

## SUMMARY OF FINDINGS

### Licensed Centers

The table below shows average monthly expense per child in each age group among licensed centers in the CNMI that participated in the cost estimation model, compared to rates in each area:

<b>LICENSED CENTERS, n=9</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Saipan</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	636	700	110%,
Preschool	569	600	105%
School-Age	500	550	110%
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Tinian and Rota</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	636	910	143%
Preschool	569	780	137%
School-Age	500	715	143%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

The table below shows average monthly expense per child in each age group for licensed centers on Saipan:

<b>LICENSED CENTERS—SAIPAN, n=8</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Saipan</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	635	700	110%
Preschool	567	600	106%
School-Age	505	550	109%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

The table below shows average monthly expense per child in each age group for licensed centers on Tinian:

<b>LICENSED CENTERS—TINIAN, n=1</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Tinian</u> and <u>Rota</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	0	910	N/A
Preschool	679	780	115%
School-Age	0	715	N/A

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

Of the nine (9) centers that participated in the cost model survey, eight (8) of them also participate in Reach Higher CNMI Quality Recognition and Improvement System (QRIS), summarized below:

<b>Licensed Centers and Reach Higher CNMI QRIS Status, n=9</b>					
Licensed*	Star Level 1	Star Level 2	Star Level 3	Star Level 4	Star Level 5
1	5	2	1	0	0

\*Not currently participating in Reach Higher CNMI QRIS

This table is a summary of the average monthly expense per child based on Star Level:

<b>Overview of Average Monthly Expense by Star Level</b>					
Child Care Age Group	Average Monthly Expense Per Child, n=9	Licensed* n=1	Star Level 1 n=5	Star Level 2 n=2	Star Level 3 n=1
Infant/Toddler	636	683	993	853	382
Preschool	569	451	934	812	384
School-Age	500	375	881	445	300

Note(s):

- Based on available information, centers with higher a higher Star Level appear to have lower expense per child per month, though more information would be needed for a more notable trend.

Of the nine (9) centers that participated in that Cost model survey, one (1) does not participate in Reach Higher CNMI Quality Recognition and Improvement System (QRIS). The table below shows average monthly expenses per child in each age group for non-participating licensed centers compared to the two sets of rates:

<b>LICENSED CENTERS, n=1</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Saipan</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	683	700	102%
Preschool	451	600	133%
School-Age	375	550	147%
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Tinian</u> and <u>Rota</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	683	910	133%
Preschool	451	780	173%
School-Age	375	715	191%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

Of the nine (9) centers that participated in that Cost model survey, five (5) have been recognized as Star Level 1. The table below shows average monthly expense per child in each age group for centers that are recognized as Star Level 1.

<b>STAR LEVEL 1 CENTERS, n=5</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Saipan</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	993	700	70%
Preschool	934	600	64%
School-Age	881	550	62%
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Tinian</u> and <u>Rota</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	993	910	92%
Preschool	934	780	84%
School-Age	881	715	81%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

Of the nine (9) centers that participated in that Cost model survey, two (2) are recognized as Star Level 2. The table below shows average monthly expenses per child in each age group for centers that are recognized as Star Level 2:

<b>STAR LEVEL 2 CENTERS, n=2</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Saipan</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	853	700	82%
Preschool	812	600	74%
School-Age	445	550	124%
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Tinian</u> and <u>Rota</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	853	910	107%
Preschool	812	780	96%
School-Age	445	715	161%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

**Note(s):**

- As there are no Star Level 2 centers on the islands of Tinian and Rota, this data is not available.

Of the nine (9) centers that participated in that Cost model survey, one (1) has been recognized as Star Level 3. The table below shows average monthly expenses per child in each age group for centers that are recognized as Star Level 3.

<b>STAR LEVEL 3 CENTERS, n=1</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Saipan</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	382	700	183%
Preschool	384	600	156%
School-Age	300	550	183%
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Tinian</u> and <u>Rota</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	382	910	238%
Preschool	384	780	203%
School-Age	300	715	238%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

## Friends, Family, and Neighbor (FFN) Providers

For the following tables pertaining to FFN providers, as none of the respondents have employees, there is no distinction among expenses per child age group for FFN.

The table below shows an average of monthly expense per child in each age group among the FFN providers in the CNMI that participated in the cost estimation model, compared to the rates in each area:

<b>FFN PROVIDERS, n=32</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Saipan</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	727	700	96%
Preschool	727	600	83%
School-Age	727	550	76%
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Tinian and Rota</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	727	910	125%
Preschool	727	780	107%
School-Age	727	715	98%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

The table below shows an average of monthly expense for one (1) licensed FFN respondent on Saipan, compared to the current subsidy rates for Saipan:

<b>LICENSED FFN (L-FFN), n=1</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Saipan</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	921	700	76%
Preschool	921	600	65%
School-Age	921	550	60%
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Tinian and Rota</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	921	910	99%
Preschool	921	780	85%
School-Age	921	715	78%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

The table below shows an average of monthly expense for thirty-one (31) license-exempt FFN respondent on Saipan, Tinian, and Rota, compared to the current subsidy rates.

<b>LICENSE-EXEMPT FFN (LE-FFN), n=31</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Saipan</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	719	700	97%
Preschool	719	600	83%
School-Age	719	550	76%
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for <u>Tinian and Rota</u> (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	719	910	127%
Preschool	719	780	108%
School-Age	719	715	99%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

The table below shows an average of monthly expense for sixteen (16) license-exempt FFN providers on Saipan, compared to the current subsidy rates for Saipan:

<b>LE-FFN—SAIPAN, n=16</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for Saipan (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	717	700	98%
Preschool	717	600	84%
School-Age	717	550	77%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

The table below shows an average of monthly expense for four (4) license-exempt FFN providers on Tinian, compared to the current subsidy rates for Tinian/Rota:

<b>LE-FFN Providers—Tinian, n=4</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for Tinian and Rota (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	726	910	125%
Preschool	726	780	107%
School-Age	726	715	98%

  

<b>LE-FFN Providers—Rota, n=11</b>			
Child Care Age Group	Average Monthly Expense Per Child (USD)	Current Rates for Tinian and Rota (USD)	Rate % of Expense <sup>1</sup>
Infant/Toddler	720	910	126%
Preschool	720	780	108%
School-Age	720	715	99%

<sup>1</sup>Rate % of Expense expresses how much of the average monthly expense per child is covered by the current rate.

## Limitations and Future Recommendations

For licensed centers, a 53% response rate (9 out of 17) was achieved; and for FFN providers, a 60% response rate was achieved in data-gathering. A cost estimation model was used. For future expense data analysis, a hybrid approach between a cost survey and cost estimation model is recommended to capture more concise data related to the expense of quality. Additionally, to increase the participation rate, incentivizing participation may also be recommended.

Cost survey should allow for more in-depth inquiries to allow for various other ways that expenses can be narrowed and analyzed to inform rates. Such information includes (but is not limited to) per classroom expenses and capacity-versus-enrollment. A staff and salary survey is also recommended for a more thorough understanding of wage expenses in relation to education level and experience to better inform rate-setting practices.

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