Testimony of

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Oversight: Implementation of UPK and 3K Expansion and the
Transition of EarlyLearn NYC to DOE
Reso: 358-2018

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Good afternoon. My name is Stephanie Gendell and I am the Associate Executive Director for Policy and Advocacy at Citizens’ Committee for Children of New York, Inc. (CCC). CCC is an over 70-year-old, independent, multi-issue child advocacy organization dedicated to ensuring that every New York child is healthy, housed, educated and safe.

I would like to thank City Council General Welfare Chair Levin and Education Chair Treyger, and the members of the City Council General Welfare and Education Committees for holding today’s oversight hearing on PreK, 3K, and the transition of EarlyLearn from ACS to DOE. I would also like to thank Council Member Laurie Cumbo for introducing Reso. 358-2018, along with co-sponsors Levin and Treyger, calling on the City of New York to eliminate the disparity in compensation paid to teachers, staff and directors at community-based EarlyLearn NYC centers, as compared to the compensation paid to Department of Education instructors for similar employment.

I would be remiss by not starting this testimony by thanking both the Mayor and the City Council for recognizing the value of early childhood education and taking steps to expand access to high quality early childhood education programs throughout the City. Thousands of children are in child care programs right now because of the unprecedented restorations the City Council made several years ago. Similarly, over 70,000 4-year olds and several thousand 3-year olds spent this past school year in full day, free pre-K and 3K programs because of the Mayor’s commitment and investments in these programs.

We also appreciate the City Council including several important terms and conditions in the recently adopted City Budget, which will help both the City Council and the advocates monitor 3K implementation and the EarlyLearn transition and advocate for salary parity. Specifically, these new terms and conditions are:

- A report on EarlyLearn enrollment, including capacity and enrollment at each facility, by January 1, 2019;
- Semi-annual reports on headcount that lists staff by title, including for all prekindergarten staff at both DOE facilities and non-DOE facilities;
- A report on 3K for All enrollment disaggregated by school districts, including the number of students in full-day programs and the capacity of the programs by February 1, 2019.

CCC and our partners in the Campaign for Children are incredibly grateful and we look forward to working with the Administration and the City Council to continue to strengthen the subsidized early education system, Pre-K and 3K. We remain hopeful that as we expand 3K and transition EarlyLearn from ACS to DOE that we can build upon the successes, learn lessons from the roll-out of preK and the initial EarlyLearn RFP to ensure more systemic supports and reforms including salary parity, and expand both quality and access to full-day, full year high quality programming for all NYC children ages 0-5.
ACS Child Care System

The ACS early childhood system serves approximately 100,000 children through both contracts and vouchers and includes child care, Head Start, and pre-kindergarten.

The contracted system, now called EarlyLearn, serves mostly low-income children whose parents earn less than 200% of the federal poverty level. The capacity of this system has shrunk over time, with about 15,000 slots lost when EarlyLearn was implemented in October 2012. The contracted system includes center-based care and family child care provided through licensed and regulated home-based providers who are part of a family child care network. All 4-year olds in EarlyLearn programs are also part of the City’s PreK 4 All system, whereby 6 hours and 20 minutes of the day is PreK and the rest of the day and the summer months is child care. In April 2018, 31,347 children received child care services through EarlyLearn. (In FY2010, 48,609 children were enrolled in the contracted child care system.) **This is the program due to transfer from ACS to DOE in July 2019.**

It is important to remember that ACS also administers a system of child care vouchers, which are not impacted or part of the EarlyLearn system. Vouchers are not due to transition to DOE. Typically, families on or transitioning off public assistance have found child care through the use of vouchers rather than the contracted system. Vouchers can be used for centers, family child care, school aged child care and informal family friend or neighbor care. Historically, vouchers comprised about half of the subsidized child care system, but they now represent about 2/3 due to the shrinking capacity of the contracted system. In April 2018, 67,306 children received vouchers. Approximately 40% of the vouchers are for school age children.

The chart on the following page shows the number of children served by ACS over time.

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1 It was recently announced that the transition date would be moved from February 2019 to July 2019.
Children Served by ACS Over Time\(^3\)

<table>
<thead>
<tr>
<th></th>
<th>Contracted System Enrollment</th>
<th>Vouchers</th>
<th>Total Children Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2010</td>
<td>48,609</td>
<td>72,200</td>
<td>120,809</td>
</tr>
<tr>
<td>FY 2011</td>
<td>48,584</td>
<td>68,484</td>
<td>117,068</td>
</tr>
<tr>
<td>FY 2012</td>
<td>45,310</td>
<td>69,020</td>
<td>114,330</td>
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<tr>
<td>FY 2013</td>
<td>30,096</td>
<td>71,756</td>
<td>101,852</td>
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<tr>
<td>FY 2014</td>
<td>30,422</td>
<td>67,541</td>
<td>98,338</td>
</tr>
<tr>
<td>FY 2015</td>
<td>30,079</td>
<td>66,801</td>
<td>96,880</td>
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<td>FY 2016</td>
<td>30,671</td>
<td>67,527</td>
<td>98,198</td>
</tr>
<tr>
<td>FY 2017</td>
<td>30,117</td>
<td>66,968</td>
<td>97,085</td>
</tr>
<tr>
<td>April 2018</td>
<td>31,347</td>
<td>67,306</td>
<td>98,653</td>
</tr>
</tbody>
</table>

**EarlyLearn**

EarlyLearn was designed to create a single, unified system for the City’s publicly funded early childhood education contracted system to both increase the quality of the programs and contain costs. The model blended funding for child care, Head Start, and pre-kindergarten; required 8-10 hours of care; attempted to better align capacity with need; increased the hours of professional development; mandated assessments of children to better meet their needs; added social workers to the model; and encouraged private pay children to be in the classroom with the low-income subsidized children. The model also tried to limit family child care to children 6 weeks-3 years old and strongly encouraged family child networks to be administered by organizations with centers (and did not issue awards to networks that were not part of centers.)

EarlyLearn reduced the system’s capacity and redistributed the slots, leaving some high-quality programs without a contract and some areas of the City with pockets of poverty unserved or

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\(^3\) Date from Mayor’s Management Reports.
underserved. In response, the Campaign for Children formed to advocate for lost slots and the City Council stepped in to fund over $60 million of child care for approximately 4,300 children in the FY 2013 Adopted Budget. The City Council funded and essentially administered these programs for two fiscal years, then the funding was baselined by Mayor Bloomberg in November 2013. The de Blasio administration issued an RFP with the baselined funds. Many, but not all, of the programs funded by the City Council received contracts. There is still about $9.0 million of discretionary child care programs funded for one year at a time.

EarlyLearn created notable fiscal challenges, some of which were addressed early in the de Blasio administration. The original EarlyLearn contracts did not fund facility costs, eliminated the Central Insurance Program of health insurance for the staff, required a 6.7% provider match, and paid programs based on enrollment rather than capacity. As a result, providers were often operating at a deficit and staff faced with a 15% health insurance match opted to be uninsured. Thankfully, the de Blasio administration made important change for providers, including reimbursing providers for costs (including facilities), eliminating pay for enrollment and no longer mandating the 6.7% provider match.

After a decade without a contract agreement, the de Blasio administration also came to a contract agreement with DC1707, which created a Career Ladder program, provided affordable health insurance, maintained the pension, and included the first salary increases the teachers had had in a decade. Prior to this agreement, a master’s level certified teacher in a community-based organization made $40,334; under this agreement the certified master’s level teacher earns $46,000 and in September 2020 will earn $50,000. A certified bachelor’s teacher had been earning $37,456, now earns $40,456 and will earn $44,000 by September 2020. While these salary increases were much-needed and important, they still fall very short of establishing parity with teachers doing the same job in DOE schools. (This issue is discussed in more detail on page 5.)

There have also been programmatic enhancements to the EarlyLearn model. This includes the implementation of Trauma Smart, an early childhood trauma intervention model that includes training and coaching for EarlyLearn staff (both in centers and family child care) in social-emotional learning practices and trauma-informed care to better support children’s development. ACS has also partnered with mental health providers to refer children in their programs who are experiencing trauma. And for the first time perhaps ever and after an egregious audit, under the leadership of ACS Deputy Commissioner Vargas, ACS was in compliance and able to pass a rigorous Head Start audit.
We are grateful and pleased with the fiscal, programmatic and other achievements ACS has brought to EarlyLearn under the de Blasio administration and hope that these will lay the groundwork for continued progress as the program moves to DOE.

**Pre-Kindergarten**

One of the core and signature initiatives of the de Blasio administration is universal free full school day pre-kindergarten for all 4-year olds. Launched soon after the Mayor took office, PreK 4 All both expanded half day prek programs to be full day and expanded the capacity of the program. There are now over 70,000 4-year olds participating in the Mayor’s PreK for All initiative, which is tremendous. Pre-kindergarten has been proven to help prepare children, and low-income children, for kindergarten and beyond.

PreK 4 All programs are in DOE schools, community based organizations that contract directly with the DOE, and ACS EarlyLearn community based programs serving 4-year olds. CBOs have been a major component of the PreK 4 All initiative and the program could not exist with them. The majority of prek sites and students are in community based organizations, with 61% of the sites and 55.9% of the seats in CBOs.

It is important to note that the prek program provides care during the school day and school year. Working parents who need child care from 3-6 PM and during July and August need to find additional arrangements. For those in ACS programs, this is through EarlyLearn subsidized child care.

While there is much to celebrate with the expansion of PreK, there were also unintended consequences. Teachers in DOE schools with the same qualifications as those in the CBOs earn significantly more income (while having the summer off). As the City expanded the number of PreK classrooms in schools, experienced teachers started to leave CBOs for the more lucrative DOE school positions. In addition, in some communities, the additional school capacity started to leave CBO classrooms empty as the distribution of slots oversaturated some communities with capacity for 4-year olds. And lastly, because ACS programs have an income limit (under 200% of poverty) and PreK has no income test, some schools and centers have become segregated by income. In some instances where a center has a contract with ACS for one classroom and a contract with DOE for prek in another classroom, the actual classrooms are income segregated with the lowest income children in the ACS classroom.
3-K For All
On the heels of the success of Pre-K for All for 4-year olds, the de Blasio administration launched 3K for All to create universal free full school day prekindergarten for 3-year olds. This is an ambitious endeavor, which has the potential to have lifelong benefits for the next generation of New Yorkers. This year, 3K was available in School District 23 (Brownsville) and School District 7 (South Bronx) and in the fall, it will be expanded to 4 more school districts (East Harlem, Harlem, Bedford Stuyvesant and Broad Channel/the Rockaways). As will be discussed in the recommendations section of this testimony, it is critical that the unintended consequences created by the PreK expansion not be replicated by the 3K expansion.

Salary Disparities in the Early Childhood Education System
Despite all the investments and achievements the de Blasio Administration has made for early childhood education, the egregious salary disparities between teachers and staff in CBOs and DOE schools persists.

The following graphs illustrate the disparity between teachers with the same credentials and shows that the gap grows over time as the teacher gains more experience.  

4 UFT salaries are based on schedule valid as of 5/1/18; DC1707 salaries based on schedule valid as of 12/31/17. Salaries for UFT teachers in 6th, 7th and 8th year assume 5 years of service at NYC schools; salaries for DC1707 teachers in 5th, 6th, 7th and 8th year assume 5 years of service in NYC funded child care program.
CCC is grateful to the City Council for recognizing this inequity and injustice and for calling for salary parity in your most recent budget response. We appreciate the many City Council members who have demonstrated support for equal pay for equal work at many rallies over the years, including the large rally organized by DC1707 last week. Ironically, while we were rallying for salary parity between 1707 and the UFT, the Mayor was announcing additional benefits for the UFT in the way of paid family leave (which CCC also strongly supports). While paid family is leave for the members of the UFT is clearly a positive step, it is another example of the disparity that must be addressed.

We thank Council Member Cumbo for sponsoring, and Council Members Levin and Treyger for co-sponsoring, a Council Resolution calling on the City to end the salary disparities. We urge the City Council to pass this Resolution 358-2018.

The de Blasio administration has devoted its second term to making New York City the fairest City in the nation. To live up to this goal, NYC must compensate its hard-working early education professionals equally- nothing short of equality would be fair.

By next July, the EarlyLearn system will be administered by the Department of Education. This makes the salary disparity issue even more egregious. CCC calls on the Mayor to immediately address this issue by creating parity between early childhood teachers, directors and staff in CBOs and DOE schools.

**The New York City Early Care and Education Task Force Recommendations (2015)**

In response to advocacy efforts to address systemic issues in the early childhood system, Mayor de Blasio Launched an Early Care and Education Task Force, chaired by Lilliam Barrios-Paoli, Deputy Mayor for Health and Human Services and Gladys Carrion, Commissioner of ACS, both of whom no longer work for the Administration. CCC’s Executive Director, Jennifer March, was a
member of the Task Force. In June 2015, the Task Force released a report with 8 over-arching recommendations.5

Recommendation 8 was to “Report Progress” and specifically says, “Develop metrics, to be reported annually to the public and highlighted in the Mayor’s Management Report, on progress toward the action described above…” Notably, this recommendation was not implemented making an assessment of progress somewhat challenging. On the other hand, CCC’s review of the recommendations revealed a disappointing level of progress whereby it appears relatively few of any recommendations were implemented. While there was progress on addressing the rate structure to better reflect costs, other recommendations such as quality assurance, addressing staff compensation and benefits, and expanding access for children under three remain unaddressed.

Pre-School Special Education
Three and four-year olds with Individualized Education Programs (IEPs) are entitled by law to pre-school special education services, which depending on the child’s needs can be obtained in a 3K, pre-k, or EarlyLearn classroom, in a preschool special education integrated classroom setting, or in pre-school special education classrooms. These pre-school special education classrooms are required to have certified special education teachers and lower child/teacher ratios.

Pre-school special education classrooms (both integrated and stand-alone) for three-year olds and four-year olds are located both in DOE schools and community based organizations, but the majority of stand-alone specialized classrooms are in CBOs, where the state sets the rate for the providers. As a result, there are significant salary disparities and it has become very challenging for CBOs to attract and retain certified special education teachers, who are being recruited to work in DOE pre-k classrooms and now in 3K classrooms. In some communities, there is a shortage of pre-school special education classrooms, leaving the state and city unable to fulfill its mandated to provide the needed services, resulting in children with disabilities sitting at home while their peers attend 3K and pre-k. Thus, the salary parity issue extends to preschool special education programs, is exacerbated by the creation of 3K, and is an additional challenge as the state is involved in rate setting.

**Recommendations**

We are at a critical juncture regarding the City’s Early Childhood system. Soon the contracted subsidized child care system, EarlyLearn, will be transferred from ACS to the Department of Education, and the expansion of 3K is continuing.

The center-based and family child care networks that comprise ACS’s EarlyLearn system are integral for the City to provide low-income children with a quality early learning experience while their parents are at work or at school. Child care is therefore essential to addressing income disparities both so that parents can work and so that low-income children do not start school behind their peers. EarlyLearn providers have also been essential to the implementation of the Mayor’s full-day prekindergarten expansion for 4-year olds, as all the 4-year olds in EarlyLearn programs are also part of the pre-k program. The CBOs are similarly integral to the success of 3K.

Furthermore, it is essential that the City’s early childhood system be one focused on children 0-5, including infants, toddlers and two-year olds and that we work to strengthen and support the entire continuum, which includes both center-based and home-based settings.

To ensure the success of the transition, as well as the success of the Mayor’s PreK and 3K initiatives, and to stabilize and strengthen the system, CCC respectfully makes the following recommendations:

**Planning Process**
- Ensure the transition of EarlyLearn and the expansion of 3-K is transparent and includes the voices of providers, advocates, parents, government and elected officials.
- While not legally required, DOE should issue a concept paper, prior to the RFP, for EarlyLearn.

**Needs of Children and Families**
- Ensure availability of full day (8-10 hours of care) and summer care for children in early childhood programs, including prek and 3-K.
- Expand capacity to serve more infants and toddlers.
- Make children who are homeless (as defined by the McKinney-Vento Homeless Assistance Act) categorically eligible for child care. Make deliberate efforts to enroll children living in shelters, including hotels, in EarlyLearn, 3K and Pre-K.
- Ensure the early childhood system maintains and expands options, including family child care, that meet the needs of families working nontraditional hours.
- Ensure all components of the early childhood system are culturally competent and developmentally appropriate.
• Maintain existing programs that help parents and teachers better support children and families who have experienced trauma including Trauma Smart (ACS) and the Early Childhood Mental Health Network (DOHMH), and build upon these successful interventions in child care and prekindergarten programs.
• Ensure that children can participate in programs regardless of immigration status, that programs have the interpretation/translation resources needed to communicate effectively with families, and that Dual Language Learners receive language support.
• Ensure the early childhood system has adequate resources and capacity, including evaluation teams, special education administrators, preschool education classes and service providers, to meet the needs of children with developmental delays and disabilities.
• Integrate the early childhood education system, Early Intervention, preschool special education and behavioral health services for children under 5.
• Reduce the parent fee and where possible, eliminate it.

**Workforce**

• Create salary and benefit parity between early childhood teachers, staff and directors in CBOs and DOE schools.
• Provide support, including home-based coaching and peer to peer support, for family child care providers and ensure the continued viability of this important service-delivery model.
• Maintain and build upon the Career Ladder program, which helps child care providers further their education.

**Systemic needs**

• Ensure systemic continuity by negotiating and renewing direct lease sites.
• Ensure EarlyLearn programs are adequately compensated to provide high quality services.
• Work with the School Construction Authority and the Division of School facilities to address all facilities issues, including those at NYCHA sites.
• Seize upon opportunities, such as the development of affordable housing, to develop, new high-quality child care programs on the first floor of newly-developed buildings.
• Ensure the transition and upcoming RFP process do not disrupt continuity care and/or eliminate access to programs in certain communities. Provide more information and transparency regarding the upcoming RFP.
• Implement the June 2015 Recommendations from the NYC Early Care and Education Task Force.

**3-K and Pre-K**

• Use this opportunity and the lessons learned from the Pre-K expansion to create a system that meets family needs, workforce needs and provider needs. In addition, use this planning process to rectify unintended consequences created by the Pre-K expansion.
• Ensure that the creation of 3-K does not result in either programs or classrooms segregated by income (which has been created by funding all or a portion of the day with EarlyLearn child care funding.) Rectify this for Pre-K.
• Ensure 3-year olds and 4-year olds have access to 8-10 hours of care per day and all year, including the summer months.
• Sustain Pre-K and build the 3-K system in a manner that strengthens CBOs and utilizes their expertise in developmentally appropriate care for young children.
• Ensure that the development of 3-K does not create competition between CBOs and DOE sites. Ensure existing capacity is used before creating additional capacity.
• Eliminate the fee for three-year olds attending EarlyLearn programs, given that there will be no fee for 3-K.
• Ensure that 3-K teachers get the same incentives, in schools and CBOs, as are provided to the prek 4-year old teachers.
• Consider allowing CBOs to partner with schools to provide 3-K and Pre-K in school settings.

EarlyLearn
• Ensure DOE issues a concept paper before the release of the RFP.
• Ensure the new RFP includes salary parity.
• Ensure the RFP does not result in the loss of child care capacity in areas of the City where gentrification may have occurred but pockets of poverty remain.
• To ensure a high-quality classroom experience, the City needs to ensure the EarlyLearn rate is sufficient to enable agencies to invest in necessary classroom materials and technology. Increase the EarlyLearn rate and index it to inflation.
• Expand the capacity of the contracted system for children under 3 and create more options for care during non-traditional hours.

Pre-School Special Education
• Ensure salary parity for preschool special education teachers even if that requires the City to provide an add-on to the preschool special education rate.
• Ensure adequate numbers of preschool special education classes for students with disabilities whose IEPs mandate such classes.

Conclusion
In conclusion, early childhood education, including prekindergarten, Head Start and subsidized child care, is an invaluable resource for all children and especially for low-income children. It is not only an investment in the children but in the future of New York City. We again thank the City Council for your commitment to early childhood education. We look forward to working together to strengthen the system and to ensure every New York City child has access to a high quality early childhood education. Thank you for the opportunity to testify.