



AUGENBLICK,  
PALAICH AND  
ASSOCIATES

To: Kacee Miller, Early Milestones  
From: APA Consulting  
Re: District 9-R's Infant and Toddler Classroom  
Date: March 2, 2020

This memo provides qualitative and cost data analysis of an infant and toddler child care facility currently operating in Durango High School in the Durango 9-R school district, in La Plata County, Colorado. This memo is based on information from the following set of interviews and focus groups conducted by APA Consulting (APA) primarily during a January 2020 site visit to Durango:

- Heather Hawk, Executive Director of the Early Childhood Council of La Plata County.
- Elizabeth Culver, Coordinator of Early Childhood Programs for the Durango 9-R district.
- Samantha Gallagher, Chief Financial Officer of the Durango 9-R district.
- Kimberlie Brown, Director of the Durango High School Early Learning Center.
- John Hoerl, Principal of Durango High School.
- A focus group and written feedback from teachers and parents whose children are served by the Durango High School child care facility.

This memo reviews the child care context in the area, the motivating factors that led to consideration of creating an infant and toddler ECE center sponsored by the district, the key ingredients that allowed its creation, a description of the center as currently implemented including operating costs and tuition rates, and a set of suggested implementation steps for other districts to consider based on Durango's experience. The memo also reviews potential or expected impacts of the center on teachers and students and some tensions that arose during creation and implementation.

## Child Care Context

Durango, in La Plata County, Colorado, is currently experiencing a shortage of quality child care options for children. In 2017, the county estimated that there were child care slots available for only 40 percent of children who could be enrolled in care.<sup>1</sup> In 2019, the Kids Count report estimated that there were between one and two children per available licensed space in the county. Infant care is especially scarce, with only 100 slots available for the approximately 470 children born in the area each year. However, that number of slots is likely to decline, as news reports indicate that child care in La Plata County is closing faster than new centers are opening.<sup>2</sup> When center closures are combined with a statewide reduction in home-based care, child care capacity in the county is likely to dramatically decrease over the next few years. The existing shortage of quality child care in the county was consistently affirmed by teachers and district and school level leaders participating in APA's site visit interviews.

## Motivating Factors

There were two primary motivating factors prompting the Durango school district to create an infant and toddler care facility in the local high school. First, the Durango 9-R school district had conducted an internal study of their staff retention rate. This study examined teacher compensation, cost of living, and quality of life issues. The district found that one of the retention challenges for all of their schools was the inability of teachers to return to work after maternity leave because of a shortage of child care options for children age six weeks to 24 months. This shortage meant that teachers who wanted to return to the classroom often could not because they could not find quality child care options.

The second motivating factor was a community education forum held in 2017 by the Thrive Living Wage Coalition. During that day, which brought the community together to discuss important local issues, there was a presentation on the challenges that child care professionals face to support themselves given existing low compensation rates. One recommended strategy that arose out of the subsequent discussion was to improve the quality of the working environment for all educators, from early childhood education to higher education. The Durango 9-R district chose to take ownership of that issue, which involved increasing teacher salaries for teachers from early childhood education to higher education. These two events

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<sup>1</sup> <https://durangoherald.com/articles/154141-la-plata-county-faces-early-childhood-care-shortage>

<sup>2</sup> <https://durangoherald.com/articles/258559>

firmly focused district attention and motivation on the importance of both providing and supporting the availability of child care for teachers in the district. It also included the community in those conversations, which led to a broader understanding of the importance of quality child care availability.

### [Key Ingredients to the District's Initial Launch of the Child Care Facility](#)

After district and community interest was generated and galvanized by the events described above, there were several key ingredients that allowed interest to translate into installation of a child care facility within the district's high school. The first key ingredient was the passage of a mill levy intended to increase teacher salaries. While the mill levy did not specifically allude to the provision of child care for teachers in the district, it did provide the board of education confidence that the district would have the necessary overall resources to allow for the opening of a center. Without this mill levy passage, it is likely that it would have been extremely difficult or impossible to move forward with the center.

A second key ingredient was strong support for this initiative from the district's superintendent, Dan Snowberger. Input received across APA's interviews indicates that having strong support from the superintendent was critical to the initiative's successful launch, and to overcoming barriers and challenges that arose along the way. In particular, APA's interviews indicated that superintendent Snowberger was a "strong listener" to the needs of his staff and became an essential advocate for this initiative before the school board. Garnering such school board support further solidified the initiative's standing within the district. The superintendent also played a key role in recruiting Durango High School principal John Hoerl to take on the novel challenge of incorporating a child care center into a secondary school community.

A third key ingredient was the presence of a champion within district staff. In this case, Libby Culver, the Director of Early Childhood Education at the district, served that role. Having been with the district for 20 years, Culver had seen teachers struggle to return to the workforce after having children. She researched state law and licensing issues and was able to bridge some of the concerns with the board of education about how the program would work and what it would look like, including why it might be best located in the high school. Ms. Culver had advocated for a similar program several years in the past but was unable to get significant traction before the motivating events described above. The community-wide discussion of the

importance of child care in particular facilitated her receiving support from both the superintendent and the board of education.

These ingredients – funding provided by the mill levy, superintendent and school board support, and an informed and motivated champion within the school district – were all essential in capturing and capitalizing on the momentum created by the community conversations about the existing child care shortage.

### *Center Description and Cost Structure*

The child care center in Durango High School opened in the 2018-19 school year and is currently in its second year of implementation. The center consists of two former classrooms on the ground floor of the school. The center has its own entrance, as well as connection to office space where the on-site center director, Kimberlie Brown, sits. The center has capacity for, and is licensed to serve, 15 children: seven infants and eight toddlers. The Center is only open during the school year around regular school hours, and only accepts children on a full-time basis. In addition, the program serves only children zero to three years old. Once children turn three years old parents must find care elsewhere (the current district pre-K program does not start until age four). The district is currently exploring expansion of pre-K capacity to handle more three-year-olds, but this remains a challenge and the district's pre-K priority remains with serving four-year-olds.

### *Startup Costs*

Startup costs for the facility were estimated at approximately \$100,000. This included an initial allotment of \$20,000 for classroom supplies and materials, and \$80,000 to cover retrofitting of two high school classrooms to form a connected early childhood education facility with a room for infants and a room for toddlers. Such retrofitting involved, among other costs:

- Architect plans
- Sink installations
- Bathroom modifications to accommodate small children
- Installation of an external exit
- Safety treatments to shatterproof the classroom windows
- Soft mulch and installation of outdoor playground equipment.

It was noted during APA's interviews that startup costs for other school districts interested in pursuing this type of program could be lower if districts choose to repurpose kindergarten classrooms rather than high school classrooms, since plumbing and outdoor equipment modifications might be less extensive.

### *Quality Rating*

The current center director was familiar with the Colorado Shines quality rating program and led an effort to get the facility from a Level 1 to a Level 2 rating. This rating opened up the opportunity for \$1,400 in funding from the State of Colorado's Office of Early Childhood which was used to purchase classroom materials. While this \$1400 from Colorado Shines is technically a one-time grant, it is expected that continued funding at this level may be provided by the state if the program can show that it is continually working towards increasing quality.

### *Staff Compensation and Benefits*

Unlike preschool teachers in the district, the child care staff at the center are not licensed classroom teachers and are not paid on the district's teacher salary schedule. The district is, however, a "living wage employer," which means that all staff, whether licensed teachers or not, are paid at minimum a living wage for the community. Such a living wage is currently designated at approximately \$12.80 per hour. The language of the Durango mill levy reaffirmed this commitment to paying a living wage.

While the center director and district early childhood coordinator have the final say in hiring decisions, the district human resources department sets the pay rates for center teachers, following the district's existing Master Agreement for classified employees. Teachers in the ECE center are currently paid \$13.50 per hour. These teachers will be paid a minimum of \$13.75 per hour next school year to adjust for increases in cost of living, and this pay rate is considered "above market" for ECE workers in the area who are paid, on average, about \$12 per hour.

The ECE teacher pay rate is the same as district preschool paraeducators, however they enjoy some significant employment advantages over their peers at other child care facilities in Durango. In particular, the director and teachers in the child care center work a daily schedule based on the school day (7:30am to 4:30pm), receive summers off, receive health, life, disability, dental, and vision insurance coverage, and are eligible to participate in the Colorado state retirement program for public educators (PERA). Employees are given the option of

spreading their 10 months of paychecks evenly over the full calendar year, and many employees get separate jobs during the summer in the local tourist industry. In addition, since employees in the center are covered under the existing collective bargaining agreement, they receive paid sick leave, plus four to five paid holidays during the school year, and they qualify for guaranteed raises of approximately two percent of salary per year plus a cost of living adjustment. Employees in the facility also receive four paid days for professional development each year.

Overall, the average value of benefits provided to the ECE center director and teachers is estimated at 33-35 percent of each employee's salary.<sup>3</sup> These benefits represent a significant investment in employees and are an important hiring advantage the district has over other ECE employers when it comes to attracting and retaining ECE teachers. These advantages are viewed as important due to the ongoing lack of supply of ECE educators in the community.

#### *Tuition Rates*

Parents using the center are required to pay tuition. The district has established a policy of not charging teachers during the summer (when the center is closed) to hold their child's slot for the fall. The goal of the center is to establish its own, ongoing financial sustainability based on incoming tuition although, as discussed below, operating costs for the center currently exceed funds brought in through tuition. The center does accept CCCAP subsidies. There are no additional subsidies provided because the center is designed to address *capacity of care* rather than affordability of care. A currently proposed \$50 registration fee for parents has been proposed for the 2020-21 school year to be used towards the purchase of needed materials and consumables such as art supplies.

The center's director plays a central role in setting the tuition rates for parents. Currently, the center charges \$43.55 per day for both infants and toddlers. A new proposed fee structure for the 2020-21 school year would include a fee of \$46 per day for infants and \$45 for toddlers. To help develop these rates, the center director called centers across the community to understand comparable rates. Other child care centers in the community charge \$50 per day

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<sup>3</sup> Participation in PERA is valued at 20.4 percent of salary. The value of health coverage (including vision and dental) is \$635 per month per employee. The value of provided life insurance for all employees is \$2.80 month while the value of provided long term disability insurance is an additional .022% of salary, and the value of district coverage of Medicare is 1.45 percent of salary.

for infants and anywhere from \$46-48 per day for toddlers, with the most expensive facilities charging \$52.55 per day for infants and \$49 per day for toddlers.

According to those interviewed by APA, the district made a strategic decision to keep tuition rates slightly below rates in the community at large because the district wanted this facility to serve as an added benefit to teachers. However, participants in APA's interviews indicate that future school districts that are interested in replicating this intervention might benefit from conducting a more extensive market rate study to inform their prescribed tuition levels.

### *Ongoing Costs*

During its first two years of operation, the facility at Durango High School cost approximately \$100,000 per year to operate. Costs are somewhat contained by the fact that: 1) The facility does not have to pay rent; and 2) parents bring and pay for all food for their children every day and are expected to provide healthy food choices. Approximately 90 percent of the \$100,000 per year cost is estimated to be allocated to employee pay and benefits.

In addition to the district's costs, the school principal allocates \$1,000 per year for supplies and consumables to the center. Licensing fees and costs for items such as rubber gloves and cleaning supplies are paid for out of this \$1000 that the school provides each year with school-level funds. The district does not pay for curricular materials or other classroom materials. For any such materials it was noted in APA's interviews that the center director may need to be creative to apply for and obtain grants or other funding.

In its first full year of operation, the facility brought in a total of \$72,000 in tuition revenues. This means the district and school subsidized the center's operations with approximately \$28,000. In subsequent years the district is anticipating providing, on average, a \$25,000 subsidy each year. District leaders appear to be supportive of providing this ongoing subsidy if teacher demand for the service remains consistent over time. Teacher demand is viewed as a critical indicator of success.

### *Tensions During Implementation*

The implementation process surfaced several tensions and challenges. These were important for the Durango center to explore and address and may also be important for other districts or localities to consider when trying to replicate this model.

First, the district encountered some initial difficulties with the complicated space and licensing requirements that apply to child care facilities. Those requirements, which included such challenges as ensuring appropriate exiting, security, and fire safety, were difficult to navigate, especially if they came with a cost. Prior to implementation, there was also some concern from the local teacher association, who was concerned that the center would not provide a benefit to all teachers.

The district also discovered difficulties integrating a child care center into a high school. Some of these difficulties were based on the existing high school environment, which included brighter lighting than would be typically desirable in a child care center, a class bell loudly ringing periodically which was disturbing to young children, and an intercom with announcements which could also be disruptive.

There were also early implementation decisions to be made regarding whether the center would be overseen by the principal and vice principal in the school or by the district's early childhood education coordinator. The in-building administration were very supportive of the center but had little experience and were less comfortable overall with serving the needs of an early childhood education facility. After the first year, oversight was transferred from the in-building administration to the director of the early childhood program for the district.

Another implementation wrinkle was adapting the center to school security and safety needs in the high school. Although security is important both to the child care center and the broader high school, there are different safety concerns and priorities between them. The high school has an open campus environment, whereas visitors to the child care center must sign in, and parents seeking to enroll their children in the center are particularly concerned with overall security. Navigating these differences took time and attention during the first year of implementation.

There were also tensions with how the program was communicated to the community and other key constituencies. For instance, while the program is designed primarily to support teachers, there was some concern that the local education association could object if too many district resources were perceived to be directed at serving a small subset of teachers. There was also unexpected community demand for slots in the child care center. While all infant slots

are taken by district staff, there were two or three toddler slots available after all initial district staff demand was met. After an initial backlash from the community that all slots were reserved for teachers, the center allowed community members to apply for the open toddler slots, with community members paying the same tuition as teachers. The remaining available slots were filled by word of mouth. The district is committed to making these slots available first to teachers and district staff, so they are working on monitoring teacher needs for care and trying to anticipate future capacity so they can prioritize serving teachers who want to re-enter the workforce. Navigating this balance of demand will likely continue to be an issue of importance during the coming years.

### Implementation Steps for Future Districts to Consider

The experience of the Durango 9-R school district in creating an ECE facility in a high school setting can be instructive to future districts. APA's interviews with school and district leaders indicated a number of steps which districts in the future should consider in advance of any planning to locate their own ECE facilities in school buildings. These steps include:

1. Gauge teacher and staff demand through a survey or other means to determine the level of staff interest in an ECE facility located in a school building setting, and to inform any facility design features needed to meet identified teacher concerns. The program should be billed as a unique service that the district is making available as a perk to employees. Understanding staff demand for such a facility and generating teacher buy-in early on is important because it can help the facility get off to a strong start in terms of teacher participation. Strong participation at the start will build positive momentum in the first few years of operation, which will help ensure the center is full and tuition revenues are maximized as early as possible.
2. Ensure principal and facility personnel support. Prior to finalizing selection of an ECE facility site within a school building, it is critical to have strong support from the principal at that school as well as the district's director of facilities management. Such support is important since most K-12 administrators are not familiar or comfortable with the nuances associated with serving children younger than kindergarten age. Strong superintendent support is essential to ensuring such school leader buy in.

3. Identify the space to be used for an ECE facility. Considerations include the need for access to water and bathroom facilities, the need for a separate exterior entrance, and the need for appropriate security measures. Also important to consider is the need for separate rooms of adequate size for infants and toddlers, and the need for an outside playground area.
4. Conduct a security assessment. Districts need to assess and plan for security needs for the ECE center within the context of the surrounding student population in the building. For instance, in the high school setting the district needs to consider not only the potential for violent incidents taking place in the school but also the concern of having parents who are also classroom teachers that have a responsibility to ensure the health and safety of the students in their classrooms. In Durango the school principal and district ECE coordinator conducted conversations with teachers whose children were to be served by the ECE facility to ensure that these teachers felt comfortable that their children would be secure in the center and that the teachers would maintain responsibility to safeguard their classrooms in an emergency.
5. Review child care licensing requirements. This effort can be greatly enhanced if districts have an ECE coordinator in place who is familiar with and understands state licensing requirements. Hiring an ECE facility director who is also familiar with such licensing requirements will also serve districts well both prior to and after opening any ECE facilities in district buildings.
6. Identify an architect to create architectural drawings and plans to meet both district needs and state licensing requirements. Invite a state or regional child care licensing specialist, along with the architect and a fire safety inspector to tour the prospective facility space before starting any construction. This should be done so that needed changes to the facility are anticipated and accounted for. The fire inspector should also tour the completed facility.
7. Create ECE center policy documents. All policy documents for the ECE facility (for instance documents and policy manuals addressing employees, floorplans, emergencies, health, etc.) should be in place prior to submitting a licensing application so that they

can be included in the application. The licensing application should in turn be submitted no later than six months prior to opening the facility.

8. Secure reliable contractors to modify and create the facility based on the architect plans. Build ample time prior to any planned opening of the facility to account for changes or challenges to construction work. It is ideal to have one year's worth of time to plan and prepare and to get construction completed well in advance of the six-month submission deadline for licensing. Districts should account for the fact that any significant construction might need to be restricted to the summer months so that it does not overly disrupt the regular school day for students.
9. Hire a center director. This can be challenging since some potentially qualified candidates may not be interested in opening a brand-new center. A director should be hired early enough in the process to be able to participate in recruiting teachers to place their children in the center. Durango's experience indicates that having a strong director in place is an important asset for making teachers feel comfortable with the facility and in recruiting teachers to place their infants and toddlers at the center. Most parents will not sign up for a program unless they know who the staff and director are going to be.
10. Conduct a market rate analysis. Input from APA's interviews indicate that districts should consider conducting a market rate analysis during the startup phase of an ECE facility in order to more firmly understand what other ECE providers in the community charge for their services, and the scope of services (length of day, curriculum, ages served) that other providers offer. Such an analysis can help inform the most competitive and feasible tuition rates and service plans to support teachers, which can also inform how much the district might need to plan to subsidize the program over time.
11. Find and hire lead teachers. This can be a challenging step since the ECE profession does not pay well or typically offer strong benefits and there is a general scarcity of qualified ECE teachers that work with infants and toddlers. Steps that districts can and should take include: a) Review average pay rates and benefits for ECE teachers in the surrounding community; b) establish pay rates for teachers that meet or exceed average pay in the community; and c) highlight the strong employee benefits which the district

can provide (such as health insurance, retirement with pension, and paid sick, vacation, and professional development time) that exceed the competition. Taking these steps can greatly assist any district in recruiting the most qualified ECE teachers available.

12. Establish the target audience and enrollment procedure. Durango chose to make access to the ECE center available to teachers on a first come, first served basis, starting with the high school teaching staff. Once high school teachers had a chance to sign up, remaining slots were offered to other teachers throughout the district. Any spots that remained after offering access to all teachers in the district were then opened to the community at large.

Execution of each of the implementation steps discussed above plays a critical role in producing an orderly and credible process for establishing an ECE facility in an existing school building.

### *Impacts of the Center*

Two key potential impacts associated with implementation of the district's child care center in Durango High School include: 1) impacts on teacher job satisfaction and retention; and 2) impacts on students who are exposed to the center through volunteer or classroom-based assignments.

### *Impacts on Teachers*

One of the expected impacts of the center is an increased return to the workforce by teachers who took parental leave. Although this impact is not fully measurable at this point in the program's implementation, there is already anecdotal evidence that the availability of infant and toddler care is helping teachers and their families return to the workforce. The district will continue to track these changes over time. There is also anecdotal evidence that the center has improved job satisfaction for teachers. As the school's principal indicated in interviews with APA, one of the biggest successes of the program thus far has been seeing teachers who are also happy parents, and that "happy teachers make happy employees and happy employees deliver better student outcomes."

During APA's January 2020 site visit to Durango High School, a small focus group was held with teachers and spouses whose children are currently served in the district's child care center. This

focus group provided insight into the value which these parents and teachers place on having access to such a facility.

In particular, teachers uniformly indicated how stressful it was to find affordable, quality child care for infants and toddlers in their community. Many parents find the search for quality centers highly stressful and many are placed on long waiting lists with no certainty of a slot opening for their child. Some of the ECE facilities also require fees to remain on the waiting list over time. Some parents are forced to either leave their job as teachers or to consider very expensive child care options, such as a nanny, if no opening are available in existing child care facilities.

The teachers in APA's focus group all agreed that the district-sponsored ECE facility, which is focused on serving teachers and which is less expensive than other options, is a major benefit that can take away significant parent stress. One teacher indicated that, they "had no stress because they did not have to worry about searching for a facility," and that "it was easy to talk to other teachers using the facility to find out if they were happy." Another teacher indicated that, "knowing the people running the program and that the district supports the center made it easy for teachers to trust placing their children at this facility."

Teachers also unanimously applauded the convenience of having a center that operated on a teacher-friendly daily schedule which makes it easy for them to drop off and pick up their child before and after school. Teachers who worked at the high school further appreciate the opportunity to drop in to see their child on an off period when possible. All teachers also greatly appreciate that they only are asked to pay for 10 months of care since they have the summers off, and that their slots are waiting for them when they return to school in the fall.

Teachers indicated that the district's support of establishing the ECE center "sent them a message that the district is committed to supporting its employees." In fact, all strongly agreed with the statement that, "the district's investment in this program made me feel more valued as an employee."

The teachers believe the district should expand the service if possible and that district leaders should "tout this achievement in marketing and hiring materials to attract young teachers to come work in the district." In fact, all teachers strongly agreed with the statement that "this

program can be an effective tool to recruit new teachers to work at the district.” All also either agreed or strongly agreed with statements that, “the district’s investment in creating this center has made it more likely that I will continue teaching in this district in the short term (the next one to three years), medium term (the next four to six years), and longer term (the next seven to ten years).”

One challenge which teachers discussed regarding the current center is that it does not serve children three years and older. Therefore, the year between three and four years old (when a child can attend the district’s preschool program) can be a challenge. The district is currently exploring expansion of the preschool program to three-year-old children, but this expansion has not yet taken place.

Further tracking of teacher retention and turnover data over time would be a useful way to track the program’s impacts on teachers that have utilized the ECE center for their own children. Additional qualitative data gathering in future years could also shed further light on the impact the program has on the job satisfaction, performance, and retention of younger teachers as they progress through their careers.

#### *Impacts on Students*

An unanticipated potential impact of the center is promoting recruitment into the early childhood education profession for high school students with interest in such a career. Teachers in APA’s focus group indicated that “having high school kids available to volunteer in the center is really a bonus,” and that this is a way of getting more high school kids interested in the ECE field where there are serious teacher shortages. Such local, “home-grown” ECE teacher recruitment is seen as critical to help meet the current child care shortage in Durango.

An interesting innovation which has developed is that Pueblo Community College Southwest, which is located on the Durango High School campus, now provides courses in early childhood education at the high school, and a certified instructor has partnered with the center to provide observation opportunities to high school students. The center, in fact, has become a designated lab classroom. High school students can take classes with the certified instructor and receive college credit towards licensing to become a lead teacher in an ECE facility. The center lets these students get needed observation time which is required as part of this college level coursework. A first cohort of 20-25 students has already participated in this program. School

leaders now expect to see this level of student interest each year. This innovative program not only provides a valuable educational experience to high school students in the district, but also provides the opportunity for creating a locally grown pipeline of future ECE teachers for the Durango community.

In addition to supporting college level coursework for students, teachers and school leaders in APA's interviews indicate that the location of the current center has made high school students more generally aware of child care as a career option as they walk by the center during the day and can hear children inside. This has prompted several students to go through a volunteer process so they can participate in the center as part of a job exploration process. This volunteering has been supported by the Early Childhood Council of La Plata County. Heather Hawk reports that encouraging high school students to explore the possibility of working in early childhood education prior to the creation of this center was extremely challenging. Often, such students have little or no exposure to children ages zero to four and are unaware of what it might be like to work with them.

A long-term impact of exposing more high school students to early childhood education as a potential career could be to keep these students in the community, expanding both the early childhood education workforce and overall capacity to meet family demand for child care. Tracking the career trajectories of those students that were exposed to the center during their high school years – either through college level coursework or volunteering – using a survey or other longitudinal data collection device would shed further light on both the short and long term impacts of this exposure.

## Conclusion

After gathering input from district, school, and community leaders, as well as from teachers, it is clear there is enthusiastic support across multiple constituencies for the district's establishing an infant and toddler ECE facility in Durango High School. The facility, while currently only able to serve a relatively small number of children, is providing a service widely viewed to be critical to help address a systemic, community wide challenge regarding lack of quality care for infants and toddlers. This memorandum provides an initial road map of the costs, key drivers, lessons learned, and implementation processes that need to take place in order to establish an infant and toddler ECE center in a school building setting. This initial road map can support leaders in

other districts that might be considering their own implementation of Durango's innovative, teacher-focused approach to expanding early child care options.