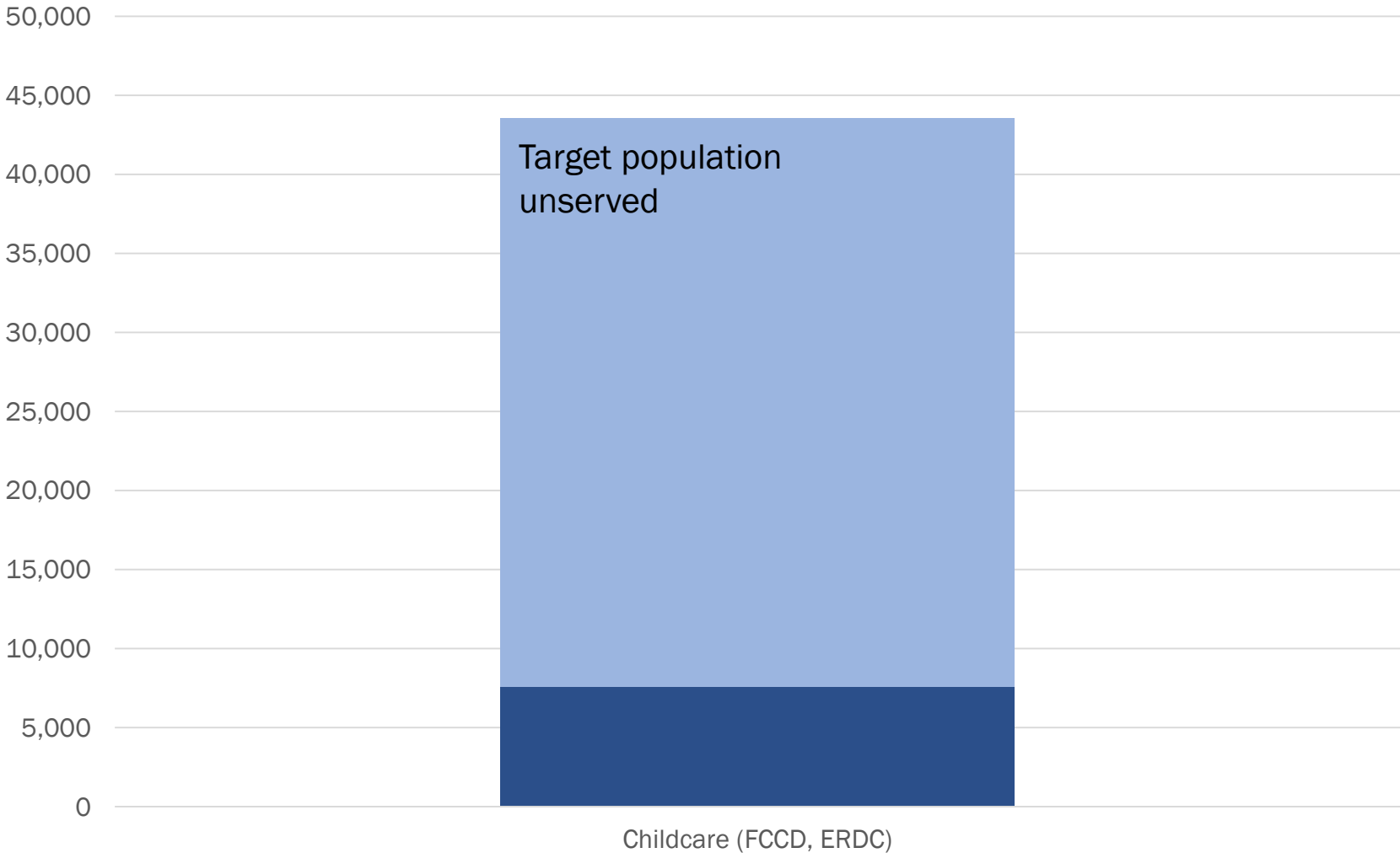


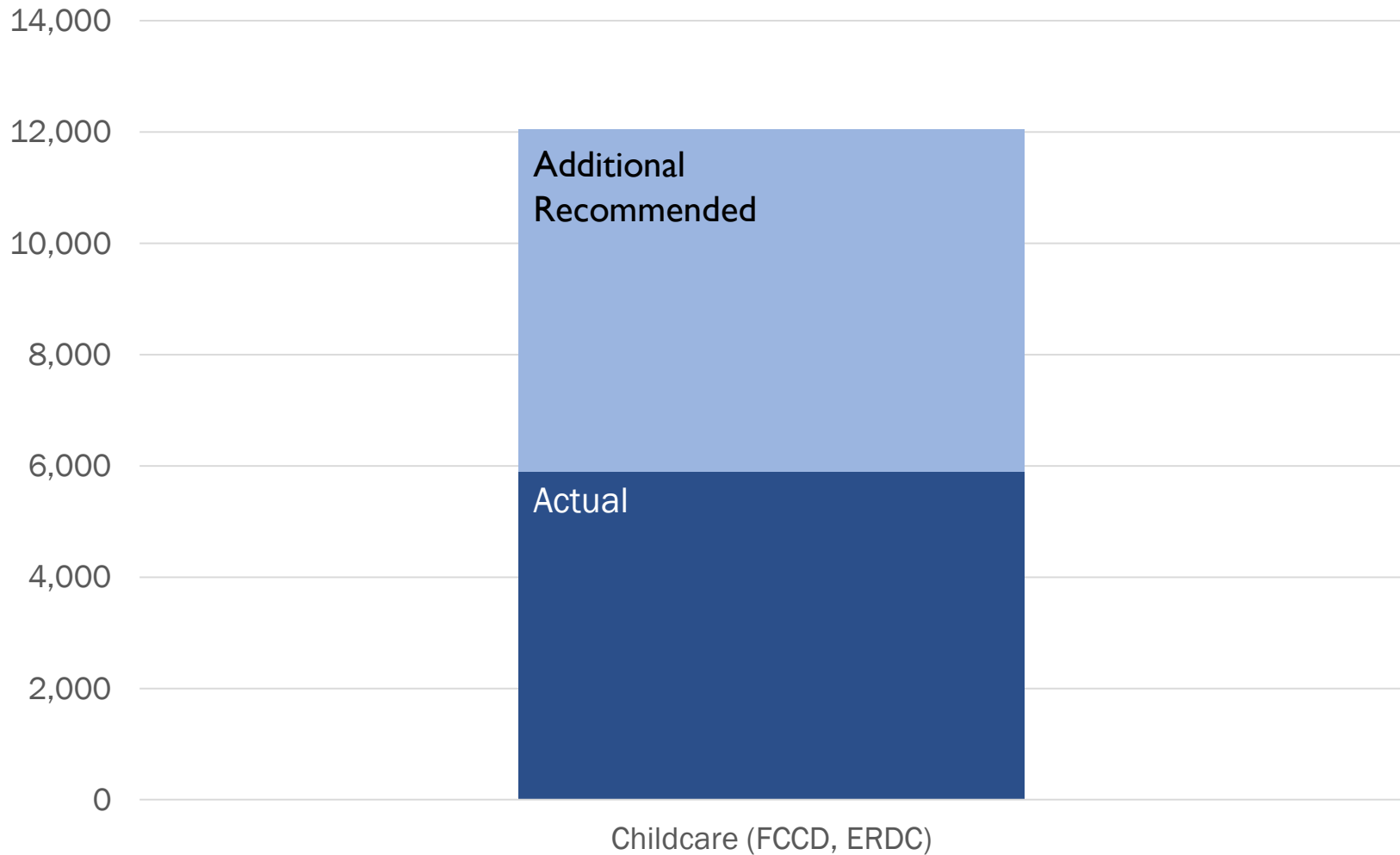
- Eligible population: 0-5 year olds in families 185% FPL
- Cost per child: Used mid-point between current cost per child and “cost of quality” from Center for American Progress
- Parent co-pay: Capped at 7% family income

Child care program coverage

Average monthly participation



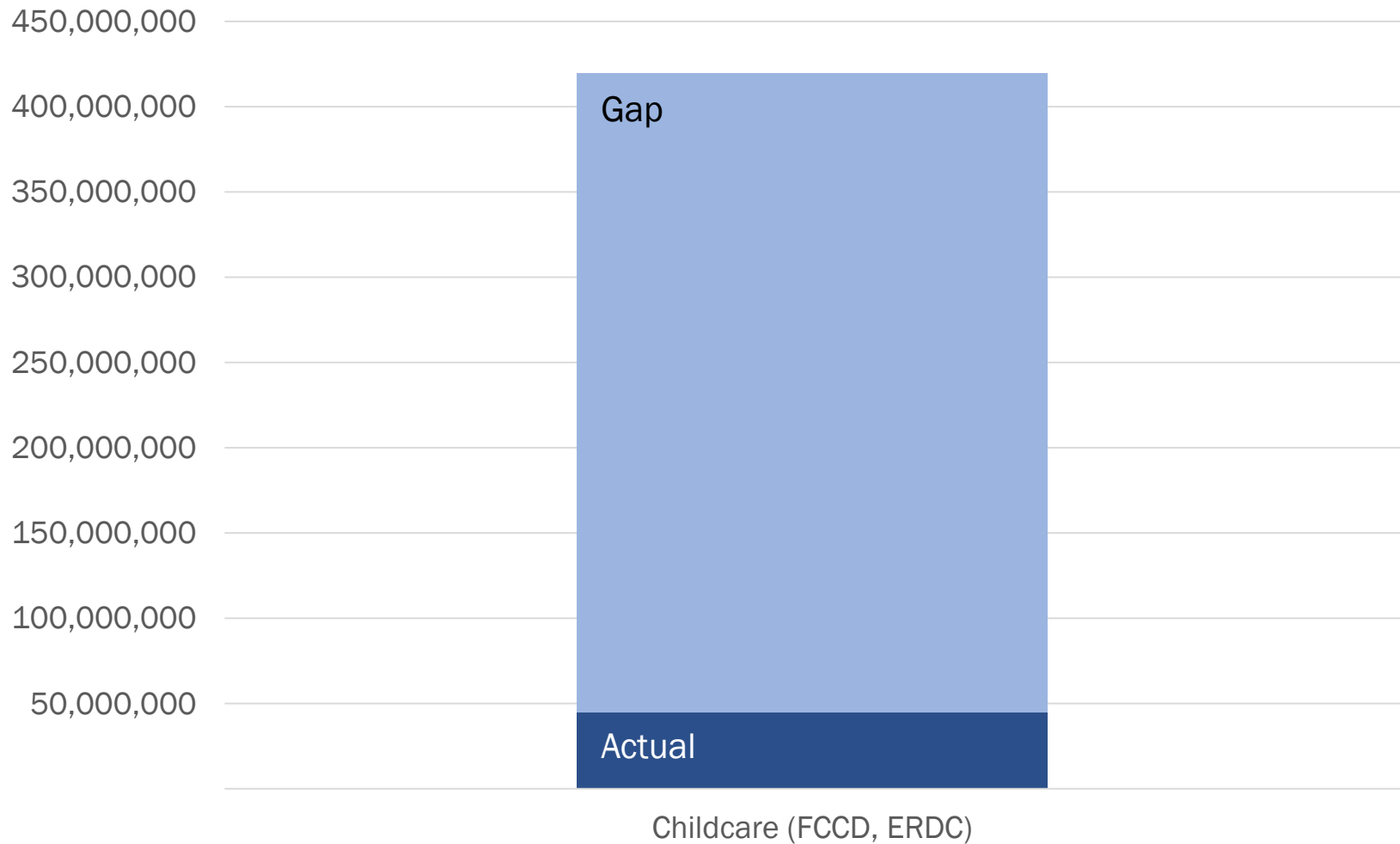
Estimated current child care program expenditures



Source: Children's Institute recommendations based on input and analyses of providers.

Child care expenditures

Annual from all revenue sources, circa 2017



Data source detail

Employment Related Day Care (Birth through Age 4)

Current Program Services	
Current ERDC Enrollment	7,607
Average Annual Cost per Slot	\$5,902
Annual Expenditures (Total Funds)	\$44,896,151
Recommended Program Expansion	
Total Eligible Population (Estimate of Percentage Currently Served)	43,552 (17%)
Estimated Maximum Participation of Eligible Population	80%
Lower Bound Unmet Need at Current Cost per Slot	\$169,709,481
Recommended Cost per Slot	\$12,043
Upper Bound Unmet Need at Recommended Cost per Slot	\$374,703,676

Methodology

Current Enrollment. Enrollment estimates are based on the average monthly enrollment between September and November 2018 as reported in the [Oregon DHS Monthly District/Branch Reports](#). During this time, an average of 15,120 children were served monthly. USDHHS ACF CCDF estimates that 50.3 percent of children in care are under age 5 ([USDHHS ACF CCDF for fiscal year 2016](#)). Multiplying the estimated monthly caseload of 15,120 by 50.3 percent provides the modeled estimate of 7,607 enrollees under the age of 5.

Current monthly subsidy. The estimated subsidy is based on the [Oregon DHS Monthly District Branch Reports](#) for September through November 2018, we estimate an average monthly subsidy per child of \$416. We identified the adjust factor for the higher subsidies provided to children age 0 through 4 based on [USDHHS ACF CCDF Average Subsidy by Age Group](#). This factor, 1.18 was applied and the monthly rate was multiplied by 12 months to arrive at the annual average subsidy of \$5,902.

Eligible population. The eligible population estimate of 43,552 children age 0 through 4 living in households with income less than 185% FPL and all parents either working or in school is based on an ECONorthwest analysis of 2016 5-year PUMS data. This estimate yields a 17% participation rate for children ages 0 through 4, which is comparable to the 17% Oregon participation rate estimated based on current level of service reported by [USDHHS ACF](#) and eligibility reported by [USDHHS ASPE](#) for children of all ages in fiscal year 2015.

In order to account for the differences between eligibility and those who may actually access services, we reduce the estimated unmet need to 80 percent, based on [Whitehurst and Klein \(2015\)](#). This research provides an estimate of the maximum 4-year-old early education participation rate for children in the lowest income quartile based on the Early Childhood Longitudinal Study 2011.

Recommended cost per slot. The aspirational subsidy cost per slot is the cost of high-quality childcare derived from *Where Does Your Child Care Dollar Go?* (table 3, [Workman \(2018\)](#)). The proposed cost per slot is the mid-point between current price and cost of high-quality care from the table (which is \$21,366 annually for 0-1 year-olds, \$18,795 for 1-3 year-olds, and \$13,467 for 3-5 year-olds). We estimate 3-5 year-olds need 2/3 the hours of child care because preschool expansion will address some child care needs. We estimate that the typical co-pay is \$2,100 annually—7% of \$31,251 in household income. ECONorthwest analysis of 2016 ACS PUMS data shows an average household income of \$31,251 for households with all parents either working or in school with household income below 185% of the federal poverty level.