

Child Care Bulletin

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Systemic Approaches to Improving Quality of Care

QRS Gain Ground Across the Nation

Research overwhelmingly shows that quality across all child care settings is essential for children's healthy growth and development and leads to positive outcomes for children. Parents benefit as well, being more likely to sustain employment when they know their children are in quality care settings. Since 1996, the Child Care Bureau has worked with States to support administration of the Child Care and Development Fund (CCDF) to further quality improvement. Increasing the accessibility and availability of quality child care reflects the Child Care Bureau's mission to ensure parental choice from a range of care settings, from center-based programs to family child care homes.

Since 2002, the Child Care Bureau has partnered with States to implement *Good Start, Grow Smart*, President Bush's initiative to help States and local communities strengthen early learning for young children to enhance school readiness. This initiative has sparked a national and State strategic focus on improving the quality of early care and education settings for all young children. (Learn more about *Good Start, Grow Smart* at www.acf.dhhs.gov/programs/ccb/initiatives/gsgs/gsgs_guide/guide.htm)

Beginning in 1998, 14 States have implemented statewide quality rating systems (QRS) and more are in exploratory or design phases. A QRS is a systemic approach to assess, improve, and communicate the level of quality in early care and education programs. QRS can be an effective strategy for aligning components of the early care and education system for increased accountability in improving quality of care.

This issue of the *Child Care Bulletin* covers the growing trend in many States of aligning key indicators of quality to support quality improvement and engage parents in identifying and accessing quality care for their children. We describe the components that make up QRS, examine current State efforts, and present an update on current and needed research.

The Child Care Bureau applauds the hard work of States as they design and implement QRS, and offers support by funding important research to test the efficacy and impact of various statewide approaches and identify QRS factors that have the greatest influence on improving quality. To advance CCDF goals of enhancing family self-sufficiency and child well-being, we will continue to collaborate with State policy makers and researchers to ensure study findings are used to inform QRS decision-making, with an eye toward providing all families access to quality care.



What's Inside... Focus on QRS

- Overview of QRS
- Five key QRS elements:
 - Program standards
 - Accountability measures
 - Program and practitioner outreach and support
 - Financial incentives
 - Parent education
- The nation's first QRS
- Linking QRS to professional development systems, program accreditation, and early learning guidelines

For more about QRS, visit the National Child Care Information Center's Web site, <http://nccic.acf.hhs.gov/poptopics/index.html#qrs>.



U.S. Department of Health and Human Services
Administration for Children and Families
Child Care Bureau

Introduction to Quality Rating Systems

Research confirms that higher quality child care leads to greater cognitive, language, and social skills, which are key measures of children's school readiness.¹ Based on those findings, States and communities nationwide are working to improve quality and, as of November 2006, 14 States have developed quality rating systems (QRS), 9 are piloting a system either statewide or in one or more communities, and 31 are exploring or designing one.*

Defining QRS

Similar to rating systems for restaurants and hotels, QRS award quality ratings to early care and education programs. QRS are built around five basic elements:

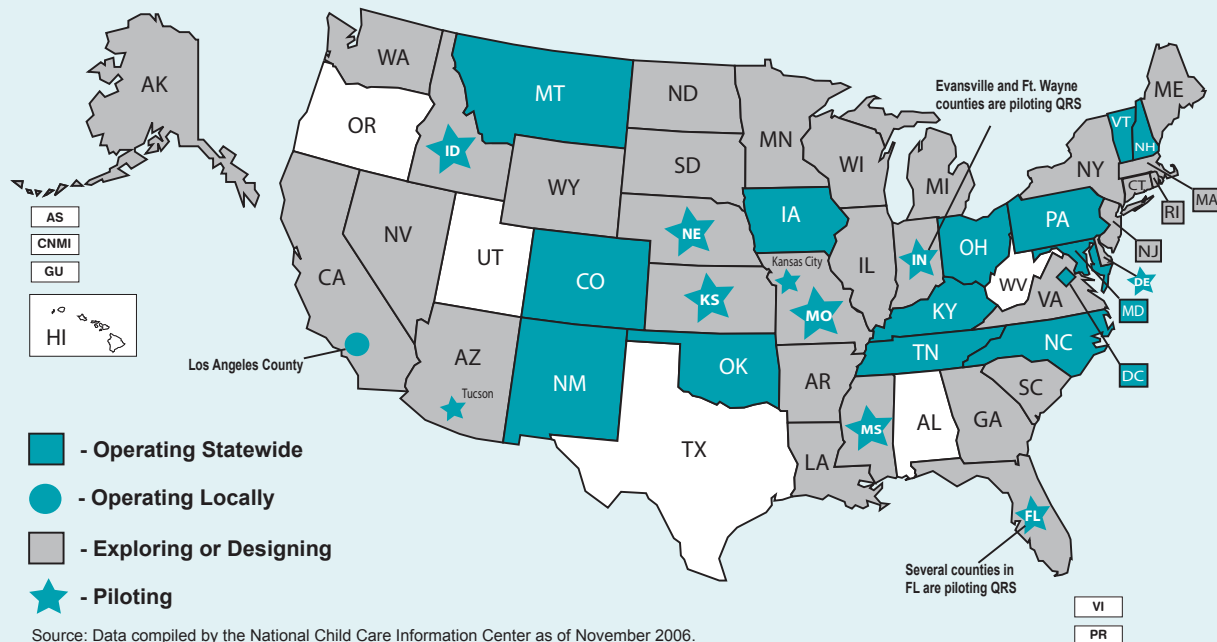
- **Program standards**, which vary by system, typically are based on State licensing regulations and include two or more levels beyond licensing, with incremental progression to the highest QRS level defined by the State.
- **Accountability measures** are used to determine how well programs meet QRS standards and to assign quality ratings. Symbols, such as stars, are awarded to participating programs and represent their level of quality.

- To promote participation and help programs meet higher standards, QRS include **program and practitioner outreach and support**, such as training, mentoring, and technical assistance.
- QRS include **financial incentives**, such as tiered subsidy reimbursement, which are linked to program compliance with quality standards. Tiered subsidy reimbursement (which pays a higher reimbursement rate to providers who care for children with Child Care and Development Fund subsidies and who meet standards beyond minimum licensing) and other financial incentives also can help increase program participation.
- **Parent education** helps them understand overall quality as well as QRS program ratings so they can make more informed child care decisions.²

In addition, QRS can help maximize resources, inform the general public about quality, enhance coordination of related initiatives, and align efforts related to licensing, standards, professional development, and program accountability.

* Ohio launched its statewide QRS on November 30, 2006; therefore, Ohio data were not available for inclusion in most of the articles that appear in this issue of the *Child Care Bulletin*.

States and Communities Operating, Piloting, or Exploring or Designing a Quality Rating System



Goals and Outcomes

Improving program quality and access to care are goals all States and communities share in developing and implementing QRS. However, States might identify additional goals such as increasing the number and quality of child care slots for children of families receiving subsidies, recognizing existing quality, strengthening the licensing system, improving consumer awareness of quality, aligning funding with standards, or increasing parent involvement. Because goals vary, QRS outcome measurement must be based on the goals specified by the State.

Forward Thinking

As the early care and education field continues to explore QRS, their impact on program practices, child outcomes, and low-income families' access to care will be better understood. Ways to increase participation by all types of care, including unregulated, informal providers, will be identified. The Child Care Bureau is working with experts in the field to expand knowledge about assessing, improving, and tracking changes in child care quality to build on progress to date and spur further momentum toward achieving quality child care goals.

Quality Rating Systems: Definition and Statewide Systems offers more information about QRS and is available at <http://nccic.acf.hhs.gov/pubs/qrs-defsystems.html>.

¹ Vandell, D. L., & Wolfe, B. (2000). *Child care quality: Does it matter and does it need to be improved?* Retrieved May 3, 2006, from www.aspe.hhs.gov/hsp/ccquality00/

² Mitchell, A. (2005, July). *Stair steps to quality: A guide for states and communities developing quality rating systems for early care and education.* Retrieved March 26, 2006, from http://national.unitedway.org/files/pdf/sb6/StairStepstoQualityGuidebook_FINALforWEB.pdf

Programs That Participate in QRS

Although most child care programs can be rated on how well they meet QRS standards, the majority of participating programs are licensed and regulated. Thirteen statewide systems include both center-based programs and family child care homes. Because of structural and programmatic differences between these types of care, many States have developed QRS standards specific to different care settings. Others maintain generalized standards across program settings.

Most QRS also include Head Start, while only a few systems are designed to include State prekindergarten programs. In those States, prekindergarten programs typically are licensed regardless of whether they are located in public schools or are community-based. QRS also broadly cover infants to school-age children.

In many States, a large proportion of children are cared for in nonlicensed family, friend, or neighbor settings where QRS typically are not used since they are based on licensing standards. Instead, States generally focus on offering training, connecting these providers to community resources, or similar strategies for promoting quality improvement.

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Internet access to ACF and the Child Care Bureau: www.acf.hhs.gov/programs/ccb

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States Rely on Research for Structuring QRS

By J. Lee Kreader and Sharmila Lawrence

As States design, implement, and evaluate their quality rating systems (QRS), they are taking guidance from existing research on child care quality and, in some cases, initiating their own research to assess their systems' impact on quality. Research underway across the country is revealing key data that reinforce the importance of QRS for quality child care.

Early care and education program characteristics that affect quality

Research shows that several program characteristics have an impact on quality:

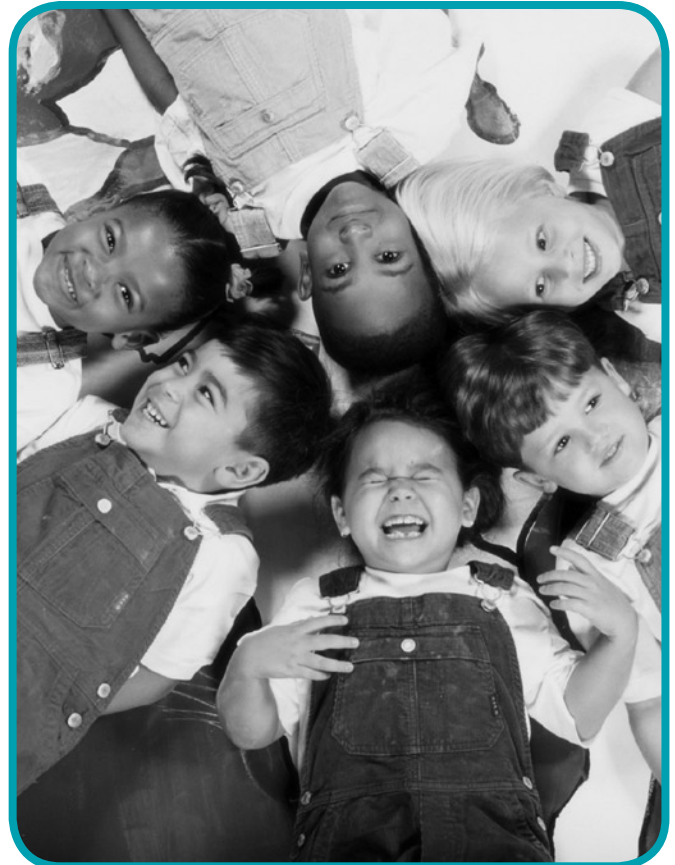
- Classroom structure—child-staff ratios and group size;
- Staff qualifications—caregiver education, training, and experience, and administrator experience; and
- Program dynamics—caregiver-child interactions, curriculum, learning environment, and parent engagement.¹

In response to these findings, States have incorporated classroom structure, staff qualifications, and program dynamics into their QRS program standards. Many also include accreditation as a standard for higher ratings.

How well ratings represent actual program quality

After implementing QRS and assigning ratings to programs, several States are examining rating validity, or how well the ratings represent actual program quality. Some States determine validity with measures that are the same as or similar to those used for assigning ratings. North Carolina's Star Rated License System rates center-based programs and family child care homes on the basis of program standards and staff education standards. Program standards are measured through onsite observation using various environment rating scales, including the Early Childhood Environment Rating Scale (ECERS). To determine rating validity, researchers compared ECERS ratings assigned by the QRS process to ECERS ratings assigned 1 year earlier by independent observers who also interviewed center directors about teacher education and wages. The results of North Carolina's validation study confirm the program ratings assigned by the QRS.²

Other States go beyond simply having a second set of observers use the same measure and confirm the ratings. In a study conducted by the RAND Corporation, Colorado



is looking for a correlation among ratings assigned by its QRS, called Qualistar, and scores on several other measures with similar goals.

How quality ratings relate to provider professional development and practice

Early research has demonstrated a positive relationship between QRS ratings and professional development. Studies of North Carolina's Star Rated License System show that higher rating scale scores are associated with higher levels of teacher education in center-based programs and family child care homes, which is not surprising as caregivers must have higher levels of education for their programs to receive higher ratings.³ In Oklahoma's Reaching for the Stars program, better educated directors and teachers in higher star level programs have lower turnover rates and higher pay. Process measures also demonstrate that most teachers are sensitive in interactions with children, regardless of star level.⁴

How QRS ratings relate to parents' ideas of quality

Studies have found a relationship between QRS and parents' ideas of program quality. Research on Tennessee's Child Care Evaluation Report Card Program and Star-Quality Program shows that parents across the State have more information for making more knowledgeable child care choices.⁵

How quality ratings relate to children's development

There is currently little research on the relationship between children's outcomes and program ratings assigned by QRS. However, a study of Qualistar, Colorado's system, is examining whether children's social and cognitive outcomes can be explained, in part, by the quality of child care as measured by the system.⁶ Related research has found relationships between higher ECERS ratings and children's higher cognitive, social, and language skills, and a correlation between center accreditation and school readiness, regardless of family socio-economic status.⁷

Emerging research issues

Policy makers and researchers continue working to improve the quality of care for children, especially those from low-income families, including children served through the Child Care and Development Fund. A number of research questions can shape these and future efforts:

- What is the distribution of children from low-income families across programs of various ratings, including children from families who receive subsidies?
- How do program ratings relate to the economic levels of communities?
- What is the relationship among quality improvement, ratings assigned by QRS, and specific child outcomes?
- How do QRS ratings correspond to process measures of quality?

For additional details about QRS research, see *Quality Rating Systems and the Impact on Quality in Early Care and Education Settings* at <http://nccic.acf.hhs.gov/poptop-ics/qrs-impactqualitycc.html>.

Child Care Bureau Funds QRS Research

In a study supported by the Child Care Bureau, the Midwest Child Care Research Consortium is examining QRS in Iowa, Kansas, Mississippi, Missouri, and Nebraska. Researchers are investigating what training is selected by providers at different system levels, which training is associated with changes in quality and for whom, and how providers view training, career development, and the rating system. Findings should disclose the types of professional development that can enhance program quality. Parents' perceptions of quality as rated by QRS also are being studied and findings are expected in 2007. More information is on the Child Care & Early Education *Research Connections* Web site at www.childcareresearch.org/location/ccrca7912.

¹ Mitchell, A. (2005, July). *Stair steps to quality: A guide for states and communities developing quality rating systems for early care and education*. Retrieved March 26, 2006, from http://national.unitedway.org/files/pdf/sb6/StairStepstoQualityGuidebook_FINALforWEB.pdf

² Bryant, D., Bernier, K., Maxwell K., & Peisner-Feinberg, E. (2001). *Validating North Carolina's 5-star child care licensing system*. Chapel Hill, NC: University of North Carolina, Frank Porter Graham Child Development Center.

³ Bryant, D., et al. (2001).

⁴ Norris, D., Dunn, L., & Eckert, L. (2003). *"Reaching for the Stars" Center Validation Study: Final report*. Norman, OK: Early Childhood Collaborative of Oklahoma.

⁵ University of Tennessee, College of Social Work, Office of Research and Public Service. (2004). *Who cares for Tennessee's children? A review of Tennessee's Child Care Evaluation Report Card Program*. Nashville, TN: Tennessee Department of Human Services.

⁶ Price, D., & Zellman, G. (2006, May). *Working together to improve child care quality*. Presented at the Invest in Kids Meeting, Washington, DC.

⁷ Bryant, D., Maxwell, K., Taylor, K., Poe, M., Peisner-Feinberg, E., & Bernier, K. (2003). *Smart Start and preschool child care quality in NC: Change over time and relation to school readiness*. Chapel Hill, NC: University of North Carolina, Frank Porter Graham Child Development Institute; Minnesota Department of Human Services, Children and Family Services. (2005). *School readiness in child care settings: A development assessment of children in 22 accredited child care centers*. St. Paul, MN: Author.

Program Standards

The Foundation of Quality Rating Systems

Quality rating systems (QRS) can help improve the quality of early care and education programs through an integrative approach that includes accountability measures, supports, and resources, and by engaging practitioners, families, and children. While all components are important for quality improvement, developing and measuring quality standards are fundamental for QRS.

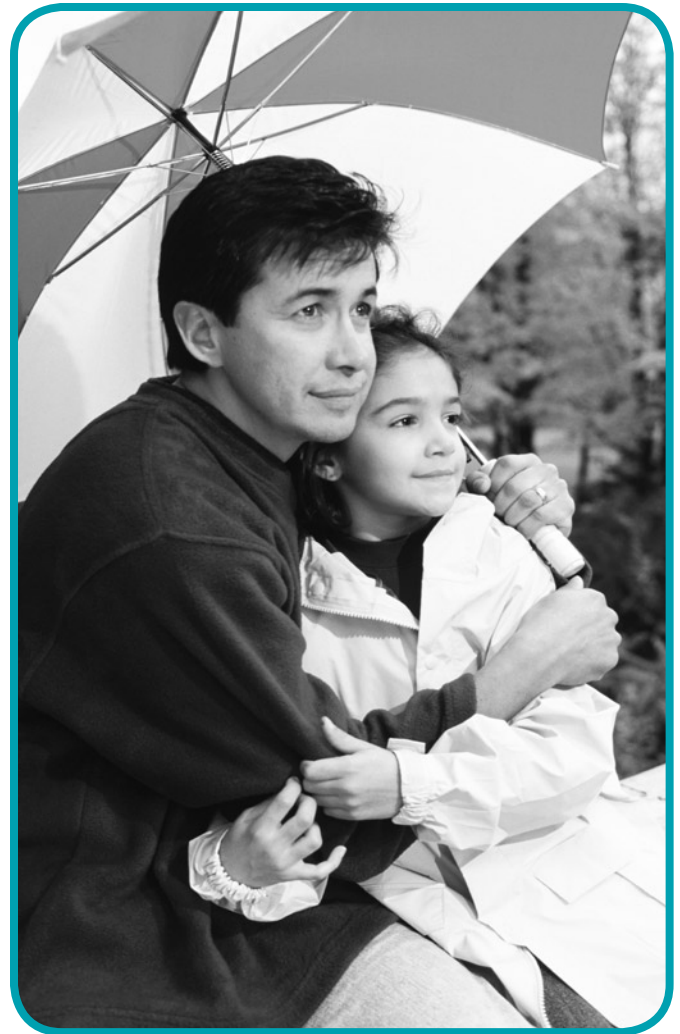
Program standards are widely accepted expectations for the characteristics or quality of early childhood settings.¹ QRS are constructed with multiple levels of program standards, and programs receive a rating based on how many standards they meet. The types of standards used by QRS to assign ratings are based on research about the characteristics of programs that produce positive child outcomes.

| Categories of Quality Standards in Statewide QRS | Number of QRS |
|--|---------------|
| Professional Development/Qualifications/Training | 13 |
| Parent/Family Involvement | 11 |
| Learning Environment/Curriculum | 10 |
| Licensing Status/Compliance | 7 |
| Staff Compensation | 7 |
| Administrative Policies and Procedures | 7 |
| Program Evaluation | 6 |
| Ratios/Group Size | 4 |
| Personnel/Staffing | 4 |
| Program Standards | 1 |
| Health and Safety | 1 |
| Children With Special Needs | 1 |

Quality Ratings Are Based on Standards

Standards are used to assign ratings to programs that participate in QRS, providing parents and the public with information about each program's quality. States typically use licensing standards as the starting point or base of the system, upon which higher levels of quality standards are built.

Standards also can be setting-specific. Family child care homes and center-based programs might have varying professional development standards due to different licensing requirements for preservice and ongoing training and education. Such baseline differences can affect standards in higher quality levels. Dynamics and supply of the work-



force, as well as availability of professional development opportunities, also can influence States' decisions about developing setting-specific standards.

Standards Tailored for Age Groups

Quality standards established in QRS also can address the care of different age groups of children, such as infants and toddlers. Among statewide QRS, those with standards on child-staff ratios delineate standards by child age. In some systems, standards require developmentally appropriate learning environments for children served. In addition, a few States have qualification requirements at various quality levels for staff who work with school-age children.

Aside from child-staff ratio and staff qualification requirements, there is little specificity in QRS standards for different age groups of children, possibly because standards tend to focus on structural aspects of programs and are

designed to be applicable to the care of all children. Additionally, specific standards of care for different age groups often are addressed in minimum State licensing requirements.

Methods for Assigning Ratings

Although States vary in their use of standards to assign program ratings, three approaches are common across the nation:

- Building block approach** – Every quality level consists of particular standards, and all standards at a lower rating level must be met in order to move to the next level. For example, Kentucky's STARS for KIDS NOW Child Care Quality Rating System is based on four levels, with five areas of standards for each level: child-staff ratios, curriculum, training, regulatory compliance, and personnel. Once programs meet all five standards in level one, they can move to level two, and similarly through all levels.
- Point system** – Every standard is assigned a number of points, which are combined to determine the quality rating, with higher ratings requiring more points. Vermont's STep Ahead Recognition System is based on five "arenas of action:" licensing compliance history, qualifications and training, family and community resources, program assessment, and program administration. Programs can earn from one to three points in each arena for additional services beyond licensing requirements. In areas where programs meet but do not exceed licensing requirements, a "not rated" is given, and the program earns zero points. Programs achieve a range of points from one or more arenas, and the total is used to determine the rating.

| Points Achieved | Rating by Stars |
|-----------------|-----------------|
| 1–4 points | ★ |
| 5–7 points | ★★ |
| 8–10 points | ★★★ |
| 11–13 points | ★★★★ |
| 14–15 points | ★★★★★ |

- Combination approach** – A combination of the building block approach and the point system determines program ratings. Iowa has implemented a statewide QRS with a building block approach



for lower levels and a point system for higher levels.

Aligning Standards Across Early Care and Education Programs

QRS provide an opportunity to align existing standards such as licensing standards, training requirements outlined by State professional development systems, and early learning guidelines. A

number of States include participation in their professional development systems as part of their QRS standards. QRS also can align standards across child care, Head Start, and State prekindergarten programs. In Pennsylvania's system, attainment of the highest quality level includes meeting Head Start standards as one option.

National accreditation standards also are incorporated in all statewide systems in one of several ways—as the only standard at the highest level, as a separate standard, as one of the standards for reaching the highest level, or as a standard connected to a certain number of points.

★ A Look Toward the Future ★

While States are incorporating research-based standards in their systems, the field still has much to learn about the combination of standards and levels of standards that have the greatest impact on program quality. Additional research can guide States in selecting standards that lead to the most desired outcomes and help them follow the most effective methods to compare quality across all types of programs.

¹ National Association for the Education of Young Children & National Association of Early Childhood Specialists in State Departments of Education. (2003). *Early childhood curriculum, assessment, and program evaluation: Building an effective, accountable system in programs for children birth through age 8*. Retrieved October 5, 2006, from www.naeyc.org/about/positions/pdf/CAPEexpand.pdf

Q & A

Monitoring Program Standards

Quality rating systems (QRS) not only identify program standards but also feature methods for measuring those standards in order to assign quality ratings to participating programs. This measurement, or monitoring, function includes an assessment of whether programs meet the standards at a particular level and verification of ongoing compliance.

The purpose of monitoring is to award ratings that accurately reflect program quality and compliance with standards. However, monitoring also provides a basis of accountability for programs, parents, and funders by creating benchmarks for measuring quality improvement.

The methods used to measure standard achievement, including the tools and abilities of assessors, affect the validity of ratings, or how well ratings reflect program quality. Onsite monitoring visits, program self-assessment, and document review and verification are some of the measurement methods States use. States also rely on monitoring conducted through State licensing to ensure minimum requirements are met, and program assessments conducted by accrediting bodies to determine whether programs have met accreditation standards.

Q. What agencies conduct QRS monitoring activities?

A. In most States, the QRS is monitored by the licensing agency alone or in partnership with the subsidy agency or a private entity. Most often, monitoring is conducted by separate QRS staff within the licensing agency.

Agencies That Conduct QRS Monitoring

| Agencies | Number of States |
|-----------------------------------|------------------|
| Licensing Agency | 3 |
| Licensing Agency & Subsidy Office | 2 |
| Licensing Agency & Private Entity | 2 |
| Private Entity | 1 |
| Subsidy Office | 1 |
| Regional Nongovernmental Agencies | 1 |
| No Onsite Monitoring | 1 |
| Information Not Available | 2 |



Q. What tools do States use for monitoring compliance?

A. Some States have developed forms for monitoring compliance, which generally feature a checklist of identified quality standards. In 2004, Kentucky, North Carolina, Oklahoma, Tennessee, and Vermont indicated to the National Child Care Information Center that they were using a tool or form for monitoring quality standards in their QRS.

Q. How frequently do States verify program compliance?

A. Although most States conduct QRS monitoring activities annually, some monitor more frequently. Oklahoma, which monitors programs for licensing compliance and overall QRS compliance three times a year, completes the environment rating scale assessment every 4 years in programs that receive two or more stars. Most States also inspect programs for licensing compliance once per year.

Q. What happens if a program is no longer in compliance with the QRS standards for its current rating?

A. Some States have developed administrative review processes that give programs opportunities to appeal States' decisions that diminish ratings based on compliance reviews. In QRS with financial incentives tied to ratings, such as tiered reimbursement or quality grants, there can be financial consequences for programs if their quality level decreases. States have established grace periods and other mechanisms to allow programs time to return quality to the higher level or make budget and program adjustments to compensate for lowered reimbursement.

★ A Look Toward the Future ★

State monitoring methods and tools will continue to be influenced by available funding, level of coordination or integration between programs and functions, and States' orientation to the level of monitoring deemed necessary. Therefore, more information about monitoring, as well as less expensive options for assessing standards, can help States identify and select the most effective methods.



Stair Steps to Quality: A Guide for States and Communities Developing Quality Rating Systems for Early Care and Education discusses accountability measures. Visit http://national.unitedway.org/files/pdf/sb6/StairStepstoQuality-Guidebook_FINALforWEB.pdf.

Environment Rating Scales in QRS Monitoring

Eleven statewide QRS use environment rating scales developed by the Frank Porter Graham Child Development Institute at the University of North Carolina to observe the learning environment and other aspects of program quality:

- Early Childhood Environment Rating Scale-Revised (ECERS-R);
- Infant/Toddler Environment Rating Scale-Revised;
- School-Age Care Environment Rating Scale; and
- Family Day Care Rating Scale.

When using environment rating scales, States should consider the following:

- The number of times an environment rating scale assessment will be conducted.
- The number of classrooms that must be observed to obtain a complete picture of program quality.
- How scores are used:
 - Scores can be averaged to determine the final score for the whole program;
 - A specific score can be required to reach a particular QRS level; or
 - Scores can be used as a benchmark for program improvement rather than for determining ratings.
- Whether the scale will be used to measure standards or compliance or both.

Some research suggests it may be possible to measure overall quality with a shorter version of the ECERS-R, which potentially would reduce observation time and costs.

Outreach and Support Boost Participation and Quality

Because some child care programs need help achieving higher standards associated with quality rating systems (QRS), many QRS include provisions for program and practitioner outreach and support, including professional development opportunities and technical assistance.

All States currently have professional development support systems to assist practitioners, which are used to promote participation in QRS. These systems organize training opportunities, recognize practitioners' achievements, and create quality parameters for available training. States can use these systems to help programs meet higher professional development standards and progress toward higher QRS ratings.

Professional development scholarships lend support to practitioners too. For example, States can offer Teacher Education and Compensation Helps (T.E.A.C.H.) Early Childhood® Project scholarships to help caregivers earn State or national credentials and associate or bachelor's degrees in early childhood education or child development.

States also promote participation in QRS by providing technical assistance. A mentor or coach can be assigned to a program to facilitate the rating process. In addition, partnerships can be formed with existing technical assistance providers in the State, and programs participating in the QRS can be given priority to receive this assistance.



★ A Look Toward the Future ★

Policy makers continue to identify strategies for maximizing resources so more support can be provided to programs and practitioners. However, options for coordinating and delivering technical assistance across participating programs have yet to be fully explored and documented. Additional methods for tracking outreach and support, especially technical assistance, may help States use resources more effectively.

T.E.A.C.H. Scholarships Encourage Professional Development

T.E.A.C.H. Early Childhood Project scholarships typically help pay the costs of tuition, books, and travel, and provide a compensation incentive to those who complete their education and retention commitments. Scholarships are awarded to all types of child care providers, including staff in faith-based, Head Start and Early Head Start, State prekindergarten, family child care homes, for-profit, and nonprofit, center-based programs. Of statewide QRS, those in Colorado, Iowa, New Mexico, North Carolina, and Pennsylvania include T.E.A.C.H. scholarships for provider support. The following examples illustrate how T.E.A.C.H. is used within some QRS:

- Qualistar Early Learning, which administers Colorado's QRS, promotes T.E.A.C.H. as a key strategy for increasing training and education scores.
- In North Carolina, T.E.A.C.H. scholarships help providers meet professional development standards and increase their programs' ratings. Seventy-five percent of four- and five-star programs have used T.E.A.C.H. scholarships, compared to 53 percent of centers with fewer than three stars.
- The Office of Child Development in Pennsylvania has contracted with T.E.A.C.H. to give priority for new scholarship awards to staff employed in child care programs participating in the statewide QRS, Keystone STARS (Standards, Training, Assistance, Resources, and Support). This professional development strategy helps ensure child care programs can retain staff who have attained, or who are working toward, a credential or degree. Currently, 87 percent of staff in the T.E.A.C.H. scholarship program are employed in a STARS program.

Learn more about T.E.A.C.H. at the Child Care Services Association Web site, www.childcareservices.org/ps/teach.html.

Professional Development Contributes to Program Ratings

Although all statewide quality rating systems (QRS) assess programs on staff professional development, qualifications, or caregiver training, there is tremendous variation in specific standards nationwide. State standards, which often are based on child care licensing requirements, range from completing a specific number of clock hours of training, to attaining the Child Development Associate (CDA) or a State credential, to completion of a college degree or higher in early childhood education.

QRS also vary in the way they rate professional development standards. Some QRS assign point values to attaining specific qualifications in early childhood education. The Iowa Quality Rating System awards one to five points; for example, one point is awarded to child care centers if one or more staff members has at least a bachelor's degree in education specific to the age group for whom they provide care, and five points are given to child care centers where at least 50 percent of staff in each classroom has a bachelor's degree.

Other QRS use a building block approach—ratings of center-based programs and family child care homes are based on achievement of increasingly higher standard levels, with each level including the lower level standards plus additional requirements. In Pennsylvania's Keystone STARS system, programs must meet the requirements for two-, three-, and four-star programs to attain the four-star rating.

Compensation Standards in QRS

Seven statewide QRS rate programs on standards related to staff compensation. These standards most often apply only to center-based programs and include increases in staff salary, number of benefits offered, incremental salary scales, and documentation of benefits provided to staff.

Many States with QRS have incorporated existing career lattice professional development standards into the multiple levels of their systems. For Maryland's QRS, the second through fourth levels include professional development based on achievement of progressive levels of the Maryland Child Care Credential. Similarly, for the Montana Star Quality Child Care Rating System, one- and two-star ratings are based on a percentage of staff placed on specific levels in the Montana Early Child Care and Education Career Registry.

For additional information about professional development in early care and education, visit the Workforce and Professional Development section of the National Child Care Information Center's Web site at <http://nccic.acf.hhs.gov/poptopics/index.html#workforce>.

| Number of Stars | Pennsylvania Keystone STARS Requirements |
|-----------------|---|
| One Star | ✓ No requirements |
| Two Stars | <ul style="list-style-type: none"> ✓ Keystone STARS Orientation Pre-Service training for new staff within 90 days of start of employment. ✓ Thirty-three percent of full-time staff is enrolled in or has completed a CDA, a Certified Child Care Professional Credential (CCP), an associate of arts degree, or greater in early care and education or other human services field. |
| Three Stars | <ul style="list-style-type: none"> ✓ Meet the requirements for the two-star level. ✓ Fifty percent of full-time staff is enrolled in or has completed a CDA, a CCP, an associate of arts degree, or greater in early care and education or other human services field. |
| Four Stars | <ul style="list-style-type: none"> ✓ Meet the requirements for two- and three-star levels. ✓ Sixty-six percent of full-time staff is enrolled in or has completed a CDA, a CCP, an associate of arts degree, or greater in early care and education or other human services field. ✓ One half of the 66 percent has completed a CDA, a CCP, an associate of arts degree, or greater in early care and education or other human services field. |

Financial Incentives Advance QRS Goals

Statewide quality rating systems (QRS) have found financial assistance to be vital for helping early child care and education programs improve learning environments, attain high ratings, and sustain long-term quality. Financial support also has proven to be a powerful motivator for participation in QRS.

All statewide QRS provide financial incentives of some kind, including higher reimbursement rates linked to the Child Care and Development Fund (CCDF) child care subsidy system, bonuses, quality grants, or merit awards; loans linked to quality ratings; and priority to applications for practitioner wage initiatives, scholarships, or other professional development supports. In a few States, tax credits for parents also are used as an incentive for choosing higher quality programs.

CCDF gives States the flexibility to apply quality set-aside funds on initiatives to improve program quality. Tiered CCDF subsidy reimbursement is commonly used and involves paying a higher rate of subsidy reimbursement to programs that meet standards beyond minimum licensing requirements. According to the 2006–2007 CCDF Plans, more than 75 percent of States with a statewide QRS include tiered reimbursement as a financial incentive.¹

Several States offer quality grants, sometimes called quality bonuses or awards, to programs that participate in QRS:

- Early care and education programs in Iowa, Kentucky, Maryland, and Vermont can receive a one-time cash award upon reaching each star level. Montana offers both minigrants (up to \$1,500) and large provider grants (up to \$15,000) that are linked to the QRS and other quality improvement efforts, such as increased professional development.
- Pennsylvania's Keystone STARS offers four grant programs: a one-time Start with STARS Award for programs beginning to participate, STARS Support Grants for quality improvement efforts (up to 2 years), STARS Merit Awards for helping programs maintain quality ratings (up to 3 years), and annual Education and Retention Awards for programs that employ teachers with early childhood degrees.
- Oklahoma has a quality improvement grant program for all providers, but gives priority to those participating in the QRS. Also, a local United Way Success By 6® in Oklahoma offered one-time grants to programs participating in the QRS.

CCDF and QRS

CCDF funds have been a key support for staff, technology, data management, and other resources required for QRS administration. Many States use CCDF quality dollars to fund the increased number of public- or private-sector staff needed to administer a QRS, monitor compliance with system standards, or conduct classroom assessments.

- Colorado used both public and private funding for school readiness grants to child care centers in districts with low-performing public schools. To receive 3-year funding, centers were required to obtain a quality rating and show improvement within 18 months.

Targeted tax credits also are used as an incentive for quality improvement. While these credits are not yet linked to statewide QRS, they may be in the future. Arkansas, Maine, and Vermont have established a dependent care tax credit that is connected to program quality. In addition, Maine doubles its dependent care tax credit for taxpayers who use an early childhood program with a Quality Certificate, and has linked the certificates to a child care investment tax credit, a child care tax credit for employers, and a Maine Finance Authority loan program.

★ A Look Toward the Future ★

States will continue to examine the impact of innovative financial strategies, including targeted tax credits linked to quality, as they identify additional options for increasing program participation and helping programs maintain quality.

For more on current financing strategies, see *Financial Incentives in Quality Rating Systems* at <http://nccic.acf.hhs.gov/poptopics/qrs-fi.html> and *Financing Quality Rating Systems: Lessons Learned*, available at www.earlychildhoodfinance.org/handouts/Louise_Stoney_QRS_Financing_Paper.pdf.

¹ Child Care Bureau, Administration for Children and Families, U.S. Department of Health and Human Services. (in press). *The Child Care and Development Fund report of state and territory plans FY 2006–2007*. Washington, DC: Author.

Seeing Stars, Parents Learn About Program Quality

The symbols that quality rating systems (QRS) assign to programs to represent their level of quality give consumers the information they need to understand high-quality care and make the best choices for their families, which can drive the demand for better early care and education programs and services.

Quality Indicators

Quality indicators, most commonly stars, are accessible and often visible conventions that help parents and the public learn about quality, including how individual programs are rated. For example, North Carolina's QRS awards up to five stars on programs' license certificates based on how well programs meet standards. Participating programs display the certificates for parents to see how many stars they were awarded.

Outreach to Parents

Some States educate parents about program quality by posting rating information on the Internet. The Colorado Qualistar Rating System Web site features Early Learning Reports,© which include the number of points a program earned on each quality indicator, a written description of observed program strengths, and recommendations for quality improvement. Parents can search for child care programs and obtain the reports by visiting www.qualistar.org/child_care/.

In addition to developing brochures or Web sites, some States generate awareness about QRS with posters, banners, certificates, decals, pins, and other items designed for display in rated programs.

★ A Look Toward the Future ★

Displaying easily recognizable symbols and publishing reports on program quality can increase parental access to, as well as the demand for and supply of, quality child care programs. As stakeholders investigate the impact of current State outreach efforts, they will gain valuable information for determining the most promising parent education options for their particular State or community.

QRS: One Parent's Perspective

Carol Siniard investigated several options before deciding on a program for her 1-year-old son. Her experience with a Reaching for the Stars three-star facility in Oklahoma City, Oklahoma, sheds light on how QRS can benefit both children and families.

"I looked at programs my friends recommended, those that were in low-crime neighborhoods, and those that had more stars than the facility my son was attending," Carol reports. She knew that the greater the number of stars, the greater the quality, and she was very impressed with the new three-star program from her first visit. "I can't say enough good things about the program—staff are better trained, my son is very happy there, and it is such a positive environment," she adds. When asked about what QRS means to her and her family, she emphasized that knowing about quality is key. "It is important to visit often and to get a sense of the environment," says Carol. Parent education, including the use of quality indicators, can help parents like Carol choose the best program for their families.

Parents Find the Way to Quality Care

United Way of MidSouth Success By 6 in Memphis, Tennessee, deployed aggressive advertising and media outreach to educate parents and increase the number of center-based programs that choose to make public their system ratings. United Way Success By 6's parent awareness activities included billboards, bus stop and bus ads, posters in family destinations (libraries, clinics, schools, and social service agencies), and a weekly list of current ratings in the local newspaper. Media-friendly celebrations for centers progressing from zero to three stars generated news articles about how QRS improve quality, and regular letters to the editor explained how to be an informed child care consumer. As a result, visits to the QRS Web site tripled, parent phone calls increased, and centers choosing to make their ratings public increased from 3 percent to nearly 100 percent.

Other United Way efforts are highlighted at <http://national.unitedway.org/sb6/imprvcare.cfm>.

Oklahoma's Pioneering QRS

Reaching for the Stars

In February 1998, Oklahoma rolled out the first state-wide, comprehensive quality rating system (QRS), Reaching for the Stars. The Oklahoma system's activities offer State policy makers valuable details on the process of developing and implementing QRS to increase the supply and quality of early care and education programs.

Research and Reform Prompt First QRS

A combination of factors paved the way for Reaching for the Stars. New research in the 1990s indicated that critical brain development occurs from birth to 3 years, emphasizing the importance of positive interactions between caregivers and children. National research also showed that most child care facilities provided poor to mediocre care, and that more than half of infant and toddler care was inadequate. Concerned stakeholders in Oklahoma soon concentrated on improving child care quality and realized that a percentage of unused Federal welfare reform funds could be transferred to the Child Care and Development Fund.

In 1996, a State task force met to explore the implications of welfare reform in Oklahoma. A child care committee of the task force recommended that a tiered or multilevel

As of June 2005, more than 75 percent of children receiving Oklahoma Department of Human Services subsidies were in programs that exceeded licensing standards or were accredited.

system be established to address concerns about child care quality. At that time, child care reimbursement rates in Oklahoma were well below market rates, and low-income families eligible for assistance had difficulty locating high-quality care. The Oklahoma Department of Human Services determined that its provider reimbursement rate needed to be closer to the rate charged to private-paying families in order to increase low-income families' access to quality care. The child care committee concluded that linking higher reimbursement rates to quality indicators would encourage improvement by programs meeting only minimum requirements and would increase the number of subsidized children receiving higher quality care.

Despite extensive planning, Reaching for the Stars faced several early challenges. Adjustments that Oklahoma made provide constructive lessons for States nationwide.

| Challenge | Solution | Lesson Learned |
|--|---|--|
| In the first year, participation was low and growth was slow. | The system initially included three levels: licensing (one star), middle level (two stars), and highest level (three stars). Policy makers realized that participation was low partly because the step between the first and second rating level was too large. Many first-level programs became discouraged about their ability to improve. The problem was resolved by adding another level called One Star Plus. | Consider the current status of programs throughout the State to help ensure program participation is not inhibited. Stakeholders should carefully consider QRS standards and quality levels. |
| Providers had difficulty obtaining the necessary qualifications outlined in the system. | Policy makers realized there was inadequate information about workforce demographics. As a result, standards for higher qualifications for staff were set too high. To address this concern, timeframes for meeting standards were extended. Mentoring and other support were added to assist early care and education students with applying for scholarships, college admission, salary supplements, and credentials. | Examine the current state of workforce training and education to determine the type of practitioner outreach needed for QRS participation. |
| Monitoring program compliance through annual assessments using environment rating scales was too costly. | Because Reaching for the Stars is a large-scale program with thousands of providers, Oklahoma found it difficult to afford the qualified staff to conduct reliable assessments. The State alleviated the problem by no longer requiring an environment rating scale assessment every year and implementing a self-assessment process for the first year of QRS participation. | Consider different monitoring options to identify the best method and determine cost estimates prior to implementation. |

From its inception, Reaching for the Stars has had three goals:

- Raising the Oklahoma Department of Human Services reimbursement rate, resulting in more slots for children whose families receive child care assistance;
- Improving the competency level of child care providers, in order to increase the overall quality of programs; and
- Providing a system whereby parents can evaluate the quality of child care programs.¹

Reaching for the Stars Shows Results

Recent data demonstrate that the quality of Oklahoma's child care programs has improved significantly since Reaching for the Stars was launched. Almost half of all child care slots are in programs that exceed licensing requirements, compared to 26 percent 3 years ago. The number of three-star programs (those that are accredited) has increased as well. In addition, staff turnover rates across the State have dropped from 60 percent to 35 percent since 2001, providing children with more consistent caregiving and the opportunity for forming stronger bonds with providers.²

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For more information about Reaching for the Stars and other State initiatives, see *Quality Rating Systems: Definition and Statewide Systems* at <http://nccic.acf.hhs.gov/pubs/qrs-defsystems.html>.

¹ Oklahoma Department of Human Services, Division of Child Care. (n.d.) *Reaching for the Stars: Frequently asked questions*. Oklahoma City, OK: Author.

² Oklahoma Child Care Resource and Referral Association, Inc. (2005). *2005 Oklahoma child care and early education portfolio*. Retrieved June 14, 2006, from www.occrra.net/2006%20OCCRA%20Portfolio.pdf

Program Accreditation Linked to QRS

Accreditation, which is a voluntary process for improving the quality of early care and education programs, has been shown to have a positive impact that includes benefits to children, staff, and families.¹ The process involves extensive self-study and validation by professionals outside the program to verify that accreditation standards are met.

Accreditation is included as a measure for ratings in all statewide quality rating systems (QRS) and is often the highest rating or level of quality. However, some States use accreditation as follows:

- A separate category of standards;
- One of the standards for reaching the highest QRS level; or
- A standard for which points are awarded.

Accrediting Organizations Recognized in QRS

Twelve statewide QRS recognize the National Association for the Education of Young Children's (NAEYC) Academy for Early Childhood Program Accreditation for center-

based programs and the National Association for Family Child Care Accreditation for family child care homes. Some States include a process for determining whether an accreditation system will be recognized by the QRS.

Other accrediting systems recognized by State QRS include the following:

- American Montessori Society;
- Association for Christian Schools International;
- Council on Accreditation;
- National Accreditation Commission for Early Care and Education Programs;
- National AfterSchool Association;
- National Early Childhood Program Accreditation; and
- An existing State accreditation system.

¹ Whitebook, M., Sakai, L., & Howes, C. (1997). *NAEYC accreditation as a strategy for improving child care quality: An assessment by the National Center for the Early Childhood Work Force. Final report.* Washington, DC: National Center for the Early Childhood Work Force.

NAEYC Revises Accreditation System

The NAEYC early childhood program accreditation system is designed to ensure the quality of children's daily experiences and promote positive child outcomes. Since it was unveiled in the mid-1980s, NAEYC's system has been reviewed every 7 years. The most recent review was the most comprehensive and resulted in a wholly redesigned system with new NAEYC Early Childhood Program Standards and Accreditation Performance Criteria at its core. Accreditation criteria linked to each standard define quality for center-based programs, preschools, and kindergarten programs.

NAEYC program standards address 10 areas:

- Assessment of child progress;
- Caregivers;
- Community relationships;
- Curriculum;
- Effective teaching approaches;
- Families;
- Health;
- Leadership and management;
- Physical environment; and
- Relationships between children and caregivers.

In addition to setting new standards and criteria, NAEYC has made improvements to increase the accountability of its accreditation system, including the following:

- New program assessment tools and procedures field tested by independent researchers;
- Intensive training and monitoring of individuals who conduct onsite assessment visits to ensure they are carried out effectively, consistently, and reliably;
- Five-year term of accreditation with random unannounced visits and revised annual reports; and
- New policies and procedures for verifying that accredited programs sustain the level of quality associated with the standards and criteria.

For more information, visit www.naeyc.org. To learn more about NAEYC early childhood program accreditation, visit www.rightchoiceforkids.org.

More QRS Incorporate Early Learning Guidelines



Good Start, Grow Smart is designed to help children enter kindergarten with the skills needed for reading and other learning activities. In response to this initiative, many States have developed early learning guidelines that are research-based, measurable expectations about what children should know and do in different domains of learning. Currently, 33 States are implementing early learning guidelines.¹

Early learning guidelines, which are specific standards developed by States for young children's learning, are emerging as an important element in quality rating systems (QRS) as they provide a framework for States to strengthen alignment of standards for programs, practitioners, and children. Some States are linking early learning guideline awareness, use, or training with QRS standards. Other approaches include linking QRS standards for curriculum, family involvement practices, or professional development to early learning guideline recommendations. States also are embedding early learning guidelines within professional development systems that are aligned with QRS.

Ohio Takes the First Step

Ohio was the first State to include early learning guidelines in its voluntary QRS for licensed early childhood programs, Step Up to Quality, as a result of collaboration between the Ohio Department of Education, the Ohio Department of Job and Family Services, Build Ohio, and the Ohio Child Care Resource and Referral Association. Programs participating in this system are rated on early learning standards, which are based on the State's early learning guidelines: Infant and Toddler Guidelines, Early Learning Content Standards for preschoolers, and K–12 Content Standards.

An evaluation of Ohio's pilot QRS was conducted by Ohio State University. Based on the results, system standards were revised, including standards for child-staff ratios, group size, staff education and qualifications, specialized training, administrative practices, and early learning.² Step Up to Quality includes specific standards related to Ohio's early learning guidelines:

- Step One – Copies of Early Learning Content Standards, Infant and Toddler Guidelines, and K–12 Content Standards are available for use in each classroom, depending on the age of children served.
- Step Two – Curricula and activities are aligned with the age-appropriate early learning guidelines.
- Step Three – The alignment of early learning guidelines with curricula and planning is expected to inform ongoing child assessment.

Training on Early Learning Content Standards and Infant and Toddler Guidelines is offered throughout the State, and a Trainer Approval System has been developed to ensure trainer and training content quality. Additional resources to support the use of early learning guidelines, including



early learning resource grants, onsite training, and alignment tools, are available to programs participating in the system. For more information about Step Up to Quality, visit www.stepuptoquality.org.

Other States Follow

Similar to Ohio, many States have marked progress in incorporating early learning guidelines into their QRS:

- Missouri has completed a pilot of its five-tier QRS. Indicators and benchmarks of alignment with early learning guidelines training are included in the business administration and family involvement components of the system.
- Pennsylvania has revised its QRS, Keystone STARS, to include indicators of early learning standards implementation in components of the system.
- A growing number of States currently developing QRS, such as Mississippi and Rhode Island, have aligned early learning guidelines to their systems. Others, such as Kentucky and Tennessee, are planning revisions to address alignment with early learning guideline implementation.
- States that link professional development plans to early learning guidelines in their statewide QRS include the District of Columbia, Kentucky, Montana, New Hampshire, New Mexico, North Carolina, Pennsylvania, Tennessee, and Vermont.

More Research to Enhance the Field

Additional research will increase understanding of how aligning early learning guidelines with QRS affects the knowledge, behavior, and attitudes of practitioners as they support children's development. Gaining more information about how early learning guidelines in QRS standards affect parental choice and decision-making also will be beneficial.

¹ Child Care Bureau, Administration for Children and Families, U.S. Department of Health and Human Services. (in press). *Child Care and Development Fund report of state and territory plans FY 2006-2007*. Washington, DC: Author.

² Buettner, C. K. (2006, July). *Presentation of Step Up to Quality pilot data*. PowerPoint presentation. Retrieved October 9, 2006, from <http://jfs.ohio.gov/cdc/docs/OSUQualityResearch.pdf>

Child Care & Early Education Research Connections

The *Research Connections* Web site has newly improved search functions for easier access to thousands of early care and education resources. Enter "Quality Rating Systems" in the search field to access more than 1,000 documents on this topic, including reports and papers, literature reviews, fact sheets and briefs, and other resources. The basic search feature is available at www.childcareresearch.org/cocoon/CCEERC/SEARCH/web/basic.xml.

National Child Care Information Center

Visit the QRS section of the National Child Care Information Center (NCCIC) Web site at <http://nccic.acf.hhs.gov/poptopics/index.html#qrs> for the latest information and resources such as the following:

- A compilation of research on the impact of QRS;
- Planning documents and tools;
- Information on quality standards; and
- Links to national accreditation and licensing information.

Visit the NCCIC Online Library at <http://nccic.acf.hhs.gov> for additional materials.

Quality Rating System Resources

Statewide Quality Rating Systems

Colorado

Qualistar Rating System
Start date: 2000
www.qualistar.org

District of Columbia

Going for the Gold
Start date: 2000
Web site not available

Iowa

Iowa Quality Rating System
Start date: 2006
www.dhs.state.ia.us/iqrs/

Kentucky

STARS for KIDS NOW Child Care Quality Rating System
Start date: 2001
www.education.ky.gov/KDE/Instructional+Resources/Early+Childhood+Development/STARS++The+Childcare+Quality+Rating+System.htm

Maryland

Maryland Child Care Tiered Reimbursement Program
Start date: 2001
<http://63.236.98.116/cca/creden/tiered.htm>

Montana

Star Quality Child Care Rating System
Start date: 2002
www.dphhs.mt.gov/programsservices/starqualitychildcare.shtml

New Hampshire

Licensed Plus
Start date: 2006
www.dhhs.state.nh.us/DHHS/CDB/licensedplus.htm

New Mexico

Look for the Stars
Start date: 2005
www.newmexicokids.org/caregivers

North Carolina

Star Rated License System
Start date: 1999
http://ncchildcare.dhhs.state.nc.us/parents/pr_sn2_ov_sr.asp

Ohio

Step Up to Quality
Start date: 2006
www.stepuptoquality.org

Oklahoma

Reaching for the Stars
Start date: 1998
www.okdhs.org/programsandservices/cc/stars/

Pennsylvania

Keystone STARS (Standards, Training, Assistance, Resources, and Support)
Start date: 2002
www.dpw.state.pa.us/child/childcare/KeystoneStarChildCare

Tennessee

Child Care Evaluation and Report Card Program
(Required for all licensed and approved child care providers in Tennessee)
Start date: 2001

Star-Quality Child Care Program
Start date: 2001
<http://tnstarquality.org>

Vermont

STep Ahead Recognition System (STARS)
Start date: 2003
www.STARSstepahead.org



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