



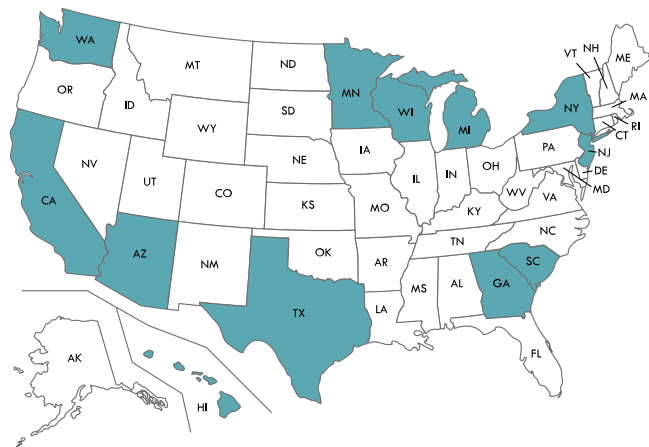
Responding to COVID-19: Home-Based Child Care Emergency Fund

Final Data from Home Grown Emergency Fund Communities

In April 2020, Home Grown and its members created the Home-Based Child Care (HBCC) Emergency Fund) with **\$1.2 million** in funding to catalyze the development of regional funds that provide direct financial support to [home-based child care \(HBCC\)](#) providers, including both regulated family child care (FCC) providers and family, friend, and neighbor (FFN) caregivers across the nation. Home Grown partnered with thirteen regional organizations that designed and administered local emergency funds. These organizations secured an additional **\$2.7 million in matching funds** for HBCC providers from **17 local funders**. We are grateful for their partnership and commitment to home-based child care.

The goals of the fund were:

- 1. Sustain the supply of home-based child care**
- 2. Ensure access to child care for essential workers**
- 3. Stabilize the housing or economic status of providers and caregivers**



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| AZ: Association for Supportive Child Care | MN: West Central Initiative |
| CA: Community Resources for Children | NJ: Programs for Parents |
| GA: Quality Care for Children | NY: Chautauqua Region Community Foundation |
| HI: Hawaii Community Foundation | SC: Greenville First Steps |
| MI: Early Childhood Investment Corporation | TX: United Way for Greater Austin |
| MN: La Red Latina de Educación Temprana | WA: Child Care Aware of Washington |
| | WI: Wisconsin Early Childhood Association |

provided direct support to **2625 HBCC providers** who served more than **18,000 children**. These funds offered crucial financial support during a period when providers were in financial jeopardy as a result of lost enrollment and income. The funding provided critical support to providers to maintain their businesses; pay for their own housing, utilities and food; and to pay for the additional supplies to meet the needs of the essential workers who depended on them for child care.

Who are the Home-Based Child Care (HBCC) Providers that received Emergency Funds?

Home-based child care includes any care that is not center-based or in an institutional setting, and includes both licensed family child care (FCC) and license-exempt family, friend, and neighbor (FFN) care. Of the **2,625 HBCC providers** served, fifty-eight percent (1,512) were FCC providers and forty-two percent (1,113) were FFN.

Significant proportions of the HBCC providers lived in underserved communities of color, immigrant communities, communities with concentrated poverty, and rural communities. In large part, these data represent the organizations' deliberate efforts to reach providers in underserved communities. Of the data reported by the intermediary organizations:



65%
of FCC providers
were people of color



70%
of FFN caregivers
were people of color.

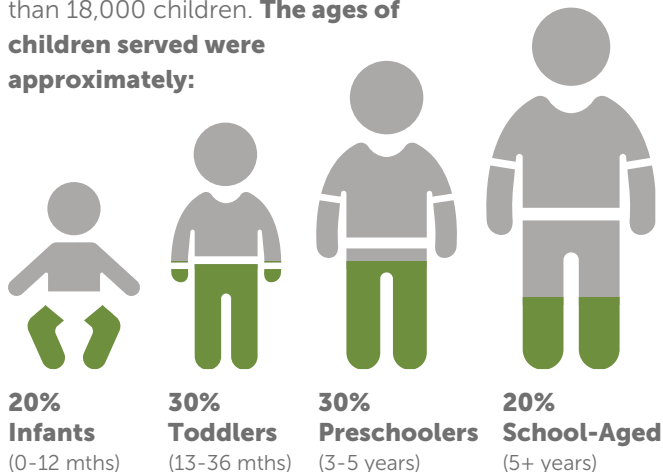
93%
of all providers
are women.

The impact of Home Grown's Emergency Fund on HBCC was far-reaching. Home Grown's grants, combined with matching private funds and public funding,

Six of the grantee organizations reported that more than half of their FCC and FFN providers had incomes of less than \$25,750, the federal poverty level for a family of four in 2019.

Who were the children impacted?

The providers receiving grants provide care to more than 18,000 children. **The ages of children served were approximately:**



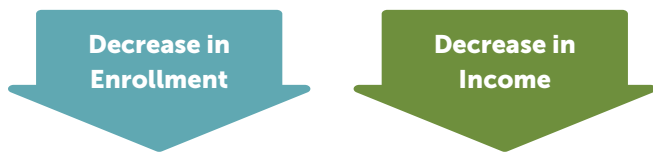
The children lived in communities that were often under-served. Like their care providers, many of these children are people of color.

More than 8 in 10 children were eligible for the Child and Adult Care Food Program (CACFP).¹



What happened to HBCC providers during the pandemic?

HBCC providers experienced drops in enrollment and income during the pandemic.



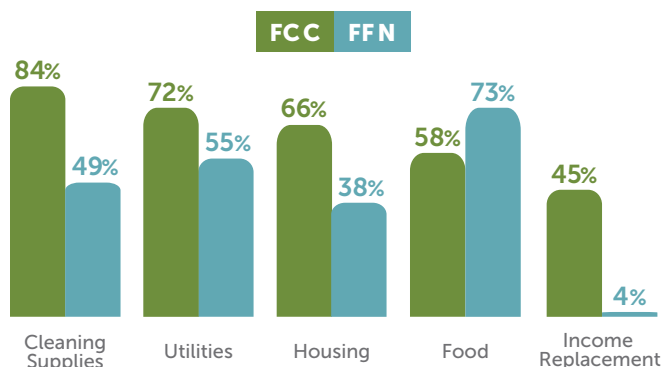
Four states where grantees were located imposed mandatory closures during the pandemic, resulting in a loss of income for providers. Even in those states where HBCC providers remained open, providers faced loss of income and enrollment. Ten organizations reported decreases in FCC enrollment that ranged from 10% to 53%. FFN caregivers also lost enrollment: four organizations reported that enrollment dropped by 30-75%.

1. CACFP is the federal nutrition program for children in child care and has the same income eligibility requirements as the National School Lunch program. More info: www.fns.usda.gov/cn/income-eligibility-guidelines

Declining enrollment meant less income. All but one organization reported that income for FCC providers decreased. All organizations serving FFN caregivers reported that income for FFN caregivers decreased.

Grants to HBCC providers were essential sources of financial support that offset these declines in revenue/income.

Providers faced serious hardships meeting their household needs. A survey of 1247 providers and caregivers receiving grants revealed they used the funds to pay their rent, mortgage or utility bills and to purchase food for their families and cleaning supplies.



"Thank you very much for your assistance. You have no idea how relieved I am. I can breathe easier tonight knowing that all is going to be okay. This grant is a lifeline."

—HBCC Provider, Hawaii

Additional Impacts

Leveraged funding: The impact of the emergency fund extended beyond the \$1.2 million in direct funding. Grantee organizations also secured:

\$2.7 million in matching funds for HBCC providers

\$19 million in public funding, including CARES and state funding, of which \$715,439 was specifically for HBCC providers.

Strengthened Services and Partnerships: Participation in the Home Grown emergency fund stimulated the development of new efforts by the grantee organizations to support HBCC providers through the creation of HBCC networks, business training, and licensing

assistance. Grantee organizations strengthened existing partnerships with community organizations, school districts, and policy makers to enhance outreach and services to providers.

Recognition of HBCC: Grantee organizations spoke to the role of Home Grown’s fund in bringing recognition to the important role of HBCC and of FFN caregivers, in particular. While HBCC is still widely underappreciated or misunderstood, a number of organizations reported a shift in the perspectives of local or state policy makers who are beginning to recognize HBCC providers as an important part of the care sector. Shifting this narrative is especially important for FFN caregivers who are often shut out of public funding streams and support.

“Short term relief efforts have amplified the message about HBCC care in our community. There is still a lot of work to be done to educate the community about the importance of child care overall, but we are seeing that there is more support and acknowledgment that HBCC providers...are vital to our community.”

— **Community Resources for Children**

Recommendations

Home Grown offers the following recommendations to better support home-based child care providers and caregivers.

Funders and advocates: Raise awareness and invest in HBCC as a critical part of our child care system. Home Grown’s national fund drew the attention of local funders and policy makers and sparked significant investments from others. For guidance on emergency funds, see the [Emergency Fund Toolkit](#). For more information on Home Grown’s full body of work, visit our website: homegrownchildcare.org

“There has been little public investment in this arena despite policy makers increasingly acknowledging that many families frequently choose FFN caregiving. Having a funder like Home Grown take the step of allocating and investing funding for this population adds credibility and legitimacy to FFN caregivers as an important part of the early learning community and supporting families’ child care needs.”

— **Child Care Aware of Washington**

Policy makers and administrators: Increase investments directed to providers and invest in infrastructure for HBCC providers. Use newly allocated resources to increase funds to providers to stabilize their operations. Strengthen networks and intermediary organizations to support HBCC providers, as the emergency fund grantee organizations here supported providers. Reduce barriers to access, with particular attention to inclusion of FFN caregivers. Ensure that regulations permit FCC and FFN providers to access funding and services and that are accessible (e.g., available in multiple languages) and appropriate their care setting. For more detail on supporting providers through the current crisis, see our [Stabilization Fund Strategies](#) and [CCDF Recommendations](#). For recommendations for longer term investment and infrastructure, see our [Recommendations for States](#), [Federal Policy Recommendations](#), and [Transition Memo](#) for the Biden-Harris administration.