

The Center for  
**EARLY  
LEARNING**



# ***Leading from Home: Elevating Ohio Family Child Care***

*December 2022*

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Groundwork Ohio.

## **About Groundwork Ohio:**

*Groundwork Ohio is a nonprofit, nonpartisan advocacy organization committed to championing high-quality early learning and healthy development strategies from the prenatal period to age five, that lay a strong foundation for Ohio kids, families, and communities.*

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“ Let’s celebrate the many hats family child care professionals wear and the capes they are often called to put on. ”

– Shannon Jones

## A Message from Our Leadership

### *Dear Community Leader,*

Groundwork Ohio advocates for quality early learning experiences for children and places great emphasis on policies that promote improving access and quality in Ohio child care. In this effort, Groundwork has repeatedly stated that working families and child care are synonymous. Simply put, without child care options, families cannot work.

The last two years brought great attention to the lack of child care options for families trying to return to work and the impact this has on business in Ohio. The COVID-19 pandemic uncovered many cracks in the social service system, child care being at the top of the list. Even before the pandemic, American businesses lost an estimated \$12.7 billion each year because of their employees’ child care challenges.

While families struggle to return to the workforce, the child care profession itself is in great strife. The pandemic also brought to light the dismal financial stability of the child care industry, paying the lowest wages of front-line workers. When viewed through an equity lens, child care workers, in particular Black and Hispanic workers, are among the lowest paid. Similarly, families with infants and toddlers, those living in rural areas, and those in need of non-traditional child care hours face child care deserts with little to no options for care.

Through speaking with family child care providers, I’ve learned that while many had to leave the profession due to financial instability during COVID, many remain. They stay to serve the families and children for whom they care. For providers, these are “their children” and “their families.” They continue to believe this is a calling but one that is becoming increasingly more difficult to fulfill.

Family child care providers play a critical role in Ohio’s child care delivery system and were a source of continuity and stability for front-line families during the pandemic shutdown and now into recovery. Due to their small group size and ratios, family child care settings are naturally safe, trusted environments for quality child care. Unfortunately, statewide data and research does not tell us a lot about these providers and the barriers they identify to being a successful contributor to the child care delivery system of Ohio.

To shed light on this profession and begin a meaningful authentic exploration of family child care, I am pleased to share *Leading from Home: Elevating Ohio Family Child Care*, a publication that will tell the stories of family child care providers, what unique characteristics make them a valuable resource for families, and the challenges they face as small business owners.

Please see this publication as the beginning of a conversation necessary to bring equity and respect to the family child care profession and to identify how policy can reflect their unique attributes when considering Ohio’s private choice child care delivery system. Let’s celebrate the many hats family child care professionals wear and the capes they are often called to put on.



**Warm Personal Regards,**

A handwritten signature in dark ink that reads "Shannon Jones".

**Shannon Jones**  
Groundwork Ohio  
President & CEO

## SECTION 1

# Introduction

“Family child care is an important part of the solution to the child care crisis. This is especially true for families that face the greatest barriers to accessing care, including families with infants and toddlers, children with special needs, families that work non-traditional hours, and families without reliable transportation.

The Ohio Association for the Education of Young Children (Ohio AEYC) Family Child Care Advisory Council is committed to ensuring family child care providers are equitably included in efforts to improve the quality of care and to increase access to high-quality programs for families. Family child care providers are experts on what they and the families that rely on them need and must have meaningful opportunities to shape plans to rebuild the child care system. This ensures that funding and plans are responsive and work for the real lives of family child care providers and the families they serve. Ohio AEYC values this partnership with Groundwork Ohio and their leadership in bringing family child care to the forefront of child care and workforce policy discussions.”

– Kimberly Tice  
Co-Executive Director, Ohio AEYC



## Elevating the Voice of Family Child Care Providers

Groundwork Ohio values our partners in early childhood education and recognizes the complexity of Ohio's child care system. When recommending policy choices, Groundwork Ohio looks across the continuum to ensure policies are grounded in equity and supported by research, data, and real-life experiences.

The COVID-19 pandemic exposed many gaps in public systems including policies and investments that have supported or undermined equity across systems and professions. Early childhood education is at the center of this discussion. As policies were determined for

reopening and the distribution of recovery funding, family child caregivers were not given a seat at the table where decisions were being made that impacted their day-to-day operations, livelihood, and the families who they serve.

To address this shortcoming, Groundwork Ohio partnered with the Ohio Association for the Education of Young Children (Ohio AEYC) to study family child care and to lift up their voice in early childhood policy decisions.

*Groundwork Ohio values formal and informal family child care settings and recognizes family choice and desire for a continuum of options differing by program type, the number of children served, and the program's participation in quality standards. For purposes of this report, focus will be placed on licensed family child care programs.*



Ohio Association for the  
Education of Young Children

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from the field, and distributed surveys to inform the work that lies ahead, including bringing family child care professionals to the table.

During the interviews, providers repeatedly expressed frustration and feelings of being undervalued. Many providers shared that they were overwhelmed and felt

Throughout 2021 and with the support of Groundwork Ohio, Ohio AEYC held statewide round table discussions, conducted interviews

stretched thin by the need to juggle providing quality learning experiences for children without sufficient state resources, supporting families, managing state regulations, and operating a small business. Many expressed feelings of extreme isolation coming out of the pandemic, concern for their ability to stay open, and a desire for more support with business practice and educational resources. Professionals felt a higher calling to pursue a career in family child care and shared their passion and love for the children for whom they care. The data collected supports these themes, however, a key finding was the data available about this critical workforce is limited and efforts should be made to improve data collection.

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*Groundwork Ohio is proud to publish this report to foster respect for and validate the diverse experiences of family child care professionals.*

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## SECTION 2

# Ohio's Family Child Care Landscape

“ I started this family child care business to support families and children. I want to help parents educate their children by exposing them to the arts. I try to help parents make education decisions for the child's assessment goals, and school selection for kindergarten. ”

— Robbie  
Family Child Care Professional, Cuyahoga County



## Family Child Care in Ohio

*To meet the needs of families with diverse work and school needs, options for early care and education consist of mixed delivery settings. Primarily these settings include child care centers, family child care homes, and informal family friend and neighbor care.*

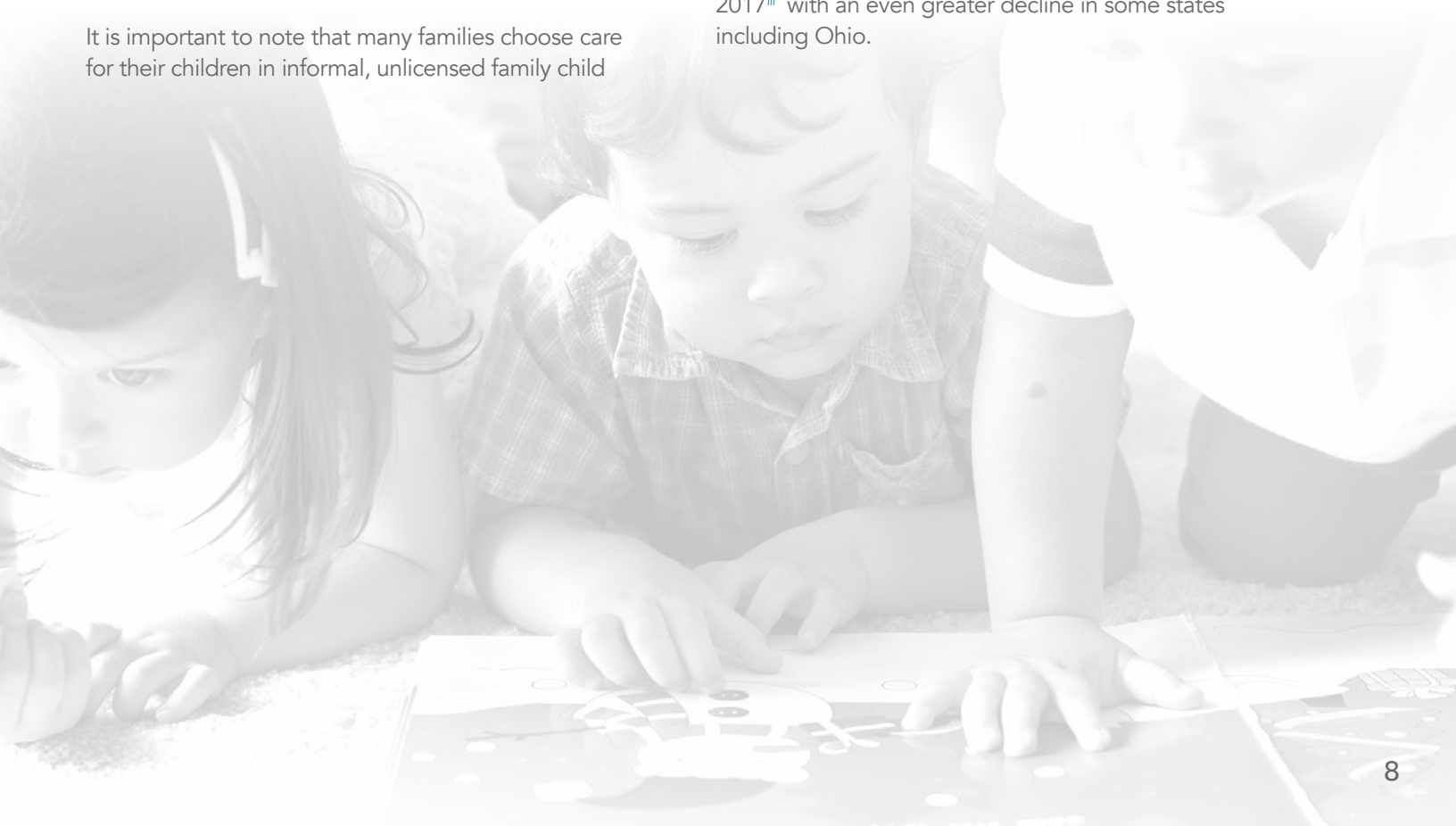
Families rely daily on child care to support the healthy development of their children while they work and attend school. Parents want to ensure that when they are not present, their children are being cared for in a trusted, nurturing, and stimulating environment that supports their well-being and healthy development. Based on parent choice, each and every child should have the opportunity to thrive and learn in settings dedicated to ensuring children reach their full potential.

In Ohio, all licensed child care providers must meet the minimum health and safety standards prescribed by the Ohio Department of Job and Family Services regardless of whether the provider relies solely on private-pay reimbursement, publicly funded child care reimbursement\*, or a mix of both reimbursement models. To receive reimbursement for providing publicly funded child care, all child care providers must participate in Step Up To Quality, Ohio's 5-star quality rating and improvement system, and be rated at least 1 star.

It is important to note that many families choose care for their children in informal, unlicensed family child

care settings. Otherwise known as family, friend, and neighbor care, unlicensed family child care providers are not required by law to become licensed unless they hit the ratio thresholds identified in the Type A or Type B descriptions listed above. As a result of not being required to become licensed, the state does not collect exact data on the extent of unlicensed family child care in Ohio. Despite this challenge, the U.S. Census Bureau collected data in 2016 demonstrating that there were 18,829 family child care home-based providers in Ohio. Of these 18,829-family child care home-based providers, state data tell us that only 36% of these providers were licensed with 64% of the providers being unlicensed.<sup>i</sup>

Twenty-five years ago, most of our nation's children with working moms were enrolled in home-based child care settings with non-related caregivers.<sup>ii</sup> Today, this picture is dramatically different. In recent years the number of licensed home-based child care options has rapidly declined, falling by 35% nationally between 2011 and 2017<sup>iii</sup> with an even greater decline in some states including Ohio.



In Ohio, there are three types of licensed child care settings:

### Child Care Center

Any setting that cares for 13 or more children at one time—outside of the residence of the licensee.

### Type A Family Child Care Home

A setting within the residence of the licensee who may care for no more than 7-12 children at one time. Each staff member can care for no more than six children at one time and no more than three children under age two.

### Type B Family Child Care Home

A setting within the residence of the licensee who may care for no more than six children at one time and no more than three children under the age of two. Type B providers *are not required* to be licensed if they serve less than six children at one time and no less than three children under the age of two.<sup>iv</sup>

*\*Note: In order to qualify for publicly funded child care (PFCC) assistance, families must have a qualifying work and/or school schedule and be at or below 142% of the Federal Poverty Level (FPL) or at or below 150% of the FPL for families who have children with special needs.*

Table 1

## Licensed Child Care Providers in Ohio

July 2022<sup>v</sup>

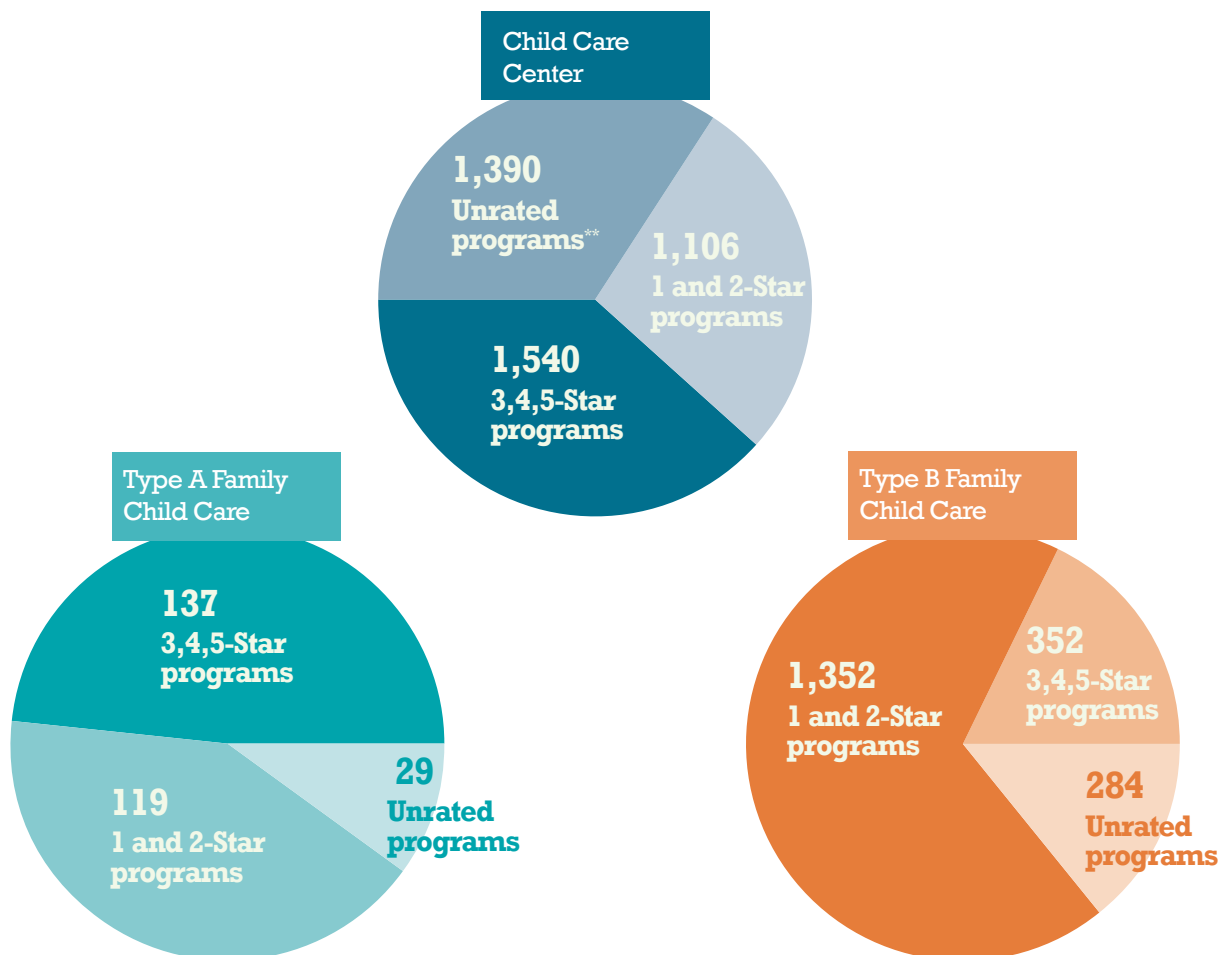
### Number of ODJFS Licensed Providers

Child Care Center	4,036
Type A Family Child Care Home	285
Type B Family Child Care Home	1,988
Total Licensed Providers	6,309

Between 2019 and 2022, 327 family child care providers exited Ohio's Publicly Funded Child Care system. During this same time period, the number of programs earning 3, 4, or 5 stars in the quality rating system increased. Importantly, research has shown that there is no correlation between state regulations for child care and child care supply. Increasing the supply of family child care providers serving children from families with low-incomes requires increased public investment and support for family child care professionals.

**Figure 1**

### Star Ratings for Licensed Child Care Programs July 2022



\*\*Note: Child care programs not participating in Step Up To Quality are referred to as "unrated" in this chart.

## The Impact of COVID-19

“For me, it has been **EXHAUSTING!** I chose not to close down for those two months [at the start of the pandemic] and operated at full capacity during the entire pandemic. It has been a blessing financially, but my mental capacity has diminished. I find it hard some days just to function minimally. Then I find myself having to play catch-up because it seems like there’s just so much more to do. It’s almost overwhelming. I’m pretty sure I’m experiencing depression and anxiety on some level. It doesn’t help that I’m in a rebuilding phase. All my children are young and need so much right now.”

– Family Child Care Professional  
Franklin County

When examining today’s child care landscape, attention must be given to the unprecedented impact the COVID-19 pandemic placed on child care providers and families. Family child care providers contributed a great deal to providing support to parents working on the front lines

during the pandemic shutdown through Ohio’s pandemic child care license. Their low group sizes allowed for families to stay enrolled or find new care that was safe and met the requirements needed at the height of the pandemic.

Before the pandemic, the child care system was already fragile, and the impact of the pandemic began to expose the cracks that experts and professionals have long warned about over the years. According to Child Care Aware of America, 53% of states reported a decline in child care centers and 79% reported a decline in family child care providers between 2018 and 2019.<sup>vi</sup>

According to a 2021 survey by the National Association for the Education of the Young Child, child care centers and family child care homes in Ohio were operating at an average enrollment rate of 66% of their licensed capacity, with 56% of enrolled children attending on an average day. Regardless of child care setting, providers were assessing their ability to stay open with one in three respondents saying they were considering closing their doors. The number rose to 55% of minority-owned businesses that have been in the field for one year or less.<sup>vii</sup>

*Even with significant federal investment to stabilize child care during the pandemic, child care programs continue to face the threat of closure and struggle. On average, Ohio’s family child care professionals earn an hourly wage of \$9.84 per hour and these woefully low wages are continuously cited as the main operating challenge for providers. According to the First Five Years Fund, 53 percent of child care workers receive public assistance and one out of three child care workers experience food insecurity. Due to rising wages in other industries, current and prospective family child care providers are recognizing they can earn more money working just about anywhere else. Likewise, low wages are the most common reason that educators leave the field, followed by exhaustion, burnout, and lack of benefits.<sup>x</sup>*

## Why Families Choose Family Child Care

Family child care is the most prevalent form of non-custodial care in the United States and is often the first choice of families.<sup>xi</sup> Over 7 million children from ages 0-5 across the United States receive care in a home-based child care setting. In July 2022, 13,714 children were enrolled in Family Child Care (Type A and Type B) using Ohio's Publicly Funded Child Care subsidy.<sup>xii</sup>

“After all, home-based care offers much of what families crave: high-quality care from licensed, trained educators in small-group settings. It is individualized, culturally and linguistically responsive, and—of key importance to frontline workers and others with non-traditional hours—convenient.”

—Jessica Sager,  
Co-founder and CEO of All Our Kin

**Table 2**

### Children Enrolled in Family Child Care (Type A and Type B) Using Ohio's Publicly Funded Child Care Subsidy July 2022

	INFANTS	TODDLERS	PRESCHOOLERS	SCHOOL AGE	TOTALS
<b>Hispanic Latino</b>	< 10	< 10	< 10	16	<b>33</b>
<b>American Indian</b>	< 10	< 10	< 10	< 10	<b>22</b>
<b>Asian</b>	< 10	< 10	< 10	0	<b>&lt; 10</b>
<b>Black</b>	1,413	1,363	2,436	3,717	<b>8,929</b>
<b>Pacific Islander</b>	< 10	< 10	< 10	< 10	<b>&lt; 10</b>
<b>White</b>	541	1,363	944	1,173	<b>4,021</b>
<b>Multi Race</b>	86	93	241	297	<b>717</b>
<b>No Race Reported</b>	294	172	230	64	<b>760</b>
<b>TOTALS:</b>	<b>2,350</b>	<b>2,220</b>	<b>3,869</b>	<b>5,282</b>	

Families choose family care settings for a variety of reasons that meet their unique needs. For many parents, the continuity of language or cultural practices influences decision-making as well as values and child-rearing practice preferences. Also influencing the choice of family child care is the ability and willingness of the provider to care for children outside of non-traditional work hours and the provider's relationship with the families in the community.<sup>xiii</sup> Research shows that Black children (51%) and Hispanic children (41%) disproportionately have families that work nontraditional hours.

Family child care settings are the mainstay of child care for rural communities, Black and Latinx families, children with special needs, and those living in homes with low incomes.<sup>xiv</sup> Further, 70 percent of low-income children in regular, non-parental care receive that care within three miles of their homes. In rural communities, in cities, and in suburbs where price, location,

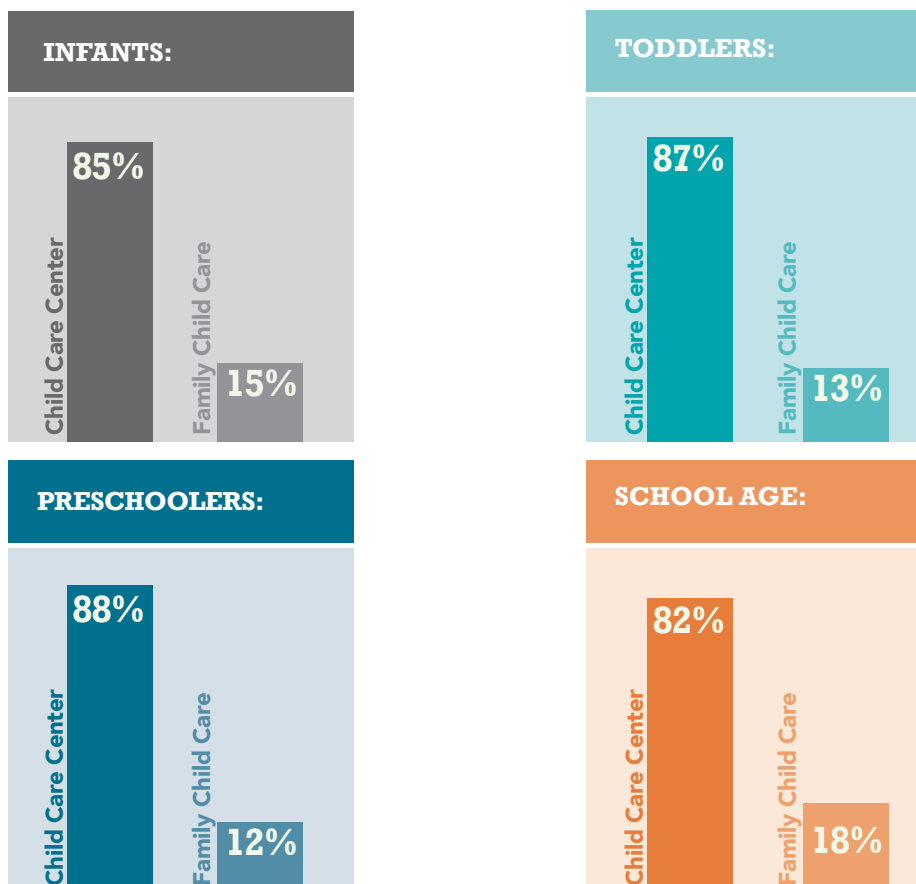
and transportation barriers limit child care options, home-based child-care arrangements fill a critical need for families.<sup>xv</sup>

Family child care affords families with a consistent provider for many years. Nationally, over 90 percent of family child care providers care for at least one child under the age of 3 and 27 percent of infants younger than one.<sup>xvi</sup> Children in family child care settings form nurturing responsive, one-on-one relationships with their providers. Parents value the attribute and see it as a positive outcome for their children. Lasting meaningful relationships are developed between caregivers and children and between caregivers and families. Children in home-based programs stay with the same provider often until school age and many continue with after-school care. Secure, stable, and meaningful relationships are the building blocks for healthy development and the foundation for children to thrive, including introducing language and literacy skills needed for later success in school and life.<sup>xvii</sup>

**Figure 2**

## Children Enrolled in Child Care Using Ohio's Publicly Funded Child Care Subsidy

July 2022



## SECTION 3

# The Professionals Leading from Home

“It’s stressful, knowing we have every position all day and have to assure we’re in compliance, maintaining our strength, and maintaining a safe environment for each child’s needs.”

– Family Child Care Professional  
Franklin County



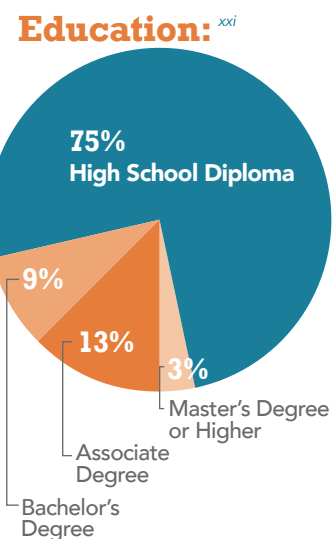
## Who Are Ohio's Family Child Care Providers?

In Ohio, more than 4,000 early childhood professionals provide nurturing care and early learning experiences to young children—our state's future—in a family child care setting<sup>\*\*\*. xviii</sup>

**More than  
4,000  
early childhood  
professionals**

**Gender:**  
**86%** of  
Family Child Care  
providers  
self-identify  
as female.<sup>xix</sup>

**Age:**  
**36 is the  
average age**  
of Family Child  
Care professionals  
in Ohio.<sup>xx</sup>



## Race:<sup>xxii</sup>

White/Caucasian: **24%**

Black/African American: **66%**

Hispanic: **3%**

I prefer not to answer: **3%**

Multi-Racial: **2%**

Other: **1%**

Asian: **<1%**

Alaska Native/  
American Indian: **<1%**

Hawaiian/Pacific  
Islander: **<1%**

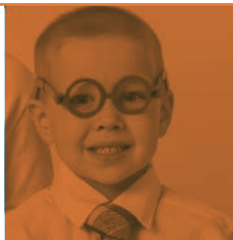
**This is despite Black Ohioans only making up 13.2% of the state's population.**<sup>xxiii</sup>

**The early childhood education professionals in family child care settings are disproportionately women of color.**

<sup>\*\*\*</sup> Note: There are many professionals interacting with and working within family child care settings. The data described in this section represents the early childhood professionals indicating in the Ohio Professional Registry that they work in a family child care setting with the following roles: Administrator on JFS License, Assistant Teacher, Extracurricular Used in Ratio, Individual Service Provider Used in Ratio, In Home Aide, Lead Teacher, Owner, Program Management Used in Ratio, Substitute.

## Family Child Care Providers Play Many Roles

### Professional & Educator



Family child care providers are professional caregivers and educators. Many providers have a degree in early childhood education. When caring for infants, toddlers, and preschoolers, family child care providers are supporting children's optimal development and learning across all domains, as well as preparing our future workforce. They deserve to be recognized as such.

**“ We need to change the mentality about family child care from babysitting to recognizing this is a career, a career with credentials and degrees.”**

– *Family Child Care Professional*  
Clinton County

### Business Owner



Family child care providers are small business owners, responsible not just for the care and education of children, but for ensuring the financial stability of their business so they can continue to meet the needs of children and families in their community. These providers take on the role of accountant, registrar, compliance officer, nurse, custodian, counselor, cook, and whatever else is needed to keep the business running.

**“ I would like to be recognized as a family child care provider and not corralled to behave and mimic other providers with different business models. Family child caregivers offer amazing opportunities that are unique and have their own magic that families love.”**

– *Family Child Care Professional*  
Trumbull County

### Community Hero



Family child care providers don't just nurture the children in their care, they look after entire communities. When a family child care provider opens their home to the community, the community can flourish. Family child care providers are primed to champion diversity, equity, and inclusion, and offer integrated supports for children with differing needs.

**“ I chose family child care to be able to stay home with my children, and other families and friends needed care as well. I stayed in (family child care) to support my friends and family who had to work nontraditional hours. I always loved to work with kids of all ages. I love helping families and watching the kids learn!”**

– *Family Child Care Professional*  
Ohio

## Challenges for Family Child Care Professionals

*The role of family child care providers is extremely important, especially for the care of infants and toddlers.*

Many family child care professionals entered the licensure system because of the early 1990's Temporary Assistance for Needy Families (TANF) and the Child Care and Development Fund (CCDF) programs.

These federal and state partnership programs provide financial assistance to working families with low income to access child care. They also benefit family child care professionals by providing income other than private pay. Many of the family child care professionals participating in the publicly funded child care system are now retiring, leaving a gap to be filled by the next generation of family child care professionals.

Without addressing the challenges facing family child care professionals, our state will fail to achieve the outcomes we know high-quality child care can provide—lessening achievement gaps, preparing children for school and life, and increasing lifelong earnings.<sup>xxiv</sup>

“Right now, I make less than minimum wage in my small in-home child care. My family lives on less than \$30,000 a year with my husband and I both working. Each month it gets harder to pay the bills and every month I have to answer the question, 'can I afford to keep providing child care?' At any given time, I could be forced to close due to not being able to afford to stay open, which will result in taking yet one more quality child care program away from children and families.”

– Family Child Care Owner  
Sabina, Ohio<sup>xxv</sup>



### → Low wages and a lack of benefits

On average, family child care professionals earn \$9.36/hr in Type B settings and \$10.32/hr in Type A settings compared to the \$11.09 lead teachers earn in child care centers.<sup>xxvi</sup> This is less than half of Ohio's average hourly wage (\$25.56).<sup>xxvii</sup> Additionally, most family child care providers receive no employer benefits, paid leave, or planning time, and many qualify for public assistance. This combination of low wages and a lack of benefits undermines the investments our state makes in advancing high-quality child care.

### → Intimidating start-up processes and challenges to maintaining a small business

Early childhood professionals are likely to have a credential or degree in early learning and child development, but unlikely to have a background in entrepreneurship and business. In opening and maintaining a small business, there is paperwork needed for licensure, taxes, and other business needs. Because family child care professionals are earning low wages, they are more likely to provide care for longer hours or need to have a second job for additional income, effectively reducing the amount of time they have to dedicate to the business end of the family child care home.

### → Isolation

Family child care professionals often work alone, making it difficult to connect with others on the needs of the children in their care and their own personal and professional needs. They often lack opportunities to collaborate with other early care and education professionals.

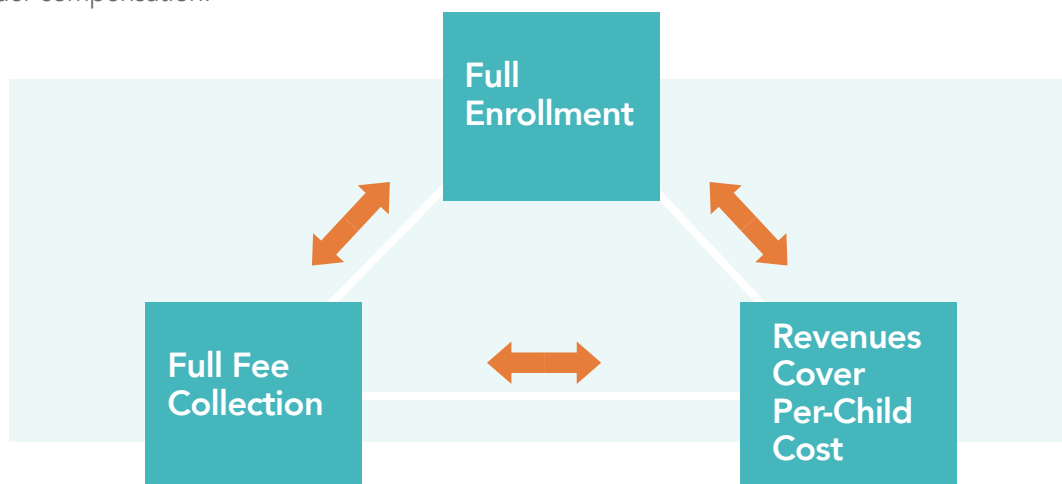
### → Insufficient and unstable funding

Maximizing income for family child care professionals is based on full enrollment, full fee collection, and revenues that cover per-child costs. Unfortunately, effectively managing these three components is not a simple task. Tuition must be based on what families can afford or are willing to pay for child care. The strongest predictor of child care market prices is not the cost of delivering services, but the incomes of families that use the program. Even when government helps families pay tuition (i.e., Ohio Public Funded Child Care subsidies), the reimbursement rate is based on a percentage of market prices—not the cost of delivering services. Family child care providers face the additional burden of small group sizes. Losing the income of just one child greatly impacts the tuition revenue of a family child care provider.

## Earning a Decent Living

*Provider income in family child care is directly linked to business success.*

The Iron Triangle of Early Care and Education Finance (full enrollment, full fee collection and revenue that covers per-child cost) is a simple formula for success in all child care businesses.<sup>xxviii</sup> In family child care, effective management of the Iron Triangle, coupled with meticulous recordkeeping to reduce the tax burden for these business owners, are the defining factors in provider compensation.



*Effectively managing the Iron Triangle of ECE Finance is difficult in family child care settings for several reasons.<sup>xxix</sup>*

1. Establishing tuition rates that cover all costs, including decent earnings for the family child care provider/owner, is not a simple task. Tuition must be based on what families can afford or are willing to pay for child care. Even when families utilize Ohio's Publicly Funded Child Care subsidies, the reimbursement rate is based on a percentage of market prices, not the cost of delivering services.
2. Collecting tuition in full and on time is very challenging when the individual responsible for collecting weekly fees has a personal relationship with the parents and a strong attachment to the child(ren) – as do family child care providers. It is very hard to look a parent in the eye and request payment, especially when families are financially strapped. Even families receiving child care subsidy to assist them in paying for child care can struggle to consistently meet the obligations of the family co-pay.
3. Full enrollment—every slot, every day—is rare. There are many reasons that child care enrollment might fluctuate—parents move, lose their jobs, or change schedules; children 'age out' and move on to kindergarten or publicly funded preschool; family

circumstances change and a friend or relative can now help. The COVID-19 pandemic had a dramatic impact on child care use patterns, and enrollment is likely to be rocky for quite some time as families slowly return to work and regain confidence in out-of-home care settings.

Earning a decent living in family child care is difficult and can vary significantly based on local market prices and effective business management. The tables below estimate family child care earnings under various circumstances in two regions of Ohio. In this cost modeling example, the family child care providers are receiving an enhanced reimbursement rate for Ohio's Publicly Funded Child Care subsidy aligned to the Step Up to Quality 3-star rating (twenty-one percent above the base payment rate).<sup>xxx</sup> **Based on these estimates, family child care providers with high quality ratings that are at least 75% full are making between \$7.16 and \$10.12 for 40 hours of care a week—the hourly rate is even less for providers offering more than 40 hours of care each week.** These estimates make clear that operating a family child care business does not currently generate a lucrative income.

Table 3 Cost Modeling Example

Total Maximum Annual PFCC Revenue for Type B FCC  
**RURAL REGION (3 Star-Rating)**

(Based on 50 Weeks)

100% Full

75% Full

6 Full-Time Children - Toddler fee at  
**\$163/week** per child

**\$49,077****\$36,808**

Actual Gross Revenue  
 (assume 15% uncollected tuition)

**\$41,715****\$31,287**

Less Expenses (non-personnel—not  
 including shared use of home)

**\$21,140****\$15,855**

Net Income

**\$20,576****\$15,432**

Total Maximum Annual PFCC Revenue for Type B FCC  
**SUB/URBAN REGION (3 Star-Rating)**

(Based on 50 Weeks)

100% Full

75% Full

6 Full-Time Children - Toddler fee at  
**\$188/week** per child

**\$56,628****\$42,471**

Actual Gross Revenue  
 (assume 15% uncollected tuition)

**\$48,134****\$36,100**

Less Expenses (non-personnel - not  
 including shared use of home)

**\$21,140****\$15,855**

Net Income

**\$26,994****\$20,246**

Note: The fee included in this cost modeling does not include funding from the Child and Adult Care Food Program (CACFP)

## SECTION 4

# Recommendations to Elevate Family Child Care as a Profession and Successful Business Model

“

I had three young children at home ages 3, 4, and 5. Becoming a family child care provider gave me the opportunity to work from home. It began as a temporary job for me, but living in the community that I live in, I quickly saw that there was a need for quality care and a safe place for children to come to.”

– Family Child Care Professional  
Mahoning County



## Recommendation

1

### Incentivize family child care to replenish child care deserts, especially for infants and toddlers

While the U.S. and Ohio has made noteworthy strides in improving the affordability, quality, and supply of care for children over the age of three, our nation and state have struggled to effectively respond to the needs of working families with infants and toddlers.<sup>xxxii</sup> There are an estimated 546,000 infants and toddlers under the age of three in Ohio<sup>xxxiii</sup> and little evidence that the state has the capacity to serve those children. Indeed, a 2018 report from the Center for American Progress indicated that 39% of Ohioans live in child care deserts— areas with more than three young children for every child care slot.<sup>xxxiii</sup> Nationwide, the report found that rural and low-income areas are more likely to be child care deserts, Hispanic/Latinx families are more likely to live in childcare deserts, and care for infants and toddlers is sparser than for preschool-age children.

*A 2018 report from the Center for American Progress indicated that 39% of Ohioans live in child care deserts— areas with more than three young children for every child care slot.*

Because family child care homes care for smaller numbers of children, they have greater viability than do centers in rural areas with low population density or neighborhoods with few young children. Even in regions with sufficient population to support child care centers, family child care homes may prove an attractive option for families with infants and toddlers, who may prefer the smaller, more family-like environment. It's imperative that the state include family child care professionals in all efforts to recruit and retain child care professionals and programs.<sup>xxxiv</sup>

#### *State and local policy can incentivize early childhood professionals to provide and maintain family child care by investing in the following key strategies:*

- ✓ Increasing the reimbursement rate for Publicly Funded Child Care (PFCC) to align with the actual costs of providing quality care in a family child care setting.
- ✓ Funding initiatives that increase the capacity of family child care providers to serve infants and toddlers.
- ✓ Funding initiatives that cover the start-up costs for new family child care providers.
- ✓ Supporting family child care providers in participating in the Child and Adult Care Food Program.
- ✓ Ensuring family child care professionals and the families they serve are included at decision-making tables.

### LEARNING FROM MARYLAND:

In 2021, the Maryland state legislature passed the Growing Family Child Care Opportunities Pilot Program. The law established three pilot sites in underserved communities to increase the state's family child care supply and improve sustainability. The program provides multilingual outreach, technical assistance, peer mentoring, financial incentives, and start-up assistance for newly recruited family child care providers. Additionally, the program established partnerships

with local chambers of commerce and other local or state organizations for family child care providers that support small businesses and women and minority-owned businesses.<sup>xxxv</sup>



Visit the Maryland Family Network website to learn more about Growing Opportunities in Family Child Care: [www.marylandfamilynetwork.org/GOFCC](http://www.marylandfamilynetwork.org/GOFCC)

## Recommendation

# 2

### Support family child care providers to attain scale and sustainability by creating and strengthening provider networks

*Sustainable, high-quality early care and education require both pedagogical leadership (teaching and learning) and business leadership (fiscal and administration).*

In family child care, the teacher and director are the same person. Family child care businesses typically have only one individual responsible for every task: planning the curriculum and teaching the children; handling challenging behavior issues; helping families find needed supports; shopping for, preparing, and serving snacks and meals; developing a budget, invoicing, collecting fees, and balancing the books; maintaining records required by licensing and quality rating and finding time to attend all required meetings and trainings; and more. Add to this that most home-based providers are offering direct service for, on average, 11 hours a day to accommodate working parents' schedules, and it's clear that the demands on home-based child care providers are significant.

Across the nation, a growing number of public and private sector funders have sought to help family child care providers attain scale and sustainability by creating and strengthening provider networks. While many networks are structured as peer groups with volunteer leadership, research has underscored those networks with dedicated staff, termed Staffed Family Child Care Networks (SFCCN), are most able to provide effective and sustainable support.<sup>xxxvi</sup>

*Staffed Family Child Care Networks can support family child care providers through:*<sup>xxxvii</sup>

- ✓ Ongoing, collaborative, and job-embedded professional development.
- ✓ Marketing and enrollment services.
- ✓ Tuition collection.
- ✓ Record keeping and tax preparation.
- ✓ Child and Adult Care Food Program sponsorship.

### SPOTLIGHT: Action for Children

Family child care providers are a historical and critical part of the child care infrastructure, providing mixed-age child care within a small group in-home environment. Family child care steps in to meet the needs of families not typically covered by child care center programs, such as providing nontraditional care hours, honoring ethnic and cultural traditions, and providing a greater degree of comfort to many new Americans and families who speak a language other than English.

The more than 220 family child care providers in Central Ohio let their child care resource and referral agency know that they needed both financial and community support to shore up their businesses. The team at Action for Children understood how intimidating starting a family child care program could be, and also the challenges of maintaining a small home-based business in isolation from peers. The pandemic exacerbated the stressors family child care professionals experience, to the point where many could not

## Recommendation

### 2 (Continued)

#### SPOTLIGHT: Action for Children

pay operating expenses, including their salary, or went out of business altogether.

In response, Action for Children drew on its strong relationships with local family child care providers and its network of professional resources to develop **The Village**, Ohio's first staffed family child care network.

Designed by, with, and for family child care professionals, The Village is a cohesive hub for all things family child care. Each family child care provider engaged in The Village receives four on-site quality coaching sessions per year, in addition to the coaching provided by other Action For Children programs like Step Up To Quality and CDA; \$300 of education materials such as books, art supplies, games, and other materials, collaboratively selected by provider and coach; 20 hours of professional training geared to family child care providers; and three network meetings per year for information sharing, assessing needs, and community-building. Dedicated staff provide training/coaching in group settings and individually, at Action for Children, in community spaces, in providers' homes, and online. In addition to the expertise provided by The Village staff, providers learn from each other through peer mentoring and networking events. Family child care pre-licensing services and the Child and Adult Care Food Program (CACFP) are provided seamlessly through The Village as well.

The Village SFCCN is the newest part of a suite of services aimed to develop and sustain family child care in Central Ohio. For example, sponsorship of the Child and Adult

Care Food Program (CACFP) reimburses family child care programs for the healthy meals and snacks served to children in their care, ensuring those children receive regular, nutrient-rich foods they may not receive elsewhere, and the provider is financially supported in doing so. Action for Children has also been recruiting and preparing home-based child care providers to meet licensing requirements for more than a decade, and even saw a net increase in family child care providers during the pandemic. In partnership with the Franklin County Department of Job and Family Services, family child care pre-licensing services support emerging family child care programs through an introduction to professional licensure in the state of Ohio. By meeting each family child care program where they are in the licensing process, new providers develop relationships with Action for Children and each other, and establish the expectations of quality care and sound business management. This supports professionals in successfully earning their licenses and removes the feelings of anxiety and isolation providers often feel when moving through the licensing process alone. The Village then pairs newer family child care programs with established, high-quality family child care programs for mentoring and community building.



➔ Visit the Action for Children website to learn more about their services in Central Ohio:

[www.actionforchildren.org](http://www.actionforchildren.org)

## Recommendation

# 3

### Increase Early Head Start-Child Care partnerships in family child care settings

*Early Head Start-Child Care (EHS-CC) Partnerships allow communities to increase the number of high-quality child care options for families of infants and toddlers.*

The EHS-CC Partnerships integrate Early Head Start comprehensive services into child care centers and family child care settings serving working families with low incomes.<sup>xxxviii</sup> EHS-CC Partnerships not only benefit the families engaging in the evidence-based Early Head Start model, but also provide the family child care provider with a network for mentoring, coaching, collaboration, support in increasing quality ratings through meeting Early Head Start standards, and additional funding sources.

#### SPOTLIGHT: Miami Valley Child Development Centers

“Throughout the previous program year, we’ve struggled with enrollment [in center-based programs] fueled by the staffing crisis. We have, however, observed that enrollment in family child care hasn’t been impacted to the same degree and in fact, has exceeded expectations in many cases.”

— Scott Siegfried,  
Chief Innovation Officer, Miami Valley  
Child Development Center

Miami Valley Child Development Center (MVCDC) is southwest Ohio’s Head Start agency serving children from six weeks to six years through Early Head Start and Head Start. MVCDC also administers the Early Head Start-Child Care Partnerships Grant in Montgomery and Butler Counties. This initiative serves 228 children, 85 of whom are in 24 family child care settings. The EHS-CC partnerships in family child care settings have been so successful in the region that MVCDC engaged in additional contractual agreements with three new family child care providers this year and is leveraging a grant from Learn to Earn Dayton to further develop the pipeline of family child care providers in Northwest Dayton that can offer Early Head Start services.

The EHS-CC partnerships assist family child care providers in elevating their programs to their fullest potential. MVCDC has been able to identify family child care providers who are prepared to offer Early Head Start services and assist others in becoming prepared to do so. When a family child care provider is selected to participate in the partnership, they are provided Practice-Based Coaching from a highly qualified Head Start coach aligned to the Head Start Performance Standards. These coaches provide system support to the entire program, regardless of how many children within the program are being supported through Early Head Start funding. The family child care provider may only be providing care to one or two children receiving Early Head Start funding, but in doing so the quality of the programming increases for all the children and families involved.

MVCDC has seen family child care providers increase their Step Up To Quality star ratings after engaging in the partnership. For some, the increases are due to improvements in the programming aligned to the Head Start Performance Standards and for others, the increase comes from the support of the MVCDC coaches in building the confidence of providers to go for the higher ratings. MVCDC coaches have observed that barriers such as technology and additional paperwork may be dissuading high-quality family child care providers from applying for higher star ratings, but these barriers can be overcome with their coaching assistance.



➔ Visit the Miami Valley Child Development Center’s website to learn more about Early Head Start and Head Start in Southwest Ohio: [www.mvcdc.org](http://www.mvcdc.org)

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# From the Director's Desk

On behalf of the Center for Early Learning, thank you for taking the time to thoughtfully engage with this publication. We're hopeful that in reviewing this report, you see both the importance of the family child care profession and the investments needed to ensure the success of the profession. Families trust family child care professionals to provide safe, nurturing, and stimulating early learning experiences to their most precious assets. Ohio families—Ohio's economy—need the family child care profession to thrive. We hope you'll join the Center for Early Learning as we advocate to elevate family child care as a profession and successful business model.



**Beth Hess**  
*Managing Director, Policy*



**Amy Meade**  
*Director, Center for Early Learning*



Groundwork Ohio is proud to operate a “center of excellence” for Early Learning to continue to build upon and elevate the work of Groundwork Ohio and our external partners in transforming systems that advance early learning, promote equity, and prioritize prevention. The center’s work is rooted in the voices and experiences of families and early childhood professionals and focuses on removing barriers to accessing quality early learning opportunities for Ohio young children, improving child outcomes, and strengthening relationships between state and local agencies that implement early learning investments.



*Leading from Home:  
Elevating Ohio  
Family Child Care*



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