

CENTER FOR NEW YORK CITY AFFAIRS

Free Preschool, Coming to an Apartment Near You What Family Child Care Could Mean for 3K



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Team

Executive Director:

Kristin Morse

Editorial Team:

Kendra Hurley, senior editor

Angela Butel, research assistant

Bruce Cory, editorial advisor

Kamille Vargas, assistant director of operations

Design:

Milan Gary

Cover Photo:

Kamille Vargas

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Center for New York City Affairs

72 Fifth Avenue, 6th Floor

New York, NY 10011

212.229.5418

centernyc@newschool.edu

www.centernyc.org

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Introduction

Child care and early education has long been regarded as a private affair, with subsidies reserved for qualifying low-income families, and everyone else's options starkly circumscribed by what they can, and cannot, afford. This has bred a patchwork approach to child care that includes everything from informal arrangements with neighbors to private nurseries costing more than college tuition. If there's one commonality in this diverse, loosely regulated, market-driven world, it's this: child care providers must keep their services affordable. Too often that means taking in the most children possible while paying caregivers the least possible—two things that do not add up to high-quality care.

The country's growing number of publicly funded universal preschool programs hold the potential to change this. These programs save working families huge amounts of money on child care and have been demonstrated to boost mothers' participation in the workforce.¹ When public preschool programs set high quality standards and provide the funding and supports needed to meet them, they also support children's development and school readiness. And when they are built using the wide range of early childhood programs that already exist, they can do even more. They can raise quality in the settings that working parents already depend on, but that have historically received modest government funding. This has the potential to benefit not only those enrolled in public preschool, but the babies and toddlers in these programs as well.

But bringing together the full range of child care venues into one public preschool system is an enormous challenge, one which few states or cities have pulled off without significant struggle.² A number of states have instead opted to open Pre-K programs only in schools. Others, like New York City's Pre-K-for-All, have included early education centers, but not always smoothly. Few public preschool programs have meaningfully partnered with family child care—the small child care businesses run out of private homes, which are the most common form of child care for babies and toddlers receiving subsidized care in New York City.

That is about to change. In a move that has surprised some in the early education field, the country's largest public school system revealed in a white paper on early childhood education published last month that it is planning to make "family child care," as it's known in the field, a part of New York City's "3K-for-All" program. Modeled on New York City's successful Pre-K-for-All program for 4-year-olds, 3K provides free preschool to 3-year-olds and was Mayor Bill de Blasio's signature promise during his 2017 re-election campaign.

Unlike the massive, high-speed launch of pre-K, the City is rolling out 3K more slowly, adding a few community school districts each year through 2021-2022, focusing first on areas with high concentrations of poverty. So far, the 3K program has rolled out in six of the city's 32 school districts, serving about 5,000 kids in schools and child care centers. It aims to serve over 19,000 3-year-olds in 12 school districts during the

1 Malik, R. (September 2018). The Effects of Universal Preschool in Washington, D.C. Center for American Progress.

2 Rose, E. (2010). The Promise of Preschool: From Head Start to Universal Pre-kindergarten. Oxford University Press.

2020-2021³ school year. It is in districts where elementary schools are overcrowded and child care centers scarce⁴ that the City is most likely to turn to licensed group family daycares for 3K classes.

Already, New York City's Department of Education (DOE) has begun intensive collaboration with a group of family child care programs that contract with the City's Administration for Children's Services (ACS) to provide subsidized child care. That's a prelude to a planned changeover in 2019, when the DOE will take over responsibility from ACS for the city's subsidized child care system, now called EarlyLearn, which includes close to 30,000 kids younger than 5 in child care centers, Head Start programs, and family child care.⁵

The education department has been quick to recognize family child care's important role in this system, and also that these small, scattered businesses and their varied approaches to early education pose new challenges for them. In our influential report, "Bringing It All Home: Problems and Possibilities Facing New York City's Family Child Care," The Center for New York City Affairs (CNYCA) identified the use of "network"

DOE must grapple with philosophical issues, including how much to honor the approaches that home-based caregivers have developed over their years—sometimes decades—of practice, and where the City can advance its own vision of early education.

organizations that provide on-site, relationship-based coaching as effective professional development strategies for family child care programs. Building on work started by ACS, DOE has been developing a coaching model for these sites even before it is responsible for them, and is assembling a team of staff members dedicated to working with the nonprofit network organizations that oversee EarlyLearn family daycares.

And now, DOE is eyeing family child care for 3K as well.

Using family child care for 3K will mark a dramatic departure from the EarlyLearn vision, which earmarks the home-based programs for babies and toddlers, who are expected to transition at age 3 to more resourced child care centers, where they may be taught by certified teachers.

3K implementation could also mean that DOE will need to recruit from the much larger world of licensed family child care providers who are not part of EarlyLearn, but who are paid by families either out-of-pocket or through vouchers. These programs already serve many 3-year-olds.⁶

Local advocates and providers say bringing these providers into the 3K fold will be well worth the effort. Some parents prefer small, homey settings for very young children. Home-based programs are also

3 DOE aims for 3K to be universal, serving any 3-year-old whose parent wants it in the City's 32 school districts by 2021-2022. But 3K is currently a City initiative that is not funded by the State, and for it to become universal, New York City will need to allocate or raise additional funds.

4 The Council of the City of New York. (May 22, 2018). Report to the Committee on Finance and the Committee on Education on the Fiscal 2019 Executive Budget for Department of Education and School Construction Authority.

5 There are an additional 34,700 children in the city whose families receive vouchers to pay for child care, and the voucher program will remain under the Administration for Children's Services.

6 Many EarlyLearn providers also serve older children whose families pay either out-of-pocket or using vouchers.

well-positioned to provide flexible, on-site care after the six-hour school day ends—a necessity for most working parents that Pre-K programs in schools typically don't offer.

And if the City finds ways to maintain these small programs as mixed-age settings, toddlers in the home daycares could have the option of staying put for 3K, allowing for more consistent caregiving, and for siblings of different ages to stay together.

But there are also many ways this could go wrong. The education department plans to work with family child care “network” organizations to support and monitor family daycares, including those providing 3K, but it has not yet fleshed out the details of what it will ask of the networks or 3K staff in family child care. If the networks or 3K providers are not adequately supported and compensated, or if standards for them are set too low, 3K in family daycares could provide substandard care to the low-income children that the initiative is particularly keen to benefit.

There may also be damage to the city's delicate ecosystem of child care, diminishing the already severely limited supply of licensed infant and toddler care available to poor, working families.

To prevent these outcomes will require a balancing act. DOE will need to make careful decisions not only about which networks and home programs to work with, what is reasonable to ask of them, and how to help them succeed. They must grapple with philosophical issues, including how much to honor the approaches that home-based caregivers have developed over their years—sometimes decades—of practice, and where the City can advance its own vision of early education. And through it all, the City must keep careful watch on the larger system of child care that working New Yorkers depend on, and especially on infant care, which is already a limited, precious resource in New York City, and highly vulnerable.

For the past several months, CNYCA has talked with close to two dozen stakeholders in New York City's early education field about what 3K might aspire to in group family daycares. We've solicited ideas about how to do this thoughtfully, and have also been looking to other cities and states for lessons.

Our first finding is that to ensure high quality for children of any age in family child care programs requires investing in program improvement. Family child care providers who open their homes to neighborhood children too often earn what amounts to poverty-level wages. Not surprisingly, 3K's potential for greater funding is inspiring many providers to re-imagine their programs so that they can compete. New York State is responsible for subsidies for family child care and the City DOE will become responsible for paying for 3K in these settings. New York State needs to join the many states that provide tiered levels of payment for their subsidized family child care providers to encourage them to pursue professional development and program improvement. For 3K, DOE should consider a tiered system of compensation for family child care programs, where, for example, a certified teacher receives a higher rate of funding than one who is not.

Our other primary finding is that the potential loss of infant and toddler slots is real and DOE must proceed into this territory with extreme care. Los Angeles suffered just such a loss of infant care when it began using family child care for its a targeted public Pre-K program. (See “Lessons from L.A.,” p. 13.)

Enrollment in Subsidized Child Care by Program Type and Age

	0- TO 2-YEAR-OLDS	3- TO 4-YEAR-OLDS	5-YEAR-OLDS	TOTAL 0- TO 5-YEAR-OLDS
	Jan-18	Jan-18	Jan-18	Jan-18
EarlyLearn Centers	2,764	18,700	1,053	22,517
Total EarlyLearn Family Child Care	5,385	2,060	4	7,449
<i>Group FCC</i>	4,628	1,791	4	6,423
Vouchers Centers	4,763	6,665	2,709	14,137
Total Vouchers Family Child Care	8,046	5,658	2,304	16,008
<i>Vouchers Group FCC</i>	7,482	5,302	2,146	14,930
Vouchers Informal Care	2,282	1,446	877	4,605
Total	23,240	34,529	6,947	64,716

DEFINITIONS AND NOTES: Family child care (FCC) is care provided to small groups of children in a provider's home. Informal care (IC) is often provided by a child's relative, either in the child's home or in the caregiver's home; IC providers are not required to be licensed by the State. These enrollment numbers do not include the thousands of children enrolled in Early Head Start or Head Start programs that receive direct federal funding.

SOURCE: Administration for Children's Services

In its white paper, DOE commits to maintaining infant and toddler care. Nevertheless, a potential loss of infant and toddler slots in family child care resulting from expanding 3K remains a real concern in New York City. Here's why. Taking care of babies costs more than taking care of older kids. (That's in part because the State rightly requires that babies have more robust staffing than older children.) So most family daycares that serve infants and toddlers also serve older children. With the advent of free 3K programs, these family child care providers might lose 3-year-olds and go out of business.

Understanding this, some local group family daycares are already mobilizing to participate in 3K and shed their care for younger kids (see "3K Could Be a Lifeline for Family Daycares, But Trouble for Infant Care," p. 10.) In the recommendation section of this report, we outline other steps that could help the City conserve its supply of infant and toddler care.

Mayor de Blasio has often said he wants New York City to be "the fairest big city in America," and rightly considers his administration's investments in early education a key part of realizing that vision. Family child care has long been the most common form of child care for New York's very youngest and poorest children, and the City is wise to be making it an important part of its early education strategy. If the de Blasio administration can protect the precious child care slots these small providers offer while infusing them with new funding and resources, it could be a huge win for the mayor's vision, and the city. §

HOW ENROLLMENT VARIES BY AGE IN NYC'S VARIOUS SUBSIDIZED CHILD CARE SETTINGS

INFORMAL CARE

In recent years, fewer New York City families have been using vouchers to pay for informal care—which is child care provided by friends and neighbors—instead favoring licensed child care settings.

FAMILY CHILD CARE

Nearly 60 percent of 0- to 2-year-olds receiving subsidized child care are in home-based family child care programs. Family child care providers typically look after small groups of children of varying ages whose families pay out-of-pocket or with vouchers, or who enroll their children through the City's contracted system, called EarlyLearn.

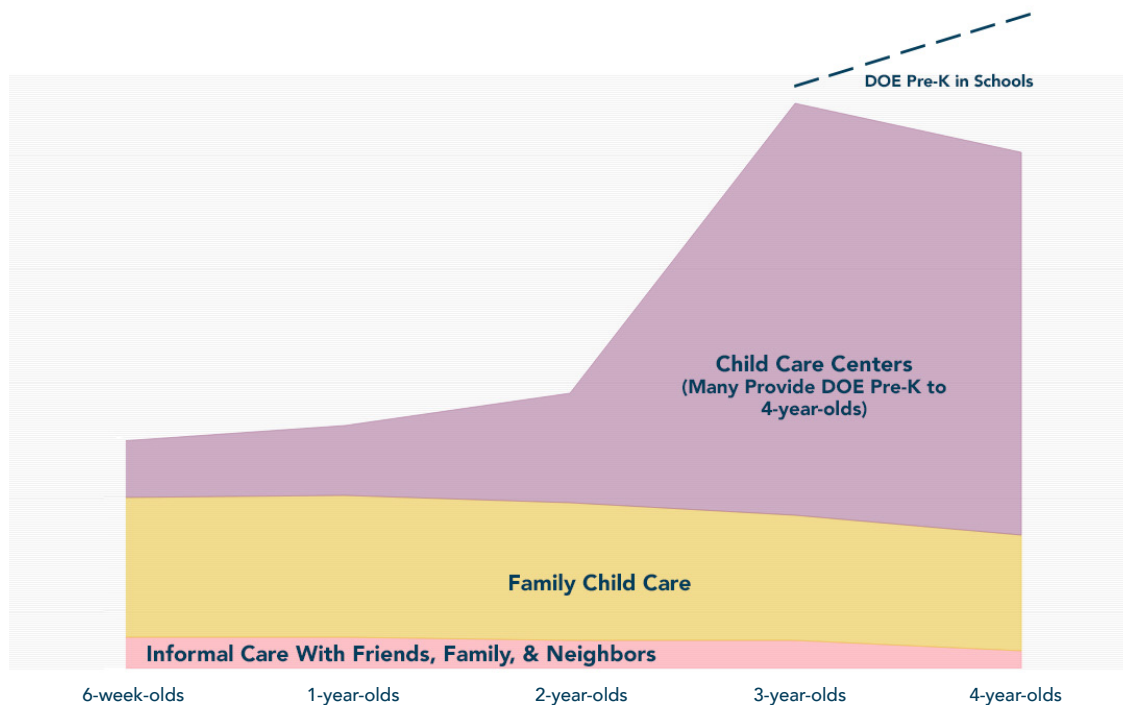
In EarlyLearn, family child care is earmarked for babies and toddlers who transition at age 3 to the more resourced child care centers. However, only about 32 percent of children receiving subsidized family child care are enrolled through EarlyLearn; many children 3 and older whose families pay out-of-pocket or using vouchers remain in family child care. The Department of Education (DOE) is considering reversing EarlyLearn's approach and allowing the home programs to retain 3-year-olds enrolled through EarlyLearn as well.

CHILD CARE CENTERS

Child care centers serve young children of all ages, but have a limited capacity for infants and toddlers, due to the higher cost involved in caring for very young children in centers. 3- to 4-year-olds receiving subsidized care are over three times more likely to be in child care centers than in family child care programs.

DOE SCHOOLS & PRE-K CENTERS

The year a New York City child turns 4, she can choose to attend free preschool in a New York City public school or stand-alone DOE Pre-K center. A few school districts have begun offering this option for 3-year-olds as part of the City's growing 3-K-for-All program.



The figure offers an illustration of the general distribution of children by age and by subsidized child care setting.



Photo: Kamille Vargas

What Family Child Care Will Mean for 3K

by Kendra Hurley

When de Blasio ran for re-election with the ambitious promise of offering free preschool to the city's 3-year-olds, classes in living rooms were most likely not what he or voters had in mind. As with Pre-K-for-All for 4-year-olds, the Department of Education (DOE) would open new 3K classes in public schools and well-staffed child care centers that are "experienced in providing high-quality early childhood education and care," an early press release announced.

But last month, just over a year into 3K's multi-year rollout beginning in a handful of neighborhoods with high concentrations of poverty, DOE revealed its intention to bring 3K into the more loosely regulated world of home-based child care settings.

Adding a critical mass of home daycares to the 3K mix will allow the City to more easily serve 3-year-olds in neighborhoods where space in schools and child care centers is tight—and where home-based programs already provide the bulk of child care. This is key, as so far 3K serves only about 5,000 kids in six school districts, but aspires to grow to over 19,000 kids in 12 school districts in the 2020-2021 school year. Some of these districts have severely overcrowded elementary schools.^{7 8}

⁷ The program is City-funded for an initial 12 districts and an anticipated enrollment of over 19,000. To serve all 32 of the city's school districts, the City is seeking federal or state funding. School districts where 3K has already been rolled out include: District 7 (South Bronx), District 23 (Brownsville), District 4 (East Harlem), District 5 (Harlem), District 16 (Bedford-Stuyvesant), District 27 (Broad Channel, Howard Beach, Ozone Park, Rockaways). School districts slated to have 3-K by 2020-2021 include: District 6 (Washington Heights and Inwood), District 9 (Grand Concourse, Highbridge, Morrisania), District 19 (East New York), District 31 (Staten Island), District 12 (Central Bronx), and District 29 (Cambria Heights, Hollis, Laurelton, Queens Village, Springfield Gardens, St. Albans).

⁸ NYC's Independent Budget Office. (April 2018). A Speedier Expansion of 3-K While Early Childhood Programs are Consolidated in the Education Department.

But working in the varied and geographically scattered world of family daycares will be a dramatic departure from the largest public school system's current Pre-K portfolio comprised primarily of schools and child care centers.

"It's a whole different ballgame," says Asneth Council, director of child care at the Police Athletic League, about family child care. "It's in a home. They aren't certified teachers."

"Family child care providers in other states have had the bad experience of being promised an opportunity to participate and being disappointed."

Known in the field as "group family daycare" or "family child care," the small, licensed businesses that will soon offer 3K run out of private homes, often with the owner running the business and working with low-paid assistants to care for small groups of neighborhood children of varying ages. Most are operated by women of color who receive modest wages paid by families either out-of-pocket or by using government

vouchers. Some also receive payment for children enrolled through EarlyLearn, the City-contracted child care system, which exists separately from the city's voucher system.⁹

Family daycares may appear from the outside to be mini-child care centers, with professionally printed signs on brownstones and clapboard houses displaying their names and phone numbers. But these programs, which provide the bulk of subsidized care of babies and toddlers in New York City, receive far less oversight than child care centers, and the caregivers' training is often minimal by comparison, focused primarily on issues of health and safety.

Their approaches to children and early childhood education vary. At some family daycares, toddlers and preschoolers watch a mind-numbing amount of TV. At others, caregivers energetically take on the responsibility of preparing kids for school. But even among these education-minded programs, notions of what getting ready for kindergarten entails can diverge widely, meaning anything from building with blocks to memorizing flash cards to requiring uniforms.

In theory, group family daycares have always been eligible to apply to become Pre-K or 3K providers. But in reality, few of these businesses have been able to compete with child care centers and schools. Only 21 Pre-K sites are in group family daycares, and they offer less than half a percent of the City's total Pre-K seats. That's because the City's typical contract requirements demand a level of organizational capacity that many family daycares simply don't have. They also hold family daycare programs to the same rules as Pre-K classes in child care centers, such as having a certified teacher on-site, which is far more difficult to meet in the smaller, home-based programs. Local advocates and providers say such requirements prevent many capable home-based programs from having a fair shot at becoming Pre-K programs. "They start at a humongous disadvantage," says Lehilany Labarca, executive director of Child Care Network of New York.

⁹ Vouchers are for families receiving public assistance (as mandated by federal law) as well as a small number of low-income families who do not qualify for public benefits. EarlyLearn programs are available to low-income working families who must earn no more than 275 percent, of the poverty line and either: 1) work 20 hours or more per week; 2) have a child receiving protective or preventive child welfare services; 3) attend an approved school or training program

That's about to change. In the DOE white paper released last month, the education department revealed its new plan to contract with family child care "network" organizations that will be tasked with working directly with the family child care homes. Such networks will relieve family daycares from needing to contract and negotiate directly with DOE, and are how the City currently works with family daycares in the contracted child care system. These networks not only perform an administrative role, they also coach and monitor sites and are associated with higher-quality care.¹⁰

The white paper does not detail rules and regulations that will be specific to home-based 3K providers that join networks, such as teacher requirements, or whether 3Ks in these programs can continue to serve children of various ages and, if so, what 3K will look like in these mixed-age classes. Nor does it say whether teachers in 3K family daycares will receive pay comparable to that of a teacher in an early education center.

Advocates and providers say that when fleshing out these details, DOE's challenge will be to lay out a vision for what 3K in family daycare looks like that is both inclusive of a significant number of home providers but also holds them to high standards and offers ample supports.

Currently, family daycares have few incentives to improve, points out Labarca of Child Care Network of New York, which works with over 1,200 home-based daycares. In many other states, family daycares receive a higher per-child subsidy for meeting quality benchmarks. But in the five boroughs, the retired neighbor helping out with the kids down the hall receives the same subsidized rate as a certified teacher who attends frequent trainings to stay current on best practices in early education.

Labarca is among those who believe that 3K should offer incentives for program improvement, including higher pay for gaining new credentials. This could help create a career pipeline for family child care workers, potentially growing the city's pool of experienced, certified teachers of color—something many in the early education world say is desperately needed.

"This is a magnificent opportunity if the rules could be modified to truly allow family child care to participate," says Labarca, who would like to see 3K teachers in family daycares enrolled in teacher certification programs while receiving intensive, on-site coaching from certified teachers.

Others in the field fear that DOE may not be selective enough, or will be unable to provide family daycares adequate supports. This could reinforce an already unequal system of child care, where children in under-resourced neighborhoods are too often taught by the least-qualified teachers.

"Bringing care to the standard [DOE] wants to have will be challenging in many of the home care sites," says Beverly Falk, director of graduate programs in early childhood education at the City College of New York and a faculty member at the City University of New York Graduate Center's school of education. "It's a really big challenge in a profession that hasn't been well-supported and that has very little infrastructure. And then the pay for people in early childhood [outside of DOE] is poverty wages, and all of these issues contribute to concerns about what will the actual care be for young children."

¹⁰ Bromer, J., Van Haitsma, M., Daley, K., & Modigliani, K. (2009). Staffed Support Networks and Quality in Family Child Care: Findings From the Family Child Care Network Impact Study. Chicago, IL: Local Initiatives Support Corporation; Hurley, K. (2016). Bringing It All Home: Problems and Possibilities Facing New York City's Family Child Care. Center for New York City Affairs at the New School, 41; Porter, T., Paulsell, D., Del Grosso, P., Avellar, S., Hass, R., & Vuong, L. (2010). A Review of the Literature on Home-based Child Care: Implications for Future Directions. Princeton, NJ: Mathematica Policy Research.

Enlisting family child care for 3K without ample support could also set these small businesses up to fail. Between 2017 and 2018, about six percent of the City's Pre-K programs in community-based organizations closed, according to DOE. The reasons varied: some of the child care centers could not enroll enough children to be financially viable; others likely struggled to meet DOE's quality standards. But each of these centers invested resources and took financial risks to open a Pre-K class that ultimately closed.

Many of these centers were likely able to absorb the loss of a Pre-K class and stay open. But family daycares, which operate with far smaller budgets and can serve no more than 12 full-time children at a time, could be shuttered by such a loss, diminishing the City's limited supply of infant and toddler care in low-income neighborhoods.

There is no playbook for how to effectively include family daycare in a public preschool program. Few state and city preschool programs have done this well. "Family child care providers in other states have had the bad experience of being promised an opportunity to participate and being disappointed," Nancy Wyatt, president of the Family Child Care of the San Fernando Valley, told the Los Angeles Times in 2002.

Los Angeles County went on to become an exception to this. Starting in 2005, the county's targeted preschool program was one of the few to successfully include family daycares. (See "Lessons from L.A., p. 13.) Doing so took a considerable financial investment—the program provided teachers with intensive on-site coaching for a full year before the program even opened, and a family daycare's funding increased with its ability to meet quality standards. A study of the program found that children experienced good academic outcomes across all preschool settings. But when a number of participating home programs decided to switch from serving kids of different ages to exclusively working with 4-year-olds enrolled through the Pre-K program, some neighborhoods experienced the unintended and severe consequence of losing precious child care space for babies and toddlers.

Bernadette Lombay, who runs the popular B-Happy Group Family Daycare in the Hunts Point neighborhood of the Bronx, is all too familiar with the unintended consequences of preschool expansion. In an area of New York where less than 40 percent of third graders are reading at grade level, Lombay says that for years kids have left her daycare so prepared for school that teachers at the local Kindergarten know they came from B-Happy. "They know how to sit. They know all the basics," she says. "I run it like a little school."

Before the City expanded Pre-K for 4-year-olds in 2014, almost all of B-Happy's children stayed with her from their toddler years until Kindergarten. But now, when the private-paying parents' kids turn 4, most reluctantly leave the program to enroll in the new, free Pre-K classes at the school down the block. "It's affecting my business and I have employees that depend on me," says Lombay.

Becoming a 3K provider would allow Lombay to hold onto 3-year-olds who likely would otherwise soon be diverted to new, free 3K programs. This would give her a better shot at staying open. But Lombay knows that whether that will be within her reach depends on what DOE decides to ask of home-based 3K providers. "I cannot imagine doing anything else other than this," she says, standing in what would have been her living room, but is instead filled with her neighbors' children. "I absolutely want to be part of 3K." §



Photo: BLFC Community Schools

A Business Consultant for Family Child Care: Why 3K Could Be a Lifeline for Family Daycares, but Trouble for Babies

by Kendra Hurley

On an otherwise sleepy, residential street in the Pelham Gardens neighborhood of the Bronx, the sounds of children playing waft out from behind a fence with a bright “Pre-K-for-All” banner strung across it. The banner marks the site of Brilliant Futures Learning Center Pelham Gardens, one of the city’s few home-based Pre-K-for-All programs. It offers an idyllic view of what public preschool in a private home can aspire to.

The backyard has a jungle gym and a garden with fledgling plants for children to observe and care for. Go up the stairs and you’ll find the preschool’s one room flooded with natural light and thoughtfully arranged into discrete areas—one for napping, one for eating and creating, and another with an expansive soft rug for meeting and playing. Baskets filled with rocks, wood, and other natural materials line the areas and the smells of cooking drift in from the adjoining kitchen.

Angela Salas, the program’s owner, recently launched Brilliant Futures Learning Community Schools (BFLC), a business to assist other home providers hoping to contract with the Department of Education (DOE) and open their own public preschool programs. Though Salas’s preschool program is for 4-year-olds, her business is focusing on caregivers interested in running 3K-for-All programs, since that is where DOE has signaled it will use family daycares. “There is a real need for family child care in 3K,” Salas says.

Salas, who has a master's degree in early childhood studies and is a certified family child care coach, pitches her business as a kind of management organization that will help family daycares write their 3K proposals and budgets, set up their physical space to meet DOE's requirements, buy equipment at bulk rates and on credit, negotiate insurance benefits, hire teachers as needed, manage their financials, and stay current on DOE's computerized reporting system. "DOE is very bureaucratic and not an easy system to navigate," she says.

"How do I make my business financially viable if I can't afford to hire an assistant for every two babies?"

The need for organizational support for these small enterprises is widely recognized. Just last month, DOE revealed in a white paper that family daycares interested in providing 3K will have the option of working with family child care "network" organiza-

tions, which should provide some of that support. Research has demonstrated that family child cares that are connected to "network" organizations are associated with higher-quality care than those that aren't. Family child care programs that currently participate in the City-contracted child care system are already required to belong to network organizations, which serve as a liaison between the City and providers.

Salas, on the other hand, hopes to support group family daycares to contract directly with the City. These sites are playing by the same rules as larger child care centers and competing to deliver services for next year.

Among the tight-knit communities of Bronx providers, word about Salas's efforts has traveled fast. The City's 2014 Pre-K expansion, which diverted 4-year-olds from their businesses to the new, free Pre-K programs, hit many of these businesses hard.

As options expand for 3-year-olds, these small providers will need to keep enough 3's to make their numbers work. That's because State regulations allow group family daycares to serve no more than 12 children at a time, with no more than four of those allowed to be younger than 24 months old. So these businesses stay afloat by taking in older kids, as well. "It's going to be really hard for family child care providers to stay in business with 3-year-olds taken out," says Salas. "Very few programs will survive that."

Providing afterschool care to older kids in the afternoons while caring only for babies during the school day is one route family daycares have begun taking in response to losing 4-year-olds. But the subsidies paid by the City to care for babies don't begin to cover the cost of the staff required to care for children so young. (The highest subsidized rate is for children younger than 12 months, and is less than \$40 a day.)

As a result, the pending 3K expansion has led to "tremendous anxiety" among the city's home-based caregivers, says Rhonda Carloss-Smith, director at the Child Development Support Corporation, which works with family child care providers throughout New York City. "These are the people who are wondering 'What's going to happen to me when the 3's are gone? How do I make my business financially viable if I can't afford to hire an assistant for every two babies?'" They've been "left to compete in a market that is increasingly more difficult to compete in," adds Carloss-Smith.

Salas sees 3K as the lifeline that will keep some home-based programs in business by letting them hold onto the 3-year-olds. She has identified Bronx neighborhoods where the City is likely to need home-based

providers for 3K—child care “under-saturated” areas, she calls them, where child care space is at a premium and where she says DOE has indicated it “is really looking for seats.” She is partnering carefully, picking only those programs that seem likely to have a shot at offering 3K. To Salas this means they should have appropriate space for a full class of 12 kids, the maximum that family daycares are licensed to take, and they must be thoughtful about their work with children.

This fall, Salas’s team submitted 3K proposals for the 2019-20 school year for 18 group family daycares that fit this description. She hopes to represent far more after DOE releases its request for proposal for new 3K providers for the 2020-2021 school year. Depending on that proposal, Brilliant Futures Learning may consider forming a family child care network.

But even as Salas works to win home-based daycares a seat at the 3K table, she worries how it will impact the Bronx’s already fragile system of baby and toddler care.

Even as Salas works to win home-based daycares a seat at the 3K table, she worries how it will impact the Bronx’s already fragile system of baby and toddler care.

Group family daycares currently provide the bulk of subsidized infant and toddler care in New York City. Unless the City encourages mixed-aged settings in home-based 3K programs, the babies and toddlers now in family child care will be pushed out of the home daycares that become 3K programs, says Salas.

Salas is among those in the field who foresees a dire string of events for working families with young kids: To sustain the programs the private price of infant care will go so high that most parents won’t be able to afford it, says Salas, adding that private “infant care is already ridiculously expensive.” With parents unable to afford the new rates, the programs that don’t participate in 3K will go out of business, diminishing the supply of baby and toddler care. Or licensed programs will begin “doing it unregulated.” That is, to make ends meet, they will look after more babies and toddlers than is safe.

Salas’s new Pre-K program is a case-in-point for how gains for one group can have consequences for another. Last summer, her home was filled with toddlers shrieking with pleasure as they spun circles around their teacher in the grassy backyard. But in the fall, all but one of those kids had been required to leave to make way for the incoming Pre-K kids. Where those little ones went, and how they’re faring, no one’s tracking. §

Lessons From L.A.

by Angela Butel

L.A. County Expanded its Pre-K capacity in schools, centers, and family child care settings by thousands of seats,¹¹ and increased Pre-K quality for more than 130,000 children over 10 years, through the Los Angeles Universal Preschool program (LAUP, pronounced L.A. Up). LAUP led to impressive outcomes in terms of academic and social-emotional learning for the preschoolers in its diverse array of programs, but achieving this success was a matter of careful planning and significant financial investment. Even so, including the family child care programs had some surprising unintended consequences, say LAUP staff.

Many states, including Florida, Ohio, Illinois, and Massachusetts,¹² allow family child care homes to participate in Pre-K expansion efforts, but few states ultimately make extensive use of family child care due to the additional effort required to bring them to a competitive level of consistency and quality, says Schellee Rocher, who managed provider services at LAUP. The LAUP team knew that other states had concluded that their investments in training, support, and classroom resources went further at schools and child care centers because they have multiple classrooms.

“The family child care providers wanted to be held to the same standards as the centers. They wanted to be accountable to raising their quality to the highest level.”

But LAUP initially had more generous funding to work with than many other Pre-K programs. In 1998, California Proposition 10 levied a new tax on tobacco products and earmarked the money for early childhood development programs. The proposition also created a network of First 5 Commissions in each county to distribute the funding and oversee local programs. In 2005, the First 5 L.A. Commission dedicated a portion of its funding as a 10-year, \$580 million grant to launch

LAUP, and tasked the new nonprofit with expanding availability of subsidized child care slots and supporting child care providers throughout the county.

(After its 10-year grant expired in 2016, LAUP restructured its program, secured funding from other sources including Early Head Start, and rebranded as Child 360. It now provides many of the same supports to child care providers as LAUP did, but no longer has the funding to subsidize child care slots in the same way.)

With the flexibility this significant grant provided, LAUP saw good reasons to use money earmarked for Pre-K expansion to improve quality across a wide range of providers. Doing that would give LAUP the space needed to serve more children and would offer more options to parents, some of whom prefer the convenience and intimate, homey feel of nearby, home-based programs. Many parents also appreciate that

¹¹ Based on LAUP's estimate that 7,300 seats would be lost when its initial funding expired in 2016; for more information, see https://www.instituteforchildsuccess.org/themencode-pdf-viewer/?file=https://www.instituteforchildsuccess.org/wp-content/uploads/2016/07/final_4670_issue_brief_laup_for_web-1.pdf

¹² Minnesota House of Representatives information brief. (2009). Universal Preschool, <https://www.house.leg.state.mn.us/hrd/pubs/univpresch.pdf>; Schilder et. al. (2011). Perspectives on the Impact of Pre-K Expansion Factors to Consider and Lessons from New York and Ohio <http://nieer.org/wp-content/uploads/2016/08/22.pdf>; Indiana University Center for Evaluation and Education Policy. (2017). A Comparison of State-Funded Pre-K Programs: Lessons for Indiana <https://www.in.gov/sboe/files/CEEP-SBOE-IN%20Pre-K-2-17-2017.pdf>

they can pick family child care providers who might come from the same culture or have a similar parenting style to their own.

But LAUP staff also knew that working in the varied world of home-based providers would come with challenges, and that it would be important to set clear, high standards and provide ample support to help providers reach them.

“People around the country thought I was crazy,” to include home-based providers, remembers Karen Hill-Scott, one of the lead planners of the LAUP. “But it’s all a big experiment.”¹³

Setting Up the Program With a Tiered Payment System

Scott and her colleagues organized the LAUP program as a network of providers to whom they gave funding, resources, and guidance. To be included in the network, providers had to score at least a “3” on the “5-Star Quality Assessment and Improvement System” that LAUP developed. When Pre-K programs scored above the 3-star minimum, they received a higher monthly rate of reimbursement per child from LAUP.

In both center-based and family child care settings, a 5-star rating required the lead or classroom teacher to have a bachelor’s degree in early childhood education or a bachelor’s in another subject plus relevant coursework. Both settings also received ratings on standard quality scales (an Early Childhood Environment Rating Scale for centers and a Family Child Care Environment Rating Scale for family child care). Centers had to meet additional requirements in terms of working conditions for staff and use of curriculum.

Across a full battery of measures of learning, children in centers and family child care settings performed similarly.

Perhaps due to these high expectations, those family child care providers who decided to join the network were typically ones who were already well-equipped and motivated to meet the expectations. “The family child care providers wanted to be held to the same standards as the centers. They wanted to be accountable to raising their quality to the highest level,” says Rocher.

LAUP offered all participating providers a wide array of supports. Before a provider even joined the network, they received six months of intensive coaching and quality support to ensure that they would meet the 3-star minimum threshold for participating. Once in the network, they met monthly with a quality coach who offered individualized support, and also had access to help with business finances, parent engagement, and supporting students who have additional needs, such as English language learners (ELLs) and children in foster care. LAUP also provided stipends for teachers pursuing additional education.

With its 10-year grant from the state tobacco tax, LAUP was able to fund early childhood services that amounted to an estimated average of \$12,300 annually for each child. Because family child care providers

¹³ Fuller, B. (2007). *Standardized Childhood*. Stanford: Stanford University Press, 163.

generally served fewer children than centers, but received the same coaching and supports, it was likely more expensive per child for LAUP to serve family child care programs than centers.

How the Programs Evolved

LAUP observed that many family child care providers made changes to their programs once they joined the network. They tended to be less likely than staff in centers to meet LAUP's educational requirements. A few took advantage of LAUP's stipends for teachers pursuing additional education, but most opted to instead shift to more of a business manager role, and hire certified teachers.

And though it had previously been common for home-based providers to care for children of mixed ages, many in the LAUP network switched to teaching two half-day sessions of only 4-year-olds. This simplified their planning, because they could focus on one age group with funding coming from one place, rather than piecing together lessons and funding for various age groups. But this had the side effect of diminishing the local supply of infant and toddler care.

One unanticipated difference that emerged between the centers and the home-based providers was that home-based providers tended to have a much higher turnover of children with behavior challenges. "We attributed the turnover to the fact that the home-based providers didn't have clear policies and structures" for how to support these children and their families, says Rosa Valdes, director of research and evaluation at Child 360. So LAUP worked with them to develop clear parent handbooks outlining their policies, which Valdes said helped providers be better prepared to support children when the need arose.

Promising Outcomes

From the beginning, LAUP took great pains to track outcomes of their children. They partnered with Mathematica Policy Research, which published various reports on LAUP outcomes beginning with a pilot study in 2007. These reports consistently found that LAUP students were making and maintaining significant gains when compared to students who either did not attend Pre-K or attended non-LAUP preschool programs.

Participation in LAUP boosted children's learning in both academic and non-academic areas. In its annual child progress assessments, Mathematica randomly selected a sample of LAUP students (including students from both centers and family child care) and measured their progress from fall to spring both relative to their own starting points and relative to standardized national samples of same-age peers. Mathematica consistently found that LAUP students made statistically significant progress in math, literacy, and such social skills as attention, activity level, and sociability.

These benefits lasted beyond preschool. Beginning in 2012, two different longitudinal studies followed LAUP graduates into L.A. public elementary schools, comparing their academic outcomes to those of similar students who had not attended LAUP. In a 2015 presentation to the First 5 L.A. Commission, researchers from both studies reported similarly positive results.

The first study, led by Mathematica, found that low-income LAUP students scored significantly higher than low-income non-LAUP students on English language and math assessments in second grade, and had simi-

lar scores to the low-income non-LAUP cohort in third grade. While LAUP ELLs did not show the same advantage over non-LAUP ELLs on English language assessments, they did score higher on the math assessment in second grade.

The second study, led by LAUP, looked at the full LAUP cohort rather than low-income and ELL sub-groups. It found that LAUP students scored higher than their non-LAUP peers on reading and math assessments in second grade and on reading in third grade.

Most of Mathematica's studies did not differentiate between center-based and family child care settings in their analysis of inputs and outcomes, but two of them did. The first was a 2010 study of instructional practices.¹⁴ It found different instructional strengths in different settings. For example, while centers scored higher on a measure of instructional support (which measured concept development, quality of feedback, and language modeling) and availability of resources in languages other than English, family child care homes scored higher on classroom organization, frequency and length of full-group reading sessions, and participation of children in writing activities. Though teachers in different settings had different approaches to instruction, the second study, a 2010 study of child progress, found that these led to similar outcomes for children.¹⁵ Across a full battery of measures of learning, children in centers and family child care settings performed similarly; exceptions included slightly higher scores in Spanish-language spelling and mathematics for children in family child care, and more significant progress on a measure of sociability for children in centers.

LAUP demonstrates that family child care is capable of delivering high-quality preschool experiences. However, this is only true if family child care teachers receive the proper supports.

Emily Moiduddin, associate director and senior researcher at Mathematica, cites the successful coach-provider relationships as the major strength that helped home-based providers achieve similar outcomes to teachers in centers. She also notes that part of the strength of the family child care providers in the network is likely a case of self-selection. "The family child care providers who joined the network tended to be those that were already of high quality," Moiduddin says.

Lessons Learned

Numerous studies have shown that preschool has the potential to positively impact children's cognitive development, emotional and behavioral skills, and even health. LAUP demonstrates that family child care is capable of delivering high-quality preschool experiences.

However, this is only true if family child care teachers receive the proper supports. This is expensive in family child care programs, which generally serve fewer children than centers do. Valdes says that one of the biggest lessons of LAUP was that quality costs money. "If you want high quality, you have to pay teach-

¹⁴ Atkins-Burnett S., Xue Y., Kopack A., Induni M., and Moiduddin E. (2010). Instructional Practices in Los Angeles Universal Preschool, Washington, DC: Mathematica Policy Research.

¹⁵ Atkins-Burnett S., Xue Y., Kopack A., Induni M., and Moiduddin E. (2010). Informing the Performance-Based Contract Between First 5 LA and LAUP: Assessing Child Progress. Washington, DC: Mathematica Policy Research.

ers” enough to make major improvements to their programs and to keep teacher-to-student ratios low, says Valdes.

Despite the program’s success, its damage to the local supply of infant and toddler care in high-needs neighborhoods was a crucial unintended consequence. Though LAUP did not require the Pre-K programs to exclusively serve 4-year-olds, many found it to be more cost-effective to do so. That meant that a number of home-based Pre-K programs that had previously enrolled young children spanning a range of ages no longer accepted kids not eligible for Pre-K. “Infants and toddlers got pushed out because people wanted the money,” Rocher says.

While Child 360 continues to provide many of the same support services as LAUP did, its funding to providers is not as robust as LAUP’s was. As a result, “a lot of providers have had to take infants and toddlers back in to make ends meet,” says Rocher, now senior director of provider services at Child 360. Child 360 sees this change as a boon overall given the number of infants and toddlers in need of care. The change also allows Child 360 to take a more holistic approach to supporting providers.

“Before, we were going into some centers and only supporting 4-year-olds; you could see the difference in quality between the classrooms that were getting support and those that weren’t,” says Rocher. “Now we can support the whole site.”§

Recommendations

Adding group family daycares to the 3K mix presents an opportunity to invest new resources into programs that have long been bedrocks for families in low-income neighborhoods, but that have historically been underfunded. But as this report and our previous research shows, the City's subsidized child care system is fragile, and changes to one part can disrupt services for families in another part.

Following are recommendations to strengthen New York City's licensed family child care providers:

1. Create requirements and standards specific to home-based 3K providers along with education and professional development opportunities.

Group family daycares operate on far smaller budgets than do child care centers, and a family daycare program can by law enroll only 12 fulltime children. For a large number of family child care programs to meaningfully participate in 3K-for-All, the City must develop criteria, supports, and protocols specific to these small businesses.

DOE has already taken an important step in this direction by deciding to have network organizations work with most subsidized family daycare programs, including those providing 3K. Emerging research links affiliation with network organizations with higher-quality care. Such networks can serve as the contracting agency with the City and can help manage cash flow, purchases, and other administrative burdens. They can also provide on-site coaching and other professional development. But it will be important that funding for networks be commensurate with their responsibilities.

DOE should also set a minimum education requirement for 3K teachers in family child care settings, and provide professional development support to help providers to move towards this qualification or other clear measurement of skill. In establishing this requirement, DOE will have to balance the goal of making 3K a possibility for a large number of home providers with that of providing children in family daycares with teachers who have similar skills or qualifications as those in child care centers.¹⁶

The City must also have a clear plan for supporting home-based providers in their work with children who have special needs or challenging behaviors. Ten years ago, Los Angeles County learned that home-based providers rejected Pre-K kids with behavior problems more frequently than centers did. DOE's special education expertise should be an asset in assessing and supporting the educational and behavioral needs of younger kids. The education department will need to coordinate carefully with Early Intervention and Preschool Special Education to ensure these services reach the home-based programs.

¹⁶ Experts interviewed for this report did not uniformly recommend a specific credential, such as a Child Development Associates Credential (CDA) or a study plan for becoming a credentialed teacher. Many wanted to support additional education and training, as well as recognize the expertise and skills of providers without and unlikely to attain further formal education. Tools like CLASS, which looks at adult-child interactions, and Family Child Care Environment Rating Scale (FCCERS), designed to assess quality in family child care, provide rubrics for assessing the skills of providers and the quality of their programs.

2. Protect New York City's supply of infant and toddler care.

The City has fewer than 25,000 infants and toddlers receiving subsidized child care, including those in child care centers, family child care, and informal care.¹⁷ The City can't afford to lose the providers serving the infants and toddlers receiving this care—which may happen if they opt to become solely providers of 3K services.

The city's supply of infant and toddler care will also be threatened if group family daycares begin to close. This is a concern among family child care providers who are committed to caring for 0-2 year olds, but who also worry about the viability of their operations if they lose 3-year olds to new 3K programs—as younger children cost more due to low child-to-staff ratios, and there is a cap on the total number of babies family daycares can look after.

DOE has committed to maintain the current number of subsidized infant and toddler seats. There are various ways DOE can maintain this capacity in family child care—such as providing incentives for 3K providers to reserve some seats for infants and toddlers, and offering retention grants to longtime group family daycare providers who serve infants.

Most importantly, the State should raise the subsidized rate that providers receive for infants and toddlers.

3. Raise the rate paid to providers who meet quality benchmarks.

Subsidized family child care in New York City lacks financial incentives for quality improvement. It is imperative that the State, which sets the subsidized rates that family child care providers receive per child, follow the lead of many other states that provide financial incentives to encourage teachers in subsidized family child care to pursue professional development opportunities and to improve their programs. Quality Stars New York provides a basis for tiered rates, while also providing valuable information to parents about program quality.

For 3K, the DOE should consider a tiered system of compensation for 3K family child care programs, where, for example, a teacher who is certified receives a higher rate of funding than one who is not. This would allow a wider range group family daycares to participate than are currently able, while creating incentives for professional development.

4. Create pay equity throughout all DOE programs.

The first few years of life are a time of intense and rapid brain growth, and it is imperative that all children, and especially children receiving subsidized child care, receive care that is of high quality during this time. But currently, a teacher will make considerably less while working longer hours in a DOE Pre-K or 3K program in a subsidized child care center than an identically credentialed teacher in a public school that is open to all. This has led to a drain of talented, experienced teachers out of the subsidized child care centers that low-income families depend on. As DOE prepares to assume responsibility for the subsidized child care system, it must find ways to create salary parity among all equally qualified teachers. Children receiving subsidized care must have equal access to experienced, talented teachers. §

OUR CHILD CARE AND EARLY EDUCATION RESEARCH: The Center for New York City Affairs' research and reporting on child care and early education, led by senior editor Kendra Hurley, investigates and provides in-depth analysis of New York City's fast-changing early education landscape, with a strong focus on improving quality and access for low-income children. Publications include:

Making Family Child Care Work for 3K, by Kendra Hurley, Center for New York City Affairs Urban Matters Blog, December 2018.

The City Shares Its New Early Education Vision, by Kendra Hurley, Center for New York City Affairs Urban Matters Blog, December 2018.

By The Numbers: Five Trends Re-Shaping New York's Changing World of Child Care, by Kendra Hurley and Angela Butel, Center for New York City Affairs, June 2018.

Small Children, Big Opportunities: Strengthening Subsidized Child Care for New York City's Babies and Toddlers, by Kendra Hurley with Angela Butel, Center for New York City Affairs, March 2018.

Making Room for Babies: Which Centers Have Infants and Toddlers, and How Do They Make It Work? by Kendra Hurley, Center for New York City Affairs, January 2018.

What's Needed for '3-K-for-All' and Child Care Centers to Work and Play Well Together? by Kendra Hurley, Center for New York City Affairs, June 2017.

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