



NORTHWEST FLORIDA STATE COLLEGE

Memo

To: Board of Trustees
From: Dr. Cristie Kedroski, Interim President
Date: September 17, 2024
Re: Child Development & Education Center (CDEC)

The Northwest Florida State College (NWFSC) Mary Lou O'Connor Child Development & Education Center (CDEC) has been in operation since 1971, and its mission is to provide quality care and education to young children ages 2 ½ - 5 years old. The College originally introduced the CDEC specifically to provide a lab with field-training opportunities in support of the College's early childhood education program. The CDEC has been accredited by the National Association for the Education of Young Children (NAEYC), a rigorous and well-respected accrediting body, since the 1993-1994 school year. According to the NAEYC, only five other locations in the College's service area are accredited, all of which are located at either Eglin or Hurlburt. The CDEC is also a registered Voluntary Prekindergarten (VPK) program, which affords the CDEC with state funding for VPK students.

In its more than fifty years of operation, CDEC, at its peak, has served no more than fifty students per year. The CDEC's capacity in its current location has changed to a maximum of thirty-eight students. From a financial perspective, over the last five years, the CDEC has cost approximately \$223,000 annually, on average, to operate. CDEC is funded by its own revenue from fees, grants, and allocations from the Mary Lou O'Connor Child Development Center Endowment (which both supports and names the center).

CDEC charges the following types of fees: annual enrollment fee, daily childcare, and VPK wrap-around. CDEC receives funding from the state for VPK services as well. The CDEC has been operating at an average loss of approximately \$37,861 annually for the past five years, excluding CARES funding in 2023 (see table below).

CDEC has also not been at its max capacity since 2019, following COVID impacts on enrollment and difficulties in maintaining staffing, which drives the annual shortfall in revenue. According to the Early Learning Coalition, a daycare shortage in this region is contributing to high competition for qualified employees in the childcare workforce. In fact, childcare staffing shortages have become a statewide problem over the last few years. The CDEC's prior director resigned on July 3, 2024, and several staff members left with the director. While the College worked quickly to hire a new director, who began on August 21, the new director unfortunately resigned with no notice on August 28 for personal reasons.

This left the College in the difficult position of temporarily closing the CDEC effective Monday, September 9. This closure impacted a total of nine students/families (5 VPK and 4 non-VPK). Former CDEC Director, Ms. Dian Baldock, agreed to staff the center for our non-VPK children for the week of September 3 to allow for transition time for parents. As of the date of this memo, all CDEC students have been successfully placed in alternate locations, and the Early Childhood Education program will use alternate childcare facilities for student observation hours.

At present, the CDEC has notified its accreditors and regulatory bodies of the temporary closure of the CDEC. The College will assess the need for a CDEC in relation to (1) its Early Childhood Education program, (2) serving its community as a childcare center, and (3) financial viability of a future model of the CDEC. As the College evaluates next steps for the CDEC, the College will bring further information to the Board.

Child Development & Education Center Historical Data

Enrollment						
	2020	2021	2022	2023	2024	2025
Peak Annual Enrollment* <i>(Max Capacity: 38)</i>	20	20	25	25	25	14
Fees Per Student						
Annual Registration Fee	\$75	\$75	\$155	\$155	\$155	\$155
Daily Child Care Fees	\$32	\$32	\$37	\$37	\$37	\$37
Daily VPK Wrap-Around	\$27	\$27	\$31	\$31	\$31	\$31
Financial Data						
	2020	2021	2022	2023**	2024	2025
Revenue <i>(Fees and Grants)</i>	\$158,391	\$125,790	\$234,565	\$379,901	\$192,129	-
Labor	\$204,248	\$160,647	\$238,892	\$227,979	\$242,494	-
Direct Expenditures	\$7,246	\$6,790	\$8,342	\$8,341	\$10,905	-
Net Profit/Loss	(\$53,103)	(\$41,647)	(\$12,669)	\$ 143,581	(\$61,269)	-

*This line represents peak enrollment at any point throughout the year, not sustained enrollments. Students would come and go from the center throughout the year based on family needs. For example, in 2020 and 2021, CDEC only served VPK students, and the state limited enrollments to twenty. Financial data, unlike enrollments, represents actual, final revenue and expenditures for the year.

**Includes \$164,200 in CARES/COVID "bailout" funds.