



Including Family Child Care in State and City-funded Pre-K Systems: Opportunities and Challenges

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Introduction

The COVID-19-pandemic has impacted the early childhood sector in several ways, including reducing enrollment and participation in public and private preschools across the United States.¹ Parents and children have begun returning to work, school, and other activities amidst continuing uncertainties regarding the pandemic and with a diverse array of federal funding to assist with reopening. Funds for public schools (including pre-K), child care, and Head Start are being provided through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, the Governors Emergency Education Relief (GEER) Fund, the American Rescue Plan Act (ARPA), and have been proposed in Biden's [American Families Plan](#). These opportunities to support young children's social and emotional well-being and address school readiness for the fall 2021 have also provided an opportunity to re-examine the types of programs that operate pre-K.

Virtually all states use a variety of settings to operate center-based pre-K, often making extensive use of child care or Head Start classrooms in addition to public schools.² In many states, program standards, quality and funding vary by sector. However, the extent to which home-based programs participate in state-funded pre-K has not been studied to the same degree as center-based programs. Inclusion of Family Child Care homes (FCCs) in publicly-funded pre-K may provide opportunities to address issues such as workforce capacity and equity, linguistic and cultural responsiveness, family choice, and scarcity of center-based providers. Additionally, for some families, often including rural families, those working nontraditional hours, and Spanish-speaking families, FCCs are a more desirable option than center-based care.³ Of course, to

achieve the impact and outcomes for children found in high-quality center-based programs⁴, certain conditions need to be met that require significant planning and resources including pilot-testing before going to scale. This lens of evidence-based quality is what we are using to evaluate impact for this report.

It is difficult to fully describe the FCC landscape due to a lack of data on FCCs in state-level databases and variations in licensing standards across states. Additionally, the difficulty of obtaining large, representative samples of FCCs, as well as the cost of conducting research across multiple homes, impedes our ability to generalize results statewide or across states from most studies. Research findings about a small-scale intervention in one state may have very little applicability in other locations.

Home-based child care includes a range of providers, from licensed providers operating small businesses in their homes, commonly referred to as Family Child Care, through care provided by family, friends, and neighbors, all providing a vital service to their communities.

For more information, see: homegrownchildcare.org

This report reviews the current integration of FCCs in publicly-funded pre-K. This is followed by a discussion of the potential opportunities and challenges derived from an analysis of current state policies and the FCC literature base. Recommendations are provided for state or city leaders considering inclusion of FCCs in their pre-K programs.

¹ Barnett, W.S., & Jung, K. (2021). Seven impacts of the pandemic on young children and their parents: Initial findings from NIEER's December 2020 preschool learning activities survey. New Brunswick, NJ: National Institute for Early Education Research.

² Friedman-Krauss, A. H., Barnett, W. S., Garver, K. A., Hodges, K. S., Weisenfeld, G. G. & Gardiner, B. A. (2021). The state of preschool 2020: State preschool yearbook. New Brunswick, NJ: National Institute for Early Education Research.

³ See: National Center on Early Childhood Quality Assurance. (2020). Addressing the decreasing number of family child care providers in the United States. https://childcareta.acf.hhs.gov/sites/default/files/public/addressing_decreasing_fcc_providers_revised_march2020_final.pdf; Porter, T., Paulsell, D., Del Grosso, P., Avellar, S. A., Hass, R., & Vuong, L. (2010). A review of the literature on home-based child care: Implications for future directions. http://www.acf.hhs.gov/programs/opre/cc/supporting_quality/reports/lit_review/lit_review.pdf; and Crosby, D. A., & Mendez, J. (2018). Why and how do low-income Hispanic families search for early care and education (ECE)? <http://www.hispanicresearchcenter.org/publications/why-and-how-do-low-income-hispanic-families-search-for-early-care-and-education-ece/>.

⁴ Barnett, W. S., Jung, K., Friedman-Krauss, A., Frede, E. C., Nores, M., Hustedt, J. T., Howes, C., & Daniel-Echols, M. (2018). State prekindergarten effects on early learning at kindergarten entry: An analysis of eight state programs. *AERA Open*, 4: 1-16. <https://doi.org/10.1177/2332858418766291>; Ansari, A. (2018) The persistence of preschool effects from early childhood through adolescence. *Journal of Educational Psychology*, 110 (7) (2018), pp. 952-973; Barnett, W.S. & Jung, K. (2021) Effects of New Jersey's Abbott preschool program on children's achievement, grade retention, and special education through tenth grade. *Early Childhood Research Quarterly*, 56: 248-259.

Participation in Public Pre-K

During the 2019-2020 school year, 44 states and D.C. operated 62 state funded pre-K programs.⁵ All of the states operated pre-K in center-based settings.⁶ About half of the programs (29 out of 62) in 24 states allowed Family Child Care homes (FCCs) to receive state pre-K dollars either directly from the state or through subcontracting (see Table 1 in the Appendices). For some states, such as Vermont, this requirement was specified in legislation ([Act 166](#)) and in Maryland, the State Legislature has committed to supporting an early childhood system that is inclusive of FCC providers.⁷

We examined the policies and provision of state-funded pre-K in FCCs in these 24 states (29 programs) and in four large cities: Denver, Philadelphia, San Francisco, and Seattle. All four cities operate a separate city pre-K program funded by local dollars (e.g., soda tax, tax levy, city general funds, etc.⁸) (for detailed findings, see Tables 2, 3, 5, and 6 in Appendices). We found:

- Seven of the 24 states reported that FCCs did not participate in the state pre-K program in 2019-2020 (Alabama, Delaware, Iowa, Kansas, Maine, Missouri and North Dakota).
- Enrollment information was reported by 10 states (Arizona, California, Illinois, Maryland, New Mexico, Ohio, Oregon [only one of Oregon's programs, Preschool Promise, was able to report data, the Oregon Pre-Kindergarten was not due to temporary suspension of Head Start data collection related to the COVID-19 pandemic], New York, Vermont, and Washington) and four cities (Denver, Philadelphia, San Francisco, and Seattle) (see Table 2). Maryland piloted FCC inclusion in its state pre-K program during the 2020-2021 school year and information is included about the pilot in this report.
 - The number of children served in FCC homes is relatively low as compared to children in center-based programs (see Table 3). Most of the 10 states served less than 1% of preschool children

in FCC homes. This is similar to Head Start, which had only 2/10ths of 1% of its funded slots in FCC homes in 2018-2019.⁹ Notable exceptions are Oregon with 12% enrollment in FCC and San Francisco with almost one-fifth.

- The cities we examined enrolled a greater percentage of children in FCC homes than state-operated programs.
- We found no association between cities and states allowing FCC provision or having larger FCC enrollment and other aspects of policy and provision such as quality, overall preschool access, or the office or governance body that administers the program (see Tables 3 and 4).
- Pennsylvania does not collect FCC participation information and was not able to report the number, if any, of FCCs that participated in its Head Start State Supplemental Assistance Program, Kindergarten for Four-Year-Olds, or School-Based Pre-K.
- Several states did not respond to our requests, and we were unable to find information on FCC participation for them (Arkansas, Florida, Massachusetts, Minnesota, Texas, Wisconsin). As FCCs are eligible pre-K providers directly or through subcontracts in these six states, it is possible these states do not collect this information.

Number of Allocated Slots

States tend not to limit the number of slots FCC providers can use for pre-K. For example, in Oregon, FCCs apply for the number of slots they want through a competitive application process – some providers have blended funding (e.g., children enrolled through parent/private pay). Typically, slots range from 2 to 14, with an average of 8 slots per FCC home. In Ohio, individual program slot allocations range from two to nine. In Arizona, allocations are made based on QRIS star rating (not exceeding licensing and/or regulatory¹⁰

⁵ Throughout this paper we use the term "public preschool," sometimes referred to as pre-K for the one- to two-years prior to kindergarten entry. The primary focus of the program is early childhood education and is distinct from the state's system for subsidized child care, however, preschool programs is regularly coordinated and integrated with the subsidy system for child care, privately funded child care and Head Start.

⁶ Friedman-Krauss, et. al. (2021).

⁷ For information about the pilot see: Alliance. (n.d.) Are you ready to help shape the future of family child care in Maryland? <https://www.familychild-carealliance.org/prek-pilot>; and follow SB711 (2021) and accompanying testimony.

⁸ For information on how cities fund preschool, see: Garver, K. (2021). City funding strategies to support public pre-K programs. New Brunswick, NJ: National Institute for Early Education Research. <https://nieer.org/policy-issue/city-funding-strategies-to-support-public-pre-k-program>

⁹ Office of Head Start: Head Start service snapshot. National (2018-2019). (n.d.). <https://eclkc.ohs.acf.hhs.gov/sites/default/files/pdf/no-search/service-snapshot-hs-2018-2019.pdf>

¹⁰ For example, in Arizona, some programs are not licensed through the state child care licensing authority, but through other regulatory agencies like Department of Economic Security (specifically for CCDBG) and Tribal Authority.

limitations). The higher the star rating, the more scholarships allocated to the FCC provider. California does not allocate a specific number of slots per FCC provider in the California State Preschool Program (CSPP). CSPP contractors are given a contract amount, and the contractor determines how many children they can serve based on the reimbursement rates and adjustment factors for each child. All of the programs we reviewed were required to be licensed; however, licensing requirements are state-specific and vary widely.¹¹

Summary: FCC participation in State/City Pre-K Programs

About half of the states allow FCC homes to participate in the pre-K programs, but only 10 states reported funding FCCs in 2019-2020. When examining these states' programs more closely and four selected cities, few preschool children of those attending programs

were enrolled in FCCs (less than 1% of children in pre-K), with five exceptions. San Francisco enrolled almost 18% of children in FCCs; Oregon Preschool Promise enrolled almost 14%; Arizona almost 4%; and Seattle and Philadelphia over 2% in FCCs. It is common for states to require pre-K providers, including FCC homes, to participate in the QRIS system (see Table 5). Each QRIS system utilizes different classroom assessment tools and may have alternative pathways for achieving quality. Through participation in QRIS FCCs receive supports such as coaching, access to professional development trainings, and/or scholarships. About half of the states/cities allow FCCs to receive funding directly. The others use intermediaries to contract with FCCs. The total reported city/state spending on FCCs ranged from \$118,807 (Denver) to more than \$2 million (Illinois).¹²

FCCs in Public Pre-K: Perceived Opportunities and Challenges

A number of factors seem to influence state or city leaders' decision on whether to include FCC in their publicly-funded pre-K program. We find that the opportunities and challenges that are considered basically fall into three broad, interconnected areas: access, quality and cost. Each area offers both opportunities and challenges requiring thoughtful, collaborative decision-making often across agencies and stakeholder groups.

Access

Expansion of publicly-funded pre-K results in both opportunities and challenges for inclusion of FCC to meet increased needs for: 1) facilities designed as educational spaces for young children, 2) teachers who meet required qualifications, and 3) ensuring pre-K is offered in the locations with the greatest need and that all eligible children have access.

FACILITIES

Opportunity. Often, pre-K expansion is hampered by lack of facilities, especially facilities that are adequate to provide an education-focused program for young

children. In some contexts, existing licensed child care center facilities and public school classrooms do not meet the space or other design features (e.g., accessible running water, bathrooms in the classroom, indoor and outdoor gross motor space) required under the pre-K regulations. Including FCCs as eligible providers expands the available facilities.

Challenge. Inclusion of FCCs introduces the challenge of establishing appropriate facility standards for an educational program provided in a home. Results from observations using environment-focused measures find that it is rare for FCCs to provide well-designed educational spaces for young children and numerous health and safety violations are reported¹³. The appropriateness and safety of the homes increase substantially if they are part of a network, however.¹⁴

For example, the pre-K program facilities standards in New Jersey require that classrooms provide 950 square feet of total space with at least 750 square feet of instructional space for the mandated class size of 15 children. This requirement can make expansion difficult

¹¹ For more information, see the Office of Child Care's National Database of Child Care: Licensing Regulations. <https://childcareta.acf.hhs.gov/licensing>.

¹² San Francisco was not able to break down dollars by city/state source. In 2019-2020, SF OECE spent \$24,359,090 on local vouchers and anchored funding, local gap funding on state vouchers and CalWORKs, and Preschool For All. SF OECE has two fiscal intermediaries (local R&Rs) that distribute local and state funding to qualified FCCs.

¹³ Rosenthal, M. S., Jeon, S., & Crowley, A. A. (2016). Health and safety in family day care homes: Association between regulatory non-compliance and lower median income. *Maternal and Child Health Journal*, 20(5), 984-992. <https://doi.org/10.1007/s10995-015-1883-y>.

¹⁴ Rosenthal, M., Franco-Labarga, A., Jeon, S., Ma, T., & Crowley, A. (2020). Health and safety in a family child care network: An analysis of violation data of routine, full unannounced inspections. *Maternal and Child Health Journal*, (24), 1019-1027.

across any of the allowed settings – public schools, Head Start programs and child care centers – but how would this translate into a family child care setting? Would homes need dedicated spaces for the pre-K program with minimum square footage per child equivalent to the classroom requirement? Does this create a quelling effect for serving infants and toddlers? How many family providers would be able or willing to adjust their homes to meet this standard?

TEACHER AVAILABILITY

Opportunity. When pre-K standards require teachers to meet certain qualifications (e.g., college degree, teacher licensure, specialized knowledge of ECE), and few in the current landscape meet them, this can hamper expansion. Including FCCs in the system can provide more slots if the providers meet or can acquire the necessary qualifications. Additionally, a higher proportion of FCC providers are people of color and including them in attaining qualifications and participating would increase the diversity of the teacher workforce in pre-Ks.

Challenge. Current formal education, including licensing and certification, for ECE teachers is not tailored to teaching and learning in the FCC context, which would necessitate developing or redesigning current credentialing methods or providing tailored and robust in-program support specialized for implementation in FCC.

ENSURING PRE-K PROVISION IN ALL LOCATIONS

Opportunity. Another common roadblock to expansion is the scarcity of current and potential providers of ECE services in some areas. In large urban areas, there can be neighborhoods where schools, child care centers and Head Start programs are either not available or have no space for expansion. In rural areas, distances to centers or schools can hinder participation and enrollment.¹⁵ In these areas of scarcity, there are often informal and regulated FCCs operating which can serve as potential providers of pre-K.

Challenge. The challenge here is to ensure equity for children and families who, based on where they

live, might only have access to FCC pre-K provision. Ensuring the same quality regardless of setting, as discussed in the next section, becomes even more imperative in this context.

Quality

Publicly funded pre-K often has higher program standards and correspondingly higher funding than licensing and QRIS systems require. This creates an opportunity to improve and fund quality in FCCs. This may include improving programmatic and fiscal oversight, enhancing quality improvement efforts, and advancing the qualifications and income of providers, while enabling continuity of care across the birth to kindergarten age range and being responsive to parental choice. These potential benefits also pose challenges in calibrating expectations and practices across classrooms and homes and building systems that are appropriate for the FCC context. FCCs, by their more natural home setting, offer features of quality that are difficult to meet in center-based settings. For example, even in large FCCs the maximum group size is lower than the majority of center-based pre-K regulations.¹⁶ Additionally, FCCs typically provide a more intimate relationship to the families of the children which enhances engagement and communication and can offer cultural and linguistic specificity.¹⁷ FCCs often offer more flexible hours to accommodate parents whose work schedules vary or are non-traditional.

OVERSIGHT AND LICENSING

Opportunity. In the state and city programs we report on, to be eligible as a state-funded pre-K provider FCCs are required to be licensed. In many communities, license-exempt and informal family, friend and neighbor care are prevalent¹⁸. Eligibility for pre-K funds provide an opportunity to create and sustain a more robust support system for licensed FCCs which would improve oversight and provision of quality improvement services. This is particularly important as the number of licensed FCC providers fell 52% between 2005 and 2017¹⁹.

Challenge. The small proportion of FCCs providing

¹⁵ Malik, R., Hamm, K, Schochet, L., Novoa, C., Workman, S. and Jessen-Howard, S. (2018) America's child care deserts in 2018. Washington: Center for American Progress available at <https://www.americanprogress.org/issues/early-childhood/reports/2018/12/06/461643/americas-child-care-deserts-2018/>.

¹⁶ National Center on Early Childhood Quality Assurance (Nov., 2015) Research brief #2: Trends in family child care home licensing regulations and policies for 2014. https://childcareta.acf.hhs.gov/sites/default/files/public/315_1511_fcch_licensing_trends_brief_2014_final_508_0.pdf

¹⁷ Paulsell, D. & Porter, T. & Kirby, G. (2010). Supporting Quality in Home-Based Child Care. 4 Mathematica Policy Research. https://www.acf.hhs.gov/sites/default/files/documents/opre/supporting_brief.pdf

¹⁸ National Center on Early Childhood Quality Assurance (Nov. 2015).

¹⁹ National Center on Early Childhood Quality Assurance. (2020).

state and city pre-K may indicate that the potential for better funding does not offer a strong incentive to become a pre-K provider. State and city leaders will need to understand what keeps FCCs from participating and either ameliorate the problems or find more enticing incentives.

DEFINING AND MEASURING QUALITY

Opportunity. Inclusion of FCCs in public pre-K could offer the opportunity to define and measure quality ingredients in FCC settings that are comparable to center-based classrooms.

Challenge. Determining comparable ingredients for quality is complicated by the age ranges served, the physical setting of a home and limited research on indicators of FCC quality. For example, few curriculum models currently recommended or required by state programs have adaptations for FCCs. Additionally, pre-K program expectations for family engagement, which in some cases are fairly prescriptive, could present difficulties for FCC providers, partly because of their more intimate and flexible relationship to families.²⁰ Even standards that would be seemingly straightforward such as defining the instructional day seem unsuitable for FCCs. For example, many state pre-K programs require between 2 – 6 “instructional hours” per day with somewhat prescriptive routines. With one primary caregiver, mixed-age grouping, and flexible hours of operation, meeting these requirements could compromise the very qualities that families prefer in an FCC.

QUALITY IMPROVEMENT

Opportunity. Including FCCs in pre-K typically adds a layer of quality improvement services that is not available through licensing alone. Often FCCs offering pre-K are required to be on a higher tier in the state QRIS system which affords them various quality supports. A review of the effectiveness of these different supports finds that a comprehensive combination of in-home coaching, planned and coherent group training, attending professional conferences, and partnering with programs rated higher in quality rating

systems such as Early Head Start were all possible paths to improvements.²¹ In San Francisco’s pre-K program which has a robust 17.72% of children served in FCC homes, initial quality as measured by CLASS was improved when a coaching system coupled with other supports was implemented.²²

Challenge. Delivery of the quality supports to FCC providers creates administrative and logistical challenges as well as being costlier per child given the smaller enrollment per location. Additionally, supports for FCCs need to be tailored to their context.

IMPROVING EDUCATOR QUALIFICATIONS

Opportunity. The most robust publicly-funded pre-K programs include supports for the current workforce to become qualified, which takes advantage of an experienced workforce which has already chosen this field and typically includes a higher proportion of teachers who represent the populations served. For example, Alabama supports teachers in acquiring an applied BA in ECE that is considered equivalent to a state teacher license; however, no FCCs participate in the Alabama pre-K program. In PHLpreK, eligible FCC providers must begin with at least a CDA and have an approved plan to achieve an Associate degree in ECE within 4 years. In Seattle, participating FCC providers are supported to acquire a BA with ECE specialization.

Challenge. Nationally, about 20% of home-based providers have a BA and almost 50% have no college education meaning a substantial investment of time and money would be required to provide supports for getting qualified²³. Additionally, improving the specialized knowledge and educational attainment of current providers has many benefits; however, it is unlikely that the course material required in most formal credentialing will be entirely relevant to the FCC homes where the informality and family-like setting are part of what makes them attractive to parents. Modifications may need to be made to facilitate participation of FCC providers because the demands of their schedules make attendance even more difficult than for center-based teachers²⁴. Additionally, the potential for a wide

²⁰ Bigras, N., Bouchard, C., Cantin, G., Brunson, L., Coutu, S., Lemay, L., & Charron, A. (2010). A comparative study of structural and process quality in center-based and family-based child care services. *Child and Youth Care Forum*, 39(3), 129–150. <https://doi.org/10.1007/s10566-009-9088-4>.

²¹ Bromer, J., & Korfmacher, J. (2017). Providing high-quality support services to home-based child care: A conceptual model and literature review. *Early Education and Development*, 28(6), 745–772. <https://doi.org/10.1080/10409289.2016.1256720>.

²² First Five San Francisco. (2016). *Preschool for All: A look back at the first 10 years of universal preschool in San Francisco*. Downloaded May 2021 from http://www.first5sf.org/wp-content/uploads/2016/pfa_look_back.pdf.

²³ National Survey of Early Care and Education Project Team. (2013). *Number and Characteristics of Early Care and Education (ECE) Teachers and Caregivers: Initial Findings from the National Survey of Early Care and Education (NSECE)*. OPRE Report #2013-38, Washington DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

²⁴ National Center on Early Childhood Quality Assurance. (2020).

range of ages from infants through school-age children clearly requires a different approach.

Economies of Scale and Other Fiscal Factors

All of the challenges listed above have associated programmatic or administrative costs, which in many cases may result in provision of pre-K in FCCs being costlier than in centers and schools. This greater relative cost is often a result of the fact that FCCs typically serve few preschool-age children within the state or city and a much smaller number of children per location and educator than center-based programs. This increases the per pupil cost and strains coaching and monitoring resources (e.g. travel, additional visits, etc.). Additionally, the increased per child funding which would be associated with the public pre-K program may create a disincentive for FCCs to serve infants and toddlers disrupting an already fragile supply.

Determining the full cost of quality in FCCs depends on state contexts (e.g., rural vs urban, administered through school districts vs directly by state) and policy standards (e.g., group size permitted in FCC, professional learning standards). When considering whether inclusion of

FCCs will impact costs, it is necessary to look at all potential cost drivers. For example, in rural areas the transportation costs of ensuring that all children have access to a center would need to be balanced against the potential additional costs for oversight of geographically dispersed FCCs. Additionally, the time spent on long bus or car rides is unlikely to be quality time for the children. Similarly, the construction costs for new buildings in urban areas with no current centers needs to be weighed against any additional costs imposed for oversight and support of FCCs.

Whether inclusion in the pre-K program would impact turnover of FCC providers in the context of pre-K is difficult to estimate. There is some evidence that turnover of teachers in child care and Head Start programs is reduced in pre-K settings that provide pay parity²⁵. Some providers choose to open an FCC in their homes for a time before their own children (or those of a relative) enter school, but how much the steady and better income of being a pre-K provider might encourage them to remain a provider longer term is unknown.

Recommendations

For many families, FCCs are the preferred choice for a variety of reasons which range from convenience, cultural and linguistic alignment, opportunity to have all of their children served “family style” in one setting and parents’ knowledge of their own child’s need for a more intimate environment. Thus, including them as potential providers of publicly-funded pre-K should be explored. Given the limited research to guide decision-making and the many policy questions to answer, interested stakeholders must move cautiously when considering FCCs as providers of publicly-funded pre-K.

State and local leaders should bring regionally, culturally, ethnically, and linguistically diverse stakeholders together to assess whether and how to include FCCs. The advisory process should explicitly seek representatives of the populations served by the program and include but, not necessarily be limited to, eliciting information from the following: FCC providers and networks, other pre-K providers (e.g., Head Start, child care centers, school districts, etc.), community groups, parent groups, teacher unions,

higher education (e.g., teacher education faculty, researchers, social work, etc.), health providers, city planners and facility experts, all relevant state agencies, state and local elected officials and advocacy groups. The following recommendations should be taken into account when making the decision:

- Design a strategic plan to expand gradually based on a rigorous evaluation and integrated continuous improvement cycle that informs quality improvement supports as well as ultimately determining whether and how inclusion and expansion of FCCs in public pre-K can be cost-effective and lead to benefits for children. The study should be designed to determine under what conditions providing pre-K in FCCs is a cost-effective alternative taking into account savings such as reduced transportation costs and benefits to families.

The recommendation to include program evaluation is critical because of the lack of evidence that FCCs can produce lasting benefits for children

²⁵ Friedman & Frede (2007) Unpublished analyses from NJ annual pre-K teacher census.

comparable to those seen from high-quality center/classroom-based programs. Decades of research across multiple locations in the U.S. and abroad have shown that participation in high-quality classroom-based preschool can have immediate and lasting benefits especially for children living in low-income families. However, these benefits are not always obtained and given the mixed evidence for many public investments, decision-makers may feel it is risky to include FCCs as providers of public pre-K without additional evidence of the positive impact this setting may have on children's learning and development.²⁶

An additional component of the strategic plan should be an "equity analysis" which would factor in how inclusion of FCCs could enhance provision of pre-K to specific regional and hard-to-reach or traditionally under-served populations.

- The strategic planning process should include a thorough cost analysis which accounts for all of the challenges and opportunities detailed above in building an equivalent system of program standards and supports as well as other costs of maintaining excellence.
- In locations where regional and community intermediaries administer the preschool program (e.g., school districts, county administrators), make FCC inclusion allowable and attractive, but not required. State and local contexts vary and a requirement to include FCC could create headwinds for the pre-K proposal. For example, many pre-K programs administered in education departments must adhere to local district control laws (i.e., "home rule") and may be prohibited from requiring inclusion of FCCs. West Virginia and New Jersey, for example, could both allow it and incentivize it but would need special legislation to require it and in New Jersey it might require the New Jersey Supreme Court approval for some districts.

- Research indicates that FCC networks can be effective in improving both administrative and programmatic quality. Intermediaries should be considered to possibly reduce costs, improve accountability and oversight and increase quality.
- Establish equivalent but not necessarily identical program standards (e.g., teacher qualifications, curriculum, supports, facility requirements, etc.) and use the on-going program evaluation and improvement system to refine these over time as needed.
- Investigate and pilot methods for developing a seamless Birth to Kindergarten system that builds on public pre-K while improving infant and toddler care.

Finally, taking all that is known about developmentally advantageous conditions for three and four year-old children, such as low ratios of children to adult leading to individualized and responsive interactions²⁷, it is highly likely that FCCs can effectively support children's learning and development, but more research needs to occur to better understand the conditions necessary to support and advance those outcomes.

²⁶ Raikes, H., Torquati, J., Jung, E., Peterson, C., Atwater, J., Scott, J., and Messner, L. (2013). Family child care in four Midwestern states: Multiple measures of quality and relations to outcomes by licensed status and subsidy participation. *Early Childhood Research Quarterly*, 28(4), 879–892; Forry, N., Iruka, I., Tout, K., Torquati, J., Susman-Stillman, A., Bryant, D., and Daneri, M.P. (2013). Predictors of quality and child outcomes in family child care settings. *Early Childhood Research Quarterly*, 28(4), 893–904.

²⁷ Camilli, G., Vargas, S., Ryan, S. & Barnett, W.S. (2010) Meta-analysis of the effects of early education interventions on cognitive and social development. *Teachers College Record*. Volume 112, Number 3, pp. 579–620

Appendices

Table 1. Preschool Programs that Allow FCCs to Participate and Participation in 2019-2020

Name or location of state/city-funded preschool program	FCCs are eligible to receive state/city preschool dollars (directly or through subcontracting)	FCCs received state/city pre-school dollars in 2019-2020
First Class Pre-K: Alabama's Voluntary Pre-Kindergarten Program	Yes	No
Arizona: Quality First Scholarships	Yes	Yes
Arkansas Better Chance/Arkansas Better Chance for School Success	Yes	Unknown
California State Preschool Program (CSPP)	Yes	Yes
Delaware Early Childhood Assistance Program (ECAP)	Yes	No
Florida Voluntary Prekindergarten Program	Yes	Unknown
Illinois Preschool for All	Yes	Yes
Iowa Statewide Voluntary Preschool Program	Yes	No
Kansas Preschool Pilot	Yes	No
Kansas Preschool-Aged At-Risk	Yes	No
Maine Public Preschool Program	Yes	No
Maryland Prekindergarten Program	Yes	No, but did in 2020-2021
Massachusetts Universal Pre-Kindergarten (UPK)	Yes	Unknown
Minnesota Head Start	Yes	Unknown
Minnesota Voluntary Prekindergarten and School Readiness Plus	Yes	Unknown
Missouri Preschool Program	Yes	No
New Mexico PreK (4s) NM Early PreK (3s)	Yes	Yes
New York State Administered Prekindergarten Program	Yes	Yes
North Dakota Early Childhood Education Grant Program	Yes	No
Ohio Early Childhood Education	Yes	Yes
Oregon Pre-Kindergarten	Yes	Yes
Oregon Preschool Promise	Yes	Yes
Pennsylvania Head Start Supplemental Assistance Program	Yes	Yes
Pennsylvania Kindergarten for Four-Year-Olds and School-Based Pre-K	Yes	Unknown
Texas Public School Prekindergarten	Yes	Unknown
Vermont Universal Prekindergarten Education (Act 166)	Yes	Yes
Washington: Early Childhood Education and Assistance Program (ECEAP)	Yes	Yes
Wisconsin Four-Year-Old Kindergarten (4K)	Yes	Unknown
Wisconsin Head Start State Supplement	Yes	Unknown
Denver Preschool Program	Yes	Yes
Philadelphia PHLpreK	Yes	Yes
San Francisco Preschool for All	Yes	Yes
Seattle Preschool Program	Yes	Yes

Table 2. FCC Enrollment in Preschool Programs in 2019-2020

Name or location of state/city-funded preschool program	Number of FCC pre-K providers	TOTAL: Number of 3- and 4-year-old children served	3-year-olds	4-year-olds	Notes
Arizona: Quality First Scholarships	75	198	106	92	Plus 165 infants & toddlers served by 71 providers which may include the 75 pre-K FCC providers.
California State Preschool Program (CSPP)	Unknown	96	44	52	Plus 39 5-year-olds; California does not contract directly with FCCs, in 2019-2020, two CSPP agencies contracted with the CDE to operate through a FCCHEN.
Illinois Preschool for All	6	23	19	4	
Maryland Prekindergarten Program	14	40	19	21	No children were served in 2019-2020, these numbers are for 2020-2021.
New Mexico PreK (4s) NM Early PreK (3s)	9	111			Breakdown: 22 3-year-olds; 40 4-year-olds; and 49 3- and 4-year-olds.
New York State Administered Prekindergarten Program	Unknown	294	27	267	
Ohio Early Childhood Education	7	33	less than 10	23	34 slots were funded.
Oregon Preschool Promise	24	216	77	139	Total is cumulative enrollment.
Vermont Universal Prekindergarten Education (Act 166)	23	83	18	65	There are 23 registered FCCs that are approved, however not all may be currently serving children.
Washington: Early Childhood Education and Assistance Program (ECEAP)	7	30	14	16	In 2020-2021, 78 children were served in 17 FCCs.
Denver Preschool Program	9	18	0	18	
Philadelphia PHLpreK	23	95	43	52	For FY20, there were 87 slots at 23 sites. The reported totals reflect cumulative enrollment at 22 sites (one site did not enroll any children).
San Francisco Preschool for All	259	979	755	224	Capacity: 2580.
Seattle Preschool Program	14	65	35	30	

Table 3. FCC and Center-Based Enrollment in Preschool Programs in 2019-2020

Name or location of state/city-funded preschool program	Number of NIEER Yearbook Benchmarks met*	Minimum number of hours per day	State/City Department that Administers preschool*	Number of children (3s & 4s) served in state funded preschool: FCC homes	% of pre-K children enrolled in FCCs	Total number of children (3s & 4s) served in state funded pre-school: center-based**	% of state's 3- and 4-year-olds served in preschool (all settings & programs)*
Arizona: Quality First Scholarships	3	34 hours/month	State Board ^b	198	3.7%	5,216	3%
California State Preschool Program (CSPP)	6	3 hours/day	Education	96	.04%	238,629	24%
Illinois Preschool for All	8	2.5 hours/day	Education	23	.03%	84,992	28%
Maryland Prekindergarten Program	7	6.5 hours/day	Education	40	.12%	33,109	22%
New Mexico PreK (4s) NM Early PreK (3s)	9	3 hours/day	ECE Office	111	.009%	12,067	24%
New York State Administered Prekindergarten Program	7	2.5 hours/day	Education	294	.24%	120,139	26%
Ohio Early Childhood Education	5	2.5 hours/day	Education	33	.18%	17,870	6%
Oregon Preschool Promise	6	Determined locally	Education	216	12.2% (just Preschool Promise)	1,344 (just Preschool Promise)	10% (all programs)
Vermont Universal Prekindergarten Education (Act 166)	7	10 hours/week	Education	83	.01%	8,094	68%
Washington: Early Childhood Education and Assistance Program (ECEAP)	8	3 hours/day ^c	Human Services	30	.21%	14,000	7%
Denver Preschool Program	4	2.5 hours/day	Independent nonprofit corporation	18	.38%	4702	56%

Philadelphia PHLpreK	8	5.5 hours/ day	City Office of Children and Families	95	2.5%	3685	25% (all programs)
San Francisco Preschool for All	8	3 hours/day	City ECE Office	979	17.7%	4545 ^d	47% (all programs) ^e
Seattle Preschool Program	9	6 hours/day	City ECE Office	65	2.6%	2432	18%

*For more information on states, see: Friedman-Krauss, A. H., Barnett, W. S., Garver, K. A., Hodges, K. S., Weisenfeld, G. G. & Gardiner, B. A. (2020). The State of Preschool 2019: State Preschool Yearbook. New Brunswick, NJ: National Institute for Early Education Research and for cities see pre-K policies on www.cityhealth.org.

^a For states, enrollment counts/percentages were based on 2019-2020 data, see Friedman-Krauss, et. al; for cities, data were calculated using a variety of methods and typically reflect estimates for the 2018-2019 school year and should be used as estimates. Please note that all state- and city-funded programs enroll a greater percentage of 4-year-olds than 3-year-olds, thus when averaging these two age groups, the percentage is lowered. For example in New Mexico during the 2019-2020 school year, 41% of the state's 4-year-olds were enrolled in preschool and 6% of 3-year-olds.

^b In Arizona, the State Board is responsible for the administration of the Quality First scholarships (i.e., funding, policy, requirements, etc.). A non-profit agency is contracted to implement the program (i.e., provide reimbursements, collect data, conduct monitoring, etc.).

^c Even though the minimum number of hours is 3 in Washington, over half of the providers operate 6 to 10 hours per day.

^d This number does not include Head Start children.

^e This percentage is based on the enrollment of 6920 3- and 4-year-old children (unduplicated) in center based and FCC licensed care in 2019-2020 in San Francisco.

Table 4. Breakdown of NIEER Benchmarks Met (2019-2020 school year)

Name or location of state/city-funded preschool program	Number of NIEER Yearbook Benchmarks met*	ELDS	Teacher Degree (BA)	Teacher Specialized Training	Assistant Teacher Degree	Teacher in-service	Class Size	Ratio	Screening/referral	Curriculum	CQIS
Arizona: Quality First Scholarships	3	Yes								Yes	Yes
California State Preschool Program (CSPP)	6	Yes		Yes				Yes	Yes	Yes	Yes
Illinois Preschool for All	8	Yes	Yes	Yes			Yes	Yes	Yes	Yes	Yes
Maryland Prekindergarten Program	7	Yes	Yes	Yes				Yes	Yes	Yes	Yes
New Mexico PreK (4s) NM Early PreK (3s)	9	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
New York State Administered Prekindergarten Program	7	Yes	Yes	Yes			Yes	Yes	Yes	Yes	
Ohio Early Childhood Education	5	Yes		Yes					Yes	Yes	Yes
Oregon Preschool Promise	6	Yes				Yes	Yes	Yes		Yes	Yes
Vermont Universal Prekindergarten Education (Act 166)	7	Yes		Yes			Yes	Yes	Yes	Yes	Yes
Washington: Early Childhood Education and Assistance Program (ECEAP)	8	Yes		Yes	Yes		Yes	Yes	Yes	Yes	Yes
Denver Preschool Program	4	Yes		Yes						Yes	Yes
Philadelphia PHLpreK	8	Yes		Yes	Yes		Yes	Yes	Yes	Yes	Yes
San Francisco Preschool for All	8	Yes		Yes	Yes	Yes		Yes	Yes	Yes	Yes
Seattle Preschool Program	9	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

*For more information on states and a description of the NIEER benchmarks and their criteria, see: Friedman-Krauss, A. H., Barnett, W. S., Garver, K. A., Hodges, K. S., Weisenfeld, G. G. & Gardiner, B. A. (2020). The State of Preschool 2019: State Preschool Yearbook. New Brunswick, NJ: National Institute for Early Education Research and for cities see pre-K policies on www.cityhealth.org.

Table 5. FCC State/City Funding Allocation and Flow of Funds in 2019-2020

Name or location of state/city-funded preschool program	Can FCCs receive funds directly?	If not, information about intermediaries	Funding Allocation (state/city dollars)	Notes
Arizona: Quality First Scholarships	Yes		\$783,621	Plus \$852,027 (Infant and toddlers). FCCs are included in the same mechanism for distributing funds as a center based program. FCCs determine family eligibility, enroll the child, report days/hours scheduled and absences on a monthly basis, reimbursement is paid directly to the FCC monthly based on reporting.
California State Preschool Program (CSPP)	No	FCC Home Education Networks (FCCHENS)	\$564,060	CDE contracts with agencies that operate FCCHEN that reimburse and provide support to FCC homes. FCC homes submit their monthly invoices or attendance record to the FCCHEN agency with a CSPP contract, and the FCCHEN agency either pays via direct deposit or check, based on the FCC home provider's preference.
Illinois Preschool for All	No	Eligible Entities (two in 2019-2020)	\$2,022,269	Allocations: SAL Community Services (\$43,104) and the Regional Office of Education #49 (\$1,979,165). However, the estimated budget for the FCC homes is \$47,000 per grant application. Exact expenditure data are not available because the grant was extended until June 30, 2021.
Maryland Prekindergarten Program	See notes	Grantee (one in 2020-2021)	\$655,500	Allocation: Family Child Care Alliance (\$655,500) who provides, oversight, professional development, and coaching to the FCC homes participating in the grant. The Alliance pays FCCs \$7,500 per PreK slot in their program. However, a family childcare provider that meets the PreK Grant Requirements can apply to receive their own grant and receive funds directly and do not need to subcontract with the Alliance.
New Mexico PreK (4s) NM Early PreK (3s)	Yes		\$753,447	The distribution of funds is via a competitive grant process. It is a reimbursement program and FCC providers invoice monthly.
New York State Administered Prekindergarten Program	No	School District	See notes	The amount that an eligible agency receives is agreed upon by the district and the agency through a contractual agreement. The state does not collect this information.
Ohio Early Childhood Education	Yes		\$136,000	Allocated amount. The funding distribution for FCCs is the same as it is for non-FCC providers in the Early Childhood Education grant program. Each slot is allocated at \$4,000 and paid as reimbursement of expenses for verified eligible and enrolled children.

Oregon Preschool Promise	No	Hubs	\$1,715,376	Allocated amount. In 2019-2020, the state sub-contracted with FCCs through local hubs. Starting in 2020-2021, all Preschool Promise providers are funded directly from the state.
Vermont Universal Prekindergarten Education (Act 166)	No	School District	\$278,548	All funds are funneled through the "home" elementary school that the child is expected to attend for kindergarten. The funds are then disbursed to approved FCC providers through school district partnership/ contracts. The funds are expected to pay for the 10 hours per week of state-funded preschool and the families are responsible for paying additional costs (or using other funds) to pay for the remaining hours of care at the rate of \$3,584 per child.
Washington: Early Childhood Education and Assistance Program (ECEAP)	Yes		\$369,487	While FCC providers can contract directly with the state, a majority of providers subcontract with another entity. The 2020-2021 allocation: \$1,097,548 (78 slots).
Denver Preschool Program	Yes		\$118,807	Tuition Credits \$101,506; \$17,301 for Quality Improvement
Philadelphia PHLpreK	Yes		\$758,265	FCC Providers are reimbursed as all PHLpreK programs are. Contracts are from July – June, and the slot rate reimburses for 10 months of PHLpreK programming from September to June with a reimbursement rate of \$875 a month for each enrollment (enrollment being defined as having at least 1 day of attendance in the month). Invoices are submitted 1-10th of the month following service and paid within 21 days
San Francisco Preschool for All	No	Local R&R	See notes	In 2019-2020, SF OECE spent \$24,359,090 on local vouchers and anchored funding, local gap funding on state vouchers and CalWORKs, and Preschool For All. SF OECE has two fiscal intermediaries (local R&Rs) that distribute local and state funding to qualified FCCs.
Seattle Preschool Program	No	FCC Hubs	\$1,175,300	Seattle's Department of Education and Early Learning (DEEL) contracts directly with 2 FCC Hubs that are paid a per child slot rate along with classroom funds to maintain their supplies. The Hubs are paid a Hub "fee" of \$150k and support an average of 8-10 FCCs each. The Hubs are allowed to hold back an administrative fee up to the maximum of 15% from the total slot rate. Seattle's Hubs are responsible for providing technical assistance to the FCCs directly and may also provide enrollment supports, assessment support, data entry into the DEEL database, and act as the communication liaison between DEEL and the FCCs. Slot Pay = \$770K, Hub Fee = \$285K, Classroom funds = \$120K. Contracts were reduced by \$14,700 due to COVID.

Table 6. FCCs and Required QRIS participation and Structured Classroom Observations

Name or location of state/city-funded preschool program	QRIS Participation	Structured Classroom Observations Tools Used	Notes
Arizona: Quality First Scholarships	Required	FCCERS & CLASS	<p>FCC observation program data are collected in the same manner as center based programs. FCCERS, CLASS, and Quality First Points Scale are completed at each FCC and the scores are used to calculate a star rating. FCC at the 1-2 star level are assessed every 12-15 months and those at the 3-5 star level are assessed every 24-27 months. However, programs achieving a 1 or 2 stars are typically not eligible to participate in QF Scholarships. The FCC providers included in this report are rated at 3 to 5 stars.</p> <p>Through the QRIS system, FCCs receive coaching, program assessment/rating, and financial incentives. FCCs are eligible to participate in other programs such as college scholarships for CDA, Associates degree, Bachelor's degree (Bachelor's degree support is dependent upon the region the FCCs are located in; not all regions fund this).</p>
California State Preschool Program (CSPP)	Voluntary	FCCERS-R	<p>All FCCHEN agencies with CSPP contracts are required to receive site visits every three to four years. An Education Specialist from a FCCHEN with a CSPP contract accompanies ELCD staff on visits to all of the FCCs providing CSPP in the FCCHEN.</p> <p>California provides targeted supports for FCC home providers through all of the following funding sources: (1) Allowing CSPP contractors to maintain a reserve fund balance of up to 15%, 10% of which shall solely be used for purposes of professional development for California state preschool program instructional staff. (2) Funding from the state's Preschool Development Grant-Renewal (PDG-R); and (3) Child Care and Development Block Grant (CCDBG)/CCDF Quality Set Aside Funds.</p>
Illinois Preschool for All	Required	FCCERS	<p>Licensed child care homes are required to participate in the state's QRIS system. The state adapted monitoring protocols for state funded preschool programs to accommodate FCC's by using the FCCERS. However, due to COVID-19 that state has not implemented on-site monitoring.</p>

Maryland Prekindergarten Program	Required	Self-developed tool	In Maryland's pilot program with FCCs, the state leaders found that providers ranged in credentials: some had only CDAs, some had BAs but no ECE, and some had neither a CDA nor BA (any field). To support the programs with limited ECE experience, the state required a master teacher (state certified P-3 teacher) be assigned to those providers. During the pilot it was recognized that the original caseload of 40 providers to 1 master teacher was too much and negotiated the caseload down to 5 FCC providers so that technical assistance and supports could be provided more frequently.
New Mexico PreK (4s) NM Early PreK (3s)	Required	FOCUS protocol	FCC homes that are nationally accredited meet the 5-star rating.
New York State Administered Prekindergarten Program	Voluntary	QUALITYstarsNY protocol	QUALITYstarsNY is New York's QURIS for early childhood programs, providing support and resources to improve and sustain high quality across New York State.
Ohio Early Childhood Education	Required	Annual Classroom Observations of Quality	All supports from the state are open to FCCs, center- and school-based programs. If there is a need for additional FCC targeted supports, they are provided by Ohio Department of Education program specialists who monitor and support the grantees.
Oregon Preschool Promise	Required	Modified CLASS	For 2019-2020, all Preschool Promise providers were required to have been rated as a 4 or 5 (top two tiers) in Oregon's QRIS.
Vermont Universal Prekindergarten Education (Act 166)	Required	Vermont STARS protocol	<p>The QRIS system is currently being revised due to challenges with the lack of variation between levels four and five, even still all preschool programs, including FCC homes are required to participate and achieve a level 4.</p> <p>FCC providers that are not an endorsed or certified educator are required to contract with a mentor teacher who is licensed for 3 hours per week. It is also a requirement that rural programs are required to partner with their local school districts.</p>
Washington: Early Childhood Education and Assistance Program (ECEAP)	Required	ERS & CLASS	Developing a new process with an updated system to measure quality based on the input from community, careful consideration of lessons learned from Early Achievers over the years, and the latest research about child care quality and targeted universalism. In the updated system, ERS and CLASS will continue to be useful tools for coaches to use to guide developmentally appropriate practice and continuous quality improvement, but they will not be used as part of quality recognition and rating.
Denver Preschool Program	Required	Colorado Shines QRIS protocol	

Philadelphia PHLpreK	Required	Keystone STARS protocol	
San Francisco Preschool for All	Required	CLASS & FCCERS	<p>The City is currently developing next-generation quality measures and planning the next iteration of training and technical assistance initiatives for family child care homes.</p> <p>The San Francisco Office of Education and First 5 San Francisco have collaborated and aligned work to provide resources and support to city-funded FCCs, including supports in response to Covid-19 through Professional Development opportunities with a focus on peer learning cohorts, leadership development, assistance with meeting program standards, and health and safety supports in response to the pandemic and other funding opportunities.</p>
Seattle Preschool Program	Required	DEEL Developed protocol	