



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

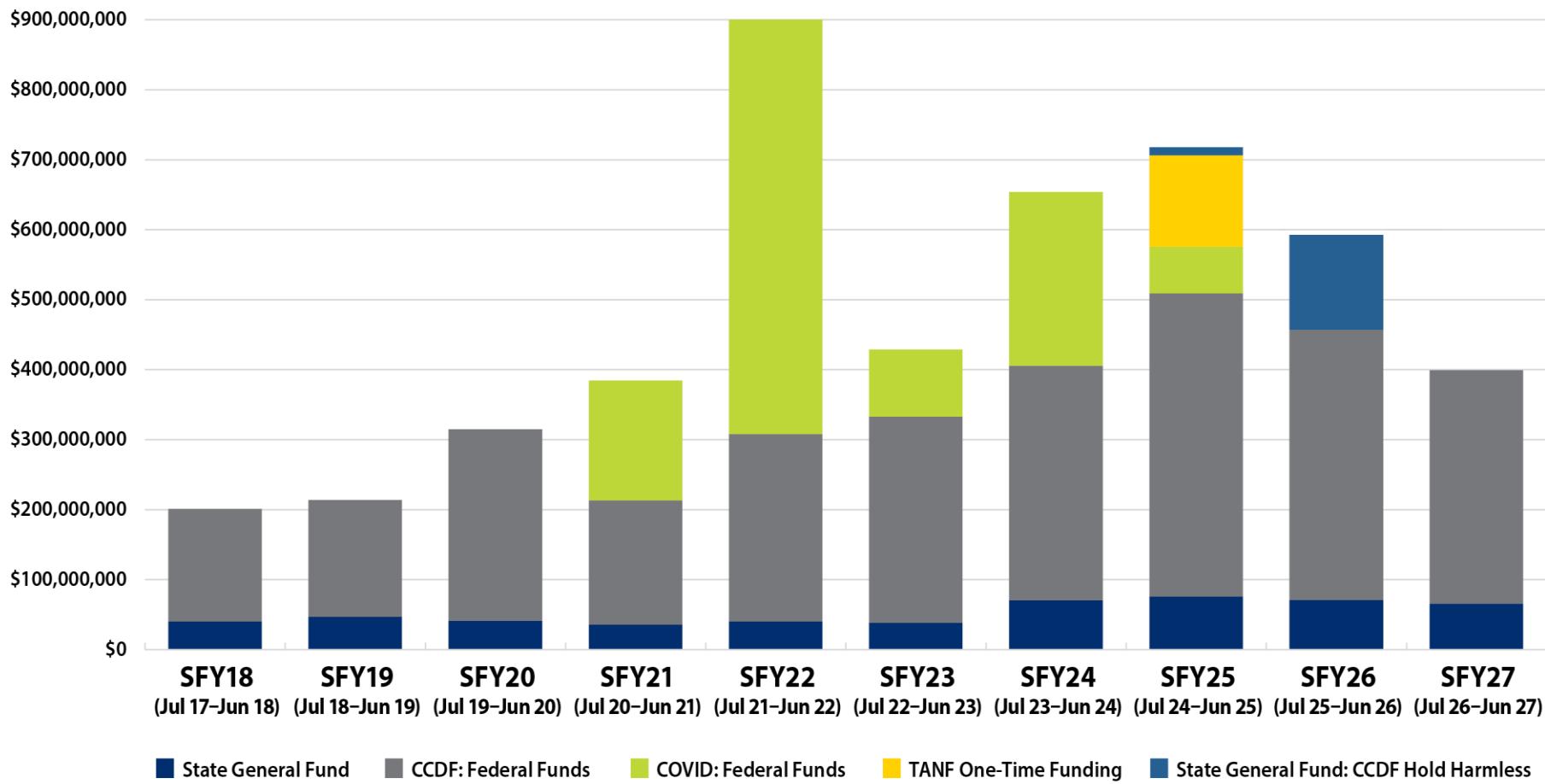


PROBLEMS:

- 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

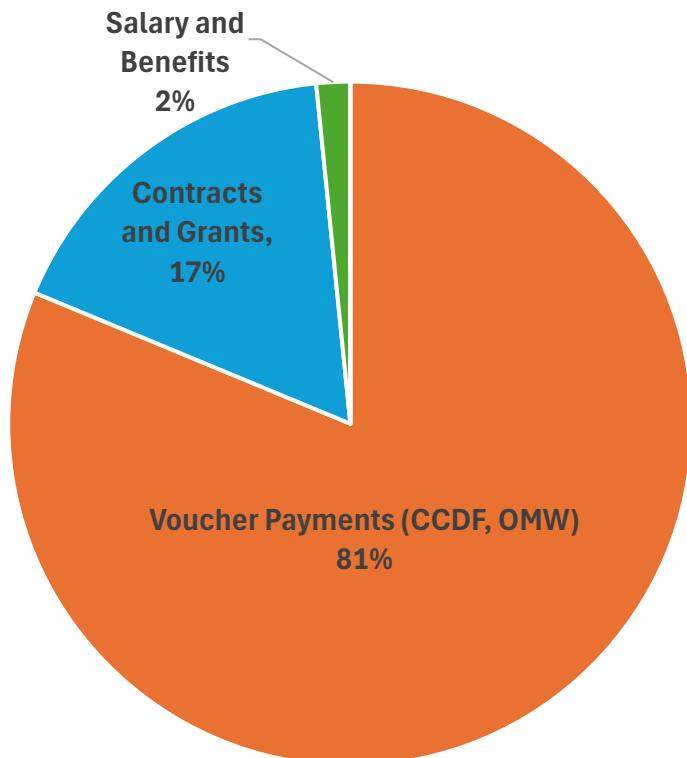
| Contractor | Contract Period | Total Contract Value | Annual Contract Amount | State Funding | Federal Funding | YTD Expenditures | Current Balance |
|----------------------------|-----------------|----------------------|------------------------|---------------|-----------------|------------------|-----------------|
| 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 | 71,669324 | 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

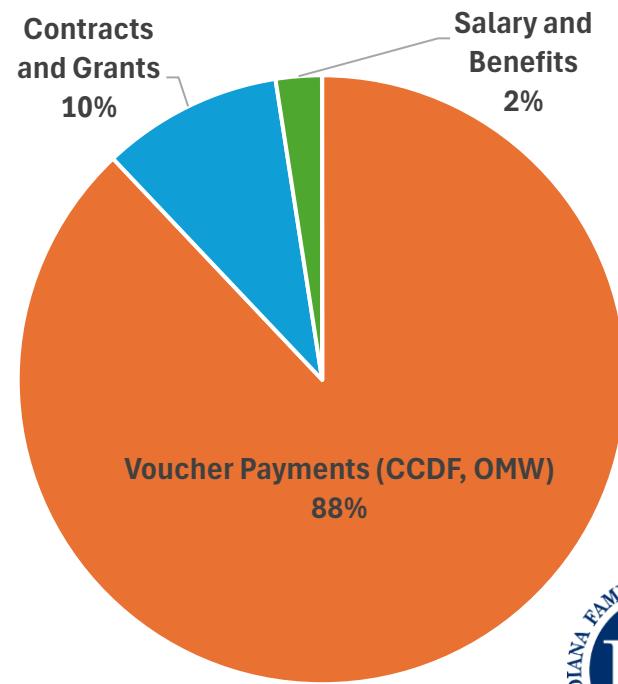


OECOSL Expenditures

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 |

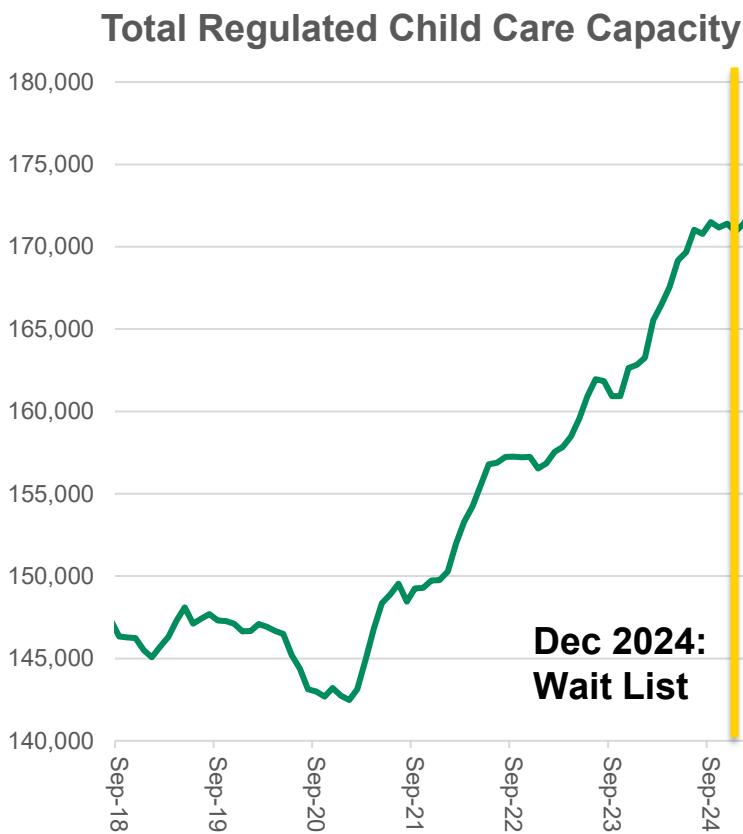


Voucher Statistics – September 2025 (2)

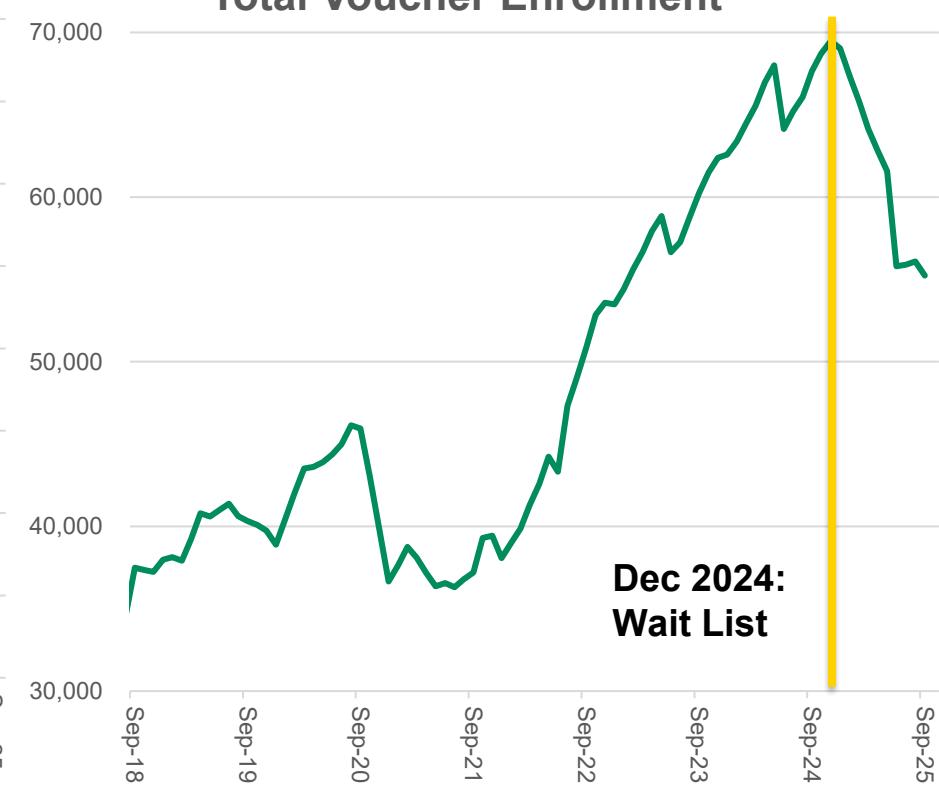
| Total Vouchers By Age | Max Nov. 2024 | Sept. 2025 | % Chg |
|--------------------------|------------------|---------------|--------------|
| Infant | 3,673 | 189 | (95%) |
| Toddler | 14,956 | 10,050 | (33%) |
| 3/4/5s | 28,955 | 24,888 | (14%) |
| School Age | 21,893 | 20,106 | (8%) |
| Total | 69,477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



Historical Data



Total 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 |

