td></td>
<td>Allows the user to specify a different level of participation among New Assistant Teachers than for Existing Assistant Teachers (see above).</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Users may choose to assume a higher percentage based on different hiring practices, and/or on different expectations placed on new hires than for existing Assistant Teachers.</td>
</tr>
<tr>
<td></td>
<td>Number of Years Required by Assistant Teachers to earn CDA Credential</td>
<td></td>
<td>The span of time for which participating Assistant Teachers will receive tuition support, i.e., the length-of-time before they earn their CDA and are eligible for a higher salary (if applicable). Partial year increments are allowed.</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>States can decide what level of reimbursement they want to offer. A state could fund 100% of class fees; the default values assume that the state is only reimbursing the Assistant Teacher for 50% of tuition (i.e. it assumes a class load of 20 credit hours per year but reimbursements based on 10 hours).</td>
</tr>
<tr>
<td></td>
<td>CDA Program Tuition Cost per Year ($)</td>
<td></td>
<td>CDA Tuition Support Cost is expressed on a per-year basis and is multiplied by the Number of Years Required to get the total Tuition Support Cost per participating Teachers.</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>As with the previous example under the Teacher Degree standard, a user can build an estimate around the potential cost savings for a hypothetical state’s CTE resource responsible for administering the Tuition Support program. For example, if a single CTE’s salary plus benefits were $40,000, and their overhead (for facility charges, computer, telephone, maintenance, etc.) is estimated at 50% of salary plus benefits, then this results in a total State-Level Administrative expense of $60,000 per year; if this resource worked 2000 hours per year, then the average cost per hour is $30. Finally, if the CTE spent roughly 3 hours per Assistant Teacher to administer that Tuition Support participation, then the annual cost per participating Assistant Teacher would be $30 * 3 = $90.</td>
</tr>
<tr>
<td></td>
<td>Annual State-Level Cost per Participant to Administer CDA Tuition Support ($)</td>
<td></td>
<td>The purpose of breaking out Administration Costs is to remind users of the need consider state oversight of a Tuition Support program. For example, a state may require proof a completing a class before issuing a tuition reimbursement to an Assistant Teacher.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>This can also reflect the sum of several different in-service training requirements.</td>
</tr>
<tr>
<td></td>
<td>In-Service Training Hours per Teacher/Assistant Teacher per Year</td>
<td></td>
<td>The number of hours required per year from Teachers and Assistant Teachers. The NASERT benchmark is 15 hours per Teacher/Assistant Teacher per year.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>If there is no cost to the Provider, then the cost should be entered as zero (0). Training Fees can also reflect the blended average of several different in-service training requirements.</td>
</tr>
<tr>
<td></td>
<td>Training Fees per Teacher per Hour</td>
<td></td>
<td>The cost to the Providers for trainers and materials associated with In-Service Training. The default assumes an average Training class size of 10 Teachers at a cost of $20 per hour (per class)</td>
<td></td>
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</tr>
</tbody>
</table>
### Table B.2.b:  State-Level Infrastructure & Supports

<table>
<thead>
<tr>
<th>Component</th>
<th>Cost/Participating Child ($)</th>
<th>% of Slots Participating</th>
<th>Cost/Participating Child ($)</th>
<th>% of Slots Participating</th>
<th>Cost/Participating Child ($)</th>
<th>% of Slots Participating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Annual Inflation Factor</td>
<td>(Applies to Year 0 &amp; Unit Cost Assumptions)</td>
<td>-</td>
<td>(Applies to Year 0 &amp; Unit Cost Assumptions)</td>
<td>-</td>
<td>(Applies to Year 0 &amp; Unit Cost Assumptions)</td>
<td>-</td>
</tr>
<tr>
<td>2. Baseline Administrative Cost</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Table B.2.c:dollars)

<table>
<thead>
<tr>
<th>Description/Explanation</th>
<th>Source of Default Assumption</th>
<th>Model Modifies Impact</th>
<th>Provider-Level Implementation Costs</th>
<th>Additional Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>The default is the 2014 Federal/Minimum Wage of $7.25 per hour</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Table B.2.d:  Impacted

<table>
<thead>
<tr>
<th>Description/Explanation</th>
<th>Source of Default Assumption</th>
<th>Model Modifies Impact</th>
<th>Provider-Level Implementation Costs</th>
<th>Additional Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>The default is to Override Eligibility (&quot;Yes&quot;) and specify 100% of children to receive Child Meals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Table B.2.e:  Percentages less than 100% are applicable when a new State Service Training standard is being rolled out over a period of greater-than-one-year, or if the state's preschool standards do not require 100% of teaching staff to meet the minimum number of hours every year. For example, a state may require that 50% of teaching staff at a preschool meet the requirement each year.

### Table B.2.f:  The NIEER Benchmark is Vision, Hearing, Health, other Delivery Models; Other Support Services can be included as an Available Funding Stream in Table B.2.a.

### Table B.2.g:  The default value is taken from Demographic Table C-1, which has minimum wages by state for 2014. This table is not dynamically linked to the Implementation Plan worksheet, but can be used as a reference and look up the data for their state. If users do not want to assume a cost for Substitutes, i.e., In-Service Training would occur outside of normal core hours, then they could enter zero (0%). Please note that the assumption for Substitute Teacher Wages per Hour is also used in the Provider-Level Costs (Table B.2.d) to calculate the cost for Paid Leave among teaching staff; therefore, if a user wants to model In-Service Training costs but elect to assume no cost for Substitutes, then the value for Substitute Teacher Hourly Wage in the Provider Model Table B.2.a.1 should be manually overwritten so that the Paid Leave calculation remains correct.

### Table B.2.h:  The default is to Override Eligibility ("Yes") and specify 100% of children to receive Child Meals | - | - | - | - |

### Table B.2.i:  Provider-Model Table B.2.d.1 should be manually overwritten so that the Paid Leave calculation remains correct.

### Table B.2.j:  The default is to Override Eligibility ("Yes") and specify 100% of children to receive Child Meals | - | - | - | - |

### Table B.2.k:  The default is to Override Eligibility ("Yes") and specify 100% of children to receive Child Meals | - | - | - | - |

### Table B.2.l:  Additional Notes

<table>
<thead>
<tr>
<th>Description/Explanation</th>
<th>Source of Default Assumption</th>
<th>Model Modifies Impact</th>
<th>Provider-Level Implementation Costs</th>
<th>Additional Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>The default is to Override Eligibility (&quot;Yes&quot;) and specify 100% of children to receive Child Meals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>


### Table B.2.n:  Users can specify their own Meals Cost input assumptions based on data they can obtain from local providers. The true cost of Child Meals should be modeled before application of state and federal funding for child meals; sources of funding for Child Meals can be included as an Available Funding Stream in Table B.2.a.

### Table B.2.o:  Participation rates are fixed across Implementation Years 1+. The FFPL Eligibility Threshold is included as a point of reference to remind users of the estimated proportion of 3- and 4-year-olds in their state meeting the FFPL Eligibility Threshold, and in most cases the default input assumption is that all children in the preschool slot plan should be eligible. However, an exception arises when a user seeks to model a preschool system wherein there is FFPL limit for participation in the preschool slot plan (in which case Row 36, the % of Eligible 3- and 4-Year-Old Population Service, which is predicated upon an FFPL Eligibility limit, is no longer relevant). While overall participation is not restricted, the user may wish to apply eligibility requirements to the Providers' provision of certain quality ingredients. For example, a user may wish to assume the state's proportion of 3- and 4-year-olds below an FFPL Eligibility Threshold will receive Child Meals at the provider's expense, whereas the proportion above the Threshold will not. In this case, "Override Eligibility" could be set to "No" in order to allow Child Cost to be pro-rated based on the FFPL Eligibility Threshold. Suppressed users may identify other opportunities to link preschool costs to FFPL eligibility when overall participation in the preschool slot plan is not similarly restricted.

### Table B.2.p:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.q:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.r:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.s:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.t:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.u:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.v:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.w:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.x:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.y:  Participation rates are fixed across all Implementation Years 1+

### Table B.2.z:  Additional Notes

### Table B.2.aa:  Additional Notes

### Table B.2.ab:  Additional Notes

### Table B.2.ac:  Additional Notes

### Table B.2.ad:  Additional Notes

### Table B.2.ae:  Additional Notes

### Table B.2.af:  Additional Notes

### Table B.2.ag:  Additional Notes

### Table B.2.ah:  Additional Notes

### Table B.2.ai:  Additional Notes

### Table B.2.aj:  Additional Notes

### Table B.2.ak:  Additional Notes

### Table B.2.al:  Additional Notes

### Table B.2.am:  Additional Notes

### Table B.2.an:  Additional Notes

### Table B.2.ao:  Additional Notes

### Table B.2.ap:  Additional Notes

### Table B.2.aq:  Additional Notes

### Table B.2.ar:  Additional Notes

### Table B.2.as:  Additional Notes

### Table B.2.at:  Additional Notes

### Table B.2.au:  Additional Notes

### Table B.2.av:  Additional Notes

### Table B.2.aw:  Additional Notes

### Table B.2.ax:  Additional Notes

### Table B.2.ay:  Additional Notes

### Table B.2.az:  Additional Notes

### Table B.2.ba:  Additional Notes

### Table B.2.bb:  Additional Notes

### Table B.2.bc:  Additional Notes

### Table B.2.bd:  Additional Notes

### Table B.2.be:  Additional Notes

### Table B.2.bf:  Additional Notes

### Table B.2.bg:  Additional Notes

### Table B.2.bh:  Additional Notes

### Table B.2.bi:  Additional Notes

### Table B.2.bj:  Additional Notes

### Table B.2.bk:  Additional Notes

### Table B.2.bl:  Additional Notes

### Table B.2.bm:  Additional Notes

### Table B.2.bn:  Additional Notes

### Table B.2.bo:  Additional Notes

### Table B.2.bp:  Additional Notes

### Table B.2 bq:  Additional Notes

### Table B.2.br:  Additional Notes

### Table B.2 bs:  Additional Notes

### Table B.2 bt:  Additional Notes

### Table B.2 bu:  Additional Notes

### Table B.2 bv:  Additional Notes

### Table B.2 bw:  Additional Notes

### Table B.2 bx:  Additional Notes

### Table B.2 by:  Additional Notes

### Table B.2 bz:  Additional Notes

### Table B.c.1:  Cost/Participating Child ($) | % of Slots Participating | Cost/Participating Child ($) | % of Slots Participating | Cost/Participating Child ($) | % of Slots Participating |
<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Annual Inflation Factor</td>
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<td>(Applies to Year 0 &amp; Unit Cost Assumptions)</td>
<td>-</td>
<td>(Applies to Year 0 &amp; Unit Cost Assumptions)</td>
</tr>
<tr>
<td>2. Baseline Administrative Cost</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Table B.c.2:  Administrative Cost per Slot (Year 0) | Cost/Participating Child ($) | % of Slots Participating | Cost/Participating Child ($) | % of Slots Participating | Cost/Participating Child ($) | % of Slots Participating |
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>1. Annual Inflation Factor</td>
<td>(Applies to Year 0 &amp; Unit Cost Assumptions)</td>
<td>-</td>
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<td>(Applies to Year 0 &amp; Unit Cost Assumptions)</td>
<td>-</td>
</tr>
<tr>
<td>2. Baseline Administrative Cost</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
</tbody>
</table>
Annual Baseline Administrative Cost per Slot (if not fixed based on Year 0, above): Users have the option of entering a different Baseline Administrative Cost per Slot by Implementation Year, as an alternative to carrying forward the Year 0 Baseline Cost.

The default is to assume the Year 0 Baseline cost. Total Baseline Administrative Cost ($).

Users can choose this option by selecting “Yes” in the drop-down box, “Enter Separate Baseline Administrative Cost per Slot Assumptions by Year Instead?” This option is useful in cases where administrative costs reflect staffing levels that are not yet at full capacity, i.e., the staff is capable of administrating a greater number of Slots than served in Year 0, in which case the Baseline Cost per Slot should drop over time. Conversely, it can also address cases where the state is understaffed to meet its current caseload.

Cost per Classroom for State-Level Monitoring & Oversight of Curriculum Standards ($) The purpose for breaking out Administrative Costs is to remind users of the need consider state oversight for implementing a Curriculum Standards program. For example, a state may require records of which classrooms have successfully completed the training and reserved materials.

A placeholder of $100 per Classroom is used as a default in the model. Curriculum Standards Cost ($) Yes The pricing estimates provided are an example sourced for the Washington Department of Early Learning from quotes/estimates the received from the curriculum publishers and the CEQL at the University of Washington. It is recommended that users confirm these prices with the publishers if they choose to include new Curriculum Standards. The CPI can accommodate up to three different curricula in its standards; users can replace any of the default publishers with its own source(s) and pricing.

Curriculum Costs per Classroom The cost to the state for establishing Curriculum Standards is modeled in terms of Baseline training and curriculum materials cost for each classroom that required to meet the annual Slot plan. Up to three Curriculum Standards are included in the CPI Tool.

The default contains three available curriculum standards with example pricing estimates; users should confirm pricing with curriculum providers. Curriculum Standards Cost ($) Yes The CPQ applies the cost for Curriculum Standards as a one-time cost per classroom. Therefore, if a user specifies 100% of classrooms participating in Year 0, then the CPQ will apply Curriculum Standards costs to all existing classrooms. After Year 0, the participation rate only applies to incremental [i.e., new] classrooms participating in each Delivery Model. For example, if a user assumes 50% of classrooms participate in High Scope® in Year 0 and 10% in Year 1, then the CPQ will only show a Curriculum Standards cost in Year 1 for High Scope® if the number of total classrooms increases to meet an increase in the annual Slot Plan. Conversely, if the number of classrooms overall remains the same from Year 0 to Year 1, but the user assumes that participation rates will increase to 100% in Year 1, then for Year 1 the CPQ will show Curriculum Standards cost for the incremental participation rate (10% - 100% = 90% of classrooms). Users should specify a percentage for each implementation Year, even if that percentage is “0%”. Users could assume an increasing percentage over time to simulate the rollout of a new Curriculum Standards program, which may be useful in cases where it is unrealistic to assume a rollout of a new standard to 100% existing Classrooms (100%) in only one year.

Percent of classrooms eligible for classroom participation in Curriculum Standards in each year of the Implementation Plan.

The CPQ applies the cost for Curriculum Standards as a one-time cost per classroom. Therefore, if a user specifies 100% of classrooms participating in Year 0, then the CPQ will apply Curriculum Standards costs to all existing classrooms. After Year 0, the participation rate only applies to incremental [i.e., new] classrooms participating in each Delivery Model. For example, if a user assumes 50% of classrooms participate in High Scope® in Year 0 and 10% in Year 1, then the CPQ will only show a Curriculum Standards cost in Year 1 for High Scope® if the number of total classrooms increases to meet an increase in the annual Slot Plan. Conversely, if the number of classrooms overall remains the same from Year 0 to Year 1, but the user assumes that participation rates will increase to 100% in Year 1, then for Year 1 the CPQ will show Curriculum Standards cost for the incremental participation rate (10% - 100% = 90% of classrooms). Users should specify a percentage for each implementation Year, even if that percentage is “0%”. Users could assume an increasing percentage over time to simulate the rollout of a new Curriculum Standards program, which may be useful in cases where it is unrealistic to assume a rollout of a new standard to 100% existing Classrooms (100%) in only one year.

4. Coaching

Name of Coaching Staff Category (i.e., One for Each Position Type, up to Four Types) The default CPQ allows up to four distinct types of Coaching Staff to be modeled under Coaching, and the user assigns a Name to each Category (e.g., Child Development Coach versus Quality Improvement Coach). Users can use this section of the CPQ to capture said staffing (even in cases where they repackage a Coaching type to represent another type of staffing). Baseline Administrative Cost, while also volume dependent, does not allow the user to break out specific staffing assumptions (such staffing is implicitly embedded within assumed Baseline Cost per Slot). If users want the cost of a Coaching Staff position to be borne by the Provider, then they should indicate that position in the Provider-Level Staffing model; otherwise, by using the Coaching section the cost is applied to the State-Level Implementation Cost. The CPQ creates a blended average of Coaching assumptions from the multiple Coaching Categories; therefore, users could modify this section to include more than the four categories of support staffing without having to modify other worksheets in the CPQ, so long as the appropriate changes are made to the formulas in the “All Coaches” column. Alternatively, additional scenarios can be created to model more than four categories of staffing.

Total Coaches (Year 0) Allows to user to specify whether any coaching staff are already in place within an existing preschool program, for each Category of Coaches.

The sum total of Coaches in Year 0 (All Coaches) is applied to subsequent cost calculations. For a new preschool program for which there are no Coaches currently, the Total Coaches (Year 0) should equal zero ($). If the state has pre-existing Coaches, then these Coaches are subject to Salary/Benefits/Travel/Overhead/Indirect Charges (in Year 0), and a One-Time Training Cost per Coach based on the assumed Entry Schedule. If pre-existing Coaches are specified (Year 0), then the user should ensure that theSalary/Benefits/Overhead/Indirect costs of these Coaches are not also embedded in the Baseline Administrative Cost per Slot, in order to avoid double counting.

Casedload: Number of Classrooms per Coach [1 FTE] The Caseload establishes the number of Coaches required to satisfy the Preschool Site Plan, based on the Number of Classrooms each Coach can administrate within a year.

The default placeholder is a caseload of 25 classrooms per coach. Cumulative Number of Coaches Required Service Classroom Caseload (Determine Schedule Tables)

The caseload for each Category of Coaches is combined in a weighted average (All Coaches) for subsequent cost calculations. The CPQ assumes that all Classrooms receive coaching services. If this is not the case, then the caseload should be adjusted, accordingly, in order to arrive at the correct number of Coaches required. For example, if a Coach can manage up to 25 Classrooms but only an estimated 50% of Classrooms will receive Coaching, then the appropriate caseload to assume in the model is 25 * 0.5 = 12.5 Classrooms per Coach.
Coaches Salary, Benefits, Travel, and Overhead/Indirect Charges (1 FTE)

The total expense associated with each Coach, which is then applied to the category of coaches to estimate a total Coaching Cost before State Level Monitoring & Oversight of the Coaching Program. The default placeholder is $87,500 per FTE for Salary & Benefits, Travel/Overhead, and Indirect Charges. Annual Coaching Costs ($)

Churn: % of Existing Coaches Exiting the Workforce Each Year

Churn accounts for Coaches leaving the workforce annually. In this case, new Coaches must be hired and trained; all new Coaches are subject to One-Time Training Costs. A 10% churn reflects an average workforce tenure of 10 years—and sets the realistic expectation that (trained) replacements will be required. Net Number of New Coaches Required per Year, After Churn (0: Annual Schedule Table)

One-Time Training Cost per Coach (Coaches Training)

All new Coaches hired in Years 1+, as well as pre-existing Coaches in Year 0, are subject to One-Time Training Costs. The default placeholder is $5,000 in training costs per Coach. Annual Coaching Costs ($)

Entry Schedule: % of Existing Coaches Trained in Each Subsequent Year

If there are already Coaches in a state, then this assumption allows the states to "spread out" the building of Coaches requiring Training as part of a new capacity building. The Entry Schedule is applied equally to all Coaching Categories in Year 0. 100% assumes that any pre-existing Coaches can participate in One-Time Training as early as Year 1, without limitations. Annual Coaching Costs ($)

Other Costs per Coach for State-Level Monitoring & Oversight of Coaching Program ($)

The purpose for breaking out Administration Costs is to remind users of the need to consider state oversight for administrating a Coaching program. For example, a Coaching Program may be comprised of field workers (i.e., the Coaches) and state-level Supervisors; the Supervisors could be included as part of Other Costs. A placeholder of $6,250 per Coach is used as a default in the model. Curriculum Standards Cost ($)

7. Capacity Building

Startup Costs per Facility (Weighted Average of One-Time Funds for New Facilities Awarded)

The cost funded by the state to new facilities entering the Preschool Slot Plan, for building improvements and other investments that build their capacity to meet the new quality standards and/or enroll additional students. Startup Costs can also help to subsidize the cost for brand new facilities created (newly built or remodeled) to meet the Preschool Slot Plan. The default input assumptions are placeholders and should be revised by the user based on their own state data. Capacity Building Funds ($)

Percent of New Facilities Awarded Funds for Startup Costs

In cases where providers must apply for Capacity Building and awards are not guaranteed, users can specify the percentage of new facilities that actually receive Startup Funds. The same percentage is applied to all Delivery Models equally. Capacity Building Funds ($)

The same percentage is applied to all Delivery Models equally. If the user wants to apply different percentages by Delivery Model, then separate scenarios can be created. Alternatively, the user can capture such decisions within the Weighted Average Startup Costs per Facility for each Delivery Model, so long as the relative proportion of Facilities by Delivery Model remains the same each year. For example, if the user wanted to award $10,000 in Startup funds regardless of Delivery Model and fund 50% of new facilities, but wanted to assume that Child Care Centers make up 50% of the awards and Public PreK and Head Start 5% each, then the user would enter the following: 50% in percent of New Facilities Awarded Funds for Startup Costs, Award amounts of $18,000 for Child Care Centers [(90% / 50%) * $10,000], and $18,000 for Public PreK and Head Start [(5% / 50%) * $10,000]. The 90/50% split between the three delivery models is fixed for every year of implementation for which a Percent of New Facilities Awarded Funds is specified. Note: This approach will yield the correct costs but it will not provide the correct Number of Additional Facility Sites Awarded Startup Funds.

Table 6.2:1 Procurement Costs

<table>
<thead>
<tr>
<th>Component</th>
<th>Term/Line Item</th>
<th>Description/Explanation</th>
<th>Source of Default Value(s)</th>
<th>Model Metric(s)</th>
<th>Minor Modifications Allowed</th>
<th>Cost of Non-Teaching Elements of Procurement Costs</th>
<th>Addional Notes</th>
</tr>
</thead>
</table>

8. System Support

Information Technology, Data Systems, Marketing & Communications, Other System Support Costs

System supports are a critical area of emphasis for State-Level Infrastructure and Supports and provide users with the opportunity to account for large, fixed, and non-recurring investments.

Source of Default Value(s): [Yes]

Model Metric(s): [Yes]

Minor Modifications Allowed: [Yes]

Cost of Non-Teaching Elements: [Yes]

The major categories of System Supports include Information Technology, Data Systems, and Marketing & Communications. Each is an important area of consideration, and states should not ignore the critical roles these investments play in building the level of infrastructure necessary to manage a state-funded preschool program at scale. Users can manage data sources through the System Supports program. In addition, users can note the distinction between the volume dependency of this calculation (on State-Level Implementation Costs) and other volume-dependent calculations, such as the effect of skill costs on baseline administrative costs, or classroom costs on coaching costs.

9. Technical Assistance

Technical Assistance Costs as % of Total State-Level Costs, Excluding Program Evaluation

Technical Assistance addresses the state’s need for outside consulting and support on the implementation of their Preschool Slot Plan.

The default value of 1%—users can review the resulting dollar amounts against each year in employing outside consultant for Technical Assistance.

Source of Default Value(s): [Yes]

Model Metric(s): [Yes]

Minor Modifications Allowed: [Yes]

Cost of Non-Teaching Elements: [Yes]

The default value of 1%—users can review the resulting dollar amounts against each year in employing external Program Evaluators.

The default value of 1%—users can review the resulting dollar amounts against their experience in employing external Program Evaluators.

The state may choose a percentage (in Table 6.2:1), the cost for Technical Assistance will increase as total State-Level expenses increase. The user should not choose to fit the dollar amount spent on Technical Assistance each year by placing these costs as a line item under System Supports. The assumption for Technical Assistance is that outside consultants represent any remaining expense categories, not addressed elsewhere, that the user wishes to express as a percentage of the total State-Level Implementation Costs. Users should note the distinction between the volume dependency of this calculation (on State-Level Implementation Costs) and other volume-dependent calculations, such as the effect of Skill Costs on Baseline Administrative Costs, or Classroom costs on Coaching costs.

10. Program Evaluation

Program Evaluation Cost as % of Total State-Level Costs, Excluding Technical Assistance

Program Evaluation addresses the state’s need for an independent third party to provide an external evaluation on the effectiveness and efficiency of the Preschool Program being funded, typically on an annual basis.

The smallest ratio of Preschool Classrooms to Total Classrooms, the smaller the allocation to the preschool program for shared resources.

Cost of Preschool Quality Tool.

The default placeholder assumes an average of 1 Classroom per Child Center.

Source of Default Value(s): [Yes]

Model Metric(s): [Yes]

Minor Modifications Allowed: [Yes]

Cost of Non-Teaching Elements: [Yes]

The default placeholder assumes an average of 1 Classroom per Child Center.

The default placeholder assumes an average of 1 Classroom per Child Center.

Program Evaluation costs should be assumed under System Supports if users do not want to express said costs as a % of total State-Level Administrative Costs. When stated as a percentage (in Table 6.2:1), the cost will increase as total State-Level expenses increase. Additionally, the user cannot assume fixed dollar amounts by year under a Program Evaluation line item in System Supports. The assumption for Program Evaluation can be also be repurposed to indicate any remaining expense categories, not addressed elsewhere, that are dependent on total State-Level Implementation Costs. Users should note the distinction between the volume dependency of this calculation (on State-Level Implementation Costs) and other volume-dependent calculations, such as the effect of Skill Costs on Baseline Administrative Costs, or Classroom costs on Coaching costs.

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**Table**

<table>
<thead>
<tr>
<th>Table</th>
<th>Component</th>
<th>Term/Line Item</th>
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<th>Other Methodologies Allowed</th>
<th>Additional Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Days of Paid Leave (Vaccation/Sick Days) for Teaching Staff (Not Including Holidays)</strong></td>
<td>The default value is 10 days of Paid Leave per Teaching Staff Member. Substitute Teaching Staff FTE (or Vacation/Sick Days) per Year.</td>
<td>Substitute Teaching Costs are Teaching Staff FTE (or Vacation/Sick Days) per Year.</td>
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<tr>
<td><strong>Mandatory Benefits (FICA, Unemployment, Workers Compensation/Industrial Insurance)</strong></td>
<td>Benefits are broken-out between “Mandatory” and “Additional” to give users flexibility in establishing the total employee cost for employee compensation. Mandatory benefits are identified as FICA (Federal Insurance Contributions Act for Social Security and Medicare), Unemployment Tax (FUTA), and Workers Compensation Insurance.</td>
<td>Total Salaries, Wages, Employment Taxes &amp; Benefits.</td>
<td>Total Salaries, Wages, Employment Taxes &amp; Benefits.</td>
<td></td>
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</tr>
<tr>
<td><strong>Additional Benefit Contributions per Preschool Staff FTE</strong></td>
<td>Additional Benefits reflect items such as insurance plans and retirement and savings plans.</td>
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<tr>
<td><strong>2. Non-Personnel Costs</strong></td>
<td>Per Child Costs are those that are modeled to increase based on the number of children, rather than the number of Classrooms or Sites.</td>
<td>With the exception of Child Transportation, the costs are based on a square footage basis (whether classroom or site). The CPQ multiplies the square feet per classroom by the square footage to estimate school-wide per pupil costs.</td>
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<tr>
<td><strong>Occupancy: Annual per Classroom Costs</strong></td>
<td>Per Classroom Costs are those that are modeled to increase based on the number of classrooms or the number of sites.</td>
<td>The default values are based on classroom costs developed by Anne Mitchell.</td>
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</tr>
<tr>
<td><strong>Annual Costs Using Other Base, i.e., Per Site Costs ($)</strong></td>
<td>Per Site Costs are those that do not fit under a Per Child or Per Classroom classification; i.e., costs that are best expressed on a site-wide basis.</td>
<td>The default values are based on site-wide costs developed by Anne Mitchell.</td>
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</tr>
</tbody>
</table>

**Description for the Default Model**

- The default model is pre-populated with a number of typical Personnel Costs.
- The default value is 9.95% for Mandatory Benefits.
- The default value is 3.38% for Additional Benefits.
- The default value is 9.995% for Substitute Teaching Costs.
- The default value is 9.995% for Substitute Staff per FTE.
- The default value is 33.8% for Retiree.
- The default value is 27.2% for Paid Leave.
- The default value is 1.66% for Medicare.
- The default value is 6.6% for Paid Leave.
- The default value is 6.6% for Substitute Teaching Costs.
- The default value is 9.995% for Substitute Staff per FTE.

**Additional Notes**

- The two options for estimating a cost for Paid Leave are equivalent and users can choose the approach that is most consistent with their own internal processes. Users can specify a Workday for Substitutes of less than 8 hours by changing the formula in the Subtotal row. Substitute Teaching Costs per Teaching Staff FTE (or Vacation/Sick Days) per Year, accordingly. The Substitute Teacher Wages per Hour are taken from the assumption made in NIEER Standard #6 (In-Service Training).
- Users can break that link if they want to assume different costs between these two sections. For example, if Substitutes are not required for In-Service Training, then the user may specify $0 in NIEER Standard #6 but may want to maintain a Substitute Teacher Wages assumption for Paid Leave. Similarly, if a user does not want to model a cost for Substitute Teachers resulting from Paid Leave for Teaching Staff, then they could override the Substitute Wage per Hour with $0, or they could enter a value of zero (0) for Days of Paid Leave.

**Contributions Sources**

- Social Security is 6.2%, Medicare is 1.45%, and Unemployment Insurance is 0.6% after the FUTA Tax Credit. The data sourced from EducationNext.org (http://educationnext.org/the-compensation-question/) shows unemployment fringe at approximately 33.8% of salaries. This includes 16.1% for health insurance, 11.1% for retirement and savings, and 6.6% for Paid Leave. Therefore, if a user concluded that Paid Leave was already addressed elsewhere, then the default value for Additional Benefits should be 27.2% (33.8% - 6.6% = 27.2%).

**Documentation for the NIEER Standard**

- Users can break that link if they want to assume different costs that are not aligned with the user's categorization, then any of the rows from “Education Supplier” to “Other Operations Cost” may be repopulated. Users can also insert additional rows as needed; if the rows are inserted above the line, “Other Operations Costs,” then all other formulas in the CPQ should be maintained and other worksheets will not require editing. Users also have the option to assume a Lump Sum (by Dosage) rather than break out costs by line item. This is an anomalous case where detailed cost data is not available. If per Child Operations Costs vary by Delivery Model, or by some other dimension (e.g., Urban versus Rural), then the user can create additional scenarios to capture these differences.

**Contextual Notes**

- The two options for establishing a cost for Paid Leave are equivalent and users can choose the approach that is most consistent with their own internal processes. Users can specify a Workday for Substitutes of less than 8 hours by changing the formula in the Subtotal row. Substitute Teaching Costs per Teaching Staff FTE (or Vacation/Sick Days) per Year, accordingly. The Substitute Teacher Wages per Hour are taken from the assumption made in NIEER Standard #6 (In-Service Training).
- Users can break that link if they want to assume different costs between these two sections. For example, if Substitutes are not required for In-Service Training, then the user may specify $0 in NIEER Standard #6 but may want to maintain a Substitute Teacher Wages assumption for Paid Leave. Similarly, if a user does not want to model a cost for Substitute Teachers resulting from Paid Leave for Teaching Staff, then they could override the Substitute Wage per Hour with $0, or they could enter a value of zero (0) for Days of Paid Leave.

**Cost of Personnel Costs**

- The cost of Personnel Costs is modeled to increase based on the number of classrooms or the site-wide costs. The CPQ multiplies the square feet per classroom by the square footage to estimate school-wide per pupil costs. The default value is 9.995% for Substitute Teaching Costs.
- The default value is 9.995% for Substitute Staff per FTE.
- The default value is 33.8% for Retiree.
- The default value is 27.2% (33.8% - 6.6% = 27.2%).

**Cost of Mandatory Benefits**

- Social Security is 6.2%, Medicare is 1.45%, and Unemployment Insurance is 0.6% after the FUTA Tax Credit. The data sourced from EducationNext.org (http://educationnext.org/the-compensation-question/) shows unemployment fringe at approximately 33.8% of salaries. This includes 16.1% for health insurance, 11.1% for retirement and savings, and 6.6% for Paid Leave. Therefore, if a user concluded that Paid Leave was already addressed elsewhere, then the default value for Additional Benefits should be 27.2% (33.8% - 6.6% = 27.2%).

**Cost of Additional Benefits**

- The default value is 3.38% for Additional Benefits.
- The default value is 9.995% for Substitute Teaching Costs per FTE.
- The default value is 33.8% for Retiree.
- The default value is 27.2% (33.8% - 6.6% = 27.2%).

**Cost of Non-Personnel Costs**

- The default model is pre-populated with a number of typical Per Child Cost categories representing consumable items (depreciable items are included under Other Direct Costs). Per Child Costs are pro-rated by Dosage, the user enters assumptions for Full Day care and the CPQ Tool assumes 50% or 100% of Part Day and Extended Day Per Child Costs, respectively (the user can change the pro-rated amount in these formulas as needed). If the breakdown of line items under Operations does not align with the user's categorization, then any of the rows from “Education Supplier” to “Other Operations Cost” may be repopulated. Users can also insert additional rows as needed; if the rows are inserted above the line, “Other Operations Costs,” then all other formulas in the CPQ should be maintained and other worksheets will not require editing. Users also have the option to assume a Lump Sum (by Dosage) rather than break out costs by line item. This is an anomalous case where detailed cost data is not available. If per Child Operations Costs vary by Delivery Model, or by some other dimension (e.g., Urban versus Rural), then the user can create additional scenarios to capture these differences.

**Input Notes**

- Users can break that link if they want to assume different costs that are not aligned with the user's categorization, then any of the rows from “Education Supplier” to “Other Operations Cost” may be repopulated. Users can also insert additional rows as needed; if the rows are inserted above the line, “Other Operations Costs,” then all other formulas in the CPQ should be maintained and other worksheets will not require editing. Users also have the option to assume a Lump Sum (by Dosage) rather than break out costs by line item. This is an anomalous case where detailed cost data is not available. If per Child Operations Costs vary by Delivery Model, or by some other dimension (e.g., Urban versus Rural), then the user can create additional scenarios to capture these differences.
The default is adapted from center-based cost models developed by Anne Mitchell. Lower quality programs may not administer Child Assessments, but it can be a hallmark of higher quality programs. The user can combine multiple Assessments into a single Annual Cost per Child figure. If Child Assessment Costs vary by Delivery Model, or by some other dimension (e.g., QRIS Level), then the user can create additional scenarios to capture these differences; however, the user may first explore whether they can capture such differences by repurposing another cost category in order to minimize the number of Scenarios required to model a System.

### 4. Indirect Costs

#### Indirect Rate Charge

In cases where a state allows providers to submit Indirect Rate Charges as part of their budgets, this allows users to include such charges rather than explicitly model the underlying, indirect costs. Single Site operators should not report an Indirect Rate Charge, but Multiple Site Operators often include such a Charge in their budgets. The expectation is that economies of scale elsewhere in their operations should offset these charges; nonetheless, the CPQ includes the option for users to assume an Indirect Rate Charge, if they desire, and to assume a different Rate Charge by Delivery Model so that additional scenarios are not required.

The default assumes 0% for the Indirect Rate Charge and the Contribution to Operating Reserve are modeled as a percentage of the Provider Level Costs and which is not already accounted for elsewhere. Only the Indirect Rate Charge and the Contribution to Operating Reserve are modeled as a percentage of other Provider Level Costs; all other expenses are modeled as a fixed dollar amount per Child, per Classroom, or per Site.

### Additional Notes

- The default is adapted from center-based cost models developed by Anne Mitchell. Lower quality programs may not administer Child Assessments, but it can be a hallmark of higher quality programs. The user can combine multiple Assessments into a single Annual Cost per Child figure. If Child Assessment Costs vary by Delivery Model, or by some other dimension (e.g., QRIS Level), then the user can create additional scenarios to capture these differences; however, the user may first explore whether they can capture such differences by repurposing another cost category in order to minimize the number of Scenarios required to model a System.
- Users may repurpose existing rows to meet their needs, and can insert additional rows without having to modify formulas in other worksheets. When inserting rows, the user should take these differences; however, the user may first explore whether they can capture such differences by repurposing another cost category in order to minimize the number of Scenarios required to model a System.
- The default is adapted from center-based cost models developed by Anne Mitchell. The default value of the years effectively varies by the Initial Purchase Cost each year (1 year / 5 years = 20%). If the user changes the useful life to 4 years, then the total value of the Cost of Preschool Quality Tool remains correct (i.e., is pulled from all appropriate rows). Users also have the option of choosing a Lump Sum Annualized Cost instead of explicitly breaking out Cost by the Classroom Item. If Classroom Item Costs are expected to vary by Delivery Model, or by some other dimension, then the user can create additional scenarios to capture these differences; however, the user may first explore whether they can capture such differences by repurposing another cost category in order to minimize the number of Scenarios required to model a System.

### Table

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</thead>
<tbody>
<tr>
<td>3. Other Direct Costs</td>
<td>Child Assessment Costs (per Child)</td>
<td>The cost to administer individual assessments of child development and learning, as well as to determine program quality.</td>
<td>The default value assumes $25 per child</td>
<td>Provider-Level Implementation Costs (Other Direct Costs)</td>
<td>Yes</td>
<td>The default is adapted from center-based cost models developed by Anne Mitchell. Lower quality programs may not administer Child Assessments, but it can be a hallmark of higher quality programs. The user can combine multiple Assessments into a single Annual Cost per Child figure. If Child Assessment Costs vary by Delivery Model, or by some other dimension (e.g., QRIS Level), then the user can create additional scenarios to capture these differences; however, the user may first explore whether they can capture such differences by repurposing another cost category in order to minimize the number of Scenarios required to model a System.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchase of ERS-Related Items (Per Classroom)</td>
<td>Classroom items pertaining to equipment, furnishings, and materials which typically last for more than one year, but which, once exhausted, need to be replaced. The default model is populated with a number of typical items categorized related to the Environment Rating Scale (ERS) assessment for Early Childhood program quality (<a href="http://ers.fpg.unc.edu/">http://ers.fpg.unc.edu/</a>). Space and Furnishings (Indoor) sub-scale. The purchase of these items is then amortized over the useful life, to arrive at an estimate for an effective annual cost.</td>
<td>The default value adapted from center-based cost models developed by Anne Mitchell</td>
<td>Provider-Level Implementation Costs (Purchase Cost of ERS-Related Items)</td>
<td>Yes</td>
<td>Users may repurpose existing rows to meet their needs, and can insert additional rows without having to modify formulas in other worksheets. When inserting rows, the user should take these differences; however, the user may first explore whether they can capture such differences by repurposing another cost category in order to minimize the number of Scenarios required to model a System.</td>
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<tr>
<td></td>
<td>Useful Life (in Years Between Replacement)</td>
<td>Determines both the frequency of replacing the Classroom Items, and the effective annual cost when adopting a straight-line depreciation of the Purchase Cost of the Items (over the Useful Life).</td>
<td>The default value of five years</td>
<td>Provider-Level Implementation Costs (Annualized Cost of ERS-Related Items)</td>
<td>Yes</td>
<td>The default is adapted from center-based cost models developed by Anne Mitchell. The default value of the years effectively varies by the Initial Purchase Cost each year (1 year / 5 years = 20%). If the user changes the useful life to 4 years, then the total value of the Cost of Preschool Quality Tool remains correct (i.e., is pulled from all appropriate rows). Users also have the option of choosing a Lump Sum Annualized Cost instead of explicitly breaking out Cost by the Classroom Item. If Classroom Item Costs are expected to vary by Delivery Model, or by some other dimension, then the user can create additional scenarios to capture these differences; however, the user may first explore whether they can capture such differences by repurposing another cost category in order to minimize the number of Scenarios required to model a System. Furthermore, because the CPQ Tool seeks to model costs to inform state-level decisions, it may be unlikely (or unappealing) to allow for different funding levels based on Classroom Item Useful Life by Delivery Model in order to meet state quality standards.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Indirect Costs</td>
<td>Indirect Rate Charge</td>
<td>In cases where a state allows providers to submit Indirect Rate Charges as part of their budgets, this allows users to include such charges rather than explicitly model the underlying, indirect costs. Single Site operators should not report an Indirect Rate Charge, but Multiple Site Operators often include such a Charge in their budgets. The expectation is that economies of scale elsewhere in their operations should offset these charges; nonetheless, the CPQ includes the option for users to assume an Indirect Rate Charge, if they desire, and to assume a different Rate Charge by Delivery Model so that additional scenarios are not required.</td>
<td>The default assumes 0% for the Indirect Rate Charge</td>
<td>Provider-Level Implementation Costs</td>
<td>Yes</td>
<td>Users should be taken to ensure that the user is not double-counting costs by using an Indirect Rate Charge. If the user has thoroughly accounted for all costs and positions under Personnel Costs, Non-Personal Costs, and Other Direct Costs, then there should be no need to include an Indirect Rate Charge (it should be set to 0%). For example, if a provider assumed Child Transportation under Non-Personal Costs, and the amount includes the cost for vehicles, drivers etc., then these costs should not be included in any Indirect Rate Charge calculation. Users can repurpose the Indirect Rate Charge to account for any cost that they wish to model as a percentage of total Provider Level costs and which is not already accounted for elsewhere. Only the Indirect Rate Charge and the Contribution to Operating Reserve are modeled as a percentage of other Provider Level Costs; all other expenses are modeled as a fixed dollar amount per Child, per Classroom, or per Site.</td>
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<tr>
<td></td>
<td>Contribution to Operating Reserve</td>
<td>Applicable only in cases where the state would allow for additional reimbursement to providers to cover an Operating Reserve, i.e., funds from which a Provider may draw when expenses exceed available funding or tuition</td>
<td>The default assumes 0%, i.e., the state does not allow for Contributions to Operating Reserve under a Provider’s budget proposal</td>
<td>Provider-Level Implementation Costs</td>
<td>Yes</td>
<td>Users may assume a different Contribution assumption by Delivery Model, and users can repurpose the Contribution to Operating Reserve to account for any cost that they wish to model as a percentage of total Provider Level costs and which is not already accounted for elsewhere. Only the Indirect Rate Charge and the Contribution to Operating Reserve are modeled as a percentage of other Provider Level Costs; all other expenses are modeled as a fixed dollar amount per Child, per Classroom, or per Site.</td>
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