Oregon Revenue and Expense Model

TECHNICAL MANUAL AND USER GUIDE

Simon Workman

MAY 2021

Table of Contents

INTRODUCTION 2

CENTER-BASED MODEL **2**

Variables 2
Calculations 4
Quality Related Variables 5
Nonpersonnel Expenses 6
Revenue Sources 6
Adjustments to Revenue 7

FAMILY CHILD CARE MODEL **8**

Variables 8
Calculations 9
Quality Related Variables 10
Nonpersonnel Expenses 11
Revenue Sources 11

DATA SOURCES AND MODEL DEVELOPMENT **13**

Stakeholder Engagement 13
Provider data collection 13
Revenue and Expense Model Data 14

Introduction

Revenue and expense models are tools used to understand the relationship between the expense of delivering early care and education and the available revenues.

- The Excel file *Oregon Child Care Center Revenue and Expense Model* contains the model illustrating expenses compared to revenues in center-based early care and education settings in Oregon.
- The Excel file *Oregon FCC Home Revenue and Expense Model* contains the model illustrating expenses compared to revenues in certified and registered family child care home early care and education settings in Oregon.

The models' output includes estimates of total revenues and expenses at the provider level and at the individual child level to fully explicate variations in expenses/revenues for different ages of children. Expense data in the model is based on a combination of data collected from over 100 providers across the state through an online survey conducted in Fall 2020, several provider interviews conducted during the same time period, and nationally validated default data from the federal Provider Cost of Quality Calculator (PCQC). Revenue data includes all the different revenue streams available to providers in the state, including private tuition.

The models include a variety of quality-related elements that can be manipulated by the user including variables related to Baby Promise and Preschool Promise. More details on the quality variables are included below.

Instructions for Use

Throughout the models, cells that can be changed by users are shaded yellow or green. Yellow cells relate to program characteristics, such as size, or age of children served. Green cells relate to quality variables. To model different center profiles, change the data entered in these cells either by using the drop down or typing over the green or yellow cell.

Center-Based Model

The models are designed such that the first tab [VariablesINPUT-CTR] provides both the key inputs related to program characteristics and quality levels and presents the cost per child results. Most users will not need to navigate beyond this tab. The [Quality Center Profile] tab provides the calculations that produce the cost per child as well as results at a center-wide level. Advanced users may wish to explore this tab to make more detailed edits to the model. Additional tabs in the workbook include source data related to revenues, salaries, ratios, and quality variables.

Variables

Select settings for the key variables on the first worksheet in the file [VariablesINPUT-CTR]. Different settings can generate a very wide range of situations. Each variable is explained below.

Size of Center: Size is represented as the number of classrooms by age range—infants (birth to 24 months), toddlers (24 to 36 months), preschoolers (3 to 5 years), and school age (6 years+). Input the number of classrooms for each age group in Column B. The number of children in each classroom is determined by staff-to-child ratios and group-size data that change based on the Quality Level selected in Column D.

Qualifications of Teaching Staff: The model allows users to modify the percentage of teaching staff with different permits, which affects salary levels. For each staff type, enter the percentage at each step on the qualifications scale. Each column should total 100%.

Salary Override: Salary levels are determined based on the step level selected in the prior section. However, users can override the default salary data by selecting "Yes" in the yellow drop-down cell in Column C and then entering annual salary data for the selected positions in Column J.

Quality Variables: For infant/toddler and preschool classrooms, users can model the cost of meeting certain quality standards for three different quality cost drivers – Family Engagement, Professional Development Supports, and Planning/Release Time. For each of these variables, users can select either Licensing Standards, Baby/Preschool Promise, or an Aspirational level of quality. Full details of the quality variables can be found in the accompanying methodology.

Benefits: Users can select if the program offers employer-paid health insurance and can select the number of sick and paid leave days offered to employees.

Efficiency: No program is 100% full all the time. To accurately capture the true revenue that programs receive to help cover their costs, the user can modify the percent enrollment efficiency – which is how full the program is on average across the year, and the bad debt – which is how much of expected revenue is not collected. Industry defaults are 3% bad debt, and 85% enrollment efficiency.

Revenue: To accurately project revenues for your model program, enter the number of children at each age level who receive a child care subsidy (ERDC), Baby Promise, Early Head Start, Preschool Promise and Head Start/Oregon PreK. The private tuition column will automatically update with the balance of enrollment not covered by public funds. Note that the table must be changed when the size of a center is changed.

Results – Cost per child

The blue table at the end of the [VariablesINPUT-CTR] tab provides the cost per child results based on the user selected inputs. Results are included on an annual, monthly and weekly basis for each age group. The green table calculates the monthly gap between the estimated cost per child, and the current ERDC subsidy rate, and the

current average market price. The user can modify the subsidy rate region and market tuition region in the yellow cells below the green table.

Calculations

The [Quality Center Profile] tab provides a detailed view of the center budget. Cells in pink pull data from the Input tab and modifications should therefore be made in that tab. Cells in yellow can be updated. All other cells should not be modified as they contain formulas that drive the model. Explanations of the various elements of the budget are detailed below:

Personnel Expenses

The personnel section uses a standard staffing pattern typical of most centers, with the following assumptions built in:

- Program Director (1 full time)
- Assistant Director (0.5 FTE if less than 30 children, 1 FTE if 31-100, 1.5 FTE if 101-150, 2 FTE if over 151 children enrolled)
- Administrative Assistant (0.5 FTE if less than 30 children, 1 FTE if 31-100, 1.5 FTE if 101-150, 2 FTE if over 151 children enrolled)
- Lead Teachers – Infant/Toddler (1 per classroom)
- Assistant Teachers – Infant/Toddler (1 per classroom)
- Lead Teachers – Preschool (1 per classroom)
- Assistant Teachers – Preschool (1 per classroom)
- Lead Teachers – School Age (1 per classroom, at 60% FTE)
- Assistant Teachers – School age (1 per classroom, at 60% FTE)
- Floater-Assistant Teachers (for coverage throughout the day, based on 0.2 FTE per teaching personnel default, which can be updated in cell F12)

Wages

Wages for each position are driven by the qualifications selected in the [Variables INPUT-CTR] tab. The Program Director, Lead Teacher and Assistant Teacher salaries are driven by provider data collection, Preschool Promise and Baby Promise recommended salaries, and input from the cost study technical work group. The Assistant Director salary is 80% of the Program Director, and the Administrative Assistant is estimated at $15 per hour, for an annual salary of $31,200. The Floater/Assistant position is calculated based on an assistant teacher wage.

Substitute expenses are calculated based on the number of sick days and paid time off the user input on the [Variables INPUT-CTR] tab. Sub hourly rates are based on an hourly rate that aligns with an assistant teacher.

Mandatory and Discretionary Benefits

All mandatory benefits are calculated on the [Quality Center Profile] worksheet. These include federal and state requirements, including unemployment insurance and workers compensation.

By default 10 days paid sick leave and 10 days paid leave is included for all staff.

If the health insurance option is selected on the [VariablesINPUT-CTR] tab, the model includes $5,496 per FTE, which is the average annual employer contribution to health insurance, based on Kaiser Family Foundation data for Oregon. This benefit is included in the model as a dollar amount, which individual providers could choose to deploy in different ways, including health insurance contribution, retirement contribution or other discretionary benefits.

Annual training/professional development is also included at 15 hours per teaching staff member per year to meet licensing requirements. Additional professional development at higher quality levels can be accounted for in the Quality Variables section.

Quality Related Variables

Based on the quality levels chosen on the [VariablesINPUT-CTR] tab, the model includes cost drivers related to Family Engagement, Professional Development Supports, and/or Planning/Release Time. These costs for these variables are based on the number of children or staff in the program as per details below:

Family Engagement

When Baby or Preschool Promise is selected on the input tab, the model includes the cost of two conferences each year plus a family orientation. The cost of conferences consists of paying a substitute teacher to cover while the classroom teacher is leading the conference (2 hours per year per child). Family engagement is estimated at 1 hour per child per year.

In the Early Head Start/Aspirational model, instead of Family Orientations, the model includes a Family Support worker. 1 FTE is included for every 35 children at an annual salary of $37,000.

Professional Development Supports

When Baby or Preschool Promise is selected on the input tab, the model includes an additional 20 hours per staff member per year for release time for professional development. The expense covers the cost of hiring a substitute to cover this release time. In addition, 5 hours per month is included for the program director to participate in a Focused Child Care Network (FCCN).

Planning/Release Time

To provide educators with additional release time for planning purposes, the model includes an additional 1 hour per day per teacher when Point 2 quality is selected. At the Baby Promise and Preschool Promise quality level, 1.5 hours per day is included for lead teachers and 0.5 hours per day for assistant teachers. At the Aspirational/EHS level of quality, 2 hours per day is included for lead teachers and 1 hour per day for assistant

teachers. The cost to provide this release time is realized through the expense of hiring a substitute to cover for these release hours.

Nonpersonnel Expenses

Nonpersonnel costs are aggregated into four categories:

Education Program for Children and Staff, which includes:

- **Education/Program—Child:** Food/food related, classroom/child supplies, medical supplies, postage, advertising, field trips, family transportation, child assessment materials.
- **Education/Program—Staff:** Professional consultants, training, professional development,conferences, staff travel

Occupancy: Rent/lease or mortgage, real estate taxes, maintenance, janitorial, repairs, and other occupancy-related costs

Program Management and Administration: Office supplies, telephone, internet, insurance, legal and professional fees, permits, fundraising, memberships, administration fees

Contribution to Operating Reserve Fund: Annual contributions to an operating reserve fund—a practice that contributes to long-term financial sustainability—can be included as a percentage of total expenses. The amount is set at 5% by default but can be updated in the [Quality Center Profile] tab.

Revenue Sources

The model is set up to use the range of revenue sources available to a typical child care center in Oregon. The following revenues sources are included in the model:

- The federal **Child and Adult Care Food Program (CACFP)** is used for children of all ages at the current rates for free, reduced-price, and paid meals based on family income.

- **Private tuition** is used for children of all ages who are not covered by a public funding stream. Rates are based on the 75th percentile of the market rate based on the 2018 market price survey.

- **Employee Related Day Care (ERDC)** subsidy rates are used for the user-entered number of infants, toddlers, preschoolers and school age children on the [VariablesINPUT-CTR] page, with rates based on the age of child. Rates are based on current DHS maximum rates which were effective as of 1/1/19 and use a full-day, full-year rate.

- **Baby Promise** and **Preschool Promise** rates are included at $12,000 per child for Preschool Promise and $15,000 per year for Baby Promise. These rates can be updated in the model by the user.

- **Early Head Start** and **OPK/Head Start** rates are included at $9,208 per child for OPK/Head Start and $13,300 per child for Early Head Start, based on data provided by ELD. These rates can be updated in the model by the user.

- Some centers may have revenue from other sources such as grants, fundraising events, etc. This is included as a revenue line and can be entered by the user as a total annual amount.

Adjustments to Revenue

Revenue data is adjusted to account for uncollected revenue (bad debt) and enrollment efficiency, which is the overall percentage of a center's desired capacity that is filled/enrolled, averaged for the year. The default in the model is 85% enrollment efficiency and 3% bad debt; these percentages can be modified on the [Quality Center Profile] page.

Family Child Care Model

Variables

Select settings for the key variables on the first worksheet in the file [VariablesINPUT-FCC]. Different settings can generate a wide range of situations. Each variable is explained below.

Enrollment: The model allows users to run scenarios for a Registered Family Home, a Certified Family Home, and a License-Exempt home. Users can input the number of children in each age group served by the home. The model will automatically identify what type of program is being modeled, based on the number of children and will show an error if your selection violates licensing rules related to the number of children served.

Qualifications of Staff: The model includes compensation for the director/owner of the family child care home. The salary level is determined based on the staff permit level and is aligned with compensation for similarly credentialed lead teachers in child care centers. Users enter the percent type that is at each step level, for the director/owner and for any additional teachers, assistants or substitutes employed by the program. Each column must total 100%.

Salary Override: Salary levels are determined based on the step level selected in the prior section. However, users can override the default salary data by selecting "Yes" in the yellow drop-down cell in Column C and then entering annual salary data for the selected positions in Column J.

Quality Variables: Users can model the cost of meeting certain quality standards for three different quality cost drivers – Family Engagement, Professional Development Supports, and Planning/Release Time. For each of these variables, users can select either licensing standards, Baby/Preschool Promise, or an Aspirational level of quality. Full details of the quality variables can be found in the accompanying methodology.

Benefits: Users can select if the program offers any health insurance coverage and can select the number of sick and paid leave days offered to employees. While the FCC is unlikely to have access to an employer-based health insurance plan, selecting "Yes" in the health insurance drop-down adds an annual amount to the program budget that is equivalent to the employer contribution in a child care center, which can be used to purchase health insurance in the private market, or to cover the cost of premiums on a family member's plan.

Efficiency: No program is 100% full all of the time. To accurately capture the true revenue that programs incur to help cover their costs, the user can modify the percent enrollment efficiency – which is how full the program is on average across

the year, and the bad debt – which is how much of expected revenue is not collected. Industry defaults are 3% bad debt, and 85% enrollment efficiency.

Revenue: To accurately project revenues for your model program, enter the number of children at each age level who receive child care subsidy (ERDC), Baby Promise, Early Head Start, Preschool Promise and Head Start/Oregon PreK. Users should review program requirements to understand if the scenario they are modeling can access each of these funding streams. The private tuition column will automatically update with the balance of enrollment not covered by public funds. Note that the table must be changed when the size of the program is changed.

Results – Cost per child: The blue table at the end of the [VariablesINPUT-FCC] tab provides the cost per child results based on the user selected inputs. Results are included on an annual, monthly and weekly basis for each age group. The green table calculates the monthly gap between the estimated cost per child, and the current ERDC subsidy rate, and the current average market price. The user can modify the subsidy rate region and market tuition region in the yellow cells below the green table. Note, the CPC calculations in family child care homes does not provide a different cost for infants, toddlers and preschoolers, due to the program operating as one single classroom. School-age cost per child is lower in order to account for the reduced number of hours that school age children require child care.

Calculations

The [QualityHomeProfile] worksheet displays the results of the model based on the choices made in the [VariablesINPUT-FCC] worksheet.

Family Child Care Home Profile: This table shows the number of children at each age level in your modeled program. The Annual Cost per Child data in column C show the results of your analysis on a per-child basis.

Personnel Expenses

All scenarios include at least one full-time provider/teacher. The assistant teacher and floater positions are added based on the size of the program, the number of infants, and the quality level selected. Salaries for all positions are determined based on the quality level and region selected on the [VariablesINPUT-FCC] worksheet.

Salaries and Wages

Wages are driven by the qualifications selected in the [Variables INPUT-FCC] tab. The Provider/Teacher is aligned with the lead teacher salary in the center scenarios. The Assistant salary is based on the assistant teacher salary in the center scenarios.

Substitute expenses are calculated based on the number of sick days and paid time off the user input on the [Variables INPUT-FCC] tab. Sub hourly rates are based on an hourly rate that aligns with an assistant teacher.

Mandatory and Discretionary Benefits

All mandatory benefits are calculated on the [Quality Home Profile] worksheet. These include federal and state requirements, including unemployment insurance and workers compensation.

By default, 10 days paid sick leave and 10 days paid leave is included for all staff.

If the health insurance option is selected on the [VariablesINPUT-FCC] tab, the model includes $5,496 per FTE, which is the average annual employer contribution to health insurance, based on Kaiser Family Foundation data for Oregon. This benefit is included in the model as a dollar amount, which individuals could choose to deploy in different ways, including purchasing health insurance from the public marketplace, contributing to a health savings account, or paying the premium for a family member-provided health plan.

Training/professional development is also included at 15 hours annually for the provider and for any staff members to meet licensing requirements. Additional professional development at higher quality levels can be accounted for in the Quality Variables section.

Quality Related Variables

Based on the quality levels chosen on the [VariablesINPUT-FCC] tab, the model includes cost drivers related to Family Engagement, Professional Development Supports, and/or Planning/Release Time. These quality variables can be applied to only infants and toddlers, or only preschoolers. The costs for these variables are based on the number of children or staff in the program as per details below:

Family Engagement

When Baby or Preschool Promise is selected on the input tab, the model includes the cost of two conferences each year plus a family orientation. The cost of conferences consists of paying a substitute teacher to cover while the lead providers is leading the conference (so 2 hours per year per child). Family engagement is estimated at 1 hour per child per year.

In the Early Head Start/Aspirational model, instead of Family Orientations, the model includes a Family Support worker. 1 FTE is included for every 35 children at an annual salary of $37,000.

Professional Development Supports

When Baby Promise or Preschool Promise is selected on the input tab, the model includes an additional 20 hours per staff member (including the provider/owner) per year for release time for professional development. The expense covers the cost of hiring a substitute to

cover this release time. In addition, 5 hours per month is included to participate in a Focused Child Care Network (FCCN).

Planning/Release Time

To enable the provider to spend time on lesson planning without being responsible for children, the model includes an additional 5 hours per week to pay for a substitute when Point 2 quality is selected. At the Baby Promise and Preschool Promise quality level, 8 hours per week is included. At the Aspirational level of quality, 15 hours per week is included. The cost to provide this release time is realized through the expense of hiring a substitute to cover for these release hours.

Nonpersonnel Expenses

Nonpersonnel costs in the family child care home model align with the expense categories that home-based providers report on their federal taxes (Internal Revenue Service Schedule C). These expenses are broken out into:

Nonpersonnel – Admin/Office: This category includes expenses such as advertising, insurance, legal and professional fees, office supplies, and repairs, maintenance, and cleaning of the space used for child care.

Nonpersonnel – Program (calculated per child): This category includes classroom supplies, medical supplies, food, and educational supplies. This amount varies based on the number of children in the program.

Occupancy – Shared Use of Business and Home: Home-based businesses may count a certain percentage of their occupancy costs as business expenses, including rent/lease/mortgage costs, property taxes, homeowners insurance, utilities, and household supplies. The model follows Internal Revenue Service Form 8829 to estimate a time-space percentage for how these expenses apply to the business.

Revenue Sources

The model is set up to use the range of revenue sources available to a typical family child care home in Oregon. The following revenues sources are included in the model:

- The federal **Child and Adult Care Food Program (CACFP)** is used for children of all ages at the current rates for free, reduced-price, and paid meals based on family income.
- **Private tuition** is used for children of all ages who are not covered by a public funding stream. Rates are based on the 75th percentile of the market rate based on the 2018 market price survey.
- **Employee Related Day Care (ERDC)** subsidy rates are used for the user-entered number of infants, toddlers, preschoolers and school age children on the [VariablesINPUT-FCC] page, with rates based on the age of child. Rates are based on current DHS maximum

rates which were effective as of 1/1/19 based on a full-day, full-year rate for either Certified FCC, Registered FCC, or license exempt home.

- **Baby Promise** and **Preschool Promise** rates are included at $12,000 per child for Preschool Promise and $15,000 per year for Baby Promise. These rates can be updated in the model by the user.

- **Early Head Start** and **OPK/Head Start** rates are included at $9,208 per child for OPK/Head Start and $13,300 per child for Early Head Start, based on data provided by ELD. These rates can be updated in the model by the user.

- Some programs may have revenue from other sources such as grants, fundraising events, etc. This is included as a revenue line and can be entered by the user as a total annual amount.

Adjustments to Revenue

Revenue data is adjusted to account for uncollected revenue (bad debt) and enrollment efficiency, which is the overall percentage of a programs desired capacity that is filled/enrolled, averaged for the year. The default in the model is 85% enrollment efficiency and 3% bad debt; these percentages can be modified on the [Quality Home Profile] page.

Data Sources and Model Development

The revenue and expense models were developed for the Oregon Early Learning Division by Simon Workman and Jeanna Capito, under contract with the Center for American Progress. Development of the models included three phases:

1. Stakeholder engagement
2. Provider data collection
3. Revenue and expense model development

More information on these phases is provided below, along with references for data sources used in the model.

Stakeholder Engagement

To inform the assumptions and data used in the model, the study team convened a Technical Work Group. This work group was comprised of staff from the Oregon Early Learning Division, child care advocates, representatives of licensed child care centers, family child care homes, license-exempt providers, and Head Start, and researchers from the University of Oregon. The Technical Workgroup met approximately monthly throughout the duration of the project and were instrumental in supporting provider data collection, advising on model assumptions, and navigating a path forward for the project during the COVID-19 pandemic.

In addition, preliminary results from the cost modeling analysis and information about the process, goals, and expected outcomes of the modeling process were shared with the Oregon Joint Task Force in Access to Quality Affordable Child Care, and with the Oregon and Tribal CCDF Administrators Gathering.

Provider data collection

A key part of developing a response and customized revenue and expense model is gathering data directly from child care providers. This data collection process gathers information on current expenses as well as the expenses providers would incur in order to meet higher quality standards. The study team engaged in a two-step data collection process:

Online Survey

An online survey was administered to all child care provides in the state. This survey collected data on the key cost drivers faced by providers, including staffing patterns, salaries, benefits, and occupancy costs. The survey was distributed in October 2020 and was available to collect responses for four weeks. The survey was available in English, Russian, Chinese, Spanish, and Vietnamese and was designed so that users could save responses part way through the survey in case they did not have time to finish it in one sitting. The survey was distributed via multiple channels, including ELD communications, social media, child care associates, and CCR&Rs.

Over 1,000 completed responses were received, representing 27% of the total licensed child care programs in the state. Responses came from 33 of Oregon's 36 counties, and

represented for-profit and non-profit centers (23% of respondents), certified family child care homes (29% of respondents) and registered family child care homes (33% of respondents).

This survey data was analyzed for variations in expenses by quality level (SPARK rating), accreditation status, location, program size, and program sponsorship/revenue sources.

Provider Interviews

Conducted interviews with child care providers. Due to the coronavirus pandemic, the study team conducted interviews via video calls. Providers were identified through the Technical Work Group and an interview request was sent along with information about the project and anticipated data that would be needed to facilitate the interview. The purpose of the interview stage was to probe deeper on various expense categories and better understand the true cost of providing high-quality child care. For example, the interviews allowed for a deeper understanding of staffing patterns, how programs manage quality-related activities, and the link between compensation and staff recruitment and retention.

Finally, in order to better understand the expenses incurred by license-exempt home-based providers, the study team partnered with SEIU Local 503 to conduct a telephone survey of members providing child care. This survey focused on a more limited set of expense questions than the online provider survey, due to the nature of license-exempt providers and the different regulations they are required to meet.

Revenue and Expense Model Data

The provider data described above was used along with other extant data sources to develop the revenue and expense model. Data sources are described in detail below:

Salary data in the model comes from the provider data collection and from salary schedules provided by ELD. The study team analyzed self-reported salary data from the survey responses, including analysis for regional variations, variations by program quality level, program size, and program primary funding source. Significant variations in teacher salaries by region and program size were not evident and therefore the study team, in consultation with the technical workgroup, used a statewide average rate. Given the limited numbers of program at each of the SPARK quality levels, the model uses an average of programs not participating in SPARK for Steps 1 through 8.5, and then the average of programs participating in SPARK for Steps 9, 10 and 11. Salaries at the Preschool Promise and Baby Promise level are drawn from the minimum salaries as detailed int the Preschool Promise manual. Salaries at the Aspirational level use the target salaries form the Preschool Promise manual. As currently developed Point 2 does to have any salary data – this can be added by the user to model an alternate salary schedule.

Nonpersonnel expenses are taken from either default data used in the Provider Cost of Quality Calculator (PCQC) or from the Oregon provider data collection. PCQC defaults can be seen at www.ecequalitycalculator.org. While rent/lease/mortgage expenses can differ across the state based on geography, the study team's data collection found that the difference in occupancy costs related more to the history of the program, whether it had been operating for a long time, or was newly opened, or whether it was located in a shared space where occupancy costs were covered by another entity, than the geographic location. For that reason, the study team does not recommend a regional variation in occupancy costs. However, if the model were used to estimate the cost of opening new programs, occupancy costs can be adjusted in the model to reflect the current market price of renting or leasing a facility.

Subsidy Rates are based on DHS Child Care Maximum Rates, as of 1/1/19, available at https://www.oregon.gov/DHS/ASSISTANCE/CHILD-CARE/Pages/rates.aspx

Tuition Rates are based on the 2018 Oregon Child Care Market Price Survey, the most recent published survey at the time of model development. The report is available at https://www.oregon.gov/DHS/ASSISTANCE/CHILD-CARE/Documents/CCMR%202018%20Report.pdf. The model uses rates at the 75th percentile for tuition calculations.

Preschool Promise & Baby Rates are based on data provided during data collection interviews and from data provided by ELD.

Child and Adult Care Food Program is included as a revenue stream. The model uses rates effective from July 2020 to June 2021 as found at https://www.federalregister.gov/documents/2020/07/22/2020-15765/child-and-adult-care-food-program-national-average-payment-rates-day-care-home-food-service-payment. The model estimates CACFP revenue based on the number of children receiving child care subsidy, divided equally between the free and reduced rate. All children in the program receive the paid rate.

All data in the model can be updated as new data becomes available, allowing the core functioning of the model to take advantage of updated payment rates, salaries, benefits, and nonpersonnel expenses.