



April 24, 2016

Early Childhood Advisory Council
NYS Council on Children and Families
52 Washington Street, Suite 99 West
Rensselaer, NY 12144

Thank you for the opportunity to offer comments on improving the access to and the quality of New York's early childhood care and education programs.

Collaboration/coordination

We recommend the establishment of regional planning groups to increase communication, coordination and collaboration among programs and organizations separated now by different funding streams, regulatory bodies, missions and cultures. Without such mechanisms, we end up with a maze of "services" difficult for parents to access, duplication of effort, inefficient allocation of resources and service gaps. The statewide CCRR network could certainly assist with this effort.

The recent increases in Universal PreK funding, while needed and welcome, have created new challenges in Westchester, particularly when school districts do not seek collaborations with community-based programs. For example, the movement of 4 year olds to school districts radically changes the cost model for community programs left to serve the more expensive younger children, weakening further their already fragile finances. Parents opt for PreK when available not only because it is free but because they sometimes presume the educational quality is superior to that offered in community-based programs. In some school-based Prek programs however, we have observed large class sizes and academically-oriented curricula at odds with what is considered best practice among the early childhood professional community. The school district model may not provide the longer hours most working parents need.

Participation

The high cost of living in Westchester makes the income eligibility caps for various programs completely inadequate. In the ALICE (Asset Limited, Income Constrained, Employed) Report just released by the United Way, it was stated that a Westchester family of four with two children required an income of \$77,892 to afford the basics including child care, without assistance; 24% of Westchester families fall into that ALICE category. Compare the Westchester ALICE standard with the Head Start cut-off of \$24,300 and the low income subsidy cut-off of \$48,600.

There are vacancies in Westchester's regulated system due to the high cost of care and limited financial assistance. The mean cost of infant care in a licensed child care center is over \$20,000 and for a preschooler, nearly \$16,000. In our 2016 Parent Child Care Survey, roughly half the respondents indicated they had trouble paying for child care, regardless of income. While the public child care subsidy is available for low income working families up to 200% of the federal poverty level,



Westchester's co-pay of 27% is daunting. Again, our survey results indicate that many parents struggle to make their co-pay payments on time. At every income level, parents report using credit cards, borrowing money from family and friends, cutting back work hours and using informal care – all because they cannot afford child care at Westchester prices.

Title XX subsidies, fully funded by Westchester tax levy, have been frozen for new applicants since August 2016 and are likely to remain so given the recent cut in the NYS budget for child care. In 2010 over 400 Westchester children received Title XX subsidies; the current participation is roughly half that. Starting in 2006, the Council administered a County-funded scholarship program for working parents over the Title XX cap, established jointly by the executive and legislative branches in recognition of the high cost of child care and living in Westchester. Eventually we were distributing 250 scholarships a year averaging \$3,700 each. The program was ended in 2010, victim to a deteriorating economy and a change in administration. Since then the Council has continued to provide some number of scholarships with private funding; we currently have 115 families on a mailing list for our awards that begin July 1, 2017. The need for more financial assistance for child care cannot be overstated; the \$7 million cut in the new budget is devastating. We all have to do a better job of conveying the acute need for more child care investment and the consequences if we stay our present course.

There is a new but serious challenge to serving children of undocumented parents and that is their fear of deportation or other involvement with ICE. We are hearing from child care programs and others working with families that parents are keeping their children at home; they are increasingly reluctant to interact with any system. We fear this will have a dampening effect on subsidy applications, and enrollment in early childhood programs. We are working closely with a number of nonprofits that provide legal services to immigrants but we need help in countering this apprehension on the part of so many of our families.

Statewide professional development/career advancement

Area programs report a growing inability to recruit and retain qualified staff. It is also difficult to hire directors. The expansion of PreK in NYC has drawn personnel from Westchester community-based programs unable to compete with either compensation or status, which unfortunately are linked in our culture. Any effort to further professionalize the early childhood workforce must focus on securing greater public investment to improve compensation so that it is aligned with the level of skill and education we now expect. We recommend the collection of data on wages, benefits, longevity in the field, turnover rates – by modality and region. Special incentives might be explored as well such as a loan forgiveness program.

Quality improvement/QUALITYstarsNY

Westchester parents often base their child care choices first on location; many are ill-prepared to evaluate all their child care options. Based on our work in the field we know that there is still not a strong correlation between high enrollment and high quality. The absence of a fully implemented QUALITYstarsNY continues to place uninformed parents in a perilous place and weakens the market forces which could reward programs of higher quality.



While we were pleased to serve as Lead Agency for the initial QSNY effort, to help recruit additional participants and certainly enjoy a strong working relationship with our area quality improvement specialist, we were willing and able to play a much more robust role in QSNY. We take particular pride in our quality improvement work which we have refined over the past decade. We deliver hundreds of trainings each year along with several conferences; our customer evaluations are overwhelmingly positive. But we know from the research and our own experience that the impact of even an excellent training has minimal impact on actual practice. We recommend a greater emphasis on intensive technical assistance and greater utilization of the CCRR network in that work.

Though declining, New York State continues to utilize a substantial percentage of legally exempt care, even in counties like Westchester which has a steadily increasing supply of regulated care with vacancies. National research tells us that higher income families tend to use licensed care at a higher rate than low income families, which are more apt to use informal arrangements. At the very least, we recommend that DSS offices be required to document their efforts to ensure that their customers have been educated on their care options and referred to their CCRR agencies for education and resources.

It is not realistic to expect sustained quality improvement without stronger public investment. Current subsidy reimbursement rates are grossly inadequate. Westchester DSS rates for contracted providers have been stagnant for years. Already struggling programs now face higher payrolls with the new minimum wage, and more competition for talent. We know from our own analysis that many programs have never calculated their actual costs of doing business. We recommend that market rate surveys in the future determine that respondents know their actual cost of care and are not merely reporting what they are charging. We recommend that a plan be adopted to set the market rates at steadily higher increments. We also recommend that the state move toward a more streamlined process of subsidy reimbursement based on purchasing slots given that most program costs are fixed.

Engagement of business and community leaders

Quality early childhood is an economic development strategy – a position embraced by several of the state's regional economic development councils in their plans. We recommend building on this by requiring the councils to participate in the regional planning groups cited earlier in this document. The challenges facing our early childhood system are multiple and significant and are more likely to be tackled effectively with the vocal and visible participation of business and community leaders. The statewide task force to study child care advanced by the Assembly would be strengthened by their participation.

Kathleen Halas, M.A., M.B.A.
Executive Director

Westchester County, 2014

| Town | Total HH | % ALICE & Poverty |
|-----------------------------------|----------|-------------------|
| Ardsley (P) | 1,535 | 22% |
| Armonk CDP (P) | 1,375 | 13% |
| Bedford (SD) | 5,467 | 26% |
| Bedford CDP (P) | 748 | 22% |
| Bedford Hills CDP (P) | 1,171 | 56% |
| Briarcliff Manor (P) | 2,599 | 19% |
| Bronxville (P) | 2,204 | 17% |
| Buchanan (P) | 862 | 23% |
| Chappaqua CDP (P) | 497 | 36% |
| Cortlandt (SD) | 15,196 | 27% |
| Crompond CDP (P) | 804 | 20% |
| Croton-on-Hudson (P) | 2,934 | 22% |
| Crugers CDP (P) | 834 | 63% |
| Dobbs Ferry (P) | 3,717 | 22% |
| Eastchester (SD) | 12,786 | 23% |
| Eastchester CDP (P) | 7,813 | 23% |
| Elmsford (P) | 1,491 | 25% |
| Fairview CDP (P) | 933 | 53% |
| Golden's Bridge CDP (P) | 601 | 24% |
| Greenburgh (SD) | 32,922 | 23% |
| Greenville CDP (P) | 2,314 | 14% |
| Harrison (SD) | 8,299 | 27% |
| Hartsdale CDP (P) | 2,571 | 28% |
| Hastings-on-Hudson (P) | 2,964 | 22% |
| Hawthorne CDP (P) | 1,526 | 16% |
| Heritage Hills CDP (P) | 2,429 | 25% |
| Irvington (P) | 2,462 | 19% |
| Jefferson Valley-Yorktown CDP (P) | 5,252 | 29% |
| Katonah CDP (P) | 581 | 26% |
| Lake Mohegan CDP (P) | 2,023 | 28% |
| Larchmont (P) | 2,125 | 17% |
| Lewisboro (SD) | 4,432 | 17% |
| Lincolndale CDP (P) | 489 | 5% |
| Mamaroneck (P) | 7,380 | 35% |
| Mamaroneck (SD) | 11,019 | 25% |
| Montrose CDP (P) | 1,069 | 27% |
| Mount Kisco (SD) | 4,085 | 42% |
| Mount Pleasant (SD) | 14,069 | 25% |
| Mount Vernon (P) | 24,538 | 55% |
| Mount Vernon (SD) | 25,750 | 55% |
| New Castle (SD) | 5,815 | 11% |
| New Rochelle (P) | 27,841 | 40% |
| New Rochelle (SD) | 28,251 | 41% |
| North Castle (SD) | 3,805 | 15% |
| North Salem (SD) | 1,858 | 20% |
| Ossining (P) | 7,449 | 41% |
| Ossining (SD) | 11,818 | 33% |
| Peekskill (P) | 9,088 | 52% |
| Pelham (P) | 2,186 | 17% |
| Pelham (SD) | 3,945 | 15% |
| Pelham Manor (P) | 1,759 | 13% |
| Pleasantville (P) | 2,586 | 22% |
| Port Chester (P) | 9,251 | 49% |
| Pound Ridge (SD) | 1,908 | 17% |
| Rye (P) | 5,460 | 19% |
| Rye (SD) | 15,488 | 39% |
| Rye Brook (P) | 3,444 | 19% |
| Scarsdale (SD) | 5,394 | 7% |
| Scotts Corners CDP (P) | 320 | 33% |
| Shenorock CDP (P) | 628 | 35% |
| Shrub Oak CDP (P) | 864 | 41% |
| Sleepy Hollow (P) | 3,662 | 46% |
| Somers (SD) | 7,668 | 18% |
| Tarrytown (P) | 4,471 | 32% |
| Thornwood CDP (P) | 1,306 | 21% |
| Tuckahoe (P) | 2,769 | 33% |
| Valhalla CDP (P) | 1,118 | 20% |
| Verplanck CDP (P) | 637 | 48% |
| White Plains (P) | 22,033 | 36% |
| Yonkers (P) | 74,187 | 45% |
| Yonkers (SD) | 73,357 | 46% |
| Yorktown (SD) | 13,043 | 26% |
| Yorktown Heights CDP (P) | 698 | 17% |

Note: Municipal-level data on this page is for Census Places (P) and county subdivisions (SD). Totals will not match county-level data; municipal-level data often relies on 5-year averages and is not available for the smallest towns that do not report income.

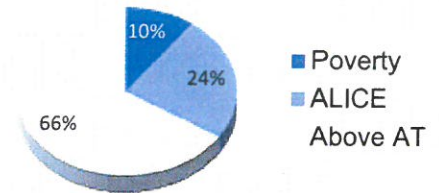
ALICE IN WESTCHESTER COUNTY

2014 Point-in-Time Data

Population: 972,634 | **Number of Households:** 342,557
Median Household Income: \$83,477 (state average: \$58,878)
Unemployment Rate: 6.9% (state average: 7.3%)
Gini Coefficient (zero = equality; one = inequality): 0.54 (state average: 0.51)

How many households are struggling?

ALICE, an acronym for **A**sset Limited, **I**ncome **C**onstrained, **E**mloyed, are households that earn more than the U.S. poverty level, but less than the basic cost of living for the county (the ALICE Threshold, or AT). Combined, the number of poverty and ALICE households equals the total population struggling to afford basic needs.



What are the economic conditions?

The **Economic Viability Dashboard** evaluates community conditions for ALICE in three core areas. Each is an index with a scale of 1 (worse) to 100 (better).

Housing Affordability
poor (18)

Job Opportunities
fair (54)

Community Resources
fair (51)

What does it cost to afford the basic necessities?

This bare-minimum budget does not allow for any savings, leaving a household vulnerable to unexpected expenses. Affording only a very modest living in each community, this budget is still significantly more than the U.S. poverty level of \$11,670 for a single adult and \$23,850 for a family of four.

Household Survival Budget, Westchester County

| | SINGLE ADULT | 2 ADULTS, 1 INFANT, 1 PRESCHOOLER |
|----------------------|-----------------|-----------------------------------|
| Housing | \$967 | \$1,449 |
| Child Care | \$- | \$2,188 |
| Food | \$202 | \$612 |
| Transportation | \$108 | \$173 |
| Health Care | \$131 | \$525 |
| Miscellaneous | \$172 | \$590 |
| Taxes | \$310 | \$954 |
| Monthly Total | \$1,890 | \$6,491 |
| ANNUAL TOTAL | \$22,680 | \$77,892 |
| Hourly Wage | \$11.34 | \$38.95 |

Source: American Community Survey, Bureau of Labor Statistics (BLS), Internal Revenue Service (IRS), U.S. Census, U.S. Department of Agriculture (USDA), U.S. Department of Housing and Urban Development (HUD), U.S. Election Assistance Commission, New York State Department of Taxation and Finance, and New York State Office of Children & Family Services, 2014.

WESTCHESTER PARENT CHILD CARE SURVEY

2016

A growing number of parents have trouble paying for care, while fewer income-eligible parents are receiving a subsidy. More and more parents who can't afford care are using credit cards and removing kids from regulated care, potentially sacrificing quality and safety.

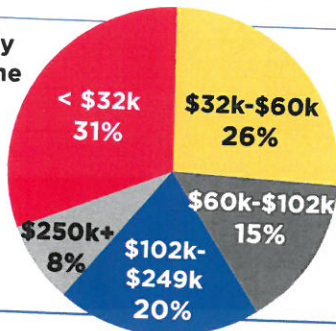


DEMOGRAPHICS

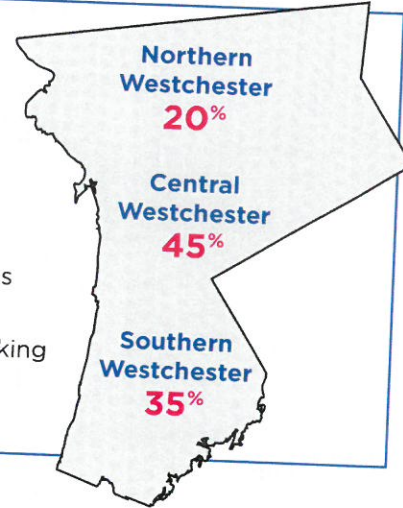
Respondents are working parents, geographically diverse, and represent all income levels. **Nearly 30% earn more than \$100k per year.**

516 Families

Family Income



- 57%** Two-parent families
- 43%** Single-parent families
- 80%** At least 1 parent working outside the home



CHILD CARE COSTS AND PAYMENT

Whether or not they receive a child care subsidy, parents struggle to pay for child care.

Average cost of full-time child care:*

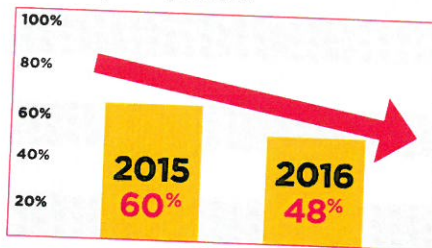


*Statistics from the Child Care Council of Westchester, Inc. Referral Database

Child Care Subsidy Eligible:

- 33%** of responding families
- 29%** have trouble paying their family share

Subsidy recipients:



The Council's Subsidy Specialist helped **420** parents with the subsidy application in 2015 and 2016. In Westchester, as is true nationally, many parents are still unaware of the subsidy, unsure whether they qualify, or unable to correctly complete the application without help. **Continuous subsidy assistance is needed.**

46% of families at all income levels have had trouble paying for child care in the last 6 months. They take the following steps as a result:

47%

Borrow money from family

35%

Move child from regulated care to informal care

35%

Shuffle children between options to keep costs down

33%

Reduce child(ren)'s program attendance

28%

Use credit cards

27%

Reduce working hours

20%

Switch to less expensive program

Even those families who never have trouble paying for care report that they cut back household expenses, borrow money and reduce work hours to cover the cost.

More and more parents who have trouble paying for child care...

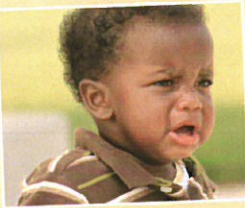
Remove children from regulated care, potentially sacrificing safety and learning opportunities



Use "patchwork" child care arrangements to keep costs down, which reduces critical "continuity of care for the child"



Switch to less expensive programs, potentially sacrificing quality



Borrow money from family/friends and use credit cards, creating debt that can be difficult to overcome



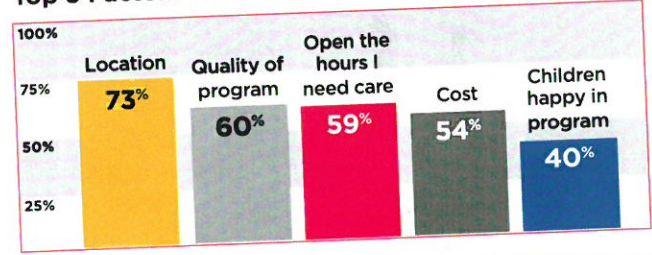
CHILD CARE ARRANGEMENTS AND SELECTION

Parents often use multiple options, and continue to cite location as their top selection factor.

89% rely on OCFS regulated child care providers/ programs

42% rely on parent or relative

Top 5 Factors for Child Care Selection



PROGRESS Despite trouble paying for care, **QUALITY** was cited as a top selection criteria by 60% of families, compared to 46% in 2015, 33% in 2014 and only about 4% in 2013.

Among subsidy recipients, 75% said quality matters most! This implies that the financial assistance allows them to worry less about cost and more about quality, which is critical for their child(ren)'s development.

◀ The Council's #GetSmartChildCare Campaign educates parents about the importance of choosing a quality child care provider, where children are safe, learning and happy.

IMPACT ON EMPLOYMENT **50%** of all respondents say child care issues impact their work.



Specific issues that impact parents' work:



The Child Care Council of Westchester is a private, nonprofit resource organization that champions the healthy development of children, families and communities by promoting quality early care and education.

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