

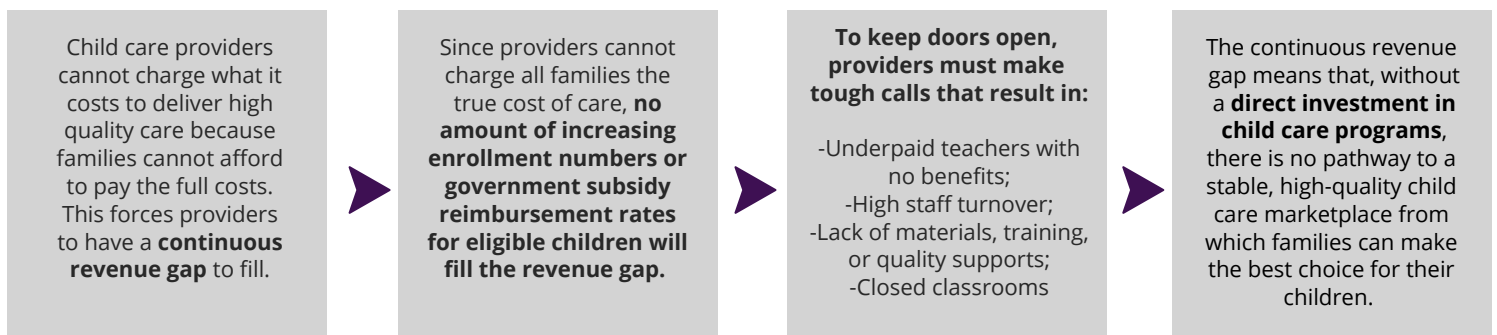
# Prime Early Learning Pilot Program

Transforming the Child Care Revenue Model



## The Challenge

*The child care system is in an ongoing crisis because of a continuous revenue gap.*



## Tarrant County is Charting a Solution

Child Care Associates (CCA) and Tarrant County is changing this reality for Tarrant County families and providers with the Prime Early Learning Pilot Program.

### Prime Early Learning Program:

The Prime Early Learning Pilot seeks to address the persistent revenue gaps in child care while also supporting providers to maintain a high standard of care, keep prices to families low, and recruit and retain a highly effective workforce through increased compensation.

### Existing Revenue Sources

- CCDF per-child subsidy
- Tuition payments
- USDA CACFP
- PreK state funding
- TRS quality supports
- Head Start/EHS funding
- Other funding sources:  
philanthropic funding and local dollars



### Prime Early Learning Pilot Fills the Revenue Gap

CCA is pursuing a method to provide sustainable foundational overhead funding to fill that gap.

### What Does This Mean for Tarrant County and Beyond?

The Prime Pilot is currently funded by Tarrant County ARPA resources, however, a partnership with Texas Policy Lab (TPL) is developing a new economic model that would enable this approach to be replicated using existing state or local resources.



### Deeper Dive Into Prime Early Learning Program

- Participating providers receive a stable source of monthly funding they can count on to offset their costs, stabilize their businesses, and ensure ongoing availability of high-quality care;
- Early Childhood Workforce is better supported and receives higher wages; and
- Families do not experience a rise in tuition costs and have access to stable, high-quality care.

### In exchange for their participation in this program, providers consent to:

- Paying their early childhood educators a livable wage;
- Participating in quality coaching to support their continuous quality improvement efforts;
- Participating in business advising develop best practices and support their development as small businesses; and
- Reserving 20% of seats for children for low-income, working families who are enrolled in the state scholarship program.

**Partnership with Texas Policy Lab:** Economists from TPL and researchers from SMU have partnered with the Prime Early Learning Pilot to:

1. Identify the overhead fixed costs associated with providing high-quality care
2. Determine a formula for foundational funding that layers onto per-child revenues sources
3. Allocate providers a monthly foundational funding payment that is specific and tailored to their needs

### If successful, the bedrock funding formula can benefit the larger Tarrant County community and beyond:

- Ensures Tarrant county families have access to choices when deciding to enroll their children in child care
- Ensures providers can operate high-quality, stable businesses that can keep doors open for working families
- Ensures the early childhood workforce is making a livable wage and is supported through professional development opportunities
- Creates a new viable methodology for allocating state and federal resources to child care providers in an equitable way
- Provides evidence for a new mechanism for determining how future Child Care Development Funds (CCDF) get distributed to child care

**For more information about the Prime Early Learning Pilot or the work Child Care Associates is doing to support a thriving child care marketplace in Tarrant County please visit this website (<https://childcareassociates.org/iacc/prime/>) or scan the QR code below.**

