

# Fall 2019

## Working in Early Care and Education in Buncombe County: The Family Child Care Workforce



*Produced by*



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This report was completed by Buncombe Partnership for Children (BPFC) as a companion to the *Working in Early Care and Education in Buncombe County: 2018 Workforce Study*<sup>1</sup> published by Child Care Services Association and commissioned by Buncombe Partnership for Children. The data in this report comes from a survey BPFC sent to all NC Division of Child Development and Early Education (DCDEE) licensed Family Child Care Home (FCCH) providers in the spring of 2019. In March of 2019, 13 of the 15 licensed Family Child Care Homes in Buncombe County completed and returned surveys. Supplemental data for this report was pulled from the DCDEE Monthly Statistical Report<sup>2</sup> in March 2019 regarding the FCCHs licensed at this time.

### What is a Family Child Care Home?

A Family Child Care Home is the smallest child care license issued by the North Carolina DCDEE. The license is issued to an individual provider in their home for up to five children ages six weeks to five years, with the option of serving three additional school-aged children for a total of eight children. Family Child Care Homes have long been a staple of care for children under three years old, as they provide a smaller, more home-like atmosphere than a traditional child care center. In North Carolina, one can legally care for up to two unrelated children (in addition to an unlimited number of their own children/grandchildren/nieces/nephews) without a license. Additionally, one can care for any number children for four hours or less per day, or less than four months of the year, without a license (examples include morning preschools and summer camps).



Family Child Care Homes are as diverse as the providers who operate them. Some integrate the children they are caring for into their daily family routines, with the children joining in family meals and errands between more traditional classroom activities. Some providers keep a separate space for the children and operate more like a traditional classroom. Family Child Care Homes are an attractive early education option for families who seek low adult-child ratios, more individualized care, mixed-age groups, or more home-like settings. A unique characteristic of a FCCH is that children have the opportunity to form deep attachments with one consistent caregiver over multiple years.

## Supply and Demand

The NC Early Childhood Education Coalition and the Think Babies Campaign named Buncombe County a “child care desert” in 2019.<sup>3</sup> Think Babies is a national campaign created by Zero to Three to bring awareness to the importance of quality care for infants and toddlers.

They found that there are currently 4.76 infants and toddlers for every one available infant child care slot in Buncombe County. Over the last 15 years, the number of child care slots for infants and toddlers in Buncombe County decreased by 216 between March 2005 and March 2019, resulting in fewer families having access to licensed care. Nearly half (104) of these lost slots were in Family Child Care Homes. The number of licensed FCCHs in Buncombe County has dropped from 47 in 2005 to just 15 in March 2019. This trend is not unique to Buncombe County; counties across the state are experiencing a decrease in the number of FCCHs. Some of the reasons for the decrease include planned retirement, the combination of low wages and long hours, and the demand of meeting increased requirements of licensing, sanitation, and zoning.



## Star Rating and Licensure

North Carolina uses a Quality Rating Improvement System (QRIS) for licensure, which has a 1-5 star scale. The licensing system applies to FCCHs and centers *that operate for more than four hours per day*. This star-rated licensing system evaluates the quality of care that a program provides using research-based predictors of quality, such as teacher education, staff-child ratios and the child care environment. The license is made up of two components: 1) Staff Education, and 2) Program Standards. Program standards are measured by DCDEE using the Environment Rating Scales (ERS) assessment every three years. Four- and five-star rated programs are considered high quality in NC. The QRIS system is voluntary. Licensed facilities who choose not to participate in the QRIS system receive an automatic one-

star rating.

The table below shows the star-ratings of licensed FCCHs as of March 2019. Thirty percent of homes in Buncombe County have a 4- or 5-star license, compared with 73% of Buncombe Child Care Centers. Lower star ratings in Family Child Care Homes are due in part to 2 of 15 owners opting out of the Environment Rating Scale (ERS) assessment. Without an ERS assessment, a FCCH cannot receive more than two out of seven points in the Program Standards portion of the Rated License. The Program Standards Portion makes up seven of a possible 15 total points. A provider with the highest number of education points (7) can reach a four-star license without an ERS assessment.

Buncombe Family Child Care Home Star Levels <sup>4</sup>	Number of Buncombe County FCCHs
One Star	2
Two Stars	1
Three Stars	7
Four Stars	4
Five Stars	1

Staffing

The staffing structure of a Family Child Care Home most often consists of one primary caregiver, also called the license holder. Five of 13 survey respondents said they had a secondary caregiver working part-time in the program. These secondary caregivers included substitutes as well as caregivers supporting the primary provider during busy times of day. The secondary caregivers are often family members. DCDEE requires all people over the age of 16 living in a licensed FCCH to pass a DCDEE background check, whether or not they will be left alone with children. Secondary caregivers must meet the same licensing requirements as primary caregivers if they are left alone with the children at any time. In order to count in the licensed ratio or to care for the children without the primary caregiver present, caregivers in a FCCH must follow the same rules as a substitute caregiver in a Child Care Center regarding professional development, health and safety training, and CPR/First-Aid.



Pay, Hours and Longevity

Of the survey respondents who provided information regarding their own salary, the average was \$16.47 per hour based on a 40-hour work week. While this seems to suggest that Family Child Care Home providers are making a wage comparable to the higher range of median wages for teachers in Child Care Centers, it is important to note that FCCH providers often work much more than 8 hours per day.

Hours worked per week <sup>5</sup>	Number of FCCH Survey Respondents (n=13)
Under 45	3
46-55	7
56-65	2
>66	1

Years in Operation <sup>6</sup>	Number of FCCH Survey Respondents (n=13)
< 5	4
6-10	2
11-20	5
>20	2

### Financial Stability of FCCH Owners

The survey included questions regarding a range of employment benefits and public assistance benefits. The three tables below provide information on the kinds of insurance coverage used, in addition to public assistance received in the past three years, and annual family income (including income from all household earners, not just the FCCH provider).

Anecdotally, some providers expressed to BPFC staff that they did not see insurance (and similar benefits) as “employment” benefits that they receive as a part of their job, but rather a separate bill that comes from their family budget. This is indicative of the complications many providers face in separating their family budgets from the business of Family Child Care. When budgets are not separated, it makes it difficult to determine the true cost operating a FCCH. While newer providers are being strongly encouraged to form LLCs and keep the business finances separate from family finances, many long-established providers do not operate this way.

Insurance Coverage <sup>7</sup>	Number of FCCH Survey Respondents (n=12)
Receive health insurance from any source	12
<i>Covered under a spouse or parent’s policy</i>	4
<i>Covered under Medicare/Medicaid</i>	2
<i>Purchase through Marketplace/Affordable Care Act</i>	4
<i>Other</i>	2

Financial Assistance Received in last 3 years <sup>8</sup>	Number of FCCH Survey Respondents (n=13)
WIC	1 (8%)
Medicaid for Child	1 (8%)
Child Care Subsidy for their own child	3 (23%)
Other	2 (15%)
Have not received any of these	7 (54%)

Family Income <sup>9</sup>	Number of FCCH Survey Respondents (n=13)
Annual Family Income <\$30K	1 (8%)
Annual Family Income <\$40K	4 (31%)
No response	8 (61%)

The table below includes basic demographic information about the respondents. It is important to note that we have an aging workforce with the majority of the FCCH owners nearing retirement age. Emphasis must be placed on cultivating new Family Child Care Home providers to meet community need.

Demographics <sup>10</sup>	Number of FCCH Survey Respondents (n=13)
50 years of age or younger	3
51-60 years of age	4
61-70 years of age	4
Older than 70	2
Female	13
Male	0
African American/Black	4
White	6
Native American	1
Race: "other"	1
No response	1

**Education**

Education level data for Family Child Care Home providers is publicly available on the DCDEE website. Like the Program Standards referenced above, a provider’s education level allows them to receive between one and seven points for Education Standards. These points are seven of the possible 15 in the NC Rated License system. For example, a center earning between 13 and 15 total points would receive a five-star license. Current FCCH providers have an average of 4.33 points on the star rated license education scale, the equivalent of EDU119 (the NC Early Childhood Education Credential) plus six additional ECE-focused semester credit hours.

Education Standards	Education Standard points on DCDEE Rated License	Number of Buncombe FCCH Licenses (n=15) <sup>11</sup>
High school diploma	1 point	1
Above plus 4 ECE credits or 5 years experience in ECE	2 points	1
2pt standards plus EDU 119	3 points	1
2pt standards plus 6 ECE credits	4 points	5
2pt standards plus 12 ECE credits	5 points	1
2pt standards plus 18 ECE credits	6 points	0
Associate of Arts (AA) degree in Early Childhood Education (ECE) or AA + 12 ECE credits or higher	7 points	4
No data available	Opted out of ERS	2

Summary and Recommendations

Families in Buncombe County deserve a variety of early education options for their children, as different children thrive in different settings. Family Child Care Homes are a vital part of our early childhood system, offering low child-adult ratios in a home-like environment that might be particularly supportive for infants as well as children with sensory issues or histories of trauma. Family Child Care Homes allow a child to experience one consistent caregiving relationship over multiple years, deepening the child-adult connection that is central to healthy early brain development. They also allow for more geographic, language, and racial diversity among early education providers. Finally, with relatively low start-up costs, compared to center-based start-up cost, they are a financially viable option for Buncombe County to increase access to child care slots.

Buncombe County has seen a significant decrease in the number of licensed Family Child Care Homes in the last 10 years. Retiring caregivers are not being replaced by new providers. Family Child Care Homes are less attractive to operate now than in the past due to increased licensing requirements and a new complex subsidy attendance and payment system. There is also little incentive for providers to further their education or to meet enhanced licensing standards, given the long hours of the job and the high demand for their services.



While the current outlook may seem bleak, in recent years early childhood advocates have taken note of the decline in Family Child Care Homes, happening statewide and not just in Buncombe County. There are some incentives for local providers, as well. The subsidy rates for Family Child Care Home providers serving infants and toddlers in Buncombe County have increased significantly. Start-up grants and focused technical assistance are available for new and existing Family Child Care Home owners from Buncombe Partnership for Children. Public interest in increasing the supply of Family Child Care Homes is being studied locally and by the state licensing agency, NC DCDEE.

These efforts are a good start, but they are not enough to reverse the trend in this critical part of our Early Childhood service system. At the local and state level, work to support FCCHs could include:

- Concerted efforts to increase awareness of and recruitment for FCCHs as a child care option and a small business option
- Investments in organizations that build connections, collaboration, and business supports among Family Child Care Home providers to reduce isolation and build professionalism
- A shared services structure that reduces administrative burdens (both monetary and time)
- A review of state and local government regulations (licensing, sanitation, zoning, subsidy-NC FAST system) to ensure this small, home-based business model remains feasible

*Photos courtesy of Danitza Baker's Spanish for Kids, a Buncombe County 5-star rated FCCH*



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<sup>1</sup> Working in Early Care and Education in Buncombe County: 2018 Workforce Study, <https://buncombepfc.org/wp-content/uploads/2019/08/Working-in-Early-Care-and-Ed-Buncombe-Co-Report-2018-FINAL.pdf>

<sup>2</sup> NC Division of Child Development and Early Education (NC DCDEE) Monthly Statistical Report, <https://ncchildcare.ncdhhs.gov/County/Child-Care-Snapshot/Child-Care-Statistical-Report>

<sup>3</sup> NC Early Education Coalition, Think Babies Fact Sheet (<https://www.ncearlyeducationcoalition.org/wp-content/uploads/2019/04/Availability-Fact-Sheet.pdf>)

<sup>4</sup> NC DCDEE Monthly Statistical Report, March 2019, [https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/S/statistical\\_detail\\_report\\_september\\_2019.pdf?ver=2019-10-01-080014-737](https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/S/statistical_detail_report_september_2019.pdf?ver=2019-10-01-080014-737)

<sup>5</sup> Buncombe Partnership For Children (BPFC) March 2019 FCCH Survey, <https://buncombepfc.org/about-us/news-events/>

<sup>6</sup> BPFC March 2019 FCCH Survey

<sup>7</sup> BPFC March 2019 FCCH Survey

<sup>8</sup> BPFC March 2019 FCCH Survey

<sup>9</sup> BPFC March 2019 FCCH Survey

<sup>10</sup> BPFC March 2019 FCCH Survey

<sup>11</sup> Source: NC DCDEE Website, Individual program licenses effective March 2019