



## A Review of OCFS Regulated Child Care in Westchester 2010 – 2017:

### Supply & Demand, Enrollment and Financial Health

Information was obtained through the Child Care Council of Westchester, Inc. referral database, surveys of the OCFS regulated child care community in Westchester and census data. Please note that in our 2014 survey we did not have enough responses for a statistically valid outcome. However, we still utilized that data in this report.

The child care status surveys from 2010 to 2017 yielded an average response rate of 15% (16% if we exclude 2014). In all, 865 programs responded, many of them each year. The majority of the responses were from child care centers and group family child care providers. Programs were evenly distributed between Southern and Northern Westchester with a little more than a quarter from Central Westchester. Most programs reported that they receive most of their payments directly from parents rather than from the public child care subsidy program.

In 2017, we received a 13% response rate with the majority of respondents located in Southern and Central Westchester. Unlike prior years, almost half the respondents were group family child care providers while another third were centers.

#### 2017 Key Findings

- **Supply & Demand:** Based on the common formula used in calculating child care demand, there appears to be a need for more child care slots. However, high vacancies in regulated child care persist. The high vacancies are caused by parents' inability to pay, exacerbated by job loss and reduced hours, as well as declining availability of financial assistance. **We believe that demand for full-time, regulated child care has been and continues to be depressed by lack of child care affordability. We are concerned about where many children are being cared for.**
- **Enrollment:** Enrollment has been **LOW** in Westchester's regulated child care market for quite some time. Based on our 2017 survey 63% of the child care programs are below licensed capacity with the highest vacancy levels in school-aged programs. A majority report that children leave their program because parents lose their jobs, move out of the county or care is no longer affordable. **We struggle to understand how many of these child care programs survive with such low enrollment.**
- **Financial Health:** On average 32% of child care businesses break even, 25% have a surplus, 23% are unsure of their financial status and around 20% have a deficit. Programs with a majority of private pay parents are more apt to have a surplus, while programs with a high percentage of subsidized children are more apt to have a deficit. **Helping the neediest children is a financial struggle for child care programs.**

# Supply

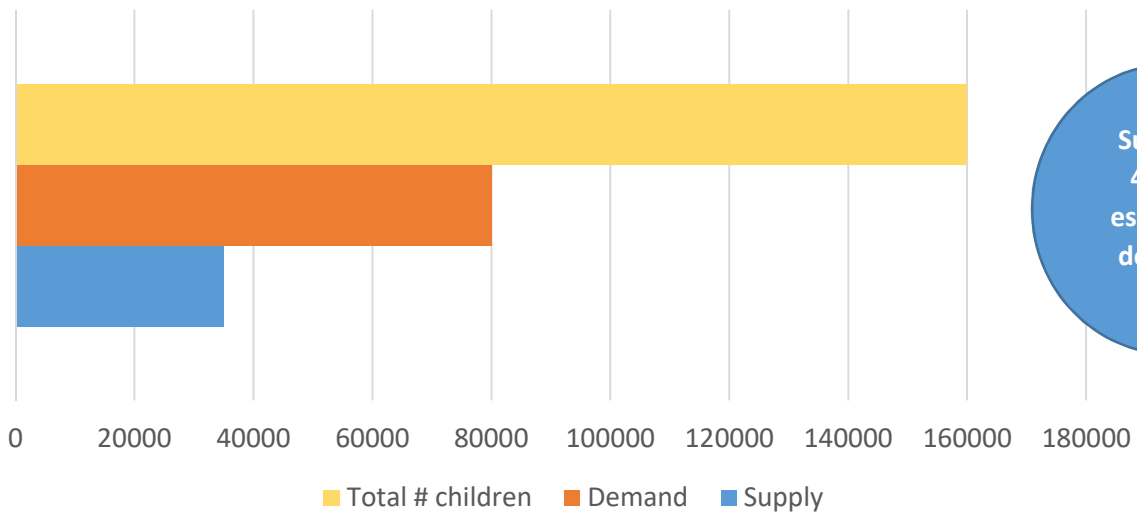
2017		
# OCFS Regulated Child Care Programs	# Regulated Slots	# OCFS Regulated Child Care Programs at Licensed Capacity per 2017 Survey.
735	34,997	37%



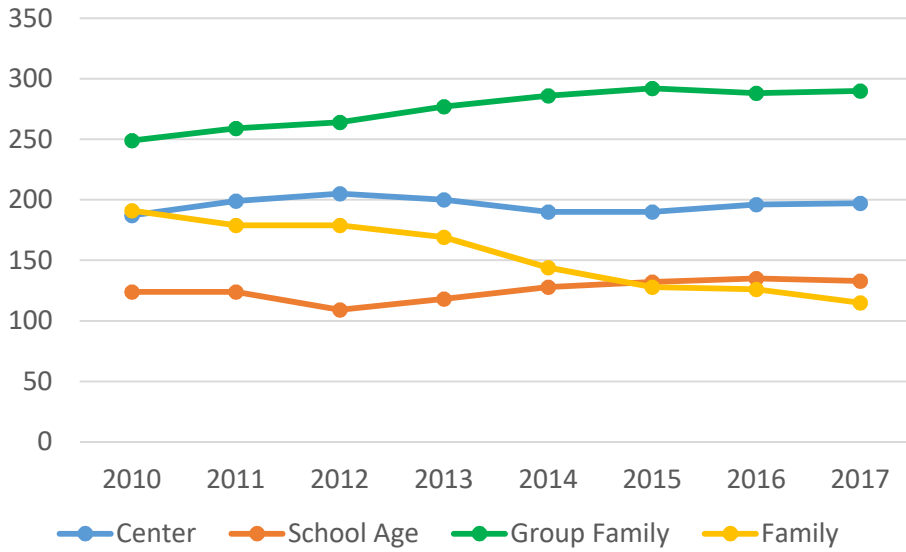
## Supply:

- The number of child care businesses fluctuated slightly over the year but ultimately remained the same.
- Over the past 8 years, the number of regulated slots increased by 12% while the total number of programs decreased slightly.
- Biggest modality change in home-based providers, with many registered family moving to the larger licensed group family.
- There is also an increase in the number of home-based programs starting out as group family child care homes rather than the usual smaller family child care modality.

Westchester children birth through 12 years old

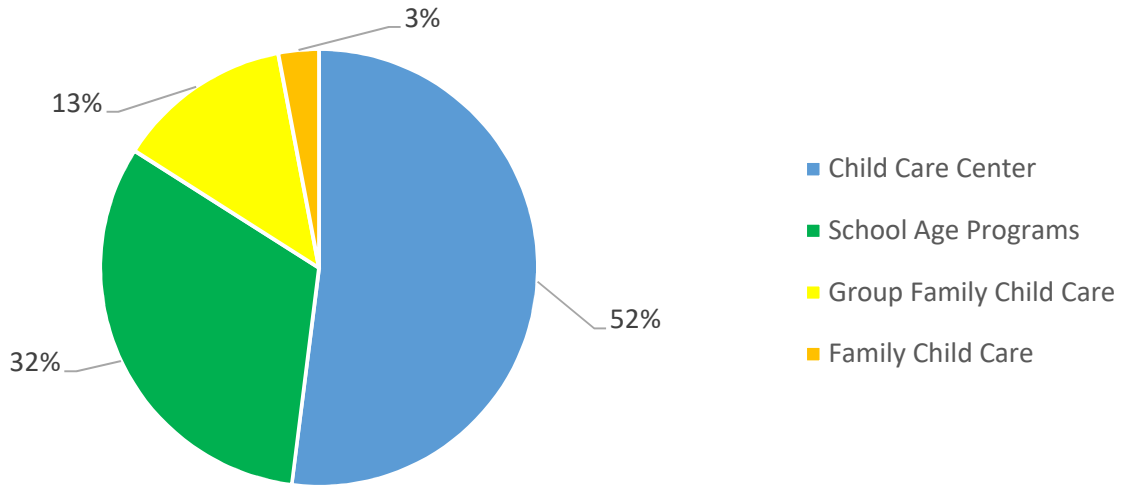


**# Regulated Child Care Programs by Type of Care 2010-2017**



Type of Care	% of Change 2010-2017
Center	5%
School Age	7%
Group Family	16%
Family	-40%
Totals	-2%

**Percentage of Regulated Child Care Slots by Type of Care (2017)**



**Regulated Child Care Slots by Age 2010-2017**

Age Group	2010	2011	2012	2013	2014	2015	2016	2017	% Change 2010-2017
Infant	2,428	2,478	2,486	2,555	2,550	2,593	2,627	2,667	10%
Toddler	3,530	3,754	3,823	3,967	4,108	4,251	4,361	4,442	26%
Preschool	11,448	11,948	12,354	12,824	12,878	12,957	13,214	13,557	18%
School Age	13,877	13,757	13,530	13,912	14,630	14,240	14,334	14,331	3%
<b>Totals</b>	<b>31,283</b>	<b>31,937</b>	<b>32,193</b>	<b>33,258</b>	<b>34,166</b>	<b>34,041</b>	<b>34,536</b>	<b>34,997</b>	<b>12%</b>

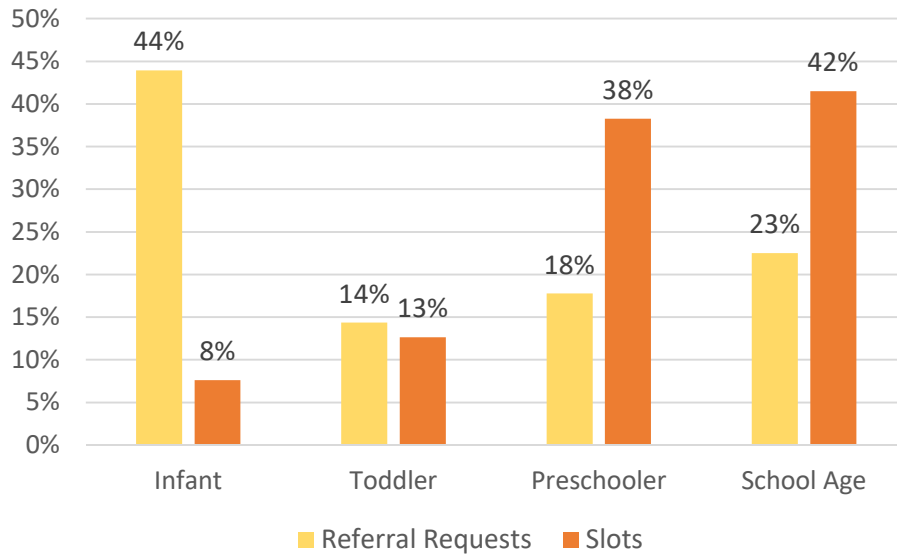
**Regulated Slots by Age Group  
All Modalities  
in Westchester County as of 12-31-17**

**Licensed Capacity**

Municipality	# of Programs	Infant Slots	Toddler Slots	Preschool Slots	School Age Slots	Total Slots
Bedford	13	54	111	297	209	671
Cortlandt	22	95	131	300	474	1,000
Eastchester	11	36	65	235	326	662
Greenburgh	44	166	424	1,149	867	2,606
Harrison	15	50	141	491	241	923
Lewisboro	3	0	23	67	130	220
Mamaroneck	18	47	92	482	185	806
Mount Kisco	7	71	139	262	173	645
Mount Pleasant	26	183	228	540	516	1,467
Mount Vernon	110	313	310	746	1,991	3,360
New Castle	9	4	99	349	163	615
New Rochelle	62	235	375	1,085	731	2,426
North Castle	5	61	127	351	119	658
North Salem	2	0	10	24	129	163
Ossining	32	124	202	708	864	1,898
Peekskill	27	99	123	287	284	793
Pelham	5	0	24	174	82	280
Port Chester	17	66	107	516	44	733
Pound Ridge	1	0	0	0	40	40
Rye	11	46	91	217	239	593
Scarsdale	17	43	237	948	168	1,396
Somers	8	20	15	89	225	349
White Plains	67	254	457	2,070	1,409	4,190
Yonkers	166	493	537	1,314	3,723	6,067
Yorktown	37	207	374	856	999	2,436
<b>Total</b>	<b>735</b>	<b>2,667</b>	<b>4,442</b>	<b>13,557</b>	<b>14,331</b>	<b>34,997</b>

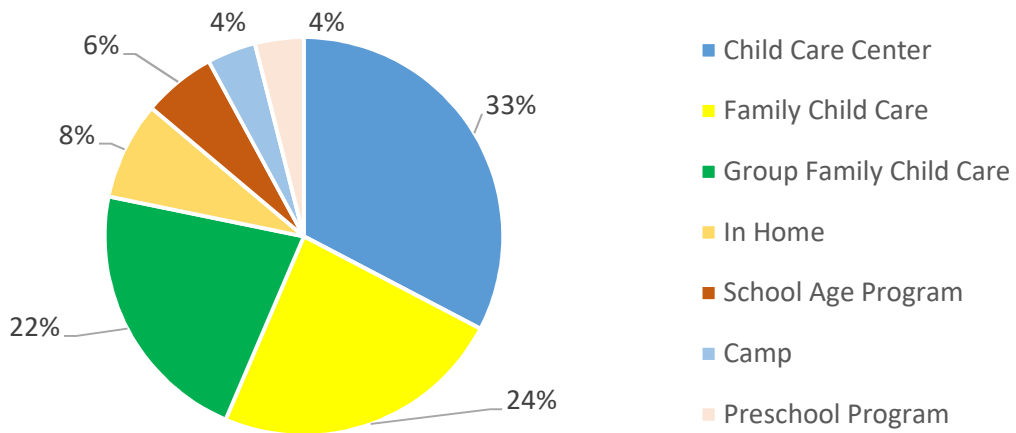
# Demand

**CCCW Referral Requests vs. Regulated Child Care Slots by Age Group (2017)**



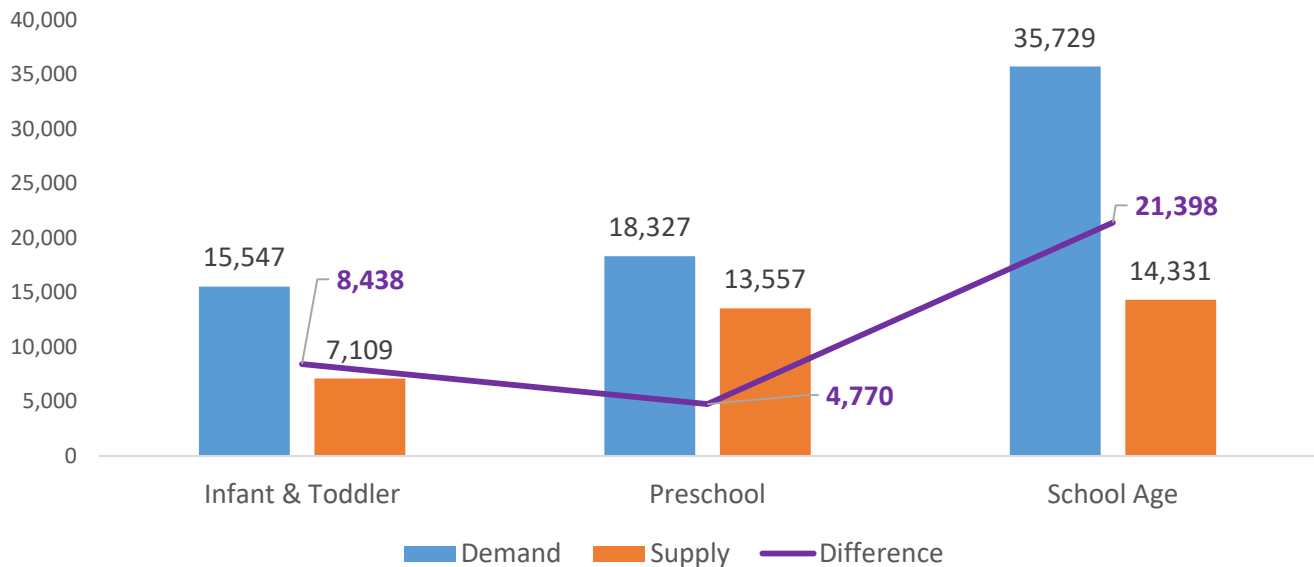
**ONLY 20% of the slots are for Infants /Toddlers though these ages represent 44% of our requests.**

**CCCW Requests for Child Care by Type of Care (2017)**



### Estimated Supply & Demand by Age Group

Age Groups	Estimated # of Children in Household (2016)	Demand Approximately 50% of Population	Supply (2017)
Infants and Toddlers	31,093	15,547	7,109
Preschoolers	36,653	18,327	13,557
School Aged	71,457	35,729	14,331
	Based on ACS (American Community Survey) Supplemental Table 2016 Estimate of Number of Children in Households (excluding group housing)  Source: U.S. Census Bureau, 2016 American Community Survey 1-Year Estimates	<b>Demand:</b>	<b>Supply:</b>
		Infants and Toddlers = Under 3 years	Infants and Toddlers = Under 3 years
		Preschoolers = 3 to 5 years	Preschoolers = 3 to 5 years (non-school age)
		School Aged = 6 to 11 years	School Aged = 5 years enrolled in school based kindergarten to 12 years



*Even though the biggest gap between supply and demand is with school age children, our requests for school age care lags other age groups. We experience the highest frequency of calls for infant and toddler care, especially for center based settings. Despite the apparent lack of supply for preschoolers, in some communities, school-based PreK programs may be meeting this need.*

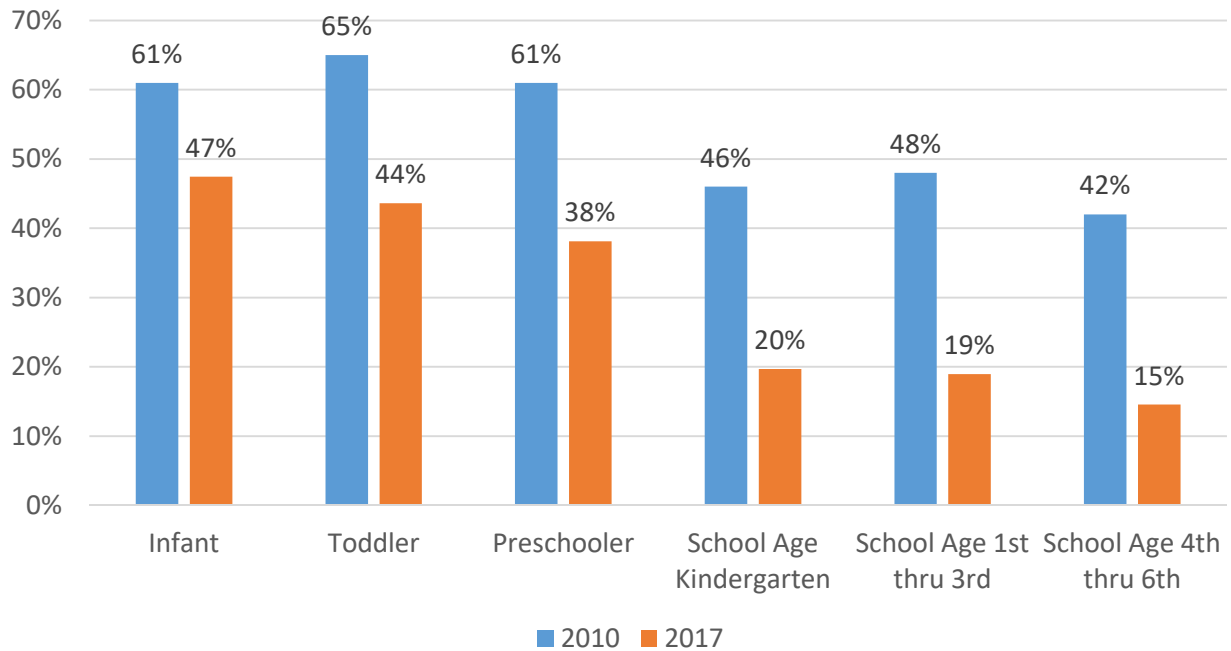
# Enrollment

Low enrollment has lingered in Westchester's regulated child care market.

**% Programs Below Licensed Capacity 2010-2017**

2010	2011	2012	2013	2014*	2015	2016	2017
62%	65%	68%	67%	73%	68%	64%	63%

**% Programs with 90+% Enrollment 2010 vs. 2017**



*There is clearly a drop off in enrollment for every age. However, the enrollment decline in preschool and school age is particularly severe. The decline in preschoolers could be contributed to more 4 years olds going into or leaving their current program to go into school-based PreK programs.*

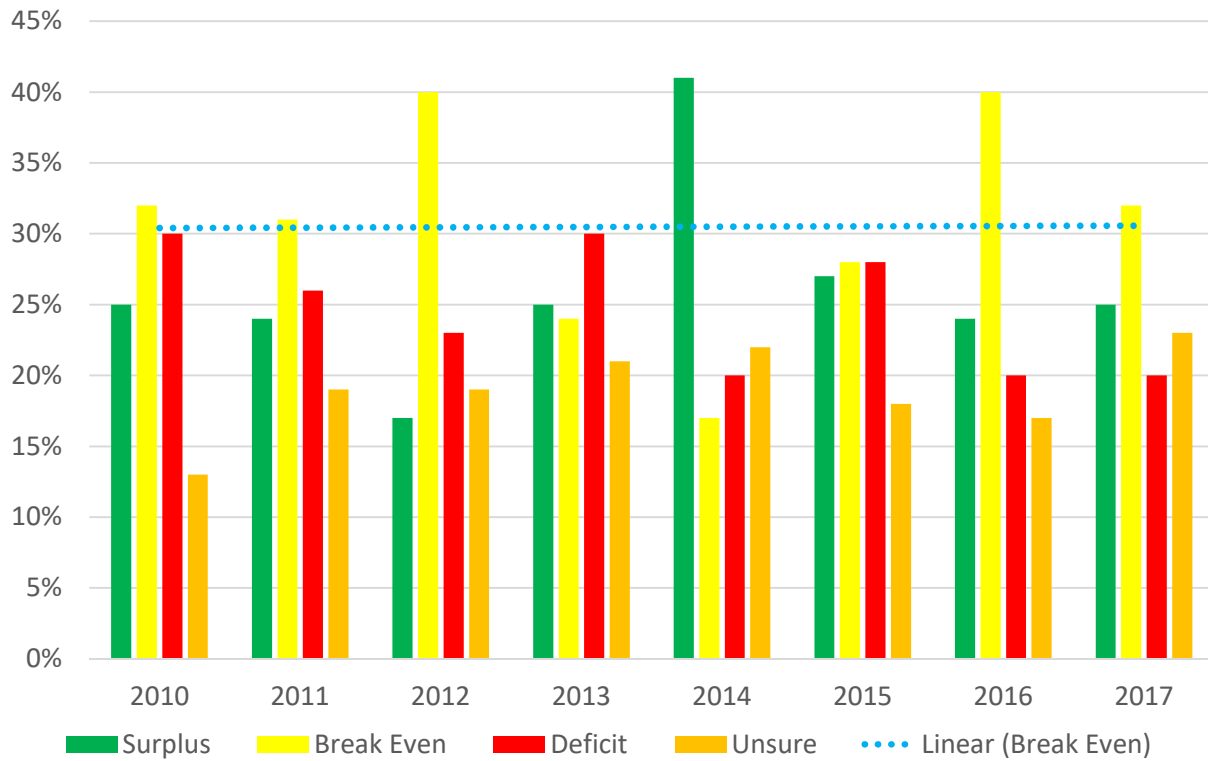
## Enrollment Loss Factors

**% Factors Tied to Enrollment Losses 2010-2017**

Factors	Average	Factors	Average
Parents Lost their jobs	40%	Parents Lost hours at work	31%
Relocated out of Westchester	40%	Lost DSS Child Care Subsidy	25%
No longer afford care	34%	Relocated within Westchester	19%
Child aged out of program	32%	No longer afford co-pay/parent share fee (subsidized parents only)	14%
		Child only needed care for the summer	11%

# Financial Status

## Programs Projected Financial Position 2010-2017



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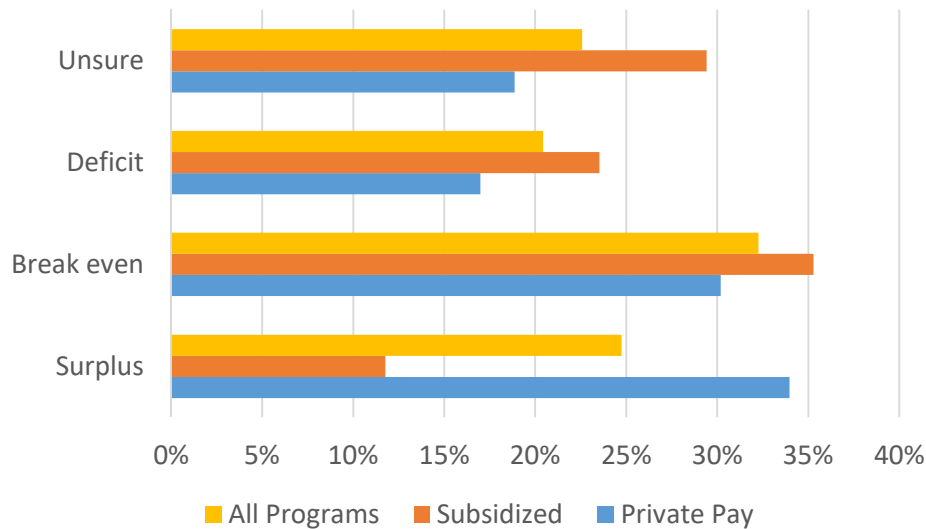
*Overall, child care is a financially risky enterprise, with close to half the programs experiencing financial insecurity or an actual deficit. It is not clear why there are spikes for break even and/or surplus status in 2012, 2014 and 2016.*

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## Projected Financial Position by Dominant Revenue Source 2010-2017



Programs with a high number of subsidized children are more apt to have a deficit and less likely to have a surplus than those with a high number of private pay children.



*A profitable child care program does not just happen. It takes hard work, planning and enough children in care and attending daily to meet expenditures. An additional challenge is center size; most of the child care centers are relatively small (<100 licensed slots for children) and even if enrollment was strong, would be unable to produce enough revenue to meet the operating and overhead costs. Furthermore, it is more expensive for a center to offer infant care, as a lower staff/child ration needs to be maintained. In some communities, older and less costly preschool children have been drawn into school-based PreK programs, leaving centers to care for infants and toddlers. The programs cannot charge parents more because they already struggling with the cost of care. Child care budgeting is not going to simpler any time soon.*

## 2017 Recommendations

- Increase the number of infant and toddler slots in center based care in some communities. One option is for programs to convert their existing rooms into infant/toddler rooms. However, resources would be needed to make the renovations and careful consideration given to the financial impact on the program.
- Programs need to review their enrollment and payment practices and monitor enrollment, attendance and payments regularly. They should be evaluating:
  - If they are meeting their local needs. (I.e. age of children who need care; schedule of care needed, including hours of care, part time and rotating schedules, etc.)
  - How often are children absent and why. If many children are absent because of a particular illness, such as asthma, is there anything the program can do to help care for mildly ill children, such as have a nebulizer on site, becoming approved to administer medication, or become asthma friendly endorsed.
  - Their practices for collecting parent fees and if they are effective. Programs may need to collect on a weekly basis; this may help a family not feel overwhelmed by the cost of care. If they are caring for subsidized children, collect their parent share fee; don't accept without some payment or accept on a limited basis families who do not yet have approval for child care subsid. All families should know within 30-45 days if their public subsidy child care application was approved.
- The Department of Social Services should increase the timeliness of notification of approvals to families eligible for public child care subsidy. The 30 day notification period jeopardizes the ability of some parents to take jobs.
- Programs need to focus on increasing enrollment. One option is to consider marketing strategies that focus on the quality of care they offer. Another option for family child care homes is to do a special promotion for infant and toddler care by illustrating how this modality can be a good fit for young children and/or parents that need some flexibility in scheduling.
- Rates for subsidized care need to increase. The increase in rates in 2018 to contracted providers is welcomed, however Westchester contracted rates are still well below NYS market rates, which themselves are low. Low income families cannot afford child care and rely on child care subsidy to ensure they can continue to work. Programs need to cover their expenses and pay enough to recruit and retain talented teachers.



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For 50 years, the Child Care Council of Westchester has worked to ensure children have access to quality early education and after school care, so they can reach their potential and become productive members of the community and our future workforce. Our expert staff provides free, personalized services and referrals to families and employers of working parents; training and quality improvement for child care providers; and critical legislative advocacy to protect and increase state and county child care funding.