



Update

Office of Early Childhood and Out-of-School Learning (OECOSL)

Presented November 5, 2025



Indiana Child Care: Federal COVID Funding

\$1,271,000,000

Start: 2020

End: 2024

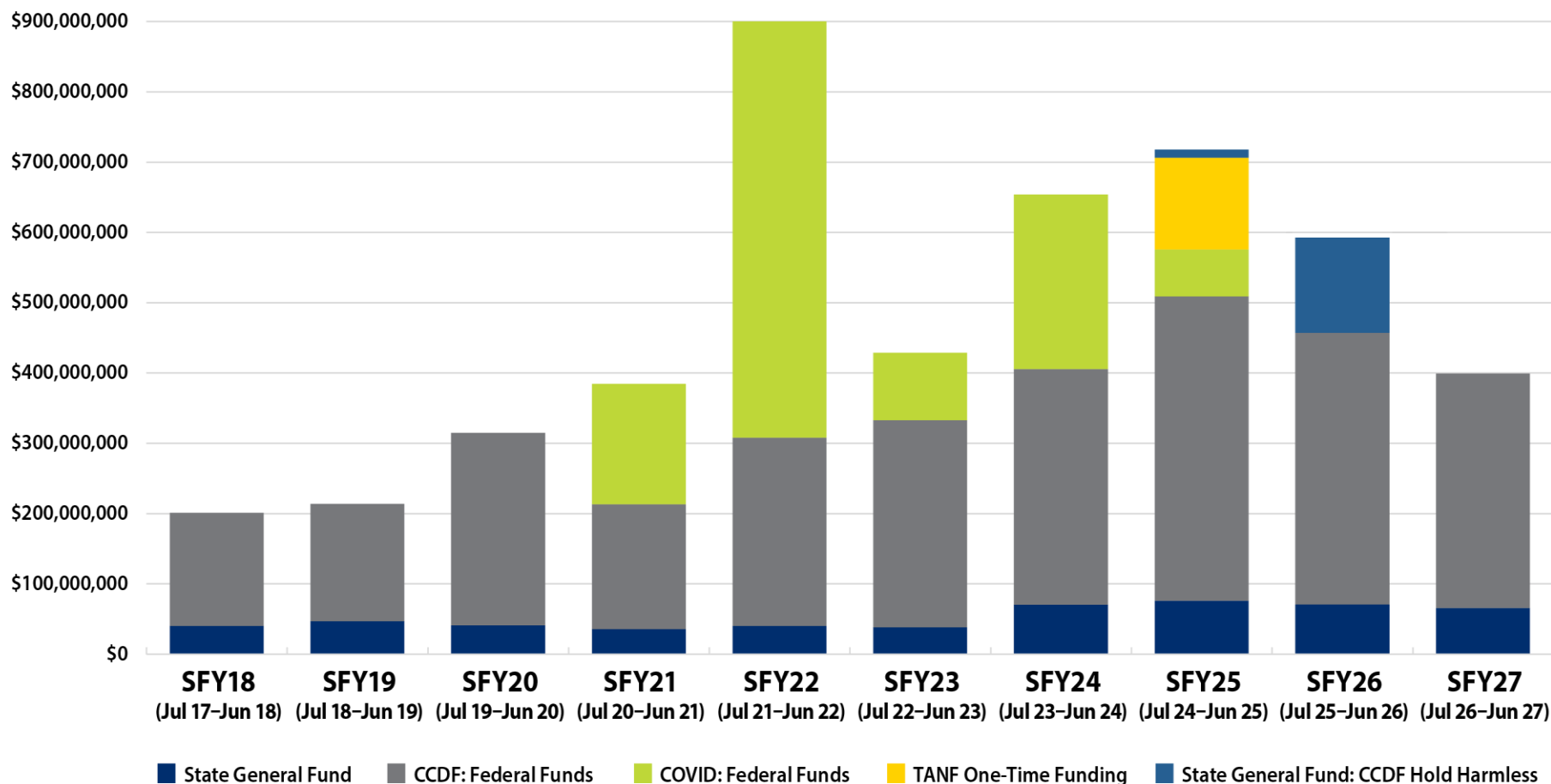


PROBLEMS:

- 1. OVER ENROLLMENT OF CCDF VOUCHERS IN 2023 AND 2024.**
- 2. ARTIFICIALLY INFLATED CCDF REIMBURSEMENT RATES.**
- 3. NO SUSTAINABILITY PLAN AFTER FEDERAL COVID FUNDING ENDED TO CONTINUE FUNDING CCDF VOUCHERS.**



Spending by State Fiscal Year





Child Care Provider Reimbursement Rates – A History

- 2021: Indiana increased CCDF reimbursement rates by 20% per voucher using one-time federal COVID relief funds.
 - NO SUSTAINABILITY PLAN
- 2023: “Transitional reimbursement rates” announced.
 - **NO RATES WERE REDUCED**
 - NO SUSTAINABILITY PLAN
- October 2025: CCDF Reimbursement Rates revised to reflect true cost of providing child care.
 - Unwound transitional reimbursement rates
 - **SUSTAINABLE WITH CURRENT AVAILABLE FUNDING**

OECOSL Contracts Summary

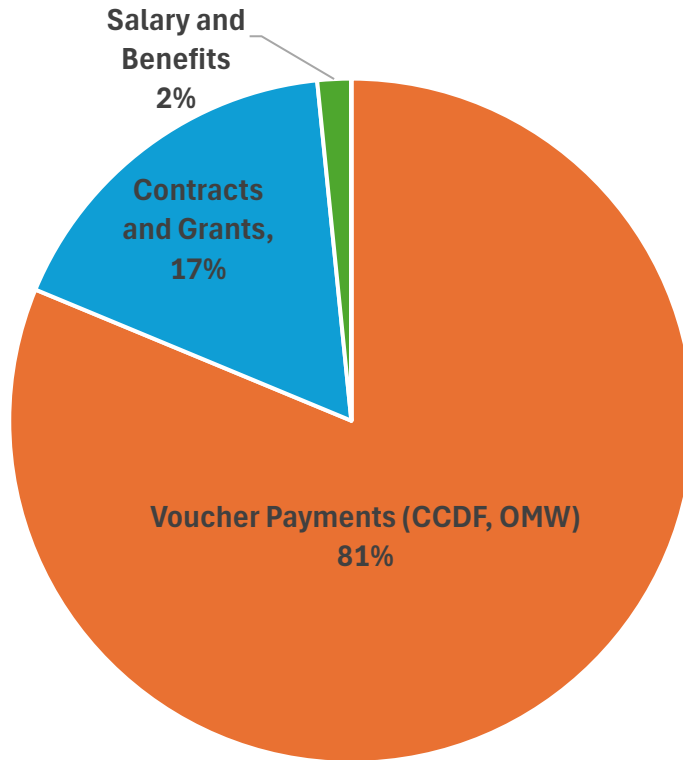
Contractor	Contract Period	Total Contract Value	Annual Contract Amount	State Funding	Federal Funding	YTD Expenditures	Current Balance
Eligible Office Contracts	10/1/19-9/30/26	\$82,498,633	\$26,932,283	\$2,889,834	\$24,042,449	\$2,618,308	\$24,313,975
CCR&R Contracts	10/1/10-9/30/25	30,116,941	4,844,218	3,875	4,840,343	2,108,851	2,735,367
Deloitte	8/15/21-9/30/27	54,019,779	5,679,111	-	5,679,111	5,679,111	0
Shine Early Learning, Inc.	10/1/19-9/30/25	71,669,324	5,746,802	-	5,746,802	4,108,851	1,728,502
Resultant-KSM Consulting	3/1/19-12/31/26	20,411,700	2,095,399	-	2,095,399	864,903	1,230,496
The Consultant Consortium	1/1/22-2/28/26	10,324,684	5,354,133	-	5,354,133	1,315,880	4,038,253
INAEYC	10/1/23-9/30/27	28,437,044	7,402,192	1,628,482	5,773,710	2,210,487	5,191,705
Granicus	7/1/19-12/31/25	5,516,500	591,356	136,485	454,871	184,618	406,737
RadCube	2/1/20-1/31/26	4,031,437	1,881,468	-	1,881,468	577,713	1,303,755
Total		\$307,026,043	\$60,526,961	\$4,658,676	\$55,868,285	\$19,578,171	\$40,948,790

Contract Reductions: contracts terminated, amended or not renewed for SFY 2026

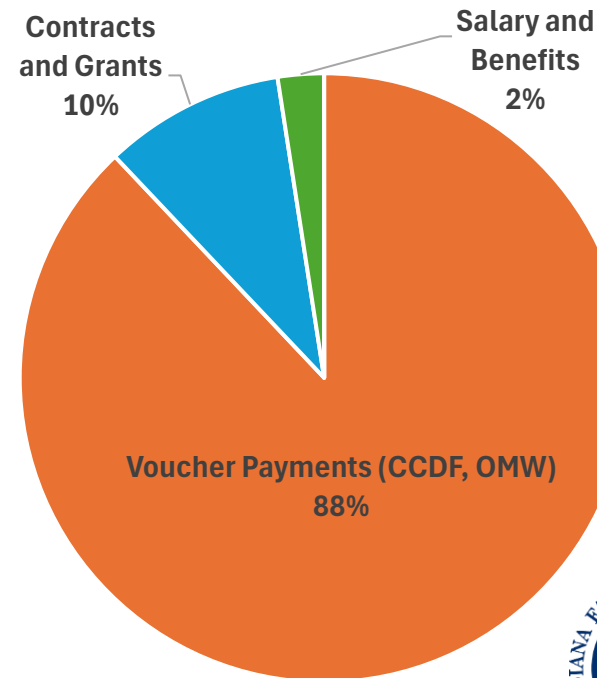


OECSL Expenditures

SFY 2025



SFY 2026 (Projected)



OECOSL Staffing Summary

Since March 2025:

Reduction in contractor staffing by 2/3rds

Reduction in total staffing by 50%

SAVINGS GOING TO FUND CCDF VOUCHERS

	March 2025	June 2025	Sept 2025
Total FTE Staffing	413	336	205
State FTE Staffing	86	86	94
# Filled	80	78	81
# Open	6	8	13
Contractor FTE Staffing	327	250	111





THE FUTURE

- **Fiscal Responsibility**
- **Transparency**
- **Entrepreneurial Governance**



THE FUTURE - CCDF Vouchers

CCDF voucher funding is a long-term problem for OECOSL.

OECOSL currently projects no new CCDF voucher enrollments through calendar year 2026.

- Assumes flat year-over-year federal CCDF appropriation.
- Subject to change.

OECOSL will continue to give updates through QFRs and Early Learning Advisory Committee meetings.



THE FUTURE – On My Way Pre K

- 2026: only state funds at statutory maximum \$6,800/voucher. Projected funding available for 2,500 vouchers.
- In previous years, CCDF voucher holders were “flipped” into OMW to artificially increase enrollment totals.

State Fiscal Year	Total Enrollment
2019	2,918
2020	3,517
2021	2,312
2022	4,972
2023	6,231
2024	7,948
2025	6,206
2026 (as of 9/30)	2,124

Voucher Statistics – September 2025

Enrollment	Sept. 2024	Dec. 2024	March 2025	June 2025	Sept. 2025
Total Vouchers	67,868	69,326	64,172	55,846	55,233
CCDF Vouchers	61,753	63,351	58,476	53,565	53,109
OMW Vouchers	6,115	5,975	5,696	2,281	2,124
Waiting List Totals	931	3,328	13,701	25,149	30,808
Waitlist- CCDF	931	3,328	13,629	21,955	30,533



Voucher Statistics – September 2025 (2)

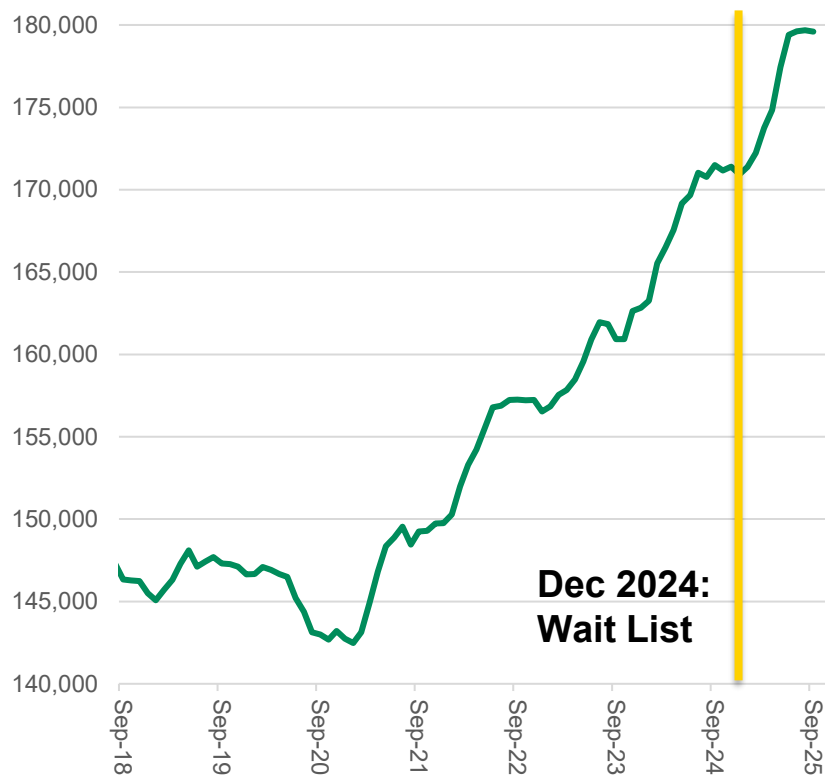
Total Vouchers By Age	Max Nov. 2024	Sept. 2025	% Chg
Infant	3,673	189	(95%)
Toddler	14,956	10,050	(33%)
3/4/5s	28,955	24,888	(14%)
School Age	21,893	20,106	(8%)
Total	69,477	55,233	(21%)



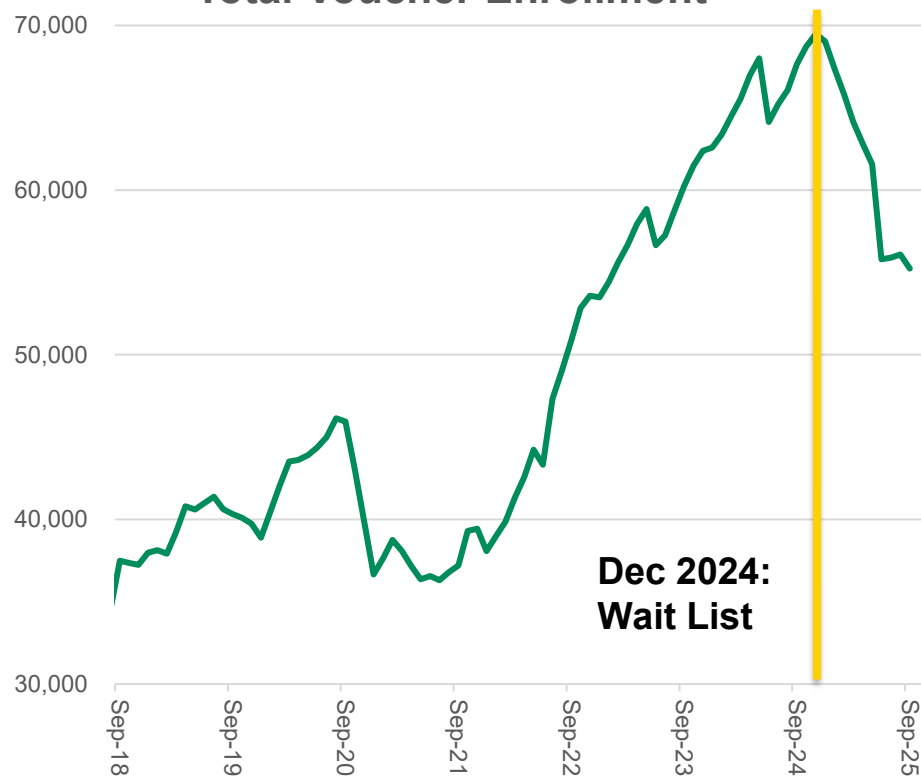


Historical Data

Total Regulated Child Care Capacity



Total Voucher Enrollment



Regulated Child Care Supply Statistics

Total Regulated Child Care Supply	Sept. 2024	Dec. 2024	March 2025	June 2025	Sept. 2025
Capacity	171,486	170,923	173,751	179,404	179,602
Capacity YOY % Change	6.6%	5.0%	4.4%	5.7%	4.7%
Locations	4,279	4,321	4,353	4,372	4,349
Average Seats/Location	40	40	40	41	41



Regulated Child Care Supply Statistics (2)

Centers	Sept. 2024	Dec. 2024	March 2025	June 2025	Sept. 2025
Capacity	102,191	103,667	105,900	109,519	111,005
Capacity YOY % Change	7.9%	6.7%	7.4%	10.1%	8.6%
Locations	1,334	1,352	1,387	1,425	1,445
Avg. Seats/Location	77	77	76	77	77
Homes	Sept. 2024	Dec. 2024	March 2025	June 2025	Sept. 2025
Capacity	28,206	28,347	28,263	27,939	27,315
Capacity YOY % Change	-0.5%	1.2%	0.5%	-0.2%	-3.2%
Locations	2,192	2,210	2,204	2,183	2,135
Avg. Seats/Location	13	13	13	13	13
Registered Ministries	Sept. 2024	Dec. 2024	March 2025	June 2025	Sept. 2025
Capacity	41,089	38,909	39,588	41,946	41,282
Capacity YOY % Change	8.6%	3.3%	-0.5%	-0.7%	0.5%
Locations	753	759	762	764	769
Avg. Seats/Location	55	51	52	55	54

