

Updates to School Readiness Tax Credits for 2018

December 2017

Agenda

This presentation will provide a description of the differences between 2017 and 2018 School Readiness Tax Credits (SRTC), and prepare for the updates that take effect in 2018.

- Vision for Kindergarten Readiness in Louisiana
- Overview of SRTC
 - *SRTC for the 2017 Tax Year*
- What to Expect for SRTC in 2018
 - *Teacher and Director SRTC*
 - *Provider SRTC*
 - *Family SRTC*
 - *Business SRTC*
 - *Resource and Referral SRTC*
- Overview of Performance Profiles
- Supports Available to Centers
- Next Steps



Vision for Kindergarten Readiness in Louisiana

Louisiana Vision for Kindergarten Readiness

Over the past five years, Louisiana has worked to unify the early childhood system – birth to pre-K – to prepare all children for kindergarten.

Shared high standards for what children should learn and what excellent teaching looks like.

Teachers are excellent at interacting with children and guiding learning.

Expectations for health, safety, and learning are consistent with adequate funding levels for programs that serve children well.

Families can easily enroll and choose the best option for their children.

In 2016-2017, Louisiana completed the first full year of actual implementation.

Act 3 (2012) Implementation Timeline

2013-2014

13 Early Childhood Community Network Pilots launched



2014-2015

16 additional Community Network Pilots launched
Legislation was passed to further unify licensing, enrollment, and funding



2015-2016

All communities put Community Network in place
Statewide implementation was achieved through a learning year



2016-2017

Roll-out of Practice Performance Profiles based on the Learning Year
Alignment of supports, funding, and tax credits to support programs
and engage families



Fall 2017

Roll-out of 2016-2017 Performance Profiles
on the new School or Center Finder



Overview of School Readiness Tax Credits

School Readiness Tax Credits

Achieving Statewide Kindergarten Readiness

Only half of children in Louisiana enter kindergarten ready. Since the passage of Act 3, 2012, Louisiana has made great progress in unifying the system to prepare all children for success.

- Louisiana requires early childhood programs that take public funding to meet **universal standards** – regardless of program type – with a **focus on learning outcomes** rather than inputs. Louisiana also seeks to **increase access** and **informed choice** so families can choose the best option for their children.
- Historically Louisiana’s School Readiness Tax Credits (SRTC) have helped the child care sector improve quality and access for at-risk children. Now Louisiana has aligned these innovative tax credits with the universal rating system and new child care teacher credential in order to increase kindergarten readiness.

These tax credits play a vital role in supporting the child care industry which has an \$830 million impact on the Louisiana economy.

School Readiness Tax Credits

How Tax Credits Work

School Readiness Tax Credits are a \$16 million investment annually in quality child care.

This package of five tax credits, which were made law in 2007, have served as an important incentive for:

1. Families to choose quality rated centers;
2. Providers to serve vulnerable, at-risk children whose parents could not otherwise afford quality care;
3. Directors and staff to pursue additional education or credentials;
4. Businesses to donate to child care centers to help improve quality; and
5. Businesses or individuals to donate to resource and referral centers in order to help improve child care quality within a region.

Tax credit funding helps secure more than \$80 million in federal funds (CCDF).

School Readiness Tax Credits

Why Tax Credits Matter

School Readiness Tax Credits are essential to Louisiana's early childhood sector.

1. They help maximize funding.

- They help Louisiana bring in \$80 million in federal funds and encourage local investment.*

2. They encourage centers to serve CCAP children.

- Centers have become or have stayed Type III and are serving low-income Louisiana children enrolled in higher-quality-rated settings.*

3. They help drive improvement.

- Centers are rewarded for improving quality while thousands of child care directors and staff are rewarded for earning credentials.*

4. Child care directors and teachers depend on these tax credits.

- Child care directors and teachers indicate that they rely on the credits to make essential purchases, retain teachers and invest in quality improvement, which is especially important with the 2019 requirement that lead teachers have an ancillary certificate.*

5. They increase local support and investment in child care.

- Businesses and resource and referral agencies use credits to support child care quality.*

School Readiness Tax Credits for 2017 Tax Year

Completing Taxes for 2017

There are no changes to how teachers, directors, centers, or families will qualify for the tax credits that are earned based on the 2017 tax year.

<p>Teachers and Directors claiming the 2017 SRTC:</p>	<ul style="list-style-type: none"> • Teachers and directors will receive a letter indicating their level from Louisiana Pathways in January 2018. • Teacher and director levels will be based on current career ladders. • KEY UPDATE: Beginning this year, teachers and directors will receive two versions of form R-10615 (tax form). <ul style="list-style-type: none"> • <i>One original and signed copy should be kept for tax documentation.</i> • <i>One original and signed copy must be mailed back to LA Pathways.</i>
<p>Providers claiming the 2017 SRTC:</p>	<ul style="list-style-type: none"> • Providers will receive December Notice of their 2017 Star Rating, which will be based on the last received quality start rating. • Providers will receive directions on filing 2017 Provider SRTC , which can be done no earlier than March 2018.
<p>Families claiming the 2017 SRTC:</p>	<ul style="list-style-type: none"> • Centers will receive forms to complete and distribute to families in January 2018.
<p>Business and R&R's claiming the 2017 SRTC:</p>	<ul style="list-style-type: none"> • Businesses and R&R's will receive required documentation to file for their 2017 SRTC.



What to Expect for SRTC in 2018 Tax Year

School Readiness Tax Credits

Approach on Aligning Tax Credits

Louisiana has built a unified system to prepare all children for kindergarten. Now tax credits need to be aligned to reward performance and preparation under unified system.

If Louisiana:

- Redefines star ratings to recognize sites that provide quality interactions and instruction to Louisiana children under unified rating system;
- Rewards performance and improvement via tax credits and bonus payments;
- Offers new options for directors to reward site performance instead of credentials;
- Offers new options to help attract and retain certified child care teachers by increasing compensation based on ancillary teaching certificate and years of service; and
- Maintains incentives for families, private individuals and businesses to support child care improvement;

Then more Louisiana children, especially those under age 4, will have access to quality programs that help prepare them for kindergarten.

School Readiness Tax Credits

Communicating the 2018 SRTC Updates

The Department has worked closely with the field since the implementation of the statewide unified early care and education network.

- *In February 2017, the Department provided [in-depth information](#) to the Early Childhood Advisory Council about the proposed changes, and provided the same information to the field via a [statewide webinar](#) which was [recorded](#) and posted to the website*
- *In March 2017, the Department provided the field with information about the changes via the [Early Childhood Newsletter](#), along with tools like a [calculator](#) to help centers estimate the impact on their own center.*
- *In March 2017, the Department brought the proposed changes, which had been endorsed by the ECCE Advisory Council, before the [Board of Elementary and Secondary Education](#).*
- *In spring 2017, the Department released a version of the performance rating calculator that included star ratings for centers so that sites could calculate both their performance rating and star level.*
- *During the 2017 legislative session, the Department provided information about the proposed changes to the legislature.*

Aligning SRTC Policy with Unified System

Strengthening School Readiness Tax Credits

Louisiana revised tax credits to align with unified rating system and reward teachers and directors for their dedication to the field.

Credit Type	Summary of Revisions												
For Teachers and Directors	<ul style="list-style-type: none"> Directors will be able to earn credits based on site performance and teachers will earn more based on earning an ancillary certificate. Teachers with an ancillary certificate can earn up to ~\$3,300 annually for working at a publicly-funded center and receiving tax credits for more than 2 years. No staff will lose their current credit; changes only add options. 												
For Providers	<ul style="list-style-type: none"> As of January 1, 2018, sites will be issued stars based on unified rating system. <table border="1" data-bbox="434 853 1850 968"> <thead> <tr> <th>Star</th> <th>1 Star</th> <th>2 Star</th> <th>3 Star</th> <th>4 Star</th> <th>5 Star</th> </tr> </thead> <tbody> <tr> <td>Rating</td> <td>3 – 3.74</td> <td>3.75 – 4.49</td> <td>4.5 – 5.24</td> <td>5.25 – 5.99</td> <td>6 – 7</td> </tr> </tbody> </table> This rating, which will be used for the 2018 tax year, is currently visible on the Louisiana School or Center Finder. CCAP bonus payments will be increased by 3% to support improvements. However, bonuses for two-star providers will be reduced to zero over time to incent quality. 	Star	1 Star	2 Star	3 Star	4 Star	5 Star	Rating	3 – 3.74	3.75 – 4.49	4.5 – 5.24	5.25 – 5.99	6 – 7
Star	1 Star	2 Star	3 Star	4 Star	5 Star								
Rating	3 – 3.74	3.75 – 4.49	4.5 – 5.24	5.25 – 5.99	6 – 7								
For Families and Businesses	<ul style="list-style-type: none"> Credits will be based on stars, which come from the overall score under unified rating system. 												
For R and R	<ul style="list-style-type: none"> No changes needed. 												

Teacher and Director SRTC

Overview of Changes for 2018

State now offers new options to reward directors based on performance and encourage teachers to earn new child care teaching certificates and serve in child care sector.

How It Works for 2017

- Credits are based on education level (4 levels are defined in [Bulletin 139](#) – e.g., CDA through Masters Degree for teachers)
- Teachers or directors must work at a center in rating system for at least 6 months
- Credit is available to all staff at rated centers, regardless of rating
- Credits are refundable
- Credits range from \$1,630- \$3,260 based on level and are adjusted annually based on CPI

Policy Alignment for 2018

For Directors:

- Offer option to earn levels for proficient performance

Level	Director's Site Performance
Level II	Rating = 4.5 – 5.24
Level III	Rating = 5.25 – 5.99
Level IV	Rating = 6 – 7

For Teachers:

- Offer option to earn levels for Anc. Certificate and service

Level	Teacher Credential
Level II	Early Childhood Ancillary Certificate
Level III	Certificate and 1+ years
Level IV	Certificate and 2+ years

Impact

- No staff will lose their current credit; changes only add options
- More staff may be eligible as all Type III centers are in the unified rating system
- Directors can be rewarded for performance and impact on children, fully aligning incentives for site leaders
- Teachers will be rewarded for obtaining Ancillary Teaching Certificate in advance of 2019 requirement
- Turnover costs may decrease as teachers will be incented to stay in child care sector

Teacher SRTC

Changes to Teacher Career Ladder

Teachers will be able to qualify by obtaining an Ancillary Certificate and remaining in the child care field. Professional activity and experience requirements will no longer be included for teachers.

School Readiness Tax Credit levels for Staff:

Early Learning Center Teacher 1	<ul style="list-style-type: none"> •CDA or approved early childhood diploma
Early Learning Center Teacher 2	<ul style="list-style-type: none"> •CDA or approved early childhood diploma and 9 continuing education units or 2 early childhood college courses, or •30 hours towards associate degree with four college courses in early childhood/child development, or •Related associate degree, or •Early Childhood Ancillary Certificate.
Early Learning Center Teacher 3	<ul style="list-style-type: none"> •Associate degree in early childhood/child development, or •Related associate degree with four courses in early childhood/child development, or •Bachelor's degree in early childhood/child development, or related bachelor degree with 3 college classes in early childhood or child development, or •EC Ancillary Certificate and demonstrated evidence of eligibility for Staff SRTC at least once before (beginning in 2017).
Early Learning Center Teacher 4	<ul style="list-style-type: none"> •Bachelor's degree in early childhood/child development with three courses on infant/toddlers, or •Related bachelor's degree with six courses in early childhood/child development with three on infant/toddler, or •Graduate degree in early childhood/child development, or •Unrelated graduate degree with four courses in early childhood/child development , or •Early Childhood Ancillary Certificate and demonstrated evidence of eligibility for Staff SRTC at least two years prior (beginning with 2017).

Teacher SRTC

Changes to Teacher Career Ladder (specific for 2018)

Beginning in 2018, teachers will be able to qualify for new levels of tax credits.

School Readiness Tax Credit levels for Staff *in 2018:*

Early Learning Center Teacher 1	<ul style="list-style-type: none"> •CDA or approved early childhood diploma
Early Learning Center Teacher 2	<ul style="list-style-type: none"> •CDA or approved early childhood diploma and 9 continuing education units or 2 early childhood college courses, or •30 hours towards associate degree with four college courses in early childhood/child development, or •Related associate degree, or •Early Childhood Ancillary Certificate.
Early Learning Center Teacher 3	<ul style="list-style-type: none"> •Associate degree in early childhood/child development, or •Related associate degree with four courses in early childhood/child development, or •Bachelor's degree in early childhood/child development, or related bachelor degree with 3 college classes in early childhood or child development, or •Classified as Early Learning Center Teacher I or above as of 12/31/2017, and demonstrated evidence of eligibility for Staff SRTC at least once before (beginning in 2017).
Early Learning Center Teacher 4	<ul style="list-style-type: none"> •Bachelor's degree in early childhood/child development with three courses on infant/toddlers, or •Related bachelor's degree with six courses in early childhood/child development with three on infant/toddler, or •Graduate degree in early childhood/child development, or •Unrelated graduate degree with four courses in early childhood/child development , or •Classified as Early Learning Center Teacher I or above as of 12/31/2016, and demonstrated evidence of eligibility for Staff SRTC at least once before (beginning in 2017).

Director SRTC

Changes to Director Career Ladder

Beginning in 2018, directors will be able to qualify for new levels of tax credits through performance ratings. Professional activity and experience requirements will remain.

School Readiness Tax Credit Education Levels for Directors:

Director 1	<ul style="list-style-type: none"> • CDA credential, approved early childhood diploma, or Early Childhood Ancillary Certificate and 30 clock hours in approved admin training categories, or • Related associate degree or 30 hours towards associate degree with four courses in ec/child development.
Director 2	<ul style="list-style-type: none"> • CDA credential, approved early childhood diploma, or Early Childhood Ancillary Certificate and 45 hours in approved admin training/national administrative credential, or • Associate degree in ec/child development, or • Related associate degree with four courses in ec/child development, or • Related bachelor's degree with three courses in ec/child development, or • Meets director qualifications from Bulletin 137 and has been the director for at least one year of a 3 star quality rated center on July 1.
Director 3	<ul style="list-style-type: none"> • CDA credential, approved early childhood diploma, or Early Childhood Ancillary Certificate and the admin certificate, or • Associates degree in child development/ecand administrator certificate, or • Bachelor's degree in ec/child development and the administrator certificate, or • Related bachelor's degree with six courses in ec/child development and the administrator certificate, or • Meets director qualifications from Bulletin 137 and has been the director for at least one year of a 4 star quality rated center on July 1.
Director 4	<ul style="list-style-type: none"> • Master's degree in early childhood, child development, or early childhood administration and the admin certificate, or • Related master's degree with eight courses in early childhood/child development and the administrator certificate, or • Meets director qualifications from Bulletin 137 and has been the director for at least one year of a 5 star quality rated center on July 1.

Teacher and Director SRTC

Key Takeaways

The revisions to Teacher and Director SRTC for 2018 will provide more opportunities for staff, teachers, and directors to qualify for higher tax credit levels.

2017 Tax Year: There are no changes for how teachers and directors qualify for 2017 credits.

- Beginning with the 2017 tax year, teachers and directors must mail an original version of their tax form to Louisiana Pathways, as well as retain one original version for tax purposes.

Impact of Tax Credits: These revisions will likely impact all eligible centers, regardless of star rating, as all teachers will be eligible for credits based on ancillary certificate and years of service.

Qualifying Criteria: Teachers and Directors must work at an eligible center for at least six months and an average of 30 hours a week to qualify.

- Only the Director can receive the Director credit with a limit on the number of Directors per site based on licensed capacity.

Professional Service and Years of Experience Requirements: Teachers will no longer have to meet the professional organization or experience requirements.

- Directors will continue to have professional activity and experience requirements.

Provider SRTC

Overview of Changes for 2018

State will now reward performance and improvement via tax credits and bonus payments.

How It Works for 2017	Policy Alignment for 2018	Impact												
<ul style="list-style-type: none"> Providers receive a tax credit based on rating <u>and</u> number of CCAP or foster care children Star rated centers with no CCAP children do not receive this tax credit (i.e., 40% of current 4 star centers) Refundable and for-profits and non-profits are eligible 	<ul style="list-style-type: none"> Redefine stars to based on unified rating system. Rating would be based on rating from the prior year using the following chart: <table border="1" data-bbox="788 789 1222 1125"> <thead> <tr> <th>Star Level</th> <th>Definition Using Unified Rating System Results</th> </tr> </thead> <tbody> <tr> <td>1 Star</td> <td>Rating = 3 – 3.74</td> </tr> <tr> <td>2 Star</td> <td>Rating = 3.75 – 4.49</td> </tr> <tr> <td>3 Star</td> <td>Rating = 4.5 – 5.24</td> </tr> <tr> <td>4 Star</td> <td>Rating = 5.25 – 5.99</td> </tr> <tr> <td>5 Star</td> <td>Rating = 6 – 7</td> </tr> </tbody> </table>	Star Level	Definition Using Unified Rating System Results	1 Star	Rating = 3 – 3.74	2 Star	Rating = 3.75 – 4.49	3 Star	Rating = 4.5 – 5.24	4 Star	Rating = 5.25 – 5.99	5 Star	Rating = 6 – 7	<ul style="list-style-type: none"> More centers are eligible as all Type III centers are in the unified rating system yet not all centers pursue credits Fiscal impact will only increase when children receive higher quality care and education CCAP bonus payments can minimize disruption during transition and provide additional time for improvement
Star Level	Definition Using Unified Rating System Results													
1 Star	Rating = 3 – 3.74													
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5 Star	Rating = 6 – 7													

Provider SRTC

Overview of Changes for 2018

State will now reward performance and improvement via tax credits and bonus payments.

Star Rating of the Center	Center Performance Rating	Center Performance Score	Tax Credit per Eligible Child
5 Star	Excellent	6.00-7.00	\$1,500
4 Star	Proficient	5.25-5.99	\$1,250
3 Star	Proficient	4.50-5.24	\$1,000
2 Star	Approaching Proficient	3.75-4.49	\$750
1 Star	Approaching Proficient	3.00-3.74	\$0

Example: If ABC child care has earned 3 stars and serves 10 eligible children, then that provider is eligible for refundable Provider SRTC of up to 10 children x \$1,000 per child = \$10,000.

Provider SRTC

Overview of Changes for 2018

Stars are awarded for the tax year following the observation period. Taxes are filed after the tax year ends.

Tax Year	Star Rating	File for taxes beginning:
2017	Star must have been awarded under previous system	January 1, 2018
2018	Star must have been awarded in alignment with 2016-2017 Performance Profile Rating, released in November 2017. Site must be an open Type III center on July 1, 2018.	January 1, 2019
2019	Star must have been awarded in alignment with 2017-2018 Performance Profile Rating, released in November 2018. Site must be an open Type III center on July 1, 2019.	January 1, 2020

Additional SRTC Updates for 2018

Revised Unified CCAP Bonus Structure

CCAP bonus payments will be increased to support improvements. However, bonus payments for 2 star providers will be reduced over time to incent providers to improve.

- Providers receive quarterly bonus payments equal to a percentage, as defined below, of all child care subsidy payments received in the prior quarter based on the center's star rating.
- For 2018 through 2021, policy specifies the following bonus payment structure:

Star Rating	Current / 2017 Bonus %	2018 Bonus %	2019 Bonus %	2020 Bonus %	2021 Bonus %
2 Star	3%	6%	4%	2%	0%
3 Star	8%	11%	11%	11%	11%
4 Star	13.5%	16.5%	16.5%	16.5%	16.5%
5 Star	20%	23%	23%	23%	23%

- There was no change in bonus payment structure in 2017, including enhanced pilot bonuses. The enhanced pilot bonus program end on December 31, 2017- with the final payment in February 2018.
- Bonus payments are federal funds (CCDF) used to meet federal "quality" requirements.

Provider SRTC and Unified CCAP Bonus

Calculating Eligible Children

The process for calculating eligible children has not changed.

The average monthly number of eligible children on which the Provider SRTC calculation is based is calculated as below:

- Full-time participation is considered when CCAP or Foster Care Program pays for at least 12 days of service per child during the month; or two part-time participants may be combined to equal one full-time participant for purposes of this calculation.
- A child is considered to be attending part-time when CCAP or the Foster Care Program pays for at least 40 hours of service per child during the month; or CCAP or Foster Care Program pays for at least 5 days but no more than 11 days of service per child during the month.
- These calculations are used for calculating eligible children for the SRTC and for the Unified CCAP Bonus.

Provider SRTC Key Takeaways

Impact on centers will depend on current rating, expected future performance and number of CCAP children served.

- Centers will receive 2017 credits based on Quality-Start defined stars.
- 2018 Star Ratings are based on 2016-2017 Performance Profile Ratings, and can be found in Louisiana School and Center Finder (www.louisianaschools.com).
- The last bonus payments based on the 2017 stars will be paid in February 2018.
- Beginning with the bonus payments for January –March 2018, paid in May 2018, there will be one unified CCAP bonus, and it will be based on the 2018 Star Rating.
- CCAP bonus payments for 2 star providers decrease over time in to encourage improvement.
- Providers who receive LA4, NSECD or the PreK grant will not lose these slots in 2018-2019 based on change in star ratings.
- To be eligible, providers must remain in compliance with Licensing requirements.

Family SRTC

Overview of Changes for 2018

State now rewards families for choosing centers whose performance indicates they are preparing more children for kindergarten.

How It Works for 2017	Policy Alignment for 2018	Impact												
<ul style="list-style-type: none"> Families receive tax credit based on five factors: <ol style="list-style-type: none"> Child Care Expenses Income Federal Child Care Tax Credit State Child Care Tax Credit Star Rating of Center 	<ul style="list-style-type: none"> Redefine stars based on unified rating system same as provider credit <table border="1" data-bbox="768 788 1207 1125"> <thead> <tr> <th>Star Level</th> <th>Definition Using Unified Rating System Results</th> </tr> </thead> <tbody> <tr> <td>1 Star</td> <td>Rating = 3 – 3.74</td> </tr> <tr> <td>2 Star</td> <td>Rating = 3.75 – 4.49</td> </tr> <tr> <td>3 Star</td> <td>Rating = 4.5 – 5.24</td> </tr> <tr> <td>4 Star</td> <td>Rating = 5.25 – 5.99</td> </tr> <tr> <td>5 Star</td> <td>Rating = 6 – 7</td> </tr> </tbody> </table>	Star Level	Definition Using Unified Rating System Results	1 Star	Rating = 3 – 3.74	2 Star	Rating = 3.75 – 4.49	3 Star	Rating = 4.5 – 5.24	4 Star	Rating = 5.25 – 5.99	5 Star	Rating = 6 – 7	<ul style="list-style-type: none"> More families may be eligible as all Type III centers are participating in the unified rating system Not all families whose children are in Type III centers are eligible depending on income status
Star Level	Definition Using Unified Rating System Results													
1 Star	Rating = 3 – 3.74													
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Family SRTC

Key Takeaways

The inclusion of all Type III centers in the unified rating system means that more Louisiana families may be able to qualify for the Family SRTC.

2017 Tax Year: There are no changes for how families qualify for 2017 credits. Family SRTC for the 2017 tax year will be based on the 2017 Star Rating each participating child care center has received.

Qualifying for the Family SRTC: Families receive information about how to claim their SRTC from child care centers no later than January 31 of the succeeding year.

- Families must incur child care expenses for at least one child under the age of six during the calendar year
- Families must have enrolled a child under the age of six in a licensed child care center that has earned at least two stars.

School Readiness Tax Credits

Approach for Business and R&R Credit

State will maintain incentives for business and resource and referral (R and R) agencies to support performance and quality improvement.

How It Works for 2017	Policy Alignment for 2018	Impact
<p><i>For Businesses:</i></p> <ul style="list-style-type: none"> Employers receive a credit for a percentage of “eligible child care expenses” based on rating Refundable Percentage ranges from 5 – 20% Maximum expense is \$50,000 (w/credit as percentage) <p><i>For R and Rs:</i></p> <ul style="list-style-type: none"> Dollar for dollar tax credit for grants to child care resource and referral (R and R) agencies Maximum is \$5,000 Refundable 	<p><i>For Businesses:</i></p> <ul style="list-style-type: none"> Redefine stars based on unified rating system same as provider credit <p><i>For R and Rs:</i></p> <ul style="list-style-type: none"> No changes needed Consider strengthening policy to support kindergarten readiness 	<ul style="list-style-type: none"> With an increased number of centers participating, there are more opportunities for investment



2016-2017 Performance Profiles for 2018 Stars

2018 Star Levels

Aligning Star Levels to Performance Profile Ratings

Tax credits and bonuses for child care centers have been revised to reward performance and improvement.

CLASS™ Score Range	Performance Rating	Star Rating for Tax Credit and Bonus Payments
6.00 - 7.00	Excellent	5 Stars
5.25 - 5.99	Proficient	4 Stars
4.50 - 5.24	Proficient	3 Stars
3.75 - 4.49	Approaching Proficient	2 Stars
3.00 - 3.74	Approaching Proficient	1 Star
1.00 - 2.99	Unsatisfactory	0 Stars

The 2016-2017 Performance Profile rating will determine the star ratings for centers for tax year 2018. These star ratings have been released via School and Center Finder.

Performance Rating Approach

Focus on Interactions with Children

Louisiana uses CLASS™ to measure, provide information on and support improvement on the core elements needed for quality: adult-child interactions and instruction.

As a research-based, nationally regarded early childhood quality measure for all young children, CLASS™:

- Assesses how well teachers interact with children, including how well they:

Description	PreK Domain	Toddler Domain
<i>Create a warm, positive environment and build trusting relationships with children</i>	Emotional Support	Emotional & Behavioral Support
<i>Organize daily routines and minimize disruptions</i>	Classroom Organization	
<i>Help children learn concepts and connect ideas through dialogue and play</i>	Instructional Support	Engaged Support for Learning

- Correlates with child outcomes
 - Programs that perform better on CLASS™ have better child outcomes (i.e., kindergarten readiness)*
- Supports teacher growth by providing useful information for coaching

National Research Validation of Louisiana's Approach

Researchers at the University of Virginia found children learn more in Louisiana classrooms with higher ratings.

In 2014-2015, researchers evaluated Louisiana classrooms and children:

- 90 child care, Head Start and pre-K classrooms serving 4-year-olds statewide;
- Conducted 4 CLASS™ observations per classroom;
- Assessed ~1,100 children in the fall and spring; and
- Surveyed teachers, program directors and parents/guardians.



Initial results indicate that:

1. Louisiana observations are accurate: local and research CLASS™ scores closely align.
2. Children learn more in classrooms with higher CLASS™ scores.
3. Adding other quality measures does not help identify effective classrooms.

Local Raters	Math	Literacy	Achievement Average
Emotional Sup.			
Classroom Org.	★	★	★
Instructional Sup.	★	★	★
CLASS Total	★	★	★

Performance Rating

Calculating Measures of Classroom Quality Scores

Performance scores and ratings are calculated from CLASS® observation scores using a set of rules aligned with Bulletin 140 Policy.

Individual CLASS™ observation dimension scores are averaged together to calculate domain scores and overall scores

- **Overall scores:** All of the site's dimension scores across all domains are added together and divided by the total number of dimension scores
- **Domain scores:** All of the site's dimension scores within the domain are added together and divided by the number of dimension scores

Note: Negative Climate dimension is not included in any ratings

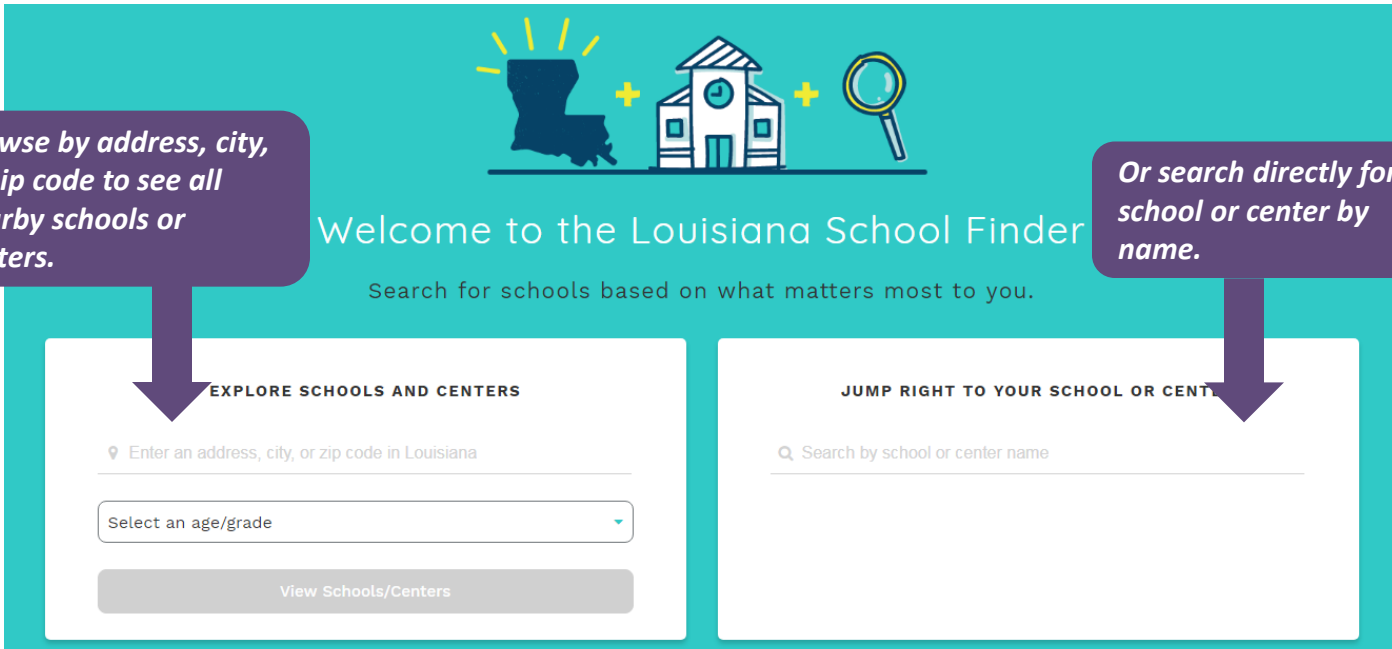
If local observation scores are missing for a classroom within a semester:

1. Third party scores for the classroom for that semester are used if available
2. The average of the site's third party scores for that age type are used if no other classroom score is available

Third party observation domain scores are used to replace local observation domain scores if the domain scores differ by more than 1 point, or if there are consistent inaccuracies.

New in 2017-2018: Early Childhood and K-12 School and Center Finder

School and Center Finder enables families to search directly for a site by name, but it will also allow families to browse for schools or centers in a particular area or zip code.



The screenshot shows the Louisiana School Finder website. At the top, there is a teal banner with the text "Welcome to the Louisiana School Finder" and "Search for schools based on what matters most to you." Below this are two main search options. The left option is titled "EXPLORE SCHOOLS AND CENTERS" and includes a search bar with the placeholder "Enter an address, city, or zip code in Louisiana", a dropdown menu for "Select an age/grade", and a "View Schools/Centers" button. The right option is titled "JUMP RIGHT TO YOUR SCHOOL OR CENTER" and includes a search bar with the placeholder "Search by school or center name".

Browse by address, city, or zip code to see all nearby schools or centers.

Or search directly for a school or center by name.

The School and Center Finder can be accessed at www.LouisianaSchools.com

Viewing Site Performance Profiles

The 2018 Star Rating, which is aligned with the 2016-2017 Performance Profile Rating, is published in the Louisiana School and Center finder. This does not impact 2017 SRTC.

The screenshot displays the website interface for an 'EXAMPLE EARLY LEARNING CENTER'. At the top, it shows the school's name and 'EARLY EDUCATION PERFORMANCE' with a rating of 'Approaching Proficient'. Below this are two tabs: 'ABOUT OUR SCHOOL' (selected) and 'ACADEMIC PERFORMANCE'. The 'ABOUT OUR SCHOOL' section is divided into three columns. The left column contains a map, address (1201 Noth Third Street, Baton Rouge, LA 70802), phone number (877-453-2721), website link, email (assessment@la.gov), hours of operation, and social media icons. The middle column, titled 'OVERVIEW', lists 'AGES/GRADES SERVED' (Infant (Under 1)-PK (ages 3-4) and Infant (Under 1)-Toddler (ages 1-2)), 'DISTRICT/PARISH' (East Baton Rouge Parish), 'SCHOOL/CENTER TYPE' (Licensed Center), 'LICENSE TYPE' (III), 'INSPECTION VISIT INFORMATION' (with a link to view information), and 'STAR RATING' (3 stars). The right column lists 'DIRECTOR/PRINCIPAL' (Mr. John White), 'TRANSPORTATION' (Yes), 'TAKES CHILD CARE ASSISTANCE PROGRAM (CCAP)' (Yes), 'BEFORE CARE' (Yes), and 'AFTER CARE' (Yes). A large black arrow points from the 'View School Website' link in the left column to the 'INSPECTION VISIT INFORMATION' link in the middle column.

A photograph of a young child sitting on a light-colored floor, playing with a colorful stacking ring toy. The child is wearing a striped shirt and is holding a red cup. The background is a textured wall with green and blue accents. A semi-transparent white banner is overlaid across the middle of the image, containing the text "Supports for Improvement".

Supports for Improvement

Supporting Improvement in 2017-2018: Unified Supports for Child Care Centers

Louisiana is providing supports and resources to child care centers to support improvement and provide quality training and preparation for teachers.

- **Curriculum-** Child care centers have access to the [Child Care Curriculum Initiative](#), a \$3 million investment in supporting child care centers in accessing [Tier I](#) toddler and pre-K curriculum.
 - *Centers receive training on how to use and implement curriculum through R&R's.*
- **Professional Development and Coaching:** Through [Resource and Referral Agencies](#) and the Mental Health Consultation program, centers are able to access targeted coaching that is responsive to their *CLASS* scores.
- **Early Childhood Ancillary Certificate:** Child care teachers continue to complete professional training and receive their [certification](#), often through BESE-approved [Early Childhood Ancillary Certificate Programs](#).



Next Steps

School Readiness Tax Credits

Timeline for 2017-2018 Transition

For the 2017 tax year, nothing has changed. The current SRTC policy remains in place.

January 2018	January 2018-December 2018	January 2019
<ul style="list-style-type: none"> Centers, teachers, and directors file for 2017 taxes and receive credits based on 2017 star rating and tax credit levels. 	<ul style="list-style-type: none"> Centers receive their final quarterly bonus payment based on their 2017 star rating in February. 	<ul style="list-style-type: none"> Centers, teachers, and directors file for 2018 taxes and receive credits based on 2018 star rating and new tax credit levels
<ul style="list-style-type: none"> Centers receive their new 2018 star rating under the unified quality rating system (based on fall 2016 and spring 2017 observations) 	<ul style="list-style-type: none"> Centers receive quarterly bonus payments based on new 2018 star rating, with the first quarter payment in May. 	<ul style="list-style-type: none"> Centers will receive 2019 star rating (based on fall 2017 and spring 2018 observations) that will be used for future tax credits.
<ul style="list-style-type: none"> Teachers and directors begin qualifying for tax credit levels based on ancillary certificate and star rating additions. 		

The only update for 2017 SRTC filing is that staff must send an original copy of form to Louisiana Pathways.

Additional Resources

The resources linked below may be helpful in understanding the SRTC updates.

- The Department has released an [SRTC Guidebook](#) that provides information about the SRTC for 2018 and beyond.
- The Department has released a set of FAQs for different SRTC audiences:
 - [SRTC 2017 – FAQs for Staff and Directors](#)
 - [SRTC 2017 – FAQs for Businesses](#)
 - [SRTC 2017 – FAQs for Child Care Providers](#)
 - [SRTC 2017 – FAQs for Parents](#)
- In spring 2017, the Department released tools to help the field understand the transition for SRTC, including:
 - [Presentation](#) to the Early Childhood Advisory Council about the proposed changes
 - Tools like a [calculator](#) to help centers estimate the impact on their own center

Questions should be sent to earlychildhood@la.gov.