

Chapter 17: STAR RATED LICENSE

Background Information

In 1999, the North Carolina General Assembly enacted legislation creating NC's Quality Rating System known as the Star Rated License System. The Star Rated License System represents enhanced voluntary program standards that reflect higher quality child care and exceeds the state's minimum licensing requirements. The star rated license system is aligned with the state's licensing system and is inclusive of all eligible child care facilities. Child care programs that meet the minimum licensing requirements and choose not to be assessed for higher voluntary standards are issued a One Star License. Child care programs that voluntarily meet higher standards may earn Two to Five Stars, depending on the standards they meet. Originally, the star rated license system evaluated child care programs on three components: program standards, education standards, and compliance history with child care requirements. In 2005 legislation was enacted that revised the star rated license program so that only two components are used to determine the number of stars earned: program standards and education standards. Research shows that program standards and education standards most accurately determine or reflect quality in child care settings and are directly linked to improved quality of care and good outcomes for children. The system was created for many reasons. It allows child care programs to be recognized for the higher quality care that already exists, improves consumer awareness of quality, and focuses on continuous quality improvement.

Purpose Of These Requirements

To provide voluntary enhanced program standards which reflect higher quality child care than the mandatory minimum licensing standards. These enhanced program standards address staff-child ratios, space requirements, staff qualifications, parent involvement, operational and personnel policies, learning environment, and developmentally appropriate curricula.

Definitions

Two component license: refers to a license issued based on an evaluation of the centers program standards and education standards.

SECTION 1: APPLICATION FOR A STAR RATED LICENSE

GENERAL STATUTE 110-90 & CHILD CARE RULE .2801, .2802 Eligibility Requirements

- ★ A child care center must be in operation for a minimum of six consecutive months, to request an initial two through five star rated license, or to request that a star rating be changed to a two through five star rated license.
- ★ Prior to the issuance of a two through five star rated license, the child care center must be in compliance with all applicable minimum child care requirements at the time the program is assessed.
- ★ The child care center must have a compliance history score of 75% or better over an 18 month period, or the period that the center has been in operation, whichever is longer.

- ☑ The operator can request a star rated license assessment after the child care center has been in operation for a minimum of six consecutive months.
- ☑ The requirements for a voluntary rated license of two stars or higher are in addition to the minimum requirements outlined in the child care law and rules.
- ☑ A center’s compliance history is a collection of violations cited over a specific period of time. As part of the rated license assessment, a child care consultant will check the center’s compliance history. For more information on compliance history scores refer to Chapter 7 – Licenses.
- ☑ A One Star License is issued to child care programs that meet the minimum licensing requirements. For information on a One Star License refer to Chapter 7 – Licenses.

CHILD CARE RULE .2802 Application Process

- ★ The operator must submit a completed application to the Division for a voluntary rated license on a form provided by the Division.
- ★ A Division representative will assess the facility requesting a voluntary rated license to determine if all applicable requirements have been met to achieve the score for the requested star rating. This assessment may include a review of the Division records and site visits.

- ☑ To apply for a two through five star rated license, the operator must complete an Application for a Two Component Rated License Packet for Centers.

-  Application packets are available by request. Contact the Division at 1-800-859-0829 or 919-662-4499 or visit the Division's web site at www.ncchildcare.net to request the *Application for a Two Component Rated License Packet for Centers*.
- The packet includes:
- Application for Assessment for a Two Component Star Rated License
 - Rated License Rules (Section .2800)
- The completed Application for Assessment for a Two Component Star Rated License must be submitted to your child care consultant, and if applicable, copies of your operational and personnel policies. Policy requirements are discussed later in this chapter.
- The child care consultant will review the information for completeness. If the information is incomplete, the child care consultant will contact you for missing information.
- Once the packet is complete, the child care consultant will contact you to arrange for an announced rated license assessment visit. The rated license assessment visit may include an annual compliance visit.
- Education levels of staff will be verified by the Division's Child Care Workforce Standards Section. Coursework completed by new or existing staff members should be sent to the Workforce Standards Section for evaluation. Include official transcripts and appropriate Education and Equivalency (E&E) forms. Copies of E&E forms are available in Chapter 2 of this handbook and on the Division's web site at www.ncchildcare.net.
-  To make sure education documents are submitted correctly, review **Guidelines to Education Evaluations for Child Care Providers** in the resource section.

CHILD CARE RULE .2802

Components of a Star Rated License

-  A two through five star license is based on the number of points a child care program voluntarily chooses to meet in two components: program standards and education standards.
-  An operator may apply for a star rating based on the total number of points achieved for each component of the voluntary enhanced requirements.

- ☑ A program can earn up to seven points in each component (program standards and education standards). Points are based on the enhanced requirements a program chooses to meet in each component.
- ☑ Programs also have the option to earn one additional quality point towards the total points earned by meeting an education or programmatic quality point option. Quality point options information is discussed in more detail later in this chapter.
- ☑ In order to achieve a two through five star rating, the total points earned must be at least as follows:

Total number of points	Rating
4 through 6	Two Stars
7 through 9	Three Stars
10 through 12	Four Stars
13 through 15	Five Stars

SECTION 2: PROGRAM STANDARDS

The program standards component offers child care centers options to voluntarily enhance the quality of care children are receiving by reducing the number of children per caregiver, limiting the number of children cared for in a group, and by providing a quality environment.

CHILD CARE RULE .2817 Points Levels for Program Standards

 When evaluating program standards, a program may earn up to seven points.

- ☑ The program standards component evaluates the quality of the child care environment and use of developmentally appropriate practices. This component focuses on how children are cared for.
- ☑ The number of points a program receives depends on the voluntary enhanced standards the program chooses to meet such as:
 - Having operating and personnel policies
 - Increasing the number of activity areas in classrooms
 - Higher square footage per classroom
 - Reduced staff-child ratios

- Having an Environment Rating Scale (ERS) completed for each age group of children served in the program and having specified scores from the assessment



A summary of each point level is found in the resource section on individual charts, which are based on the type of program you operate.

- Rated License for Child Care Centers (with preschool classrooms only)
- Rated License for Child Care Centers with Preschool and School-Age Classrooms
- Rated License for Child Care Centers Licensed for 3-12 Children Located in a Residence
- Rated License for School-Age Programs



For the complete rule text refer to Section .2800 of the child care rules.

CHILD CARE RULE .2804

Administrative Policies



Centers seeking two or more points for program standards must have administrative policies and practices which provide for:

- selection and training of staff
- communication with and opportunities for participation by parents
- operational and fiscal management
- objective evaluation of the program, management and staff.



Administrative policies are reviewed by the child care consultant as part of the rated license assessment.

HH—Research consistently finds that high quality administrative practices are essential for ensuring good outcomes for children and families.



The McCormick Tribune Center for Early Childhood Leadership developed the *Program Administration Scale* (PAS) to reliably measure the leadership and management practices of center-based programs. The PAS was constructed to complement the environment rating scales. When used together, these tools provide a focused look at best practices at the classroom level and the broad view of program quality from an organizational perspective. You can access additional informational at www.cecl.nl.edu/.

CHILD CARE RULE .2805 Personnel Policies

- ★ Each center that has two or more staff must have written personnel policies which includes at least the following information:
 - job descriptions for each position
 - minimum qualifications for each position including reference checks
 - health and medical requirements
 - requirements and provisions for in-service training
 - provision for leave time and other absences
 - procedures for on-going supervision and regular evaluation of work performance
 - resignation and termination procedures
- ★ Personnel policies must be discussed with each employee at the time of employment and a copy of the policies must be available to all staff. Staff must be notified in writing of any changes in personnel policies.
- ★ Each employee's personnel file must contain an annual staff evaluation and staff development plan.
- ★ All personnel files must contain a signed and dated statement verifying that the employee received a copy of his/her job description(s) and has reviewed the personnel and operational policies and documentation that information concerning the enhanced standards was included during the employee's orientation.

- Personnel policies are reviewed by the child care consultant as part of the rated license assessment.
-  An **Operational and Personnel Policies Checklist** is in the resource section to assist you in developing your policies.
-  Refer to the **Sample Professional Development Plan** and **Sample Staff Performance Evaluation** handouts in the resource section for assistance with on-going supervision and regular evaluation of work performance.

CHILD CARE RULE .2805

Operational Policies

- ★ Each center must have written policies which describe the operation of the center and the services which are available to parents and their children. The operational policies must include at least the following information:
 - the days and hours the center operates
 - age range of children served
 - admission requirements and enrollment procedures
 - parent fees and payment plan
 - information about services provided by the center, i.e. number of meals served, before/after school care, transportation
 - items, if any, to be provided by parents
 - a schedule of daily, weekly, and monthly cleaning duties
 - written procedures for reporting suspected child abuse and neglect
 - the center's discipline policy for behavior management
 - a description of opportunities for parent participation
 - nutrition policies
- ★ Operational policies must be discussed with parents at the time they inquire about enrolling their child in the center. A copy of the policies must be given to the parent when their child is enrolled and they must be notified in writing of any changes.
- ★ Copies of operational policies and any subsequent changes to those policies must be distributed to all staff.

- Operational policies are reviewed by the child care consultant as part of the rated license assessment.
-  Refer to the **Operational and Personnel Policies Checklist** in the resource section to assist you in developing your policies.

CHILD CARE RULE .2806

Caregiving Activities for Preschool-Aged Children

- ★ Each center providing care to preschool-age children aged two years or older must provide all five of the activity areas daily.
- ★ Music and rhythm, science and nature, and sand and water play activities must be offered for each group of children at least once per week.

- The five activity areas include: art and other creative play, children's books, blocks and block building, manipulative, and family living and dramatic play. All five of these activity areas must be provided each day.

CHILD CARE RULE .2807

Parent Participation

- ★ Each center must have a plan which will encourage parent participation and inform parents about the program and its services.
- ★ The plan must be discussed with parents at the time the child is enrolled and must be posted in the center or a copy must be given to parents at the time of enrollment.
- ★ The plan must include at least the following information:
 - a procedure for registering a child for child care which involves both parents when possible and which encourages a visit to the center by the child and the child’s parents before the child begins attending the center
 - opportunities for caregiving staff to meet with parents on a regular basis to discuss their child’s needs and progress and to exchange information about the program
 - activities which provide parents opportunities to participate in the center’s program on an individual basis and as a group
 - a procedure for parents who need information or have complaints about the child care program

- The parent participation plan may be included within the operational policies.
- The more resourceful a caregiver is in encouraging parent participation in child care, the more positive the child care experience will be for the child and caregiver.
- HH-** The possibilities for parent/family participation in the child care setting are almost limitless. Here are a few examples: parties, celebrations, parent participation in or observation of group activities, workshops for parents and staff on topics of special interest, fundraising, building or toy repair, and daily communication through friendly conversations and written notes. All of these examples contribute to feelings of connection between the families served and the caregiving staff. Provide families with meaningful opportunities to participate in the program.
- HH –** Adopt policies and practices that embrace culture diversity. Young children are learning differences between their home culture, the culture of the community, and how to navigate among these. A center aspect of quality in early care and education programs is how programs address fundamental issues of race, gender, language, and culture. Work with staff and families to embed cultural competence into program practices.



A new issue brief from the Build Initiative, titled *Quality Rating and Improvement Systems for a Multi-Ethnic Society*, by Charles Bruner with Aisha Ray, Michelle Stover Wright and Abby Copeman, discusses why it is important to include cultural and linguistic responsiveness and anti-bias programming as aspects of early learning quality and how states have included these issues in quality rating and improvement system planning and development. It is available online at <http://www.buildinitiative.org/files/ORIS%20for%20a%20Multi-Ethnic%20Society%20Policy%20Brief.pdf>.

CHILD CARE RULE .2808
Night Care

- ★ A variety of activities and experiences must be available for children during the evening hours.
- ★ Quiet activities must be planned just before bedtime.
- ★ Children must have opportunities to develop good personal care and health habits through routines.
- ★ Schedules for the children receiving nighttime care must be flexible and individually planned.
- ★ When possible, children must be left for care and picked up before and after their normal sleeping period so that there is minimal disturbance of the child during sleep.

CHILD CARE RULE .2809
Space Requirements

- ★ There must be at least 30 square feet inside space per child per the total licensed capacity and 100 square feet outside space per the total licensed capacity, **or**
- ★ There must be at least 35 square feet inside space per child per the total licensed capacity and 100 square feet outside space per child for at least 50 percent of the total licensed capacity.
- ★ There must be an area which can be arranged for administrative and private conference activities.



At the two and three point level, the operator can choose to meet either the enhanced space requirements or enhanced staff-child ratios.

- At the six point level, the enhanced space requirements are required.

**CHILD CARE RULE .2818
STAFF-CHILD RATIOS**

- To earn 4 or more points the center must comply with the following staff-child ratios and maximum group sizes.
- The staff-child ratio applicable to a classroom must be posted in that classroom in an area that parents are able to view at all times.

- At the two or three point level the operator can choose to meet the enhanced space requirements or enhanced staff-child ratios.
- Enhanced staff-child ratios are as follows:

Age	Ratio Staff/Children	Maximum Group Size
0 to 12 Months	1/5	10
1 to 2 Years	1/6	12
2 to 3 Years	1/9	18
3 to 4 Years	1/10	20
4 to 5 Years	1/13	25
5 to 6 Years	1/15	25
6 Years and Older	1/20	25

- To earn 7 points for program standards, the center must comply with the following staff-child ratios and maximum group sizes. (These are the above enhanced staff-child ratios reduced by one.)

Age	Ratio Staff/Children	Maximum Group Size
0 to 12 Months	1/4	8
1 to 2 Years	1/5	10
2 to 3 Years	1/8	16
3 to 4 Years	1/9	18
4 to 5 Years	1/12	24
5 to 6 Years	1/14	25
6 Years and Older	1/19	25

CHILD CARE RULE .2802

Environment Rating Scale (ERS)

 To earn 3 or more points in program standards, an environment rating scale must be completed. The scales include Infant/Toddler Environment Rating Scale - Revised edition, Early Childhood Environment Rating Scale - Revised edition, and School-Age Care Environment Rating Scale.

- The ERS is an instrument used to evaluate the quality of care received by a group of children in a child care center. These quality assessment scales were developed through the Frank Porter Graham Child Development Institute at the University of North Carolina at Chapel Hill.
- The majority of the age of the children in the group being assessed determines which environment rating scale will be used.
 - The Infant/Toddler Environment Rating Scale – Revised edition (ITERS-R) is used for groups of children who are primarily birth to 2 ½ years of age.
 - The Early Childhood Environment Rating Scale – Revised edition (ECERS-R) is used for preschool children who are primarily age 2 ½ through 5 years of age.
 - The School-Age Care Environment Rating Scale (SACERS) is used when all children are school-age, generally between 5 and 12 years of age.
- The North Carolina Rated License Assessment Project (NCRLAP), which is located at the University of North Carolina at Greensboro, works collaboratively with the Division to complete ERS assessments across the state.
- The Division will provide for ERS assessments to be completed, as appropriate for the program, free of charge to operators requesting an initial three to seven points for program standards.
- The Division pays for the initial ERS and reassessments that are completed every three years. If you re-apply for a higher star rated license and request to complete the ERS again before the three year period has elapsed, you will be charged for the ERS assessment on a per classroom basis.
- The child care consultant will submit an ERS assessment request to NCRLAP. Staff at the NCRLAP office will contact you directly to schedule the ERS assessment(s).

-  After the ERS assessments are completed, a summary report will be completed and forwarded to the child care consultant. The child care consultant will contact the operator to schedule a visit to review and discuss the summary report.
 -  NCRLAP has an extensive web site, www.ncrlap.org that contains many helpful resources for child care providers. Refer to their web site for additional notes for each scale, frequently asked questions, how to prepare for a visit, and the current scheduling process.
 -  NCRLAP staff frequently provides training to child care providers and other early care and education professionals. Please call toll-free number (866) 3-NCRLAP to speak to a training coordinator.
 -  NCRLAP offers free webinars about the assessment process and ERS. Each session typically last about 30 minutes. Go to www.ncrlap.org and click the link on the home page for more details and information about registration or call 1-866-NCRLAP to register.
 -  Many local Child Care Resource and Referral agencies or Smart Start Partnerships have ERS books that you can borrow. You can also purchase them from Teachers College Press by calling 1-800-575-6566 or visiting their web site at www.teacherscollegepress.com.
 -  For information on **Scheduling Your Rated License Assessment** refer to the handout in the resource section created by the NCRLAP.
 -  If you have questions about your summary report refer to the handout on **Information for Providers about Our Grievance Process** in the resource section.
- HH** –Prior to requesting an ERS, it is recommended that you and staff complete training on the ERS and become familiar with the content. Contact your local Child Care Resource and Referral agency or Smart Start Partnership to ask about any special training they may be offering on the ERS.

SECTION 3: EDUCATION STANDARDS

Education evaluators in the Child Care Workforce Standards Section of the Division assess the education of individuals working in child care to determine the individual's education qualifications. This is done by reviewing transcripts and identifying applicable course credits. It is very important for child care operators and staff to submit the most up-to-date, accurate information.

CHILD CARE RULE .2819, .2820

Education Standards

 When evaluating education standards, up to seven points may be earned.

- Education standards are based on a combination of the education and experience of staff.
- The number of points a program receives depends on the voluntary enhanced standards the program chooses to meet such as:
 - A certain percentage of staff having extra semester hours and/or child care experience.
 - Meeting the NC Early Childhood and Administration Credentials.
- The education and experience of a centers entire caregiving staff will determine the number of points that the center will earn in education standards. Each category of staff are evaluated separately (i.e. center administrators, lead teachers, teachers, program coordinators, and group leaders). The evaluation will determine what the highest point level that all staff in each category has obtained. This will be the points awarded to the center. For example: If the administrator earns 7 points, the lead teachers earn 6 points, and the teachers earn 4 points, the center will be awarded 4 points in education standards.
- It is very important for you to obtain the most up-to-date, accurate information on completed coursework of new and existing staff. Education paperwork should not be submitted to your child care consultant but should be submitted directly to the Division's Child Care Workforce Standards Section.
-  A summary of each point level is found in the resource section on individual charts, which are based on the type of program you operate.
 - Rated License for Child Care Centers (with preschool classrooms only)
 - Rated License for Child Care Centers with Preschool and School-Age Classrooms
 - Rated License for Child Care Centers Licensed for 3-12 Children Located in a Residence
 - Rated License for School-Age Programs
-  For the complete rule text refer to Section .2800 of the child care rules.

-  Refer to **Guidelines for Education Evaluations for Child Care Providers** in the resource section.
-  Any public school wishing to earn more than one point in education standards for the issuance of a Star Rated License will be required to submit verification of staff's education and experience. The Division will monitor staff for all education and experience requirements as written in the child care requirements.

SECTION 4: QUALITY POINT OPTIONS

CHILD CARE RULE .2823 Quality Point Options

-  Operators being evaluated for a two to five star rated license can earn one additional quality point towards the total points earned.

- The quality point option is a way to give credit to an operator who is meeting an educational or programmatic area that is not already covered in the two components.
- There are multiple programmatic and educational items an operator can meet; however, the operator can never earn more than one total quality point in this area.
- To earn this point, a child care consultant will verify the facility meets the quality point option during the rated license assessment visit.
- To receive a quality point for the Business Training Course and Wage and Hour Course, it must be at least 30 hours long. It must include Wage and Hour training for center directors. These courses are often offered by Small Business Administration offices. Any training must be from an approved trainer. Once completed the course does not need to be taken again.
- The Infant/Toddler Care Certificate is only awarded through the NC Community College system. The curriculum prepares individuals to work with children from infancy to three years of age in diverse learning environments.
- To receive a quality point for the use of an age/developmentally appropriate curriculum, the program must be using approved curricula.

-  Refer to the **North Carolina Approved Early Childhood Curricula** handout for a list of approved curricula. The Division and the NC Office of School Readiness (OSR) facilitated a comprehensive curriculum review process that was conducted by a panel of experts. This list is also available on the Division's web site at www.ncchildcare.net or the OSR's web site at www.osr.nc.gov.
-  A complete list of **Center Quality Point Options** is located in the resource section.
-  "Child Care Business Basics" by Self Help is a business course that has been approved by the Division. For more information contact Self Help at 1-800-476-7428 or www.selfhelp.org.

SECTION 5: MAINTAINING A STAR RATING

CHILD CARE RULE .2824 Maintaining a Star Rating

- ★ A representative from the Division will make announced or unannounced visits to facilities to assess on-going compliance with the requirements of a star rating after it has been issued.
- ★ If changes occur at a facility which results in the operator not complying with the standards for the star rating issued, the operator must correct the noncompliance within 30 days.
- ★ A complete assessment of requirements for a voluntary star rated license of two to five stars will be conducted at least once every three years.

- If violations with the standards that determine the star rating are documented or if changes occurred at a facility which resulted in noncompliance and the operator did not correct noncompliance within 30 days, the Division may take one or more of the following actions:
 - Advise the operator to submit written verification that the violation(s) have been corrected.
 - Return to the facility for an unannounced visit at a later date to determine if compliance has been achieved.
 - Recommend an Environment Rating Scale Assessment be conducted.
 - Recommend a complete reassessment of requirements of the star rating issued to the facility.
 - Recommend the star rating be reduced.
 - Recommend administrative action.
- The Division will provide for an evaluation of program standards using the environment rating scales free of charge once every three years when reassessing the ratings of operators with 3-7 points for program standards.
- Prior to a centers three year reassessment, the Division will mail a packet of information to the program; this includes a self-study checklist and several other documents to help the program prepare for the three year reassessment. This process includes a Rated License Reassessment Self-Study that should be completed by the center administrator and sent to the child care consultant within thirty days of receipt of the packet.
- A copy of the **Rated License Reassessment Self-Study and Environmental Rating Scale Improvement Plan** is located in the resource section.

SECTION 6: REQUESTING AN APPEAL OR CHANGE IN RATING

CHILD CARE RULE .2825 **Requesting an Appeal of Rating**

- ★ An operator may apply for a change or appeal of the star rating at any time.
- ★ An operator may have extra rating scale assessments performed at his or her expense in addition to the free one performed by the Division.
- ★ An operator may appeal a reduction of a star rating as provided in General Statute 110-94.

- After receiving a two through five star rated license the operator may apply at anytime for a higher star rating. To initiate an assessment the operator will need to request and complete an Application for a Two Component Rated License Packet for Centers. Follow procedures found in section one of this chapter on application for a star rated license.

Resources available to assist you in increasing or maintaining your Star Rated License:

- Visit the Division's web site at www.ncchildcare.net to find resources and information about NC's Star Rated License system.
- Contact your child care consultant, and other Division staff, for technical assistance, guidance, and consultation on the rated license system.
- Learn more about the TEACH program and WAGES to help offset the cost of classes and salary supplements by visiting www.childcareservices.org.
- Child Care Health Consultants can provide you with assistance on improving the overall health and safety of your child care program. To find out if there is a child care health consultant in your area, call the Health and Safety Resource Center at 1-800-367-2229 or visit their web site at www.healthychildcarenc.org.
- Local Smart Start Partnerships have various quality improvement programs in which they work closely with individual programs to improve the quality of care provided.
- Resource and Referral Agencies provide training on a variety of topics, including completing an environment rating scale.

- NCRLAP has an extensive web site, www.ncrlap.org that contains helpful resources for child care providers. Refer to their web site for additional notes for each scale, frequently asked questions, how to prepare for a visit, webinars on assessment process and ERS, and the current scheduling process.
- For resources on professional development refer to the NC Institute for Early Childhood Professional Development at www.ncchildcare.org to develop a professional plan of action to guide career growth.
- All 58 schools in the North Carolina Community College System offer child care related coursework leading to an Associates Degree (AAS) in Early Childhood Education (ECE). Some colleges also offer a Certificate and/or Diploma in ECE before the AAS. Click on this link to find the nearest community college near you.
http://www.ncccs.cc.nc.us/colleges_map.htm

RESOURCE SECTION

Chapter 17: STAR RATED LICENSE

The following pages contain resource materials discussed in or related to the preceding chapter.

Some of the resources are forms created by the Division of Child Development and must be used by licensed child care centers. Other materials are provided as a resource only for child care centers and can be used at the discretion of the center.

Center operators may also wish to use this section to add any additional resource materials they have that are related to the chapter or information that is specific to their child care center.