

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON GENERAL
WELFARE

Jointly With
WOMEN'S ISSUES COMMITTEE

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October 28, 2013
Start: 2:00 p.m.
Recess:

HELD AT: Council Chambers
City Hall

B E F O R E:
Annabel Palma
Chairperson

COUNCIL MEMBERS:

Maria Carmen del Arroyo
Gale A. Brewer
Margaret S. Chin
Letitia James
Brad S. Lander
Steven T. Levin
Ydanis A. Rodriguez
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A P P E A R A N C E S (CONTINUED)

Ronald Richter
Commissioner of the Administration for Children's
Services

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Deputy Commissioner of Early Care and Education
NYC

Susan Nuccio
Deputy Commissioner of Financial Services ACS

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Federation of Teachers

Randi Herman
Vice President of Council of School Supervisors
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Lawrence Provette
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Care Directors of NYC

A P P E A R A N C E S (CONTINUED)

Margarita Rosa
Executive Director of Grand Street Settlement

Jim Madison
Executive Director of Brooklyn Kindergarten
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Moira Flavin
Citizen's Committee for Children of New York

Randi Levine
Advocates for Children of New York

Gregory Brender
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Emily Miles
Federation of Protestant Welfare Agencies

Sandy Katz
JCCA of New York

CHAIRPERSON PALMA: Good afternoon everyone. I'm Councilwoman Annabel Palma, and I'm the Chair of the General Welfare Committee. Thank you so much for joining us today and taking interest on the topic at hand. I am also doubling as Chair of the Committee on the Women's Issues while my colleague Julissa Ferreras is out on maternity leave from the Council. Before we begin, I would like to thank the staff that worked so very hard in putting today's hearing together, Elizabeth Hoffman, Andrea Vasquez [phonetic] Noel Yaya [phonetic] Kaime and Joan Polvone [phonetic]. I would also like to welcome ACS Commissioner Ronald Richter. Today we--and his staff, of course, who's always here and present. Today we mark not only the one year anniversary of Early Learn NYC, but we also get to share in Commissioner Richter's birthday. So happy birthday Commissioner Richter. And I hope I didn't embarrass you, 'cause that wasn't the intention. I really wanted to wish you well. The purpose of today's hearing is to check at the one year anniversary Early Learn NYC to see

whether the goals of the new system are being met. Early Learn is an education model that merges subsidized childcare, Head Start, and universal pre-k into a single system for delivering early education services to children ages six weeks to four years old. The new model aims to deliver a higher level of service by for example, improving teacher to child ratios, establishing developmentally appropriate curriculum, and enhancing staff development. Moving to Early Learn required a major restructuring of the early care and education system in New York City. ACS first issued a concept paper in April 2010 and then released an RFP in May 2011, and in October 2012, Early Learn providers began delivering services. The transition to and implementation of Early Learn has raised and continue to raise many challenges and concerns. One of the challenges of the new system is improving quality and ensuring consistency across all programs. To this end, ACS and others set out to develop program standards and an assessment protocol for evaluating programs. What former

ACS Commissioner John Mattingly dubbed as the nation's first performance measurement standards and tools for the Early Childhood Development and Education Program. In addition, Early Learn providers are required to have a plan for ongoing professional developments for staff and to incorporate school readiness goals and align activities with the New York State Education Department standards to make kids better prepared for Kindergarten and beyond. Given this focus on quality improvement, we hope to learn today what gains have been made and the quality of care and education that kids receive and what we can expect to see going forward. A particular ongoing concern of Early Learn is severe under enrollment. The goal of Early Learn is to serve approximately 42,000 children in the new system, but as far as September 1st, 2013, under 30,000 children were enrolled. These low enrollment numbers provide a stark contrast to the nearly 69,000 children using vouchers including vouchers that are mandated by state law. Moreover, due to the tremendous

increase in the use of state mandated vouchers, ACS has shifted Early Learn funding to cover its costs. Low enrollment numbers also have an impact on providers who are no longer paid based on the capacity, but instead paid a daily rate in connection with children's enrollment or attendance. Today we are interested in learning what impact the enrollment numbers, cost shifting, and payment systems have had on early learn and why ACS is going--and what ACS is doing to increase enrollment and maintain that capacity. In addition, we are interested in hearing how the requirement that providers cover 6.7 percent of the total cost of care and the discontinuation of the City's central insurance plans are affecting providers. Finally, I should add that the transition to Early Learn brought about a discretionary child care system. This City Council and others were concerned about the loss of city-wide subsidized child care capacity. As a result, the Council now funds child care programs that serve nearly 4,500 children across New York City. The Council is working hard with its

partners at CUNY PDI to ensure that high quality services are being delivered at the discretionary sites and following the model that Early Learn created. And although some of the issues that I mentioned earlier, like the discontinuation of central insurance program also effect the size. This discretionary system will not be--we're not going to focus on this today at this hearing. We're going to focus on the Early Learn sites and the challenges that the Early Learn site and the improvements on Early Learn has brought. I would like to welcome Council Member Maria Carmen del Arroyo from the Bronx who is a member of the committee, Council Member Ruben Wills from Queens who is also a member of the Committee. We are joined by Councilwoman Letitia James who is a member in Brooklyn and will soon be a public advocate as everyone knows. So know she has a huge interest in this issue. So thank you for sitting in the Committee today. And with that, Commissioner, I welcome your testimony.

COMMISSIONER RICHTER: Good

afternoon, Chair Palma and also Council Members Arroyo, Wills, and James. I'm Ron Richter, the Commissioner of the Administration for Children's Services, and with me today are Myung Lee, our Deputy Commissioner of Early Care and Education, and Susan Nuccio, our Deputy Commissioner of Financial Services. We are pleased to be here today before the Council to discuss the implementation of Early Learn NYC. Early care and education has been an area of intense focus for children's services over the past year, and we are proud of the substantial efforts and significant progress that we have made. As the Council is well aware, New York City oversees the largest publicly funded early care and education system in the United States where we invest over one billion dollars annually to meet the needs of over 100,000 children. Last October with the help of the Council and our provider community, Early Learn NYC, a unique ground breaking early care and education into a single seamless system was implemented city-wide across all

five boroughs. Early Learn NYC marks the first time in nearly 50 years that the City has undertaken to transform the system to bring high quality early care and education to children and families in our lowest income communities. We made this critical investment because studies show that 90 percent of brain development occurs before the age of five, and therefore, we must stimulate young minds as early as possible. This is especially true for children living in our most vulnerable neighborhoods. A newly conducted study confirmed what researchers showed years ago, that children from professional families are exposed to 45 million words by age four, while children in poverty are exposed to 13 million. It is therefore unfortunate, but no surprising that studies show children from low income communities start kindergarten 12 to 14 months behind their peers from higher income homes. Clearly, this has nothing to do with the intellectual capacity of our young people from lower income communities, but the availability of quality affordable services in their

neighborhoods. Our city's children and families deserve better. With Early Learn NYC, our over-arching goal is to do better. By investing in children at a young age, we are investing in their future and providing a foundation on which they can build for the rest of their lives. Study after study shows that high quality preschool contributes positively to the growth of cognitive, social, and emotional skills growth for all children, but has the greatest impact on children from low income families. High quality early childhood programs reduce the need for remedial and special education, child welfare involvement and lower incarceration rates. Children from low income families who participate in high quality early childhood education are less likely to be held back in school and are in fact more likely to graduate from high school and go on to become more productive members of their communities. Early Learn NYC provides high quality programing with the help of qualified teachers and best practices that have proven results. All early learn NYC programs

center-based and family child care are required to have developmentally appropriate research based curricula to assess the progress that each child is making in that classroom, to support teachers to ensure that they are engaged in meaningful interactions with the children and to have warm and appropriate settings where children can grow, learn, and thrive. In addition, Early Learn NYC focuses on the whole child, meaning that all children entering an Early Learn Center receive a health, mental health, and developmental screening to address the needs of each child. Early Learn NYC also provides vital supports for working families in New York, without which many parents could not be a part of the work force. Early Learn NYC programs have extended hours, eight to ten hours of service per day which include nutritious meals and dental support to many of our families. For example, ACS is partnering with NYU's Department of Pediatric Dentistry to provide oral healthcare for children via mobile services. We know that families play a critical role in a young

child's ongoing learning and development, therefore, all early learn programs must include a family engagement component in their curriculum that is responsive to the diversity of each child's family regardless of their culture and language. Early Learn NYC sets high standards so that parents can feel confident that regardless of program location, setting, or design their children are receiving quality services. To improve the educational experience of our children and to strengthen the early childhood workforce, we have significantly expanded professional development requirements for the teacher in our programs. We now require and provide funding for 12 days of professional development for all center-based program staff and six days for those in family child care settings. We also provide customized support to providers who have new requirements to meet. For example, we have created a training and coaching program to support the almost 1,500 home-based family child care providers so that they can meet the Early Learn requirement of using research validated and developmentally

appropriate curriculum in their homes.

Additionally, all Early Learn providers receive monitoring and technical assistance from ACS to support four main areas, program design and management, education and disabilities, family and community engagement, and health, mental health and nutrition. From October 1st, 2012 to June 30th, 2013, ACS Staff conducted over 800 site visits to make sure our programs are providing high quality early education experiences for the City's youngest learners. Early Learn NYC lays a strong foundation for the future of New York City's children. Since the implementation on October 1, 2012, our staff and providers have worked tirelessly to implement this system transformation.

Currently our 138 contractors are providing services to over 27,000 children in 365 centers and in 1,485 family child care provider's homes across the five boroughs. Our center based enrollment is at 80 percent today, and ACS continues to work with our providers to ensure that they have the support they need and that families are aware of the nearest Early Learn

Center in their neighborhood. One reason that enrollment is lower than it should be and than we expected is that our providers are struggling to connect with the families who meet the very specific eligibility criteria required of their particular modality of care. To address this concern, ACS launched an awareness campaign, a city-wide effort to familiarize low income parents with Early Learn NYC and increase enrollment of families who are eligible for are receiving subsidized child care from the City. The campaign consisted of advertisements and 144 bus shelters and 278 check cashing locations across the city in July and August to get children enrolled by September and included a texting feature to better communicate with families who may need our services. By texting Early Learn to 877877, our families can get help locating Early Learn NYC programs in their community and get information on upcoming events and child care options. To date, we have over 800 subscribers and the number grows every day. We continue to partner with the human resources

administration to increase outreach to parents on public assistance through staff, tables, and distribution of campaign materials at HRA job centers. This summer, ACS also created and issued Early Learn NYC marketing materials such as posters, flyers and brochures to all our Early Learn Programs to use for recruitment and marketing in their communities. Additionally, ACS conducted a targeted mailing campaign to over 36,000 cash assistance eligible families and NYCHA residents with children age six weeks to five years of age to educate them about Early Learn. We understand there have been substantial changes to the early care and education system in our City and we continue to seek new ways to support and communicate with our providers. ACS hosted enrollment summits and three budget talks for Early Learn NYC contracted agencies this past February which provided an opportunity for directors to learn more about the important role that Early Learn programs can play in maintaining funding for an early childhood contracted system in New York City. These sessions explained how New York

City's subsidized child care system of vouchers and Early Learn contracted programs is funded. Feedback from the attendees was positive and over 165 Early Learn directors and fiscal officers attended the talks. Deputy Commissioner Lee also conducts listening tours and other regularly scheduled meetings to hear directly from the Early Learn Directors and other staff and to get their perspectives on the challenges and opportunities in running Early Learn childhood programs in the City. I host recurring meetings with advocates and providers and have ensured that early care and education representatives have a presence on my advisory board, which meets quarterly. ACS partners with private foundations, academia, and businesses in the private sector to ensure that our children are prepared for success and school and in life. ACS has secured 685,000 dollars in private funds from the Robin Hood Foundation, the Early Care and Education Fund, Casey [phonetic] Family Programs, and the Schulman Foundation. We're working with partners such as MDRC, Bank Street College, NYU

and Columbia University on initiatives that will further strengthen the field and support our children. Among the collaborations are a pilot study with MDRC to implement an early math curriculum working with National Center for Children in Poverty at Columbia to design and implement a coaching model to better support our teachers, a three year professional development initiative to advance the quality of care for children in all 1,485 family child care providers, scholarships for Early Learn Directors to obtain the children's program, administrator credential program, and 18 credit graduate level program and early childhood leadership and management offered through CUNY's school of professional studies. To date, 48 directors have completed the program and a two year project to help Early Learn providers develop and use assessment tools, data, and management reports to increase quality programs at their centers. Our partnership and pilot programs allow us to identify the kind of support that our children and providers need while also giving the directors and teachers an

opportunity to increase their capacity to influence child development and learning in meaningful positive ways. I know that this year has presented significant challenges. This system transformation has required and will continue to require the support and partnership from our dedicated provider agencies, City Council, numerous city agencies and private organizations to lay the foundation for a strong sustainable early care and education system. In the midst of the implementation of Early Learn NYC we worked through hurricane Sandy, which hit the very same month we began the roll out, and under economic uncertainties such as the federal sequestration. However, through these challenging times we have worked to support our providers. In the aftermath of hurricane Sandy, ACS secured 2.4 million dollars from private funders to rebuild our damaged centers and we've also secured over 580,000 dollars from the administration for children and families to offer mental health and trauma related supports to all Early Learn agencies,

including staff and parents, regardless of whether they were directly or indirectly effected by this storm. We are proud that we have laid the foundation for a stronger, higher quality early care and education system and we are greatly encouraged that President Obama's Federal vision for early care and education looks much like Early Learn, a model that braids city, state, federal, and private funds to better serve our youngest residents and is driven by the belief that quality early education has enormous positive effects and prevents achievement gaps for youth from low income communities. We know that there are more challenges ahead. The fiscal climate continues to present obstacles as we aim to do more for our children. The agencies Head Start grant was reduced by a third and funding from the state has decreased in the last few years while demand for the mandated services we provide continues to grow. Though we've made significant strides to increase communication with our providers, we know that there is always room to do better. We also need to

1 update and increase our infrastructure and
2 better support our own staff. Finally, we know
3 our providers also need more support. There's
4 more work ahead, but I'm confident that
5 together we will continue to rise to the
6 occasion because our children deserve high
7 quality care and education. I want to thank
8 the Council for working with us during the
9 transition, especially Chair Palma, and for
10 providing leadership to make sure an additional
11 4,500 children in the City continue to receive
12 child care. I also want to extend our sincere
13 gratitude to our provider agencies, parents,
14 and our early care and education staff for
15 their resiliency, hard work and determination
16 during this momentous year. I'm happy to
17 answer your questions.

18
19 CHAIRPERSON PALMA: Thank you,
20 Commissioner for your testimony, and I think we
21 are in agreement that we all want to see high
22 quality care and education, so I know that it's
23 never been about that kind, you know, about the
24 quality of the education that our children
25 receive. It's more about the implementation

1 and making sure that we do not lose any
2 children in the midst of--that we didn't lose
3 any children in the--from receiving services in
4 the midst of restructuring the system. We've
5 been joined by Council Member Ydanis Rodriguez
6 from Manhattan, Jimmy Van Bramer from Queens,
7 Councilwoman Margaret Chin from Manhattan,
8 Councilwoman Gale Brewer from Manhattan, and I
9 know that we were also joined by Steve Levin
10 from Brooklyn. So, Commissioner, I want to
11 start by asking do you believe that Early Learn
12 has been effective in the past year in
13 preparing our children to enter kindergarten,
14 and if so can you share with us some of the
15 results in terms of how the--our kids are
16 performing?
17

18 COMMISSIONER RICHTER: So for the
19 children who are enrolled in Early Learn, I
20 think that because the model requires programs
21 to have a developmentally appropriate research
22 base curricula, I think that we can have
23 confidence that the program is performing well.
24 We have--
25

CHAIRPERSON PALMA: [interposing]

How are we measuring that?

COMMISSIONER RICHTER: So, obviously it's a little early to be able to measure outcomes because we just have one year in. So in terms of longitudinal outcomes it's hard. We do have one measure that we can share with you. We know that 83 percent of four year old children in Head Start Centers prior to Early Learn met or exceeded expectations for mathematics knowledge, for example. And after one year of Early Learn we know that 89 percent of four year old children in Early Learn Centers met or exceeded mathematics knowledge. So while we acknowledge that this is based on self-reported data from teachers in classrooms, we believe that the five percent increase represents a promising result, and so that's one data point that we think reflects highly on how Early Learn teachers and children are faring.

CHAIRPERSON PALMA: Is the self-reported data received because the uniform

performance standard and assessment system was implemented?

MYUNG LEE: My name's Myung Lee. I'm the Deputy Commissioner at Early Care and Education at ACS. So with the launch--with the implementation of Early Learn we have now required all of our providers to meet three different areas of assessment. So one of them is on the environment, 'cause we want to make sure that the children are in warm and loving environment, so it's called ecors [phonetic] and fecors [phonetic] for people--for the homes, and then we also have teacher interaction, because we know the teacher interaction is critical to a child's success, and that's called Class Assessment. And then the third assessment is on the progress that the children are making and we are requiring our providers to use the assessment that comes with the curriculum that they are--the particular curriculum that they're using in the classroom, and this is something that we are now requiring all of our programs to do as to where before we used to have some of the

providers do it, and mostly based on funding streams and for the most part on the Head Start programs, but now we're requiring them all to do it including--

CHAIRPERSON PALMA: [interposing]
When you say that before was based on the funding stream, it was, you mean, under the old system?

MYUNG LEE: Yes.

CHAIRPERSON PALMA: Okay.

MYUNG LEE: Before Early Learn. And so for example, family child care providers in the past were not even required to have a research validated curriculum that was age appropriate for the children, but we are now doing that, and so that is has been year one as the Commissioner has put it, and it is too early for us to go ahead and use it as a way to be punitive with our providers. What we have been doing is working with our providers in the past year to get all of them up to speed on using these tools, and to get familiar with them, and to know how to use these tools to

better inform their services so that the children are getting better care.

CHAIRPERSON PALMA: What is the current ratio, teacher ratio, right, the current teacher/child ratio now versus what it was under the old system?

MYUNG LEE: That has not changed because of licensing. The licensing comes from the Department of Health and Mental Health Services and all of our contracted programs are required to be a licensed provider. So the teacher/student ratio and the certification requirements are the same as they had been before for New York City.

CHAIRPERSON PALMA: So the ratio with Early Learn didn't increase but remained the same as it was under the old system?

COMMISSIONER RICHTER: But I'm going to ask the Deputy Commissioner Lee to talk about the training differences and also the qualification differences with Early Learn.

MYUNG LEE: So qualification--so all of our license providers are required to have a BA and then some sort of a either a

certification or they should have five year, minimum five years of experience or work study plan, and that has been the same from pre and post Early Learn. What we found is that when Early Learn providers, the newer providers were coming in, they were requiring--it gave our providers an opportunity to assess everyone to make sure that they were indeed meeting those requirements and that they had not been in a study plan for 10 years versus the seven years that they're supposed to be on a plan. So that has changed. We also have--what was the other thing? The training--so we are now providing additional training to all of our providers. So I mentioned the home base providers, the family child care providers. Because they had never used a curriculum, they were never required to use a curriculum. Some of them any have been, but they were never required. We understand that that is a big leap for some folks that have never used one before. So what we have now done is we have partnered with a private foundation to bring in some experts in house, additional experts in house to go and

1 create a new training curriculum to use with
2 our network providers that can then in turn
3 train our providers. We have 1,485 providers
4 in homes across the City, and what we are doing
5 is working with the 28 networks and each of
6 their--we're having them bring in a Spanish-
7 speaking providers and an English-speaking
8 provider, and we've actually created a
9 curriculum in Spanish as well so that we can
10 teach our--we can help our providers learn how
11 to use this particular curriculum at home with
12 their children at home so that we can make sure
13 that the children are getting better care, even
14 at the youngest ages of six weeks up to--

16 CHAIRPERSON PALMA: [interposing]

17 So now the--across the Early Learn System, all
18 the teachers are certified?

19 MYUNG LEE: So they are required to
20 be certified by DOH. So DOH does the licensing.
21 We don't do the licensing, and the licensing
22 requirement remains the same.

23 CHAIRPERSON PALMA: So do you--can
24 you share with us if DOH has certified all the
25

1 teachers? I mean, has that requirement been
2 met?
3

4 MYUNG LEE: I assume that they have
5 met the requirements of what is required for
6 teachers in the classroom because that is
7 something that goes with the licensing, but I
8 don't have that information at the ready and we
9 can get that for you.

10 CHAIRPERSON PALMA: I would
11 appreciate if you can share that with us.

12 MYUNG LEE: Sure.

13 CHAIRPERSON PALMA: Commissioner,
14 you mentioned you have reoccurring meetings
15 with the parents. Can you share some of the
16 feedback that--and I assume this is the
17 mechanism you have in place to ensure that
18 there's parent participation and to hear what
19 ideas or concerns parents have, so can you
20 share with us why has, you know, some of the
21 outcomes or feedback of those meetings?

22 COMMISSIONER RICHTER: So we have
23 parent participation on our Head Start
24 Governing Board, and there's interaction with
25 parents at my advisory board, and I think that

1 overall probably the most, I think, important
2 consistent quality improvement is screening for
3 children in Early Learn Programming so that
4 it's an opportunity to get a baseline for how
5 children are faring at the beginning of the
6 program and then figuring out what services a
7 child needs, which is a quality assurance for
8 kids in Early Learn that didn't exist across
9 the spectrum pre Early Learn. I think that's
10 been very positive. We also ensure that
11 providers have family engagement at centers and
12 family workers on staff, which is a way for
13 providers to ensure that there's a feedback
14 loop from parents and family members on a
15 consistent basis. I know that providers would
16 probably be in a better position to say how
17 that's served them than I am.

19 CHAIRPERSON PALMA: You--in
20 September we met--we've had a hearing
21 conversations on wanting to know what were the
22 numbers, what was the capac--where enrollment
23 was, right, for Early Learn. We know that the
24 capacity is at 45,000. Can--why are we still
25 under enrolled? Why is Early Learn a year later

1 with all the challenges that it faced, right,
2 and we understand that you got a late a start
3 because of Sandy, but why today are we still
4 facing such under enrollment on the Early Learn
5 System?
6

7 COMMISSIONER RICHTER: So--

8 CHAIRPERSON PALMA: [interposing] And
9 having so many, you know, parents go to the--using
10 vouchers and not the Early Learn sites?

11 COMMISSIONER RICHTER: So that
12 obviously is a--we acknowledge a big issue and a
13 continuing source of focus for us and has been.
14 Currently, we have 138 contractors that are
15 providing almost 28,000 children with services, and
16 in my testimony it said 27,000. I think that we
17 now checked today. We have almost 28,000 children
18 in 365 centers and in 1,485 family child care
19 provider's homes. We have capacity at this time to
20 serve 36,695 children, and that's 28,095 in center
21 based, and 8,600 in family child care. So center
22 based is at a approximately 80 percent and family
23 child care is at about 60 percent. And so center
24 based has been increasing relatively steadily. So
25 you asked why is this? So we don't think that it's

any one single factor. We think it's an array of issues, and I'll try to explain what they are. We think that the two primary ones include that over 55 percent of preschool children are in our voucher system. So that's 11,128 of 20,212 voucher preschoolers are in our--are in family child care. Okay. That's--

CHAIRPERSON PALMA: [interposing] Have we been--

COMMISSIONER RICHTER: [interposing] They're in home based settings.

CHAIRPERSON PALMA: Right. And have we been able to engage those parents to figure out why they preferred the home base setting versus the what the center base--

COMMISSIONER RICHTER: Yes. So, Myung is going to answer that question. I do want--I do feel like it's--we've found a very, I think, important data point which I want to share because I just learned it and I think it's important. About 89 percent of vouchers are being used in the same zip codes where our Early Learn Centers are located. So that was--learning that was important because we feel like we've located our Early Learn

Centers in the right place, because vouchers are being used in the same areas as our Early Learn Centers. So our issues is in some ways, and this is a critical piece for us, is that there is a draw to using your voucher in a home based setting for a lot of reasons when you talk to parents, which Myung is going to talk about that is not for our lack of being able to provide information well, I think, and meeting a specific need that we're not connecting that. But I do think it's critical that almost 90 percent of our Early Learn Centers and our vouchers are being used in the same zip codes, which demonstrates something about the needs assessment that we conducted.

MYUNG LEE: So parents have a legal right to parental choice, and that is something that we strongly believe in, but what we also want to do is to make sure that the parents are making informed parental choice, and right now part of the challenge that we have is that we have not done as much educating of our parents and informing of our parents as to the importance of certain types of settings that will get their children ready for school. So for example, the fact that over 50

percent of our preschool children that are in voucher, that are using vouchers for their care, are sitting in a home base setting. It's something that we need to speak to those parents about, because we need to let the parents know that school readiness, part of school readiness for preschool children involves knowing what a classroom setting looks like and being in a classroom setting and being able to function with 20 other kids in a classroom setting where you're listening to a teacher giving instruction and engaging with you with other children around rather than in a home with a smaller group of children of all different age groups, for example. And so there are things like that that as we looked into our data as to who is--who are the parents who are using the vouchers, and why are they using them where they're using them. We need to do a lot more work, and one of the key pieces that we're taking away from this first year is that we need to do a better job of informing our parents, so that when they are making that choice that they have a legal right to make, that they are making an informed choice. We also know that--[off mic]. Oh, we also are starting to

do some work with our--some graduate level students and professors at NYU to speak directly to families so that we can hear from them as to why they are choosing one type of care over another, because rather than just doing analysis of our data and making assumptions, we wanted to hear directly from the voucher using families, so we're doing more of that. We did a little bit of an assessment of--a little bit last year with some family and voucher, HRA voucher waiting areas, and what we found was that they're just, you know, choosing to go where they go and a lot of--there was not--what we didn't find was a lot of thought into it. So we wanted to really dive a little bit deeper to see if there's a way that we can get better at why the choices are being made a certain way.

CHAIRPERSON PALMA: The three year professional development initiative that you spoke about to target the family child care providers, right, the quality of the services that the family child care providers.

MYUNG LEE: There's two. One is for the Center directors and one is for family child care providers.

CHAIRPERSON PALMA: Right. So the ones for the child care provider.

MYUNG LEE: That's a two year initiative at the moment.

CHAIRPERSON PALMA: Oh, it's says three year professional development initiative to advance the quality of care, children, and the family child care providers.

MYUNG LEE: Okay, sorry.

CHAIRPERSON PALMA: So whether it's two or three, right? It's going to be focused for the family child care providers.

MYUNG LEE: Yep.

CHAIRPERSON PALMA: And is then that to create that model that exists in the Early Learn center based programs? So you--right? You said that you want to educate the parents to make a good decision in where they put their child and to put them--

MYUNG LEE: [interposing] A more informed choice.

CHAIRPERSON PALMA: Right, to make the more informed choice to put them in a center based

program in a classroom setting, because that doesn't exist--

MYUNG LEE: [interposing] In a home based center.

CHAIRPERSON PALMA: in the home based setting. So with this development, will it create the opportunity for the home base setting to create that kind of--

COMMISSIONER RICHTER: [interposing] You're asking--

CHAIRPERSON PALMA: the classroom?

COMMISSIONER RICHTER: whether the family child care settings that are part of Early Learn will have this enhanced--

CHAIRPERSON PALMA: [interposing] Right.

COMMISSIONER RICHTER: quality as well based upon this training.

MYUNG LEE: So the training will be-- our family child care providers in Early Learn setting predominately serve children from six weeks to three years. So in Early Learn, preschool children are designed to be in a center based setting. So while we make--we make some exceptions for some providers who may have families that want

1 to insist on staying at a family child care setting
2 versus a center based setting, we do make some
3 exceptions, but the majority of our preschool
4 children are getting their services in a center
5 based setting. So what we are doing with the
6 training with the family child care providers is to
7 help them with learning this particular curriculum
8 and how to implement this curriculum at home and
9 how do you roll that out, how do you do this with
10 your child, how do you make this come to life. So
11 that is basically what we're doing at the home.

12
13 CHAIRPERSON PALMA: Do you think there's
14 more attraction to the voucher and the home based
15 setting because they might be multiple--a family
16 might have multiple children and just want to keep
17 them together?

18 MYUNG LEE: I'm sure that could be.
19 I'm sure that could be a reason, convenience,
20 locations, all of that. Those all come into
21 choice, and that's why the parents make that
22 choice. What we want to do it make sure that
23 parents have all the information they should have
24 so that they can make the best choice for their
25 children.

COMMISSIONER RICHTER: We don't believe it's hours, though. That's one thing that we don't believe it is. We don't think that the reason that parents are opting for home bases settings is because of the hours that they work. We thought that was the case, but that's not the case. In other words, Early Learn Centers hours which are eight to ten hours are fine. It's--I had thought, and I asked that they--that our folks test the notion that it's because parents are working weekends or parents are--but that's not when vouchers are being used. In other words, it's that. So that home--

CHAIRPERSON PALMA: [interposing] You mentioned they're being used in the same zip code, right?

COMMISSIONER RICHTER: Correct.

CHAIRPERSON PALMA: So can it be attributed to maybe closer to home versus the center being further?

COMMISSIONER RICHTER: And family child--I mean, so I think that is part of it, and I think the other thing that you raised is also part of it, which is that parents--it's, you know, when

CHAIRPERSON PALMA: I'm going to ask one more question. I know my colleagues have questions. So, in terms of the HRA campaign--

CHAIRPERSON PALMA: and how that was conducted to increase recruitment. How often was the, you know, the staff going out and doing this kind of recruitment?

MYUNG LEE: As a pilot program we launched in the Bronx, and it was twice a week, and it was--and rather than sending ACS staff, we actually had our providers in the community go. We

are now meeting with HRA to expand that program to other boroughs across the City. So most likely the next borough will be Manhattan, and then--

CHAIRPERSON PALMA: [interposing] Did you see any increase in having the providers go out and do the recruitment and engaging?

MYUNG LEE: So we don't have any scientifically validated data for you on that, but we have talked to some of the providers that have gone out, and they have said that where they have met with families at the centers and then they've had further engagement with them because they came to visit the center and to meet with the staff, then they had a very high rate of conversion from non-enrollee to enrollee. So we are--we felt good about that, and we hope that we're going to be able to get more data. It just--there's a lot of resources we have to put into actually tracking that kind of data, and we have chosen to not put it into that at the moment.

CHAIRPERSON PALMA: Okay.

COMMISSIONER RICHTER: I do want to say this was something that we had heard from our providers in meeting with our providers that

1 getting access to the job centers to actually
2 influence parental choice is something that I think
3 is worthwhile doing, because our providers do a
4 much better job of talking to parents about the
5 quality of their programs and what they can
6 actually do for kids than anybody else can, and so
7 this is a very important point of entry going
8 forward for any childcare program to be able to
9 actually talk to the parents who get to decide and
10 then parents develop a comfort level with where
11 they're bringing their child, which obviously is
12 very, very, very important for us to continue
13 figuring out.

14
15 CHAIRPERSON PALMA: Council Member

16 Wills?

17 COUNCIL MEMBER WILLS: Good afternoon. I
18 just had a few questions, but one of them is just
19 something that actually sparked my curiosity. In it,
20 you had in your testimony the studies confirm that
21 research has shown years ago that children from
22 professional families are exposed to 45 million words
23 by the age of four, while children in poverty are
24 exposed to 13 million. What are the factors that
25 bring that conclusion? What would make one set of

children be exposed to 45 million words while others are exposed to 13 million words? Is it because the children are not spending as much time at home with their parents because parents in low income houses are working longer hours? What are the factors that brought that to beear?

MYUNG LEE: So I don't have the study in front of me, but from what I remember of the study, it is purely just the words that have been spoken to the child, and I could get you a copy of that study if you'd like. And recently they just--we--they reconfirmed the results of that study by looking at children even younger ages to see how they were--how many words they were retaining and how many words that they were hearing. And it wasn't so much about the income or the ability of the working. Well, it wasn't about whether they were working or not, it was about just purely based on income and the education levels and how many words parents were actually speaking to their children. And so in Rhode Island, for example, there's a whole study going on with parents carrying around little machines where they count the words that the children are hearing, and so

there's a lot of research being done into this particular area.

COMMISSIONER RICHTER: Some of I think is about also the notion of increasing when parents start talking to their kids, and there is a lot of work going on right now at Montefiore in the Bronx about just introducing the concept to all parents of talking to their children as soon as they're born, because the brain, even though the child does not understand the words, the child, their brain begins processing language immediately, and so I think that part of it is about that. And there's also studies that talk about, you know, the likelihood of reading to children and the availability of books and all sorts of things related to that, but we're happy to give you copies of this study and other studies. There was actually just an article somewhere in the popular press about a redo of this exact study.

COUNCIL MEMBER WILLIS: So I don't understand, if you don't have all of the factors of the study, it just seems something that is a side note, why is it included in your testimony? Why is it, I mean, this is something that's prominently put into the testimony. Why would it be there if you're

saying that you're not--you don't remember or some of the things--

MYUNG LEE: [interposing] Council Member, it's a well-known study. It's a Hart Risley Study, and it was done in 1999.

COUNCIL MEMBER WILLIS: But if it's a well-known study, I'm asking you for the specific factors that are leading to that, and your testimony was just that you didn't remember all the factors--

MYUNG LEE: [interposing] So that is--

COUNCIL MEMBER WILLIS: [interposing] And the Commissioner said that there was another article was just released. So I'm just wondering why don't you, I mean where--just give me the study and then I'll read it.

COMMISSIONER RICHTER: Absolutely.

COUNCIL MEMBER WILLIS: I'll go into my next question. I know that she has a lot of questions. The next thing was program location on page four, Early Learn NYC sets high standards so that the parents can feel confident that regardless of the program location, settings, or design their children receiving quality services. What does

program location, what does that mean in that statement?

COMMISSIONER RICHTER: Whether the program is center-based or a family child care setting at, in a home.

COUNCIL MEMBER WILLIS: Okay. In your statement you also went into the advertisement strategy that you had, and I wanted to know what was the methodology that you used to say that these were the best types of advertising? I see check cashing stores. I understand bus shelters, but I see check cashing locations, and then I see HRA, but I don't see department of education. So can you, you know, just elaborate on that a little bit.

COUNCIL MEMBER WILLIS: So our goal was to try to reach parents who are using subsidized care, so parents who are eligible for mandated child care. So in an effort to try to--in an effort to try to have parents who are receiving a voucher use that voucher in an Early Learn Center, and so we tried to identify and someone else may be able to answer this question more fully. We tried to identify places where New Yorkers who are entitled to a mandated child care subsidy might interact with an

advertisement, and so that was our goal. So a parent who might encounter our, you know, an ad for our programming. So for example, you'll note that I also mentioned that we sent mailings out to all--to NYCHA recipients. We tried to identify the zip codes where vouchers are used and identified, bus shelters there. The goal was to try to encounter voucher users.

COUNCIL MEMBER WILLIS: Okay. The--I've learned from dealing with the Early Learn roll out that Head Start programs, because of the federal funding, they're mandated to have social workers, and from what I understand they are Early Learn and Head Start blended programs, and then there are just Early Learn programs. So the blended programs would have the added benefit of having a social worker there while the stand alone Early Learns would not. Wouldn't that create more of a disparity?

COMMISSIONER RICHTER: One moment, Council Member.

COUNCIL MEMBER WILLIS: No problem.

COMMISSIONER RICHTER: So our understanding is that Head Start programs, even pure Head Start programs don't have to have a social worker on staff. They may have social work

consultants and we do require all Early Learn providers to have social works, to have screenings done by social workers. So Early Learn providers do have social workers doing screenings at this time, if it's an Early Learn provider.

COUNCIL MEMBER WILLIS: Okay. So I have two last questions. The question with the DOE, can you explain why that's not in as part of the advertisement or target goal or the reaching, the outreach, the title one schools would seem that those would be prime targets for this program, so why hasn't that been, or is it just omitted here?

COMMISSIONER RICHTER: So we didn't do that, but I'm certainly happy to take that back and think about how we can target them.

COUNCIL MEMBER WILLIS: Okay. The next thing is you said the center-based schools were at-- or centers were 80 percent and the family childcare were at 60 percent. What is your thinking now post Early Learn roll out when we had centers that were well above 80 percent that were actually if not for City Council funding would have been just basically wiped out, but a lot of centers that were wiped out had higher utilization than your Early Learn centers

now, what is your thoughts about that and those particular children that were serviced?

COMMISSIONER RICHTER: I mean, my thought is that we had parents who decided that they wanted to use a voucher instead of going to an Early Learn Center and that we have work to do with respect to figuring out how to bring those parents back into a center-based setting, and that there are parents who, you know, have choice and made that choice. I think that, you know, it's--you know, it's obviously a significant change in the child care system in the City in an effort to--in an effort to try to bring about a consistency of quality and to move from a child care system to an early care and education system and I think that we have seen an increase significantly in enrollment and we will continue to see a significant increase in enrollment. I do want to say that our numbers indicate that were never a system that was at 100 percent enrollment, none of our providers were--I should say our system, some of our providers were at 100 percent, but as a system we were not 100 percent enrolled. That's not to say that there weren't providers that were 100 percent enrolled. So I think we have work to do, and I, you

know, and I obviously want us not to be at 80 percent, and as my testimony indicated we should be in a better place than we are.

COUNCIL MEMBER WILLS: Has there been any thought given to maybe the implication of there being the removal of traditional or cultural appropriate centers that were there existing all the time, the removal of those because of the Early Learn awarding that being a part of why some of the parents went different avenues or are not going to these centers now? Because I, my community I know of three centers that were if not 100 percent, 97 or 96 percent utilization, and now the other Early Learn Centers are not there. Is that implication any part of the thought process going forward?

COMMISSIONER RICHTER: So, you know, there has been so much thinking about how this process worked, that I wouldn't say no to any question about what we learned from the way that this rolled out, and so I think that, you know, the goal of this was to improve the quality of our system and to build a foundation that we can build on to help kids be prepared for kindergarten, and so I am hopeful that we did that, but I don't think that a year is enough

to sort of know for certain that, you know, or to reach stability or to reach full enrollment. But there certainly has been a lot of conversation about how the system looks today and how it looked before including the issue that you raised.

COUNCIL MEMBER WILLIS: I appreciate the work that you do, Commissioner, especially with the incarcerated--children of incarcerated parents. Madam Chair, you have the rest of my time.

CHAIRPERSON PALMA: Thank you. Council Member James?

COUNCIL MEMBER JAMES: Thank you. Commissioner, happy birthday, and I hope I don't ruin your birthday today. I have nothing but the utmost respect and I know the implementation of Early Learn has had its challenges, and but there were some who predicted that this would--that Early Learn was really a recipe for disaster and fortunately we're beginning to see the results. Let me begin where we left off at our last hearing and that is the vacation funds that are owed to the former employees and currently employees of some of these agencies. How are we doing with regards to paying employees back their vacation pay?

COMMISSIONER RICHTER: Okay, just give me one moment, Council Member. Council Member--

COUNCIL MEMBER JAMES: Yes.

COMMISSIONER RICHTER: I'm going to just ask Deputy Commissioner Nuccio to answer that question.

COUNCIL MEMBER JAMES: Sure. Is it your birthday, Deputy?

SUSAN NUCCIO: No, it's not mine.

COUNCIL MEMBER JAMES: Good, so I'll be--

SUSAN NUCCIO: Not for a while.

COUNCIL MEMBER JAMES: So I'll ask my tough questions to you, 'cause this is the Commissioner's birthday.

SUSAN NUCCIO: Okay. So, in order to complete the process, we needed both the fiscal year 12 and the first three months of fiscal year 13 audits in. So the universe was about 238 child care contracts. We have in about 56 percent of those, and for those that are in, some we owed, some owed us. Anyone who we owed we paid out over four million dollars so far. And we're processing another million or so that's in house.

COUNCIL MEMBER JAMES: So the process has been described as slow. What can we do expedite the process?

SUSAN NUCCIO: Get those audits in. I mean, I think inside finance we're putting all the resources on reviewing those audits and moving as quickly as possible, but you've got to get the audits in. There are a good number that do not have them in.

COUNCIL MEMBER JAMES: And the responsibility of getting the audits in is on the providers?

SUSAN NUCCIO: Yes.

COUNCIL MEMBER JAMES: Is there any way that you can assist the providers in getting those audits in in a timely fashion?

SUSAN NUCCIO: If there's any questions they have or help, we'd be more than happy to help them, but I don't think we've had anyone identify any particular issue that we could address. I think it's just getting the paperwork, getting all the files and doing the work to complete an audit.

COUNCIL MEMBER JAMES: Moving onto another area. It's my understanding that, and correct me if

I'm wrong, that about 800 individuals lost their jobs as a result of the implementation of Early Learn, is that an accurate number?

COMMISSIONER RICHTER: We have heard, I mean, we've heard a lot of numbers with respect to how many people lost their jobs. I'm--I don't know. I honestly don't know, Council Member. But we've heard that people did lose their job. We've heard that people were hired. But I don't know the answer to that question.

COUNCIL MEMBER JAMES: So let me ask this question, how many individuals as far, if you know, that were previously fired as a result of Early Learn that had been picked up by new contract providers, do we know?

MYUNG LEE: We don't have an aggregate data but I know that I have gone to providers where I have met staff who have come from other Early Learn, other programs that were no--that are not a part of Early Learn. So I know it has happened, but we have not collected that data, and I don't even know how we would collect that data, and we have not received any of that information from anyone. We have, however, encouraged and strongly encouraged all of the Early

Learn contractors from day one to hire and to interview every single staff member of any existing centers that they were taking over, and we have worked closely with the day care council as they have reached out and anyone else who has reached out to us we have worked with.

COUNCIL MEMBER JAMES: So ACS in no way played a role in making sure that the former employees were picked up by the new providers?

MYUNG LEE: We strongly encouraged and any of our close out meetings with providers and any new meetings that we had with new providers, our wording has always been "we strongly encourage you to meet with all existing staff to ensure that you at least interview them."

COUNCIL MEMBER JAMES: Other than strongly--

COMMISSIONER RICHTER: [interposing] And I should say that part of our message was that that would be good for the parents and the children.

COUNCIL MEMBER JAMES: Sure.

COMMISSIONER RICHTER: And I met with, I mean, we've met with providers. I've personally met with providers and senior management of providers

1 saying, you know, you're taking over a program that's
2 been in the community, you know, referencing he
3 Councilman's last question, you're taking over a
4 program that's been in a community for many, many,
5 many years, you know, these folks, you know, know
6 this staff person. It will make a big difference for
7 you to do, you know, outreach to this staff.

9 COUNCIL MEMBER JAMES: One thing,
10 Commissioner, that I'm trying to get at is to
11 determine how much employees that were previously
12 working for--that were working for contractors under
13 the old system, how much they were being paid as
14 opposed to the new contract providers. What is their
15 salary currently, and is there any documentation that
16 you have done, any tracking that you have done, any
17 review that you have done? Old system/new system,
18 how much are employees being paid?

19 COMMISSIONER RICHTER: So I don't know
20 that we knew that before Early Learn, and I don't,
21 and we don't know that, you know, now for either the
22 City Council funded programing or the Early Learn
23 programming. So I don't have an answer for you,
24 Council Member. I don't know the answer to that
25 question. I apologize.

COUNCIL MEMBER JAMES: I mean, obviously, compensation clearly is related to the quality of a program, and clearly if employees are being paid significantly less than what they were paid previously, it really--it goes to the question of the standards and the outcomes regarding related to the implementation of Early Learn. Any, so no documentation at all?

COMMISSIONER RICHTER: I don't--we don't have that, no. And I don't believe I--I don't--I would have to check and we certainly can get back to you on whether we--

COUNCIL MEMBER JAMES: [interposing]
Sure.

COMMISSIONER RICHTER: have had that historically.

COUNCIL MEMBER JAMES: Let me go onto insurance. At one point in time, it's my understanding that under the Early Learn program that providers were responsible for paying employees their health insurance, and now it's my understanding that that was not the case and it really comes out of the budget of these organizations, the providers. To what extend do providers have to pay for health

insurance for employees, and do you keep data on how many employees have decided not to take out health insurance because it was clearly too expensive?

COMMISSIONER RICHTER: So we don't keep data. First of all, let me say yes, the answer is under Early Learn, providers are now as part of the rate, responsible for the health insurance of their staff, which was a change under Early Learn as you're aware of. We have been informed through the head start sponsoring board and the day care council that up to half of the Early Learn employees are not taking the health insurance that's been offered, and we are not as you have suggested by your questions, we are not aware whether these staff have alternative health coverage. We believe that some of them clearly do since part of the initial opt out involved whether, you know, you were on some else's insurance whether it's a partner or spouse. So, but we don't have the numbers to show what number of that half that's been reported is covered.

COUNCIL MEMBER JAMES: Are we concerned that some of the employees are not being covered by health insurance?

COMMISSIONER RICHTER: Yes, I would say the answer to that question is we're concerned when anyone doesn't have, you know, coverage.

COUNCIL MEMBER JAMES: What can we do to make sure that there's full coverage of these employees who are primarily women, and let me argue, and let me just say women of color?

COMMISSIONER RICHTER: So this a, I mean, this is a larger issued. I think, you know, I'm certainly happy to think about what we can do. I don't have an answer at the ready for this, but I do want you to know that we have talked, we have spoken at great length with the day care council about this issue. It is one that we are concerned about and we are aware that there are some providers in Early Learn that have different size work forces than others and therefore, because of economies of scale have been able to manage this differently than others, and I think that part of the answer may lie in there. I do think that there has to be a solution to this issue, obviously. We have not found it yet, but we are eager to try to figure this out. The, you know, the issue is obviously as you are aware, the allocation per slot and what the cost per slot is and

what it can purchase, and that is, you know, at the root of the issue that we're talking about.

COUNCIL MEMBER JAMES: Let me move onto another issue. I've been told by some that the one organization in question which was the subject of much controversy, Be Above, has been unable to fill all of its slots. Is that true?

COMMISSIONER RICHTER: So we made the determination to reduce the amount of their recommended award because we were not satisfied that they would be able to actually meet their initial recommended award.

COUNCIL MEMBER JAMES: And so what are the consequences of that? I mean, and where did those slots go?

COMMISSIONER RICHTER: So the--based upon the use of the mandated system, namely vouchers, we had an inability to replace those because the voucher system expanded and so the center side was not, did not expand so those slots in fact were not replaced. They were--the money for those slots was used to pay for voucher--

COUNCIL MEMBER JAMES: [interposing]
Vouchers.

COMMISSIONER RICHTER: instead. I just want to--that is a correct answer.

COUNCIL MEMBER JAMES: Okay. In regards to under-enrollment, according to the report that's been prepared by the City Council. Underfunding for the Early Learn contracted care was intended to provide funding for 46,000 children, and the voucher system, 60,000 children, and currently assuming that these numbers are accurate, we only have 29,000 children under Early Learn and 68,000 children under the voucher program which leaves me with a 9,000 number where children are not accounted for; they're just lost. Where are those children?

COMMISSIONER RICHTER: Okay. So, the issue here, we actually do have an answer to this question, is how much the voucher--where is the parent using the voucher. I've asked this question, so I actually can explain. The question is where is the parent using the voucher, and how much does the voucher cost? So much of that is a function of parents actually using vouchers at centers that are not ours, which is more expensive than using at a home, and using--which is--this is actually in some ways a good thing. Using vouchers for younger children. We have

1 actually aged down the system somewhat, and we would
2 like them to be aging down the system in Early Learn
3 centers, 'cause we think they are better, but infant
4 care is more expensive. So the vouchers actually
5 cost more per voucher to us and that's part of the
6 answer to your question.
7

8 COUNCIL MEMBER JAMES: I got it. I would
9 also argue and we argued this earlier; I know I
10 argued it. You know, my district has been tagged as
11 high income these days because we've seen changes in
12 demographics, but as I've argued previously in all,
13 not just on ACS contracts, but in all contracts,
14 there's pockets of poverty in the district that I
15 represent, which unfortunately is consistently
16 repeatedly ignored, and I would argue that a lot of
17 these vouchers are in my district and elsewhere and
18 similarly situated districts because they did not
19 receive a--their providers did not receive ACS
20 contracts and I am prepared to bet my first check as
21 public advocate--no, maybe not, but I'm prepared to
22 bet that in these neighborhoods which are rapidly
23 gentrifying, that a number of parents are utilizing
24 vouchers because ACS centers are no more, but that's
25 just a bet between you and I. Lastly, I know you

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the priority it now seems to becoming. And your other question was?

COUNCIL MEMBER JAMES: In regards to staff development, based upon the initial report in Early Learn, you basically concluded that Early Learn was to prepare children for kindergarten, that there was going to be consistency across the board and you would establish an assessment tool. Earlier in your testimony you indicated that it was just too early to make an assessment. The question is, is it too early to determine whether or not these children are prepared for kindergarten?

MYUNG LEE: So we do have assessments in play.

COUNCIL MEMBER JAMES: Okay.

MYUNG LEE: For the teachers in particular, we're using an assessment tool called CLASS [phonetic], which is what the federal Head Start funding is also tied to. We have spent the first year training and asking our--training and working with our staff, provider staff as well as asking our providers to go and become CLASS certified so that they can be CLASS reliable, meaning that they have to go through a certain number of hours of

1 training so that they can then also start to work,
2 and we've asked mostly our education directors at
3 each of the providers so that they can then work
4 closely with the teachers as they go in and do
5 teacher observations and to be able to really
6 accurately assess where the teacher needs more help
7 and more support so that the children can fare
8 better. We have been doing assessments of the
9 children as well and when we talked about it being
10 too early to have the results be of any meaningful
11 data for anyone is because it is the first year and
12 we have been working with our providers so that they
13 become familiar with it. We don't want to put any
14 data out that would seem to indicate that our
15 providers are not ready or that they're not good
16 enough. It's just that they're getting use to the
17 tools, so that's why we're not ready to release any
18 of that info because it's been the first year. We
19 want to be fair.

21 COUNCIL MEMBER JAMES: And let me end by
22 saying that I just received a note in regards to my
23 question related to insurance, that part time day
24 care workers will need to contribute 24 percent of
25 their salary towards the insurance premium, and that

is in all likelihood why they are opting out. If their salary is 932 dollars a month, they're responsible for 227 dollars, and given that level of salary I would imagine--I would argue that most of them are opting out. Thank you.

CHAIRPERSON PALMA: Council Member Arroyo?

COUNCIL MEMBER ARROYO: Thank you Madam Chair. Good afternoon Commissioner. Always nice to see you. I have couple of questions and they kind of run all over. First, 80 percent enrollment currently. We see sometimes the City adjusts contracts and budgets according to utilization. Should we be concerned that after all is said and done and we've accepted some of these new providers into our communities, which we believe is contributing to some of that under-enrollment, that these providers are going to be at risk for losing some of their budget funding because of the under-enrollment?

COMMISSIONER RICHTER: So, I am concerned that we are confronted with challenging economic times, and the fact is that we are concerned that the--perhaps, I guess the answer is perhaps. I mean, I--

COUNCIL MEMBER ARROYO: [interposing]

Okay, so when you articulate that funding--

COMMISSIONER RICHTER: In other words, I don't want to see any child who's currently in a--

COUNCIL MEMBER ARROYO: [interposing]

Okay, but this is significant amount of dollars--

COMMISSIONER RICHTER: [interposing] Yes.

COUNCIL MEMBER ARROYO: that we're talking about. You say one billion dollars.

COMMISSIONER RICHTER: It depends on the mandated side.

COUNCIL MEMBER ARROYO: Okay, but here, you know, if the numbers that are included in your testimony, one billion dollars to fund the Early Learn programs in our City, and only 80 percent capacity, we're talking about what? I'm not good at the math, but that sounds like 200 million dollars are going to be lost in our community.

COMMISSIONER RICHTER: So let me say that it's one billion dollars for the subsidized childcare system. Early learn is a--

COUNCIL MEMBER ARROYO: [interposing] So how much is Early Learn?

COMMISSIONER RICHTER: Yeah, 440 million dollars.

COUNCIL MEMBER ARROYO: So how much to we stand to lose at the community level if these providers don't bring their enrollment up?

COMMISSIONER RICHTER: Each one percent is worth about two and half million dollars.

COUNCIL MEMBER ARROYO: Okay. So okay. So I want to bring--

COMMISSIONER RICHTER: But Council Member I want to say that it's not being lost, it's going to the voucher side. So--

COUNCIL MEMBER ARROYO: [interposing] No, no, no. Early Learn is 80 percent enrollment.

COMMISSIONER RICHTER: Yes.

COUNCIL MEMBER ARROYO: So are we talking vouchers and center based, or what are we talking about when you say 80 percent?

MYUNG LEE: So, the 80 percent is 80 percent of center-based programs in Early Learn, but the billion dollars is made up of center-based programs in Early Learn, family child care programs in Early Learn, as well as voucher programs throughout the City.

COUNCIL MEMBER ARROYO: So what does the 80 constitute?

COUNCIL MEMBER ARROYO: So 80, it's 80 percent of the--So, if you want to look at the entire enrollment--

CHAIRPERSON PALMA: [interposing] I'm sorry, Deputy Commissioner, so the capacity, right, of the original RFP was 46,000 slots, right?

MYUNG LEE: Yes.

CHAIRPERSON PALMA: And then from 46 it went to 42,000 consistently. Today you report that it, the capacity is 36,695, right?

[cross-talk]

COMMISSIONER RICHTER: So part of that is because New York City did not lose all of that capacity. Some of that capacity is now because of a Head Start re-compete where some of those Head Start seats are still in New York City. As a matter of fact, 17 out of the 19 Head Start grantees were in Early Learn. They're not in Early Learn now, but New York City still has those seats.

CHAIRPERSON PALMA: So how many--

COMMISSIONER RICHTER: [interposing] Our number came down because--

CHAIRPERSON PALMA: [interposing] How many of those seats were then transferred, if I may, to the re-competition, right? And then just so Council Member, right, in what Council Member Arroyo's raising--

COMMISSIONER RICHTER: [interposing] Yes.

CHAIRPERSON PALMA: Then the 80 percent constitute the 36,000--

COMMISSIONER RICHTER: [interposing] Yes. So just under 4,000 seats left ACS and went to Head Start grantees in the City. So those seats were not lost. We're, you know, in some ways we are very happy that the federal government confirmed they were the same grantees that we gave--that we were contracting with, but now they're not part of Early Learn. They're Head Start grantees directly from the federal government, 17 out of 19; we're 18. So, we're still the super grantee, but we're not as big a grantee. So those seats weren't lost. New York City still has those seats.

COUNCIL MEMBER ARROYO: So what does 80 percent constitute?

MYUNG LEE: It's a little under 6,000 seats in the contracted center-based programs that are not yet enrolled.

COUNCIL MEMBER ARROYO: How much money do we stand to lose in our communities if it does not come to 100 percent?

COMMISSIONER RICHTER: So, it is--so I know you--I want to say that parents very well will be using that money in your communities with vouchers. So the community is being, is getting the money, it's just not going to the Early Learn Centers.

COUNCIL MEMBER ARROYO: You're not answering my question.

COMMISSIONER RICHTER: You want to know the dollar value of those--

COUNCIL MEMBER ARROYO: How--we have providers that some probably in this audience right now are probably very nervous about the fact that they have not been able to bring their enrollment to capacity based on the contract that they received under Early Learn. Are these providers at risk for losing the unused capacity in their budget moving forward?

COMMISSIONER RICHTER: So, the providers--

COUNCIL MEMBER ARROYO: Did you see the heads bobbing up and down in the audience?

COMMISSIONER RICHTER: Yes, and so Council Member, I am--I want to answer your question honestly, and the answer is--

COUNCIL MEMBER ARROYO: [interposing] I hope you always do.

COMMISSIONER RICHTER: I, that's what I-- as much--look at where--

COUNCIL MEMBER ARROYO: [interposing] Why don't you rephrase that?

COMMISSIONER RICHTER: I'm right here. The answer to your question is, yes, the providers--

COUNCIL MEMBER ARROYO: [interposing] They are risk for losing funding.

COMMISSIONER RICHTER: The providers are, but the children are not, because the children--

COUNCIL MEMBER ARROYO: [interposing] That's not my question.

COMMISSIONER RICHTER: Then the answer is--

COUNCIL MEMBER ARROYO: [interposing] That's not my question.

COMMISSIONER RICHTER: Then the answer
is--

COUNCIL MEMBER ARROYO: [interposing] The
providers are currently contracted to--

COMMISSIONER RICHTER: [interposing] Yes.

COUNCIL MEMBER ARROYO: do x. They're
funded to do x--

COMMISSIONER RICHTER: [interposing] Yes.

COUNCIL MEMBER ARROYO: but at some point
they're going to lose some of that funding.

COMMISSIONER RICHTER: So our goal--

COUNCIL MEMBER ARROYO: [interposing]
Yes?

COMMISSIONER RICHTER: Yes. So our goal
with our campaign is to get the parents who are
entitled to a voucher, and vouchers get--we don't
control the vouchers. In other words, they get
issued to mandate it. They're mandate is to get
those voucher users to go to our providers centers.
That's what we're--that we're really trying to do.

COUNCIL MEMBER ARROYO: So how long do
they have to bring their enrollment to capacity of--
to their budgeted capacity, and when are we going to
start getting the phone calls from the providers in

our community about the fact that you're going to cut their budget?

MYUNG LEE: So we're not cutting any budgets. What we are doing is the providers are getting paid on enrollment as it always was required under the contract. We have been working with our providers and we have been working them since last year around, I think it we started doing budget talks and enrollment conversations in early spring so that we could help them and to work with them. We've provided materials where we actually, as in the folders that you have in front of you, what you will see--

COUNCIL MEMBER ARROYO: [interposing]
That's not for the record, right?

MYUNG LEE: I'm sorry?

COUNCIL MEMBER ARROYO: This is--we were told this is not for the record. This is for the record or not?

MYUNG LEE: Sure. Yeah, that's the marketing materials that we provided to our providers and what you will see in those marketing materials is you'll see blank spaces where the each of our contractors can then put in their own information so

that it can help them to do more and better and recruitment it out.

COUNCIL MEMBER ARROYO: So, what's the dollar amount that these budgets will be adjusted by if their enrollment does not come to--

COMMISSIONER RICHTER: So our providers right now are actually paid for their enrollment. So we're not--so they're not going to be adjusted.

COUNCIL MEMBER ARROYO: But they were contracted for certain dollar amount, for a certain amount of enrollment.

COMMISSIONER RICHTER: Per--

COUNCIL MEMBER ARROYO: Okay, I get it that you pay them based on what they're doing, but they expect that at some point they would be receiving a full complement of funding based on that number of children enrolled in their center.

COMMISSIONER RICHTER: If--

COUNCIL MEMBER ARROYO: [interposing]
That ties into a dollar amount. What is it?

COMMISSIONER RICHTER: So our providers are currently under Early Learn being paid for enrollment. So if they enroll at a 100 percent--

COUNCIL MEMBER ARROYO: [interposing] So let me ask a different question. I'm sorry, because we're going to keep going around. How much have we saved in--you haven't? So you paid money that you're not--I don't--that, okay. So you contract me for 10 dollars to provide for 10 children and I only have eight, what happened to the two dollars?

COMMISSIONER RICHTER: Okay. So because--

COUNCIL MEMBER ARROYO: [interposing] Sorry for over simplifying it, but--

COMMISSIONER RICHTER: [interposing] Not at all.

COUNCIL MEMBER ARROYO: I'm not get--you know, I don't want you to dance around this. This City has either saved money because the enrollment is not at 100 percent capacity. You have not paid providers, so how can you tell me you haven't saved money?

COMMISSIONER RICHTER: So when Council Member James asked a similar question, I tried to explain that we have actually been paying on our vouchers because of voucher usage in a way that we haven't--we're not saving money.

COUNCIL MEMBER ARROYO: Okay, I'm sorry, Commissioner. I am talking about the center-based component.

COMMISSIONER RICHTER: Right, so--

COUNCIL MEMBER ARROYO: [interposing]
Which based on your testimony, my understanding is that it's at 80 percent enrollment. Yes?

COMMISSIONER RICHTER: You are correct, but in our child care budget at ACS we do not separate the--in other words we pay our, what we need to pay. So we pay our voucher bills and we pay our center bills, and we don't have money left over. So, last--in fiscal year '13, we paid 75 million over four vouchers. Half of that came from Early Learn under utilization. So in other words, we paid more to the voucher side of the house than we had--

COUNCIL MEMBER ARROYO: [interposing] So vouchers--

COMMISSIONER RICHTER: budgeted.

COUNCIL MEMBER ARROYO: Okay. So are vouchers over subscribed?

COMMISSIONER RICHTER: That's correct.

COUNCIL MEMBER ARROYO: By how much? By how many?

COMMISSIONER RICHTER: We'd have to tell you dollars not--

COUNCIL MEMBER ARROYO: Vouchers?

COMMISSIONER RICHTER: the number of vouchers, 'cause each voucher costs a different amount based on where the parent--

COUNCIL MEMBER ARROYO: [interposing]
Because of the age, I get that.

COMMISSIONER RICHTER: uses it, yes.

COUNCIL MEMBER ARROYO: Okay. So are we underfunding one--

COMMISSIONER RICHTER: [interposing]
We're at about--

COUNCIL MEMBER ARROYO: and over funding the other?

COMMISSIONER RICHTER: Ninety, about 90 million dollars right now.

COUNCIL MEMBER ARROYO: Okay. So are we underfunding one and over funding the other?

COMMISSIONER RICHTER: So we don't have a choice on funding--yes, I would say yes, but we don't have a choice on the voucher side. In other words, we are--vouchers get issued based on--they're mandated by the law so we have to pay for them.

COUNCIL MEMBER ARROYO: Okay. So you want to move from voucher to center based, is that what I'm--I think I heard that.

COMMISSIONER RICHTER: We would like to try to work as much as possible with parents to have them use their vouchers which they can at Early Learn Centers.

COUNCIL MEMBER ARROYO: Okay. So has there been a survey of voucher parents or families to ascertain why there is a preference for voucher family based and not center based? Because I didn't hear that in your testimony.

MYUNG LEE: So we did a small survey which was too small for it to have significance, and we are going to embark on doing a bigger one this year, precisely so that we can get at that answer and we can better help the parents to make the choices that we hope--

COUNCIL MEMBER ARROYO: [interposing] But in the meantime, we can stand to lose center based capacity?

MYUNG LEE: That has been the case.

COMMISSIONER RICHTER: So I want to say that that is part of why we have actually been in job

centers. Our providers have, in the Bronx, been in HRA job centers to talk directly to parents to try to communicate to them why their centers are, you know, are a good choice for parents and why we have sent materials to NYCHA residents and done this ad campaign that we think touches on the reasons why center-based care is beneficial to children, and we will continue to try to figure out ways to connect parents to communicate to them that, you know, center-based care and Early Learn is advantageous, and we've seen an uptake in Early Learn enrollment, and we are going to do everything we can to try to continue that.

COUNCIL MEMBER ARROYO: On the issue of the number words the child hears, which I think is kind of interesting that no one has ever talked about the fact that Early Learn experiences in children provide them the opportunity to experience more words than if they just stayed at home with mom and watch Nickelodeon. No one mentioned that as part of the possibility of the difference between the number of words a child hears or is exposed to. I get it that the study's a little dated, but you don't remember Early Learn or early childhood education being a

major contributing factor to a child's experience with words. You're nodding yes?

COMMISSIONER RICHTER: I think that's right. I agree with you. I mean, I think being in an Early Learn setting is--or an early childhood setting is going to certainly be more productive to a child than watching television. I don't, you know, necessarily mean, I think obviously a mother has a great opportunity to teach her child words. I mean, I would never suggest otherwise. I think that, you know, parents most important--

COUNCIL MEMBER ARROYO: [interposing] I don't think we--we're not disagreeing with you.

COMMISSIONER RICHTER: Yeah.

COUNCIL MEMBER ARROYO: I think early childhood education and the exposure is significant benefit to a child without question. My concern is that the providers in our communities are going to begin to get very nervous, and they're going to start calling our offices that ACS is doing that thing they do again, and the budgets are going to get cut and people are going to lose their jobs, and it's, you know, it's this cycle that we need to get ourselves

1 out of, because as much as we try to send a very
2 strong message that we did not believe that moving
3 the system in this direction was the best for
4 everyone concerned. We're here today having this
5 conversation and I see the heads bobbing up and down
6 in the audience; these providers are very concerned.
7 Yes? Yeah, you see that? On the issue social
8 workers, Early Learn providers are required to have a
9 social worker on staff. Is every single Early Learn
10 provider fully staffed with a social worker?

12 COMMISSIONER RICHTER: So I misspoke if I
13 said that. They're not required to have a social
14 worker, but they are required to have screenings
15 that--first of all, Head Start providers are not
16 required to social workers.

17 COUNCIL MEMBER ARROYO: But we're talking
18 about Early Learn.

19 COMMISSIONER RICHTER: Yes.

20 COUNCIL MEMBER ARROYO: Let's stick to
21 that.

22 COMMISSIONER RICHTER: Yes. So Head Start
23 is part of some Early Learn programs, and Early Learn
24 providers are not required to have social workers,
25 but they are required to do screenings, and social

workers are part of doing those screenings, but they don't have to have a social worker there consulting with social workers on screenings.

COUNCIL MEMBER ARROYO: So every--Early Learn provider, contracted under this RFP, has been able to meet its mandate to provide the screenings by the social worker. We're talking about a licensed social work, and Ms. Deputy [phonetic] hat are we talking about?

MYUNG LEE: So we hope that all of our providers have been able to meet all of the mandates that we have in Early Learn, but we also know that it was the first year, and we do not want to be punitive with any of our providers in the first year.

COUNCIL MEMBER ARROYO: Okay. So do you know where they're at in their--

MYUNG LEE: [interposing] Yes.

COUNCIL MEMBER ARROYO: mandate to provide those screenings by a social worker, and level social worker are we talking about?

MYUNG LEE: So many of the screenings are done by the teachers. There are social work services available at the centers and we require the providers have that so that and that we also require our

1 providers, in fact, it was a part of the RFP that
2 they tell us what community partnerships that they
3 have on the ground so that they can have these access
4 to these types of partnerships. Because to have a
5 social worker on staff at every single one of our
6 providers would be cost prohibited, and so we do not
7 require them to have a social worker on staff.

8 COUNCIL MEMBER ARROYO: That's what I
9 thought.

10 MYUNG LEE: Yeah. We don't require them
11 to have a social worker on staff.

12 COUNCIL MEMBER ARROYO: But then where
13 are the providers as it relates to the mandate that
14 the screenings be done by social worker, and what
15 level social worker are we talking about? A B.S.
16 Social woker? A Master's? A license? What, what
17 are we talking?

18 MYUNG LEE: So the screenings are done by
19 the teachers.

20 COUNCIL MEMBER ARROYO: By the teacher,
21 that's not a social worker.

22 MYUNG LEE: Nope.

23 COUNCIL MEMBER ARROYO: So then none of
24 the providers are in compliance?
25

COMMISSIONER RICHTER: I misspoke. I misspoke. That's my fault.

COUNCIL MEMBER ARROYO: I'm sorry. Now I'm confused.

COMMISSIONER RICHTER: So the--

COUNCIL MEMBER ARROYO: [interposing] Are they required to--are screenings required to be done by a social worker? Not by a social worker?

MYUNG LEE: Screenings are required, but not by social worker.

COUNCIL MEMBER ARROYO: Oh. And the teachers are prepared to conduct these screenings? So how are we in terms of compliance?

COMMISSIONER RICHTER: Can we have someone else answer that question who's prepared to answer that question?

COUNCIL MEMBER ARROYO: You bring them, I hope they should all be able to help you answer these questions. When you leave, the room empties out.

MARIA BENEJAN: Good afternoon. Maria Benejan, Associate Commissioner for ACS Program Development. In terms of the screenings, the children's screenings, there are two types of screening. One is a developmental screening and

another one is a social emotional screening. The developmental screening is done by the teachers, and again, the Education Director at a program provides the guidance for this teacher around the developmental pieces. Those are the domains, literacy and math and looking at that child's progress. If a program, normally our programs have like a family worker or someone who's working with the family, and in some cases, not all cases, do they have someone who has a social worker. They mainly have social work consultants, someone who can come in to help them. They also would provide follow-ups. So if there is a reason, a red flag during that screening, then they will refer that to a social worker, someone else to again continue the assessments. The mental health consultant, they are mental health consultants in our programs. You'll find them mainly in the Head Start program, but in our child care program they do have mental health consultants. Those consultants sometimes do the screenings, because as I said there's two screenings. One's developmental and one's social/emotional. So the social/emotional ones are done sometimes in collaboration with a mental health consultant or

sometimes if it's an inclusion program, a special ed program, then they have an organization and they have a partnership agreement and that screening is done by that organization.

COUNCIL MEMBER ARROYO: So are providers in compliance?

MARIA BENEJAN: Yeah.

COUNCIL MEMBER ARROYO: What are the numbers that were required and how many had been done, which of the two? So there are two screenings that are required. Of the two for every child in the center based provider program, how many of those screenings have been accomplished?

MARIA BENEJAN: I don't have that information for you, 'cause that's part of the monitoring that we do.

COUNCIL MEMBER ARROYO: But I think you'll get it for the Chair, right? You'll get it? You'll get the number?

MARIA BENEJAN: We can provide that. Yeah, we will provide that. That's in term of our monitoring. We go out to the programs to see, 'cause the developmental screening has to be done within 45 days of entering.

COUNCIL MEMBER ARROYO: Okay. So if you can just get us that information.

MARIA BENEJAN: Yep.

COUNCIL MEMBER ARROYO: And Commissioner, of the scholarships, the Early Learn directors to obtain the child's program administrator creditential--

COMMISSIONER RICHTER: Yes.

COUNCIL MEMBER ARROYO: of 48, directors have completed the program out of how many?

COMMISSIONER RICHTER: They counted the first year. It's a--I believe it's a two year program. They've completed the first year. Forty-eight have completed the first year. It's a two-year accreditation. So the--

COUNCIL MEMBER ARROYO: Well, it says that 48 directors have completed the program in a two-year program for Early Learn providers. So you state 48, but what's the universe? Forty-eight out of how many?

COMMISSIONER RICHTER: I believe it's a 138.

COUNCIL MEMBER ARROYO: And are you--what are you doing to get that number up?

COMMISSIONER RICHTER: So we anticipate that they will all be doing it, but I--

COUNCIL MEMBER ARROYO: [interposing] And the time for it?

COMMISSIONER RICHTER: Oh, okay. So let me say it's voluntary. So the first group of 48 are--I believe they volunteered to be in the first group, but I don't believe that there would be opposition to going, but I can get you more information about that.

COUNCIL MEMBER ARROYO: And maybe a discussion with the directors about why they wouldn't pursue the program.

COMMISSIONER RICHTER: Yeah, I'm not--

COUNCIL MEMBER ARROYO: [interposing] What is it that they would see cumbersome or difficult about it? And then pursuing it, I think we can agree that higher, the more higher education attainment that we have, the better--I mean, you've said it in your testimony about how children from families who have certain academic advancement do better. I think that the work place, the more the better the programs will be. So I think if it's--is it free? Is it a cost issue?

COMMISSIONER RICHTER: No, it's--

COUNCIL MEMBER ARROYO: [interposing] So that we can make it as appealing as possible to make sure that as many of the directors absolutely take advantage of it. I think that's something we should encourage. I'm concerned, Commissioner, that we're going to have a conversation about budget reductions in our community centers, and that is certainly a conversation we should not have to have because the enrollment numbers are just not there, and how do we get families from voucher to center base if you think that's the best approach to solving that problem, and the other part of it which might be a little bit more difficult is, of the ones that we have funded, the Council's discretionary centers, how much did that impact the RFP provider's ability to enroll to capacity? Thank you, Madam Chair.

CHAIRPERSON PALMA: Thank you.
Councilwoman Chin?

COUNCIL MEMBER CHIN: Thank you, Madam Chair. This is the question that I wanted to follow up on. Commissioner, in your testimony, you talked about, your last paragraph at the end, you talked about the 4,500 student children. So I assume those

are the kids--that's the Council discretionary funding for those centers, those providers?

COMMISSIONER RICHTER: That's correct Council Member.

COUNCIL MEMBER CHIN: So how many providers are included in this group?

COMMISSIONER RICHTER: So that's 45 providers at 68 centers and four child care networks. I'm sorry, four family child care networks.

COUNCIL MEMBER CHIN: Okay. So are these, are you taking care of these providers? Are you providing training for them? All the resources that you're talking about for Early Learn in your testimony, are you offering these opportunities also to these providers?

COMMISSIONER RICHTER: So these providers are working very closely with CUNY PDI, and there's actually funding for CUNY PDI to work very closely with this set of 45 providers to do a good deal of technical assistance and provide guidance with respect to programming and so while I wouldn't say that we're not doing--that we're not doing anything with them, we're working with these providers as is the City. They also have a significant amount of

technical assistance from CUNY that was intended to assist in terms of their provision of services to children.

COUNCIL MEMBER CHIN: So Commissioner, what's--are there any plan in terms of the future to bring these providers back into Early Learn. You know, is there going to be another RFP that's going to go out, because I know that even if we baseline, we might not be able to capture all the providers. I mean, most of the--I'm sure all of these providers are doing a great job. For one reason or another they didn't make it. For some reasons, I'm not going to go into, but a lot of these centers are great, especially the one in my district. I mean, they're providing great service to the kids, and they are full capacity. And I know that the Council is committed to continue funding them, but we just can't keep doing it to discretionary funding. We got to get them back into the pipeline so that they are part of this whole Early Learn program. So are you guys--I mean, you thinking about how you can work with us to make that happen? I mean, we're already funding them for two years.

COMMISSIONER RICHTER: Right. So I would say that in addition to these 45 providers there are others that as you've probably heard would want to join that group, and so I think that's probably the tension here, is that you know, there was this request for proposals and this process. Will there be another one? You know, I can't predict the future exactly, but I think that there are absolutely positively, you know, very strong quality programs in this group and we know that, and children and parents would tell us that, and so I acknowledge your question, and I can't say that I have an answer to the question sitting here right now.

COUNCIL MEMBER CHIN: Well, I know you can't predict the future, but in terms of really ACS working towards bringing them back in, because they are--if they're providing quality programming, and their center is at capacity--

COMMISSIONER RICHTER: [interposing]
Right.

COUNCIL MEMBER CHIN: they don't have trouble, you know, recruiting the kids.

COMMISSIONER RICHTER: Right, so--yeah, so I guess, Council Member, I would say that there

1 isn't a way to just bring them in without there being
2 a process. In other words, that--the contracting
3 process doesn't work that way. So there would have to
4 be some sort, as you point out, there would have to
5 be some sort of RFP process in order for that to
6 happen. So I think the right answer to your question
7 is, there would need to be a process, and then they
8 could be brought in, but that would have to happen.
9 And so that's how it would happen.

11 COUNCIL MEMBER CHIN: Well I encourage,
12 I mean ACS should really look to plan for that,
13 especially in the new administration. Our future
14 Mayor is very concerned about child care and so I
15 think that's a plus, so that we can help expand that
16 service, because I mean it's ironic that we hear that
17 center that got funded through Early Learn are having
18 trouble recruiting. Meanwhile, we have all these,
19 you know, centers that were providing good services
20 that got left out of the program, and we're not
21 really meeting the needs of the kids in our
22 community. So I really encourage ACS to really think
23 about how to start this process so that we could get
24 these centers back. My second question is--

COMMISSIONER RICHTER: [interposing] I do want to say, Council Member, that the enrollment, and I obviously--you know your district better than I do. The enrollment across the system in the Council-funded system is not at 100 percent. So we're struggling as a city with enrollment right now.

COUNCIL MEMBER CHIN: So what's the percentage if it's not at 100?

COMMISSIONER RICHTER: Our, well our information is that it's in the 70 percent area.

COUNCIL MEMBER CHIN: Certain centers?

COMMISSIONER RICHTER: Absolutely, absolutely.

COUNCIL MEMBER CHIN: So you're talking about--

COMMISSIONER RICHTER: [interposing] Yeah, I mean, and we have Early Learn centers that are over 100 percent enrolled as well. I mean, we're having an enrollment issue, which we're trying to figure out.

COUNCIL MEMBER CHIN: Yeah, I mean that is something that we really need to work at. I mean, when we know there's a need and the people are not utilizing it--

COMMISSIONER RICHTER: [interposing] Yes, absolutely.

COUNCIL MEMBER CHIN: Now, on the voucher question, my question is that now if a parent has a voucher, where do they go? I mean, do they go to these private centers?

COMMISSIONER RICHTER: Some do.

COUNCIL MEMBER CHIN: Or babysitting or not regulated?

COMMISSIONER RICHTER: Absolutely. All of the above.

COUNCIL MEMBER CHIN: So, now, doesn't the city have the addresses of all the family that use voucher? So why have we reached out to them directly?

COMMISSIONER RICHTER: We have. We have.

COUNCIL MEMBER CHIN: Through mailing?

COMMISSIONER RICHTER: We've sent mailings to every single one of them. We have. Yes. I should also point out since you asked, and I always feel that I should, that we also as a city and a state do not offer parents a lot of information about the homes where they use vouchers in an unregulated setting, and that's because of state law limitations.

1 So we can't tell a parent about the other folks in
2 the home where they're using a voucher in terms of
3 criminal convictions and alike, and that's because of
4 limits on disclosure with respect to state law. So
5 we talk about parental choice, but parents really are
6 not able to make a full choice because they don't
7 know that much about who lives in a home where
8 they're using a voucher and where we're, we as a
9 city, are paying on the voucher.

11 COUNCIL MEMBER CHIN: But the person
12 that's providing the services at their home, they
13 have to register or they have to have a license,
14 right, by the Department of Health?

15 COMMISSIONER RICHTER: Not necessarily.

16 COUNCIL MEMBER CHIN: Then we are putting
17 our children in some situation that might not be safe
18 situation. So what about giving information--

19 COMMISSIONER RICHTER: [interposing] In
20 some cases that is correct.

21 COUNCIL MEMBER CHIN: So what about
22 giving parents information about what they should
23 look for and what, you know, they should check of
24 when they go and seek, you know, these kind of
25 services.

COMMISSIONER RICHTER: I--

COUNCIL MEMBER CHIN: [interposing] So
that they can identify, you know, which is a quality-
-

COMMISSIONER RICHTER: [interposing]
Exactly.

COUNCIL MEMBER CHIN: and which is not.

COMMISSIONER RICHTER: And I think that is
part of the direction we want to go in in terms of
this push to sort of provide information about
helping parents make their choice as best as
possible.

COUNCIL MEMBER CHIN: I think also
providing the information, I guess, in all the
languages--

COMMISSIONER RICHTER: [interposing]
Yeah.

COUNCIL MEMBER CHIN: that the parents
need. And also utilizing the community. I mean,
there are a lot of, you know, community outlet in
terms of local media, community organization with the
churches that ACS could utilize to really get this
information out. So as a community, people know how
to identify quality care for our children and I think

that can help push, you know, people to really seek out the centers and the center care for the family network that are registered--

COMMISSIONER RICHTER: Yes.

COUNCIL MEMBER CHIN: to do that. So I think we--I mean, we look forward to working with you on that, but I definitely really urge you to really take a look at the 40, you know, 500, 4,500 kids to see how we can get them back into the system.

COMMISSIONER RICHTER: Yes.

COUNCIL MEMBER CHIN: Thank you. Thank you, Madam Chair.

CHAIRPERSON PALMA: Council Member Brewer?

COUNCIL MEMBER BREWER: I had a follow up on the insurance issue. I mean, as a city employee I recently got a letter. I think it went to my husband, it said, "Do you have an alternative insurance?" So do you do that? And you know, we filled it out and we said, "No, he's on my insurance, and leave me alone." Or something like that. But do you send similar letters, like nice letters that say to the employees, "Are you okay, or is somebody else

supporting on you?" Because this lack of insurance is serious, especially in these environments.

COMMISSIONER RICHTER: Yeah, so we have not done that. And--

COUNCIL MEMBER BREWER: It's something to think about.

COMMISSIONER RICHTER: Yes.

COUNCIL MEMBER BREWER: Because I just--I can't quite imagine working in general without insurance, but on a city contract it's--

COMMISSIONER RICHTER: [interposing]
Yeah, so--

COUNCIL MEMBER BREWER: pretty--

COMMISSIONER RICHTER: [interposing] Yes.

COUNCIL MEMBER BREWER: pretty bad.

COMMISSIONER RICHTER: Yeah. No, and I understand that so I hesitate to say this, but so ACS has contracts with a lot of providers in a lot of different sectors, and so obviously we, we are the child welfare agency and the juvenile justice agency where we contract with foster care and prevented agencies and, you know, providers of non-secure placement now, and non-secure detention, and so we don't do that in those sectors where those providers

are also responsible for health insurance. This is new, and this may be a different situation or it may not be a different situation, but I want to put that out there just because in our thinking it may be that we all know that child care workforce is different than the foster care workforce, and so that's what I think the Council is raising here, which is important for us to hear, but I also want to put out there that we are contracting with a lot of different parts of this sector.

COUNCIL MEMBER BREWER: [interposing] I understand that. I mean--

COMMISSIONER RICHTER: [interposing] And this may be a different part of the sector, which I think is what you're raising, Council Member.

COUNCIL MEMBER BREWER: Yeah, and you're dealing with multiple kids, but I guess the bottom line is in general, you should be thinking about if it's a letter or some other communication, and secondly, the navigators of the world under Obamacare should also be aware that in all of your sectors you'd like some help. I mean, the City should be doing this, not just you, but you know, CSS may get a call from somebody asking. So you need to put the--

1 cross the t's and dot the I's and make the people
2 talk to each other, no silos. Think about how to get
3 child--insurance to these folks who don't have it.
4 That should be like the bottom line. Number two
5 would be, you know, to go from voucher to center-
6 based. So I agree with Margaret Chin. Like did you-
7 -I don't know if you can do this legally, can you
8 send a copy of a letter to somebody that says--like,
9 you're not allowed I assume--I'm the parent, can you
10 send my letter that you send from ACS to the parent
11 to the local Council Member and Community Board or is
12 that not--is that privacy? The reason I ask is we
13 know our neighborhoods, right? We know the good guys
14 and the bad guys. So if we knew that, you know, Gale
15 Brewer's going to an unlicensed child care provider
16 at a home, we might be able to reach out to that lady
17 and say, "You know, you should go to whatever." But
18 we don't know that she's looking. So if you get--if
19 I get something from the City at home, that's the
20 last God damn piece of paper I'm going to open. And
21 you know, so just sending a letter doesn't do it. You
22 need more discussion, right?

24 COMMISSIONER RICHTER: Yeah.

COUNCIL MEMBER BREWER: Like you need Margaret Chin to know or you need Council Member Arroyo to know. I'm just saying just one letter is not going to convince somebody to switch. So what else are you doing to make that person switch?

COMMISSIONER RICHTER: So, a potential solution to that may be not disclosing confidential information but working more closely with our Council Members to talk about--

COUNCIL MEMBER BREWER: [interposing] And the Community Boards and--

COMMISSIONER RICHTER: As Council Member Chin said, and I think Council Member Arroyo has always been willing to do, figuring out how to work more closely with the grass roots organizations--

COUNCIL MEMBER BREWER: Yes.

COMMISSIONER RICHTER: that know our clients.

COUNCIL MEMBER BREWER: Right. I mean, we know where the good centers are and we would be glad to direct people to them to get the max, and then just finally, does the center-based, these are in some cases new providers and the family-based, is that often the same provider in that same zip code or

1 is it--obviously if you have a voucher going to a
2 "unlicensed" or a baby-sitter, then that's not going
3 to be part of the family day care network, but I'm
4 trying to see--I'm just--I know this is not a nice
5 question, but a lot of the outside groups that came
6 in they weren't local. Maybe they're high quality,
7 but they weren't local. We had that discussion, and
8 I think people are always interested trying to figure
9 out a local provider whom they know. So I don't know
10 if it's we're not at a max is because it's a new
11 provider; not so many people know and they're
12 comfortable going to either family-based or
13 unauthorized that they, you know. I don't know, but
14 I'm trying--

16 COMMISSIONER RICHTER: [interposing] So
17 all of--

18 COUNCIL MEMBER BREWER: to figure out
19 where the rubber hits the road there.

20 COMMISSIONER RICHTER: Yeah, so all of
21 the family child care networks are connected to an
22 Early Learn provider, and they're larger than they
23 used to be.

24 COUNCIL MEMBER BREWER: I know that.
25

COMMISSIONER RICHTER: So some of what you are suggesting may be the case, and it's worth figuring out how to--you know we are trying to figure out how to work more closely with them to increase their enrollment obviously. That's where we're, you know, most concerned because I--

COUNCIL MEMBER BREWER: [interposing] I think you're a little bit on the silo side, but after this hearing you won't be on the silo side. NYCHA, you're picking, in other words, picking up on what Tish James--we all have NYCHA developments in high income areas. Do you think that all of your NYCHA developments have centers close enough to them to be able to make sure that those young people get quality child care? I know mine got cut. That's why I'm asking.

COMMISSIONER RICHTER: So I don't think--no, is the answer to that question.

COUNCIL MEMBER BREWER: Okay. So what are we going to do about that?

COMMISSIONER RICHTER: Right. So, you know, there's--

COUNCIL MEMBER BREWER: Only so much you can do.

COMMISSIONER RICHTER: I'm not sure that I have an answer to that.

COUNCIL MEMBER BREWER: Okay. Well I just think--

COMMISSIONER RICHTER: [interposing] I mean, I think the answer is that we, that you know, we obviously are not meeting the need for every child to be in care, and I think that, you know, you'll probably hear testimony from Citizens Committee for Children. I mean, I don't think we're meeting the need for every kid who need care. And so we--I think that I've said before I think this program lays a foundation for trying to really lift up quality, and as I said earlier, in terms of the needs assessment, we know that vouchers are being used in the same places where Early Learn programming is. It's about an 89 percent match, so--

[cross-talk]

COMMISSIONER RICHTER: So we're moving in the right direction in terms of locations. I certainly think there's work we need to do, and, you know, part of, I think, where we need to go is continuing to figure out how to age down the system. These plans we have heard about about universal pre-k

gives us a real opportunity to look at, you know, Head Start and child care, you know, aging down the system and figuring out how to get kids who are 18 months old in really quality programming. I do we think we took a first step in that direction.

COUNCIL MEMBER BREWER: And the regular child care centers, are they at full capacity? In other words, of non-Early Learn center? You don't know?

COMMISSIONER RICHTER: In other words, the--the Council--

COUNCIL MEMBER BREWER: [interposing]
Yeah, I mean, you know, other child care centers. Are they, from your experience--

COMMISSIONER RICHTER: [interposing]
Again, we don't--I don't know the answer to that question.

COUNCIL MEMBER BREWER: You don't know, okay. Thank you.

CHAIRPERSON PALMA: Commissioner, from the four point campaign, the campaign to target families who are using the vouchers and encourage them to go into the center-based system, how many of those

families have made that transition, do you know if any have made?

COMMISSIONER RICHTER: I don't know the answer to that. In other words, how successful has the campaign been, I don't know. I mean, anecdotally, we think that we're making progress, but I don't--we don't know how many particular children because of the campaign enrolled. We don't know.

CHAIRPERSON PALMA: So you wouldn't know if a family has a voucher and decides to go to a center base, they're not given the voucher back? How--

COMMISSIONER RICHTER: No, there's no physical voucher.

CHAIRPERSON PALMA: Right, but--

COMMISSIONER RICHTER: [interposing] Yes, so in other words--

CHAIRPERSON PALMA: [interposing] But there will be--

COMMISSIONER RICHTER: [interposing] No--

CHAIRPERSON PALMA: [interposing] They will be enrolled in an early, right? They will be disenrolled from the voucher system and enrolled into a center?

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2 COMMISSIONER RICHTER: Myung will try to
3 answer that, I think.

4 CHAIRPERSON PALMA: Okay.

5 MYUNG LEE: We don't have the exact
6 answers to it. There's no physical vouchers to be
7 able to track--

8 CHAIRPERSON PALMA: [interposing] No,
9 okay. I'm sorry. Let me retract. Never mind the
10 physical vouchers, right? [off mic] How many, right,
11 families if any decided not to use a voucher--not to
12 use a home-based, unlicensed operator and actually
13 enter into a center-base? Do we know if that's
14 happened because of this campaign?

15 MYUNG LEE: We do not have that data,
16 because we have a--right now we have about 150,000
17 records in our database that are active children that
18 are at play at any given moment. Given the numbers
19 of children that are using our system for one--either
20 whether it be contracted or voucher, we don't have a
21 tracking mechanism to try to determine how many
22 children are going where. We don't have that
23 capability.

24 CHAIRPERSON PALMA: Why not?
25

MYUNG LEE: Our data system is not up to speed on that. It is a--it's a system that's very antiquated and we don't--

CHAIRPERSON PALMA: [interposing] And we're not looking to bring it up to speed?

MYUNG LEE: We are.

COMMISSIONER RICHTER: Oh, we certainly are, and we actually do have some funding allocated to bring it up to speed. It's called the Asus [phonetic] system. It was developed in 1999. I'm sure if you asked our providers about our system, they would tell you candidly that we have work to do on it. There have been fixes to our Asus West system, but it needs to be upgraded considerably. So producing reports from our system like you just requested is a challenge.

MYUNG LEE: But we do know from a percentage perspective, we track how many of the HOA voucher children are sitting in an Early Learn center. That percentage is pretty stable at the moment. It's been the same five percent throughout the last year or so. We're hoping for an uptake, but also remember that the campaign has only been live since July. So we have the marketing campaign out

there in July. So it's a little too soon for us to see a complete uptake on the numbers. So it's just-- I mean, the bottom line is we don't have that info. It's a little too early for us to tell.

CHAIRPERSON PALMA: And the 80 percent enrollment rate at Early Learn, that's been the same for how long? Has it changed?

COMMISSIONER RICHTER: So the answer is yes. It's been going up. When--

CHAIRPERSON PALMA: Okay.

COMMISSIONER RICHTER: Give us one moment. So right now we are--compared to a year ago we are--what I'm looking at shows that we're about 6,000--our enrollment is up 6,000 from last year. We obviously track it every month, and so there's been incremental increases every month, that summer is a little odd, but we've been seeing increases steadily. So our--you know, obviously our goal is to continue working on that, but we have seen steady monthly increases.

CHAIRPERSON PALMA: What kind of feedback are you getting from the providers that are under enrolled?

MYUNG LEE: There's a multitude of reasons as to why there's under enrollment issues. So one of them is for providers that have not done child care or Head Start. So they used to do one and now they're doing the other. They're having some challenges in figuring out how to do the enrollment differently because there come different requirements for eligibility. And also for child care providers under the child care block grant, it's not just the income level. You have to have income level and then you have to have reasons for care. And so finding the families that actually have the income level as well as the reasons for care, meaning certain number of hours of, you know, working. If there's two parents in the household, both parents have to be working. So those types of requirements that come with the funding streams, make it somewhat challenging for some providers. We've also heard some providers say that they are having a challenge because of--they just have not done marketing or recruiting in the past, because they're relied on word of mouth to just kind of get the families coming in, and now they're finding that they have to go out and actually market, and some of them don't even have

signs at their door to say this is a so and so provider, which is why we--

CHAIRPERSON PALMA: [interposing] But these were all part of the requirement for the RFP, correct?

MYUNG LEE: Well, yes, but some of this from old existing providers. So we have done our-- part of the marketing campaign was to literally create sings for them to use, and marketing materials and posters because we heard that they didn't have the funding to do that. So we created it for them so that they could then use that to go out and to do campaigns, brochures, things along those lines and they were distributed to all our Early Learn providers. We've also heard providers say that they are having a hard time because there are UPK providers in the neighborhood. Last year was the first year that we had 4,000 full day UPK programs out in the community, 'cause to date it had been half time or wrap arounds to other programs, but last year was the first year that we had a full day program. And so some providers have said that that brought challenges, 'cause UPK doesn't have any fees attached to it. So there's--it just runs the gamut.

CHAIRPERSON PALMA: Council Member Arroyo raised the question about, right, we're looking into FY15 and budget and meeting, you know, some decisions we're going to have to be making and some demands that we're going to have to face, right? What is the overall gap and anticipated gap to the child care budget over?

COMMISSIONER RICHTER: So, obviously there are a lot of factors in play, but we are--our concern is about 90 million because we are determined to get our enrollment up to 100 percent. So if we don't get--and here's the deal, if we don't get our enrollment filled with vouchers, then as the Council has pointed out to me before, you'll have a lot of voucher usage and you'll have a fully enrolled center based system and will be 90 million dollars in the hole. So that's, you know, that's always--as Council Member Arroyo has pointed out, you want, you know, and others have pointed out, if you have that many children in care, you know, in child care then you'll have 100 percent enrollment in your center-based system and you'll have a continued over, you know, over subscription. I mean, you don't have choice on--

CHAIRPERSON PALMA: [interposing] Usage.

COMMISSIONER RICHTER: over usage of vouchers at the rate it's going and you'll have a 90 million dollar issue in our child care budget.

CHAIRPERSON PALMA: So that would be the current gap and the--at 90 million.

COMMISSIONER RICHTER: This year, this year. It's a projection for this year.

CHAIRPERSON PALMA: Council Member Chin and Arroyo both have follow up questions.

COUNCIL MEMBER CHIN: I guess, Commissioner, you have to explain how did that happen? Like how do you get 100 percent on center care, and then you still have this increased number in voucher?

COMMISSIONER RICHTER: So I'm going to defer to Deputy Commissioner Nuccio on that.

SUSAN NUCCIO: So when Early Learn was structured, it assumed that the voucher level would be frozen in the dollar value at that point in time, which was a couple of years ago, and what has been happening is the cost of care on the voucher side has been increasing as the Commissioner referenced due to younger children, due to more formal settings. That

has been increasing every year, and our budget has stayed about the same. So last year we were 75 million dollars over on the voucher side. This year we're projecting based on the numbers we see today, 93 million. So if you're fully funded, if you're fully utilized on the EL side, you wouldn't haven't any savings to direct to that 90 million dollars.

COUNCIL MEMBER CHIN: My follow up question was really on the voucher system, right? I mean, Commissioner, you were talking about the whole issue of choice, but isn't there some kind of requirement or regulation that if a parent or family applies for a voucher that it's their--that they should be able to--they should be getting quality care. So there should be a list of centers that they can go to.

COMMISSIONER RICHTER: So, a parent--

COUNCIL MEMBER CHIN: [interposing]
There's no requirement for that? That's what I don't understand.

COMMISSIONER RICHTER: We can provide the information, but we cannot require that the parent go anywhere in particular.

COUNCIL MEMBER CHIN: I mean, that's my question. I mean, like if they're--they come in and they apply for a voucher because they need the care and maybe because they need the--

COMMISSIONER RICHTER: [interposing] And I want to be clear, they don't come to ACS for the voucher.

COUNCIL MEMBER CHIN: No.

COMMISSIONER RICHTER: They go to HRA for the voucher.

COUNCIL MEMBER CHIN: Okay. So, I mean, it just like--it's tax payer's dollars right? I mean, I just can't see. I don't understand how we can allow a parent to use care that many not be quality care.

COMMISSIONER RICHTER: Council Member I'm very happy to talk to you about this issue. When I became the Commissioner I developed a strategic plan. This particular issue is in my strategic plan. It's a very serious concern in terms of the safety of children.

COUNCIL MEMBER CHIN: Yeah.

COMMISSIONER RICHTER: There's no question about that.

COUNCIL MEMBER CHIN: I mean, that is something we really need to follow up on, Madam Chair, because it just doesn't make sense. Because if you have some, you know, guideline in terms of what you can use that voucher, where you could use that voucher and these people who are providing the services need to meet the requirement. Otherwise, it doesn't make sense at all that we're not providing the best, you know, place for our kids.

COMMISSIONER RICHTER: So, I just want to be clear. This is a state-wide issue. This is not a city issue.

COUNCIL MEMBER CHIN: Okay, so we'll have to go to the state. Thank you, Madam Chair.

COUNCIL MEMBER ARROYO: So let's fix it at the city level and teach the rest of the state how to do it. I think Council Member Chin is onto something here and I was whispering to the Chair that we should absolutely follow up with you on a conversation about how do we help to align the resources that we have and make the best use of the limited dollars. We shouldn't be facing a 90 million dollar deficit for this service, and at the risk of increasing the deficit, I'd like if at all possible

1 for two things, for more of this information to be
2 delivered to my office so we can as we go out into
3 the community take it out, but also if you can
4 provide me with a list of the providers in my
5 district that are under-utilized in terms of their
6 capacity so that we can reach out to them and see how
7 we can help them deal with that number. So, and at
8 the risk of--well, how do we get the voucher families
9 into the center-based providers? But the family
10 based system is okay, right? The family care system
11 is okay. Those are not the unqualified providers
12 you're referencing, right?

14 COMMISSIONER RICHTER: That is correct.
15 That is correct. That is correct.

16 COUNCIL MEMBER ARROYO: Because they're
17 going through some vetting process under your--

18 COMMISSIONER RICHTER: [interposing] That
19 is absolutely correct.

20 COUNCIL MEMBER ARROYO: requirement. So,
21 we're not advocating for families to leave the home
22 base providers.

23 COMMISSIONER RICHTER: That is correct.

24 COUNCIL MEMBER ARROYO: We're advocating
25 for families to leave the unqualified providers that

1
2 maybe by Nana [phonetic] who's taking care of my
3 nephew.

4 COMMISSIONER RICHTER: So I don't want to
5 make any assumptions, and I also don't want to say
6 that all unlicensed providers aren't good. There may
7 be some very strong providers.

8 COUNCIL MEMBER ARROYO: No, no, I think
9 it's important to make the distinction. So the
10 family care networks are not the voucher families
11 that we're talking about here. Okay. So if you can
12 get me a list of the providers in my district so that
13 we can do some proactive reaching out and so that we
14 can have some more of this literature in the office
15 so that we can use it as we go out to community
16 forums and things of that kind. Thank you, Madam
17 Chair.

18 CHAIRPERSON PALMA: Commissioner, I want
19 to talk a little bit about the providers match. How
20 many of the providers have been able to meet the six
21 percent match and how have they been able to do it,
22 and for those who have not made the match have been--
23 what's going on with them? What's happening in terms
24 of penalizations, if I may?

COMMISSIONER RICHTER: Yes. So, at this point, 118 providers reported on the contract contribution to us. So that's almost--we'll it's not--it's--we have a 145 providers. I'm sorry, 138, so it is almost everyone shy of 22 providers. So, 60 percent reported making the targeted amount, that's 71, and we have information that indicated that providers mostly had made their target through donated time and services, which is what we had anticipated. For those who reported not making their targets, we're awaiting their audits to determine if follow up steps are needed or if the program was able to actually manage with the Early Learn reimbursement amounts which are net the 6.7 percent. Those are due by early next calendar fiscal year, calendar fiscal year '14. Calendar year, not fiscal year. Calendar year '14, so January, and then we'll be in a better place to make an assessment and figure out how it all played out.

CHAIRPERSON PALMA: All Early Learn providers are now fully functioning open? No one is dealing with space issues, lease issues? Do any of the ones that have not made the 6.7 percent match

fall into any of those categories of not being fully functional?

COMMISSIONER RICHTER: So, almost all sites are up and running, but the overwhelming majority and I don't think that the 6.7 percent is the reason why any sites are--

CHAIRPERSON PALMA: [interposing] Not that any sites would--that will prevent site from functioning, but are any of the ones that are not rightfully functioning as of today are part of the ones that obviously will not have met making the match?

COMMISSIONER RICHTER: I'm not sure I understand. So the ones that didn't of the ones--

CHAIRPERSON PALMA: [interposing] So you were waving your fingers right, so we have two centers that are not functioning?

COMMISSIONER RICHTER: Yes, we have two--

CHAIRPERSON PALMA: [interposing] So those two obviously were not make the--

COMMISSIONER RICHTER: [interposing] Didn't make their match.

CHAIRPERSON PALMA: six percent match, right?

COMMISSIONER RICHTER: Correct, yes.

That's right. We have two.

CHAIRPERSON PALMA: So for the ones that are functioning, right, operating--

COMMISSIONER RICHTER: [interposing] Yes.

CHAIRPERSON PALMA: under utilization and have not met the 6.7 match. What's going on with them?

COMMISSIONER RICHTER: So of the 118 that reported, you're asking about the 30 percent that didn't make the match. Like how are they doing it without that 6.7 percent?

CHAIRPERSON PALMA: Right, and what is AC--what is--they were, right, part of the RFP was that they didn't make the match they would be penalized.

COMMISSIONER RICHTER: Right. Oh, so we have not done that to anybody. What we--but what we are trying to figure out by January when we get their audits is, you know, how this affected them and have conversations with them. I do want to say that our finance department is responsive to our providers, and so if someone--if a provider is having a particularly challenging time, they will communicate

with us and we will try to figure out how to be helpful if there's something going terribly wrong.

CHAIRPERSON PALMA: So the majority, the 70--the majority of the 70 percent, right, most of their match was made by donated time?

COMMISSIONER RICHTER: Exactly.

CHAIRPERSON PALMA: What is preventing the 30 percent from doing the same thing?

COMMISSIONER RICHTER: Well we'll find out when we review their audits. That's what we're going to try to figure out and perhaps help them.

CHAIRPERSON PALMA: But everyone's aware that it could, the match can be done--

COMMISSIONER RICHTER: [interposing] Through volunteers. We think so, but we may found out that that is not the case.

CHAIRPERSON PALMA: Okay. And I have a couple of questions that Council Member Reyna wanted me to raise, and she wanted to come back but got stuck at another meeting. How many Early Learn sites have their leases renewed, and at how many years were the leases renewed for?

COMMISSIONER RICHTER: So we're--

CHAIRPERSON PALMA: [interposing] And the questions are coming up because if you remember about two weeks ago we had the issue before the Landmarks Committee and--

COMMISSIONER RICHTER: So, Council Member Reyna did request this information from us, and we are pulling it together for her. So we're aware that she--

CHAIRPERSON PALMA: [interposing] And so I wanted to ask the question to get them on the record to make sure that--

COMMISSIONER RICHTER: [interposing] Oh, yes, so we're aware that the Council Member needs this information and we are working on it.

CHAIRPERSON PALMA: Okay. So then I expect the committee to get the, you know, the report from--

COMMISSIONER RICHTER: [interposing] We will.

CHAIRPERSON PALMA: ACS.

COMMISSIONER RICHTER: We will provide that information.

CHAIRPERSON PALMA: Okay. I want to thank you, Commissioner, for your testimony for providing

us with some more insight on the Early Learn system. Again, I don't, you know, none of us up here or in this room are against quality care or quality education. We want to make sure that it's a system that continues to work and doesn't leave any child behind and captures all the vulnerable families in the City of New York, and we will continue to make sure that we work to make this system better for New York City. And but with that, you know, with that being said we cannot, you know, just ignore some of the issues that continue to be raised, so we'll continue to work with ACS and the City to make sure that the system is functioning in an way that families are being served in a real way. Thank you so much for your testimony. Our next panel--and enjoy your birthday. Jeremy Hoffman from UFT, Raglan George from DC 1707, Mable Everett, President of local 205, DC 1707, Andrea Anthony, Day Care Council, and Gwendolyn McEvilley, from Head Start Sponsoring Board Council. If you are ready to begin, you can decide in which order you want to start.

ANDREA ANTHONY: Yeah. Good afternoon, my name's Andrea Anthony. I'm the Executive Director of the Day Care Council. We're the largest organization

1 within New York City's child care system. The Day
2 Care Council serves the interest of 117 non-profit
3 organization. They operate more than 225 child care
4 centers in the five boroughs. We are proud of their
5 long-standing commitment to providing a strong
6 educational foundation for New York City's most
7 vulnerable citizens. Before I get into my testimony,
8 I want to point out and comment on some of the things
9 the Commissioner said, especially about parent
10 choice. There--when a parent decides that they want
11 to get into the public funded system that their
12 income is such that they can, they have three
13 choices. One is a center-based program. One is a
14 registered family child care program, and one is a
15 legally exempt program. So when you look at those
16 three choices you say, "Okay, what will the parent
17 choose?" It depends on the parent. Parent choice is
18 a state law, and I've met with the Commissioner of
19 OCFS, but her hands are somewhat tied because of
20 that. You also need to know that the weekly rate,
21 this is the market rate for center-based care; it's
22 255 dollars. For a registered child care provider,
23 it's 185 dollars, and for a legally exempt provider,
24 it's 104 dollars. So I can give that money to my
25

1 sister. If I decide that I want to legally exempt
2 provide to take care of my family, my child, it can
3 be my sister. So I have to choose between my sister
4 and a center-based program, and yes, my sister may
5 decide to let them watch Nickelodeon. Another thing
6 that needs to be considered, there are over 2,000
7 child care programs in New York City, center-based.
8 There are 7,000 family child care providers. We are
9 in that grouping. So when we talk about center-based
10 care, I was in Brooklyn one day with my Senior Policy
11 Analyst, Lisa Caswell [phonetic] and we were walking
12 up the street, there were so many different child
13 care programs. They're not Early Learn programs.
14 They're private non-profits who were family child
15 care providers at one time, and they decided to open
16 a store front. They're in your communities. They're
17 there. So they're not Early Learn. That's all I'm
18 trying to explain. That's the different--that's how
19 parent choice works. They can pick one of those
20 providers in the streets or they can pick an Early
21 Learn provider.

23 CHAIRPERSON PALMA: Andrea, when you talk
24 about these storefront not Early Learn providers,
25 these are private providers--

ANDREA ANTHONY: [interposing] Yes.

CHAIRPERSON PALMA: that--

ANDREA ANTHONY: Are licensed by the health department.

CHAIRPERSON PALMA: Right.

ANDREA ANTHONY: The health department--

CHAIRPERSON PALMA: They are paid providers?

ANDREA ANTHONY: Yes. Yes, the parent pays the fee. Like I said, the 255 is a market rate fee. They could pay more or they could pay much less, but yes, the parent will choose that this provider on Flatbush Avenue is right near my home and I want to go there. Our Early Learn Center could be around the corner, but because maybe your neighbor recommended her, that's where they're going to take their child. Or they can decide I want to leave my child with my cousin or my grand aunt. That person is receiving 104 dollars every week for that child. So that's someone in your community that's, you know, that's helping their income. So that's why the competition is so great, and that's why you have un-enrollment and that's why marketing is important. That's why Early Learn centers need the help in

marketing their programs, which they're members of the Council and we help them--

CHAIRPERSON PALMA: [interposing] I don't think we have a lack of children in New York City.

ANDREA ANTHONY: Right, we don't.

CHAIRPERSON PALMA: I believe that we need, again, to make sure that the system's working to capture as many families as it needs to capture so no one gets left out.

ANDREA ANTHONY: That's true. That's absolutely true. Now, I get to my testimony. You have copies of my testimony. I wanted--

CHAIRPERSON PALMA: [interposing] So if you want--can, and I know we're all on the same page here, so if you can summarize your testimony.

ANDREA ANTHONY: Oh, yeah.

CHAIRPERSON PALMA: I have it for the record. Just because I--

ANDREA ANTHONY: [interposing] It's long.

CHAIRPERSON PALMA: The panel is six people and we get, you know.

ANDREA ANTHONY: Well, the areas I wanted to really bring to light besides the major challenges were the rate being insufficient. The health

insurance that we're--that was really discontinued because of the CIP and we were not aware of that.

The fact that we tried to get a new collective bargaining agreement together, and the workers have been on the--you know, at the same level for the last several years, and that it was a lack of a vision through the mayoral administration, but our--my testimony, important thing about it is that these workers have not received, the workers in the Early Learn system have not received an increase in seven years. Our recent data on the number of workers currently receiving the health insurance coverage is disturbing, and here's why, and this is just one paragraph I'm going to read. It's on page three. In April of 2011, the Early Learn RFP was released. Given that we were responsible for securing health insurance coverage, we took a look at the census and CSA and DC 1707 welfare funds and found a total of 5,046 active workers with a majority 4,305 or 87 percent being women of color. When we fast forward to 2013, October 2013 this month, we now have 1,796 workers registered in the health insurance program with 1,559 being women or 87 percent of the total. We also know that the number of women in the plan, 80

1 percent have elected single coverage which is the
2 least expensive. What happened to more than 3,200
3 workers? Some were laid off. Some retired and some
4 elected not to take health insurance because it was
5 too expensive. We must be mindful that the majority
6 of the workers in the system and those who are left
7 are women of color. Many of these women have early
8 child education credentials and years of experience,
9 and while some do not have the former education
10 achievement, they have the necessary experience to
11 stimulate and shape young minds in the classroom. I
12 will close by saying the collective bargaining
13 agreement raises for the workers is our number one
14 priority. Thank you.

16 CHAIRPERSON PALMA: Who's following
17 Andrea?

18 GWENDOLYN MCEVILLEY: Good afternoon, my
19 name is Gwen McEvilley and I'm the Director of the
20 Head Start Sponsoring Board Council. I've submitted a
21 big package to you guys, so I'm just going to really
22 summarize, and I just wanted to touch on a few things
23 that the Commissioner said, and I wanted them to be
24 corrected. Just to be clear--

CHAIRPERSON PALMA: [interposing]

Gwendolyn, just pull the mic to you a little bit more. Thank you.

GWENDOLYN MCEVILLEY: Better? The Head Start Sponsoring Board Council never told Commissioner that half of the Head Start employees did not take healthcare. I would say about 80 percent of our workers did take it, and they're required to pay 15 percent towards their healthcare. The other issue that I really wanted to talk about was the fact that our agencies are now required to pay an additional CIP insurance, and agencies were given 73 cents per child to pay this additional insurance that ACS wants them to pay as of November 1st, that CIP has dropped. Getting the information from my agencies, none of that will cover . One agency in particular, they figured that they were going to get about 21,000 dollars to cover the entire costs and that will not cover the workers compensation portion. Head Start programs are governed by 1,600 performance standards and define requirements Head Start agencies that have to be placed to avoid families and a number of choices such as family day care, double sessions and services,

more than--I'm sorry, and services more children and fulfill the needs of families to use the services. But unfortunately with Early Learn, it did not give parents that option. So we want to know where those children are, just as you had asked the Commissioner. Programs who Early Learn contracts and some Head Start programs will have both Early Learn and direct federal contracts, but cannot apply to the Department of Education for universal pre-k. They must forfeit as much as 2,500 dollars per child and settle for the pennies that the Early Learn program gives them. I wanted to thank you today for the testimony and if there's any questions, you can feel free to call me. Thank you.

MABEL EVERETT: Good evening. My name is Mabel Everett, and I'm the President of the Local 205 of 1707. One of the things I would like to say about the Commissioner, and it's really hard for me to sit here because I'm a little annoyed. Our teacher in day care, and every time I testify I say that, are certified teachers with Master's Degrees. Our Assistant Teachers are now taking the teacher's exam, in fact, and our aids are taking the CDA. This is something we've always had and we've always done. So

I don't see what the problem--when I sit here and hear about quality day care, this is not us. The only thing I liked about the Early Learn was assessment, which we were not doing. Now we're doing. So children from the time they go in Family Day Care all the way up we will be able to see the needs that they need and their growth, and it's not on a piece of paper that may disappear in some of the day cares. It's in the system. That's a wonderful piece. The other piece that he brought on Early Learn is the 12 day training. That means, I'm looking at--I have a great granddaughter that's in day care, and I just looked at her roster for November. There are--there centers is only going to be open two days. That means those parents got to look for a childcare for staff development, Thanksgiving and the day after. I also understand ACS is now in charge, and parent--the children who may be out sick, they have to pay. These are all the things that we're talking about. In our stand alone centers we are full capacity. At the centers, RFP centers that's not open, their half. Classrooms is being closed, and what the ACS have a tendency of doing is they'll give them a 30 day notice. They're only getting paid for

the child that's there. So if they have a license for 100 children, they only got 30, they're only going to get paid for 30. And we're asking that in lieu of all the stuff that's happening with the Mayor elections that's going on, and we don't know who the new commissioner will be, that we really need to take care of this on this side. And in March when we had our meeting, we talked about that vacation pay. We had more than half of our members who are unemployed have not received their vacation pay. Thank you.

RAGLAN GEORGE: Good afternoon, Chairman Palma and the rest of this distinguished committee. I'm always encouraged when I speak to the General Welfare Committee. My name is Raglan George, Jr. I'm the Executive Director of District Council 1707. Safe and affordable and a quality child care for New York City's future is precious to children. The past 12 years have been the most destructive against public center-based childhood, early childhood education since the administration of Mayor John Lindsey [phonetic]. It was the Lindsey administration which set into motion the nation's most comprehensive public child care system, which historically helped hundreds of thousands of children in our community's

need to prosper in public schools and strive to live meaningful lives in their communities. The nightmare of the three administrations of the Bloomberg era are finally coming to an end, but not without tremendous destruction to our programs that were successful and became distorted in a bold attempt to stabilize, privatize and downgrade public child care so we'll eventually become obsolete to the needs of poor and working families. District Council 1707 has fought the good fight to save public center-based child care, but it was not without casualties over the past 12 years. The Bloomberg administration eliminated kindergarten classes and other after school out of school time programs from public center distressing parents and children and creating the loss of more than 1,000 unionized employees. Due to Early Learn, the City child care system went from fully funded to an insufficient model which does not pay centers for all expenses and in a timely fashion. As of January 2013, according to ACS own statistics, some 5,000 children were eliminated because new vendors selected through the ACS questionable selection process could not find child care because many of the new centers could not be approved by the New York City Department

of Health and Mental Hygiene. Another 3,000 children were eliminated from the commencement of the program. Thousands or more are currently being discriminated against through ACS zip code targeting that does not allow eligible children living in the same zip code as the wealthy to have convenient child care. This goes a long time and dedicated community based organizations were eliminated from the program and replaced by anti-union vendors. Less than 40 percent of our public day care workers can afford the cost of new health care program passed by Early Learn. Centers have found it difficult to hire qualified personnel because wages and benefits have decreased under the Early Learn. Established pensions through the Cultural Institution Retirement system have been constantly threatened by the Bloomberg Administration. But to take public day care workers out of the system who make up a majority of the participants which force the system to bankrupt and place the City's leading cultural institutions into bankruptcy because of a risk and obligations. More than 1,200 unionized child care workers from day care employees, Local 205, and Head Start Employees, Local 95 were terminated. At most of the Early Learn

1 sites, vacation, sick time, holiday, and personal
2 days were eliminated and workers have been given
3 fewer personal time off, PTO days, part time, health
4 care pensions, and other benefits of the union
5 contract were not respected. Many of the Early Learn
6 sites have been told by not following the legal
7 teachers to student ratio in classrooms. The
8 continuing education program for employers to improve
9 their skills and receive bachelor and graduate
10 degrees has been eliminated. Many of the Council have
11 seen me marching in front of City Hall since October
12 2012 after the implementation of Early Learn. I would
13 like to believe that my one man march to save public
14 center based child care has been seen and Council
15 Members understand the importance of early childhood
16 education for our children. Our union thanks you
17 again for your support, but the hard work to secure
18 our children's future begins now. There are many ways
19 to improve current correct and expand early childhood
20 education, but the first step must be to baseline all
21 public center-based child care. In the next year's
22 budget, the City Council must work with the new
23 administration so that New York City again will have
24 the premier child care system in the nation and
25

become the premier child care system in the Country.

Thank you.

CHAIRPERSON PALMA: Thank you. [off mic]

MABEL EVERETT: I'm sorry, there's one piece I wanted to add. When the Commissioner was stating one of the things they stated that he an advisory board. I see that the union was not a part of that. I think that day care, since it's about us and all the change that we should have sat in on some of those discussions, and we were not. Thank you.

RAGLAN GEORGE: I'd like to also add the one thing that I think that was missing from the City's talk to you was that when he met with child care advocates, he never said he met with the union. Since he's been in office he has avoided talking to me because he's a coward and afraid to face me because I know I'm going to tell him the truth about what he's doing, and what he's doing is not correct and is destroying child care in New York City. Thank you.

CHAIRPERSON PALMA: Jeremy?

JEREMY HOFFMAN: Hi, good evening. My name is Jeremy Hoffman. I'm the Director of Child Care Policy for the United Federation of Teachers.

1 You have my testimony. I'm not going to read it. I'm
2 going to try to respond or clarify some of what I
3 found to be gross inaccuracies in the testimony
4 earlier, and frankly, tremendous amount of
5 frustration on my part and my union's part for how I
6 feel our union, our members have been maligned in
7 this hearing by some statements of ACS. As was
8 previously pointed out by the first speaker, if you
9 have a voucher, you can choose to take that voucher
10 to a couple different places. You can take a voucher
11 to an Early Learn Center. You can take your voucher
12 to a non-Early Learn Center. You can use your
13 voucher at a home-based setting. If you are in a
14 home-based setting and you accept the voucher, you by
15 a matter of our contract of State of New York and
16 state law, you're a member of the United Federation
17 of Teachers. So these providers, child care
18 providers that we represent take strong exception to
19 be referred to as baby sitters, first and foremost.
20 We represent licensed and registered providers as
21 well as legally exempt. Legal exempt providers are
22 not unregulated. I should have brought the book of
23 all the regulations that they exist and function
24 within. They are not licensed by the City Department
25

of Health, which does that function under contract with ACS. They register WEDCO under contract with OCFS, the New York City Office of Children and Family Services. They exist under regulatory framework, and they are dedicated, committed, and passionate caregivers who have been denied historically professional development opportunities. The level wages of compensation for our members is pitiful. It is low. Many of them are not qualified for food stamps and public assistance. This is a problem that we are trying to address on multiple, multiple fronts. The issue about a voucher, and I think was laid out before about the parent's choice to use that. That's not a matter of city law. That's not a matter of state law. That's a matter of US Federal Law. It's called Parent Choice, and I'd be happy to provide that legal citation to the committee. Many choose to use home-base providers for a variety of reasons. One of which is the hours of day they operate and contrary to what the Commissioner said, non traditional hour care is incredibly important. That is the need for working class New Yorkers who work double shifts, like non--have non-traditional work schedules. A couple of other quick points I

1 wanted to mention. Quality exists in all modality of
2 care. What I mean by that, there's good quality in
3 centers. There's good quality in home-based
4 settings. Not to say that this quality is
5 universally equal in each modality, there are good
6 family child care providers and there are family
7 child care providers that also frankly could use
8 greater access, professional development, but there
9 are high quality home-based child care providers.
10 The City mentioned a innovative math based curriculum
11 they're developing. First I've heard of it. We have
12 met with ACS on numerous occasions. I've mentioned to
13 them some of the professional development
14 opportunities that we provide. We have talked and
15 I've tried to explain home based literacy curriculum
16 that we've developed that is Common Core aligned. So
17 we think the quality does exist and can exist in the
18 home base setting. And that's just a fundamental
19 principle. I'm reminded of a conversation I had last
20 year in a national gathering in D.C. And it was
21 interesting conversation between two--child care
22 advocates from two different states. I believe one
23 was North Carolina and one was Minnesota. There is a
24 fundamental choice that the City of New York needs to
25

1 make. If you want to increase the quality of child
2 care to engage the child care workforce who is
3 currently caring for the children and work with them
4 and they'll collect a bargaining representative,
5 whether it be 1707 or the UFT, provide access to
6 professional development, or do you take the children
7 out of that setting and move it to another setting?
8 State of Minnesota and state of North Carolina have
9 followed a different--have answered that question
10 differently. We believe strongly that you work the
11 existing workforce. If you do not work the existing
12 work force you are going to be destabilizing
13 communities, you'll create economic displacement of
14 our already low income workforce. I don't think
15 that's the way the City of New York should go. And
16 the last thing I wanted to say, two last real brief
17 points. Vouchers is not a dirty word. It's been
18 maligned in this study. The reason we have so many
19 vouchers is because we have so many parents who
20 qualify financially for a child care subsidy. That's
21 the fact. These are children we're talking about.
22 There is under-used capacity in the centers; we
23 should fill that capacity. The issue is how much
24 money do we the city, state, and country invest in
25

1 child care? But if we move the children from
2 vouchers in their center to guild that capacity,
3 fine, that's great in some respects. However, that
4 means there's actually 7,000 or whatever the number
5 of un-used child care slots in the centers that he
6 mentioned that are vacant right now. Why don't we
7 fill those vacancies and continue to provide vouchers
8 to those who financially qualify. These are needy
9 needy families who need that assistance order to find
10 and maintain employment.
11

12 CHAIRPERSON PALMA: I don't--and I think
13 I, you know, like I said, I don't think there's a
14 shortage of children.

15 JEREMY HOFFMAN: Sure.

16 CHAIRPERSON PALMA: I believe that we can
17 be, you know, Early Learn can be at capacity, and we
18 still going to see a high usage of vouchers in this
19 city because the need is that great.

20 JEREMY HOFFMAN: You know, absolutely.
21 The last thing I'll say is we have not seen an uptake
22 in the children in the care of our members, nor have
23 we seen an uptake in our members. Now, my data could
24 be incomplete. One thing that's quite frustrating to
25 me and I'm sure many people in the room is a lack of

the City's, their lack of sharing enrollment data. The used to produce a regular snap shot of child care enrollment. They have stopped doing that. The information that was included in your--in the briefing paper your staff put together is the most comprehensive child care enrollment data I've seen since last year's budget process. So I think that's-- that's a fundamental problem. There's a lot of issues that are in the hearing testimony that I provided. Just real quickly on networks, the Family Child Care Network. There's a broad array of practices and conduct by these networks. There are networks that continue to pay provided lower than the state mandated by federal--federal mandated state calculating market rate. That's a problem. Many charge in addition take out of that already low paid check administrative fee that can be as much as three dollars per child, per week. There are a lot of practices in some networks, not to say all networks, but clearly some networks that can be referred to as nothing short of exploitive of the workforce, and that's a real issue. That is why many of our members--we have 20,000 pre-Early Learn. Only 3,000 were in networks. There were a lot of re-list for

that, and according to the information that I have read in the briefing paper or provided by the Commissioner, there's now only 1,500 family child care providers with networks. That used to be 3,000 before. It's was literally knocked down to 1,500. So it's a very complex issue and a very complex set of factors that I just wanted to take a moment to walk through the basics.

CHAIRPERSON PALMA: Thank you, Council Member--

ANDREA ANTHONY: Councilwoman Palma, can I just add one thing as it relates to the work that we've been doing with the workers. We want to say thank you profusely for the grant that you gave to Day Care Council to start the Early Childhood Employment Partnership, helping those who lost their jobs in no fault of their own. We have been successful in helping over 200 individuals find jobs. We have been successful in getting employers to post on our website and we provide counseling to those who have become very distur--very upset that they haven't been able to find a job. So they can come to the Council and they can be involved in different support groups, and the union has helped too with having

resume writing and forms at their site. So we do thank you for giving us that grant to start the Early Childhood Employment Partnership.

CHAIRPERSON PALMA: Thank you. Council Member Arroyo, you have questions? No?

CHAIRPERSON PALMA: Thank you for your testimony. Our next panel is Randi Herman, CSA, Lawrence A. Provette, Professional Association of Day Care Directors, Lois Lee, CPC, Jim Madison, Brooklyn Kindergarten Society, and Margarita Rosa from Grand Street Settlement. And I just want to remind you we have your written testimonies if you've submitted them. We'll submit--we'll definitely submit them for the record. If you can stay as close as possible to the time clock, I will greatly appreciate it. You may begin in the order you choose to start.

RANDI HERMAN: Good evening. I'm Randi Herman. I am the first Vice President of the Council of School Supervisors and Administrators, and I have quite an impressive panel here for you today. Don't be afraid to ask them any questions you like. They are the people who make Early Learn work or not work. Again, you have my testimony, so I'm just going to clarify a couple of points that came up during the

Commissioner's presentation to you. First, I have my membership, I'd like to thank the City Council for its support in the past years, and in the most recent years keeping centers open that didn't get Early Learn contracts. Our members are most appreciative. Once again, please understand the Commissioner has never arranged a meeting to talk to unions. We've never had a conversation. We have never had a discussion about Early Learn, it's pitfalls, it's strengths, how to adapt it; that never happened. With respect to the CPI credential that you've heard about in the professional development that ACS talks about, I need to reinforce with you that our membership has state credentials to be a school administrator. That's an SAS or an SDA. That's recognized by the State and the City. They can be licensed tomorrow as an Assistant Principal or a Principal in the New York City public schools. Why they need a CPI Early Childhood credential I don't know. I also don't believe it's a recognized credential in New York City. I believe it is recognized by New York State. It is also not reflected in their compensation package and collective bargaining. Usually, advanced credentials

1 have some value. Evidently, these credentials don't
2 have any value. You've heard about the health care,
3 which I must tell you constituted a salary decrease.
4 It was a nightmare getting everybody enrolled, but I
5 will tell you that if centers experience any cash
6 flow problems, payments are late, we cannot carry our
7 members. The cost is just too great. I encourage you
8 to ask a little more about the vacation pay issue.
9 One of the reason that its resolution is delinquent,
10 ask how many auditors are working on the project.
11 Very few. And every other vendor that is owed money
12 will be paid first before our members. As far as the
13 data is concerned, I'd bring to your attention one
14 more piece of data that needs to be collected.

16 CHAIRPERSON PALMA: Let me just ask, has
17 all--all your members have submitted their audits?

18 RANDI HERMAN: No, they can't submit
19 their audits until they get an auditor, and the
20 number of auditors that are authorized to do this are
21 very few. If everybody went out and got their own
22 auditor, that'd be great, but they evidently must use
23 from a selected pool of auditors to complete this
24 work. That's one of the reasons it's taking so long.
25 The other piece of data I encourage you to delve into

1 is the turning five data. All the children that
2 we're talking about here in Early Learn, in formal
3 care, in family care, all of them at some point are
4 going to turn five and have to come into our schools.
5 How do their records make it to the Department of
6 Education? What's the process that's used, because
7 none of them have OSIS [phonetic] numbers, which are
8 the student identification numbers. They don't have
9 any access to those data entry systems. So ask,
10 please, the details about how that happens. You'll
11 be amazed and confused. Six hundred and fifty-four
12 new schools have opened in the City of New York since
13 2002. I can't tell you right now how many day care
14 centers have closed in that time, but I can tell you
15 that in 2002 I had 458 members. Today, I have 202.
16 As opposed to the financial structure that's supposed
17 to support Early Learn, you heard 90 million dollar
18 deficit. Well, that's of course, unconscionable.
19 And I'll close with two quotes, one from one our
20 directors. "I have speculated with others in the
21 field recently. Will the entire day care system
22 explode or will it implode? Either way it's
23 currently headed for disaster." This Early Learn
24 system which was what wasn't piloted, wasn't research

1 based, and you heard not much data's been collected.
2
3 It also doesn't have the capacity for adapting to new
4 information and new circumstances. President Obama
5 on Friday visited one of our schools as you know.
6 What you don't know is that the President of the
7 United Federation of Teachers and the President of
8 the Council of School Supervisors was with him that
9 day, and you did hear the President say the
10 following, "If you think it is too expensive to
11 educate our children, wait until you see the price of
12 ignorance. It'll be a lot more than 90 million
13 dollars." Thank you for keeping the conversation
14 about Early Childhood going. It has moved from this
15 house to the white house and for that we all owe you
16 a debt of thanks.

17 LARRY PROVETTE: Good afternoon. My name
18 is Larry Provette, Lawrence as you said, but Larry
19 Provette. I'm a First Vice President of the
20 Professional Association of Day Care Directors of New
21 York City. My testimony is basically an assertion as
22 to what the directors are feeling and how Early Learn
23 has impacted them. We are an organization that
24 serves as a unified force the directors of Early
25 Childhood Education in New York City, and we

collectively analyze the concerns and issues that impact on membership and the programs under their supervisions. We have some point bullets and basically our opinion based on what we've seen over the past year is that Early Learn does not work. And it does not work because, and we have specific reasons. The programs are not afforded adequate funding, in violation of state law which requires child care programs in the State of New York to be fully funded. This flexible funding coming in every month base on enrollment is against state law. The Early Learn contract process was flawed and scoring a proposed and the scoring of the proposals were cloaked in darkness. Many contracts were removed from CBO's who had vested interest in their communities who had a track record for providing quality care and were awarded to agencies whose major concern was not the children and the families of New York City but for profit. If it wasn't broke, it shouldn't have been fixed. Eligibility and enrollment policies have excluded and suppressed families from accessing care, and this is so sad. The last few days we've been receiving reports of families who because they were not making minimum

wage were excluded from being eligible for child care. So we're having--we have subsidized child care in New York City to help those families who are poor and can't access care and they can't access care because they're too poor. Why? Because it's profit motivated. The whole emphasis that's of ACS has been turned over to the privatization of the system and not to the service of the families and the children of New York City. The insurance, that is something that I understand that's to be discussed at another time, but November 1st is here. On November 1st, if the programs are not--do not have the insurance in place, they will not open. What--and so you have families and we have--we're going to relate to another state law that if a program is going to close and they're not going to be able to access care, they're supposed to be given six months notification. Well, what's going to happen to these, all these families when they show up on November 1st the programs are closed? And they've been deemed eligible and have the right to receive child care in this city. ACS has not addressed that whatsoever. It's just an issue that the insurance has been pulled, and you individual CBO's and boards and

contracted agencies, that's your problem. You have to deal with it. It was the opinion of the Professional Association that Early Learn was designed to fail. The intent was to decimate the qualities subsidized Early Learn Childhood Education programs of New York City to allow for privatization of the system. And that's the elephant in the room that nobody wants to admit to, but that's exactly what has happened. Thank you so much.

MARGARITA ROSA: Hello, my name is Margarita Rosa, and I'm the Executive Director of the Grand Street Settlement and I'm here to testify on behalf of 252 children and their families who we serve through centers in Manhattan and the Bushwick section of Brooklyn. As you know in October of 2012, the New York City administration for children's services launched Early Learn, and what they basically did was they took two different models or programs that operated on two different models, what has been known as day care and what was known as Head Start, which was federally funded and blended it together, blended the two together. Now some of the issues that have arisen for the providers, as a result of that our--mentioned in my testimony, one

example is that the teachers who are in the--on the day care side and the teachers who are on the Head Start side are represented by different locals of the same union. They negotiate with different players and their contracts required different terms in terms of their wages and their benefits. Now what happens with the blended model is that you sometimes now have in Early Learn teachers who are Head Start teachers, teachers who are day care teachers. They are now required to comply with the Head Start standards meaning that they all are required to have the same credentials and qualifications, but they're paid very differently. That does--those kinds of disparities create a real challenge for providers who are attempting to have a rational way of operating their programs, but have these disparities that come up and it raises human resources, management issues, and it also raises morale issues and a variety of other things. That's--we're not saying that's anyone's fault. It's just the reality of the system that we're operating under right now. In addition--I'm sorry, I will accelerate my comments. You heard earlier that the comments that the Commissioner made about the West system, which is the enrollment and attendance

tracking system that the City uses, and I would just like to echo what he said. It's antiquated. It has very little capacity to adapt to the new needs of including both the Head Start program enrollment and attendance information as well as the day care attendance and enrollment information that it used to accommodate. So it creates a real problem for tracking enrollment and attendance. One of the issues that effects enrollment is the fact that for child care eligible programs and dual eligible programs, the enrollment processing is done through New York City's ACS resource areas and sometimes what we find is that although we may have parents and children who qualify for the services and would be enrolled if they could be directly enrolled by the providers. They have to be sent to ACS for enrollment and so we have gaps, time gaps between the time that the child is qualified to be enrolled, and the time that they actually get through the system and are deemed enrolled as a consequence of delays on the ACS side of the ledger. Then of course, there's the blending of pre-k dollars into this whole mix, which means that providers who are receiving UPK dollars have to utilize those dollars to provide care

1 for four year olds. Now, four year olds, there's a
2 lot of competition in some areas for the four year
3 olds. We heard about that earlier. UPK programs in
4 the schools are free. The ones in the child care
5 centers are not. Therefore, you have children being
6 drawn away, which is okay, except that if you don't
7 have flexibility and you're a provider in an area
8 where you have a greater need for two year old--care
9 for two year olds and three year olds, but you're
10 bound because of the UPK portion of your contract to
11 have x number of four year olds, and you can't find
12 that number of four year olds, it really creates a
13 challenge, because you're not able to address the
14 need in the community because you're bound by these
15 contractual requirements that are, you know,
16 inflexible. And finally, of course there was the
17 issue of the liability insurance, which of course you
18 heard already that the payment for that is definitely
19 inadequate and many providers will not be able to
20 meet that obligation based on the rate that they will
21 be paid for doing that. I want to thank you very
22 much for focusing on this issue. I feel that low
23 income families in this city are really being
24 stretched and tried by the system, and to the extent
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2 that we're able to find rational ways to address
3 those needs. I think we will have made a tremendous
4 contribution to improving the quality of life for low
5 income families in New York City. So thank you,
6 Council Members.

7 JIM MADISON: Good evening. My name is
8 Jim Madison. I am the Executive Director of the
9 Brooklyn Kindergarten Society and for those of you
10 who are unfamiliar with us, we are 122 year old
11 agency that has done nothing but early childhood
12 education since its first days. I'd like to
13 personalize this and I will watch my time. That
14 about seven weeks ago 100,000 some odd children
15 entered the New York City public school system and
16 give or take a few roughly 50,000 of them will drop
17 out. So we today know that 50,000 children have
18 entered the school system and will drop out. And of
19 that number, statistics show that there will be
20 approximately 15,000 males of color who by the time
21 they reach the age of 35 will go to jail for a couple
22 of years or more. That's a very personal thing, and
23 when I got to my centers and I look at the classes I
24 think statistically because we are in Brownsville,
25 Bed-Stuy, and Crown Heights all in NYCHA housing,

1 that the odds are in every one of my classes, two,
2 three, maybe even four of those kids will go to jail
3 if we don't do a sensational job. Everyone today has
4 documented the good the bad and the ugly with ACS,
5 and while I am a vocal critic of them, of theirs, I
6 also know that they are badly underfunded, and if we
7 could make an analogy of a hospital system where the
8 funders come in and say we want you to improve
9 outcomes, reduce debts, have shorter stays in the
10 hospital, but we're not giving you money for
11 anesthesia or antibiotics, people would say that's
12 impossible and people would die. And effectively,
13 while the situation is different, we are looking at
14 people dying because we are failing, and hearings are
15 wonderful, but until the politicians and your part of
16 that universe decide it is time to fund eh system
17 properly, then we will continue to have these
18 problems. I am often asked to comment about the
19 effective Early Learn on my organization. I am and
20 there are people here who know that. I am one of very
21 few organizations. Yours may be one of them. We
22 raise money. We are dedicated to one thing and we
23 raised money for that and whereas Early Learn asked
24 for 6.7 percent be raised between 20 and 25 percent
25

above what we get from Early Learn and the City every year. So we have programs that our enriching the lives of children, everything from literacy, art, music, dance. We give chess to four year olds. We have started horseback riding. We have visitors from Teachers College or Bank Street or public schools coming to us and saying, "I'd send my own children to your place." Saying that with great surprise, because they came to a NYCHA housing place, and walked inside and it was a magical place. It is possible to do so much better, but it's not going to be done, and this is the word, I don't know if any of mayoral elect, soon to be mayor elect De Blasio's people are here. I'm one of his people. If we add more money to the system and just say, "let's keep on expanding slots." My apologies to the union here. This is not an employment group. This is--we should save. We're going to add 300 million dollars to the system. Let's not say it's all for new slots. Let's take 40 million of that and put it over the smaller number and give them the money they need to be able to do the things that are important. Otherwise, this is--we'll be here next year and the year after and

the year after, and not much will change. Thank you on many levels.

CHAIRPERSON PALMA: Thank you all for your testimony. Our next panel is Emily Miles, Federation of Protestant Welfare Agencies, Sandy Katz, JCCA of New York, Gregory Brender, United Neighborhood Houses, Randi Levine, Advocates for Children of New York, and Moira Flavin, Citizen's Committee for Children of New York. [off mic] You guys can begin.

GREGORY BRENDER: Hi, I'm Gregory Brender from United Neighborhood Houses. Thanks for the opportunity to testify and for holding this hearing and all your work on behalf of Early Childhood. I'm not going to read the whole testimony with the specifics as you've heard some of it before. But basically I just wanted to say Early Learn did start with a powerful and compelling vision. These are the kind of things we want, expanded days, more use of the Head Start quality standards, things like access to family workers, tested curriculums, child assessments. These are all positive things, but the City never did put in the funds to really support the kind of programs that were envisioned. There's going to be 20 days before the next mayor gets to put in

1 his preliminary budget, and we hope that the next
2 budget is an opportunity to end this dance and to end
3 this consistent underfunding where not just the
4 programs are underfunded, but the folks at ACS who
5 manage things like West, the system from the 90's and
6 the ACS resource areas have been walloped by pegs
7 year after year. So we want to ensure that this
8 positive and strong vision of a high quality, long
9 day, and comprehensive system will actually be funded
10 and supported on the future for, you know, starting
11 with those children who are currently eligible, but
12 really moving onto all of New York City's children.
13 So thank you. [off mic]

14
15 CHAIRPERSON PALMA: Congratulations
16 there, Gregory.

17 EMILY MILES: You get bonus points. Hi,
18 my name is Emily Miles and I'm a policy analyst with
19 the Federation of Protestant Welfare Agencies, and
20 I'm not going to read all of my testimony, but what I
21 did want to share with you is just kind of putting a
22 face on this a little bit. As it currently is
23 constructed as you've heard from other people giving
24 testimony today, the Early Learn reimbursement rate
25 is insufficient to cover the cost of a quality

program. As a result of this insufficient financial support, our member agencies have reported having to cut staff positions, having to cut back on extra services that in previous years had provided the extra support necessary for low income and vulnerable families to be successful. For example, one of our member agencies has been forced to lay off 10 support staff in the past year. That includes parent support workers, cafeteria workers, and bus drivers. In the last year of this program, which is situated at a high poverty neighborhood was able to--previously it was able to employ three family service workers who were responsible for providing information to families about public benefits, connecting them with additional social services, and generally just providing a positive and friendly environment for the children that they were serving. Currently, they have one parent worker who also doubles as a--I'm sorry--as a--I'm blanking on the word. She stands in for teachers when they're out, a substitute. Thank you. Stand as a substitute when teachers are out sick or on vacation. This long running community organization that was once known for its high level of social support is now running on a bare bone

1 staff, resulting in many missed opportunities for
2 parental engagement. I also wanted to just mention
3 about the healthcare costs. I know we're hearing a
4 lot about this. The 15 percent contribution rate is
5 so high for many of the workers in our programs. The
6 Bureau of Labor Statistics averages that the average
7 child care worker in New York City earns about 25,000
8 dollars with a 15 percent contribution rate. For one
9 of the teachers in our program that's 4,000 dollars a
10 year that she's paying for her family, effectively
11 taking her family below the federal poverty line. I
12 just find that to be unacceptable at a time when or
13 nation's trying to increase health care insurance for
14 the nation. New York City has effectively put in a
15 cost-prohibitive system that is actively dissuading
16 individuals from procuring health insurance. Thank
17 you.

18
19 SANDY KATZ: Hi. I'll be brief. My name
20 is Sandy Katz, and I'm the Director of Early
21 Childhood programs at the Jewish Childcare
22 Association. Thank you, Chair of the General Welfare
23 and Women's Issues Committee. I also will not read my
24 testimony, but just to be--to summarize as a leading
25 provider as a family child care network in New York

1 City, JCCA's interest in being here today in
2 discussing Early Learn is to ensure the continuing
3 inclusion of family child care into the system.
4 There's been a lot of discussion throughout this
5 afternoon about family child care, and it is critical
6 in addressing the shortages of child care for
7 children, especially under two, which the centers
8 cannot accommodate, and it is less well understood
9 than center-based care and has different challenges
10 in implementing quality and school readiness. I
11 applaud Early Learns ambitious critical initiative of
12 raising quality as JCC has always strived to do, and
13 a full agreement of the approaching and the goal of
14 best practices, but I do say and I do agree with
15 someone who spoke earlier that quality existed before
16 as well, and that family child care is a viable
17 option for many families and not a center-based
18 structure is not the only good quality setting for
19 every child. There's something to be said for home
20 like setting, education, and monitored by family
21 child care networks such as ours that help support
22 these providers. And whoever clarified the issue on
23 voucher, thank you very much Andrea, for clarifying
24 that issue on vouchers. So thank you.
25

RANDI LEVINE: Good evening and thank you for the opportunity to speak with you. My name is Randi Levine, and I'm an attorney and Project Director of the Early Childhood Education Project at Advocates for Children of New York. For more than 40 years, Advocates for Children has worked to promote access to the best education New York can provide for all students, especially students of color and low income students. You have my written testimony. I just want to highlight a few points. First of all, as an education advocacy organization, we know that early childhood education is critical to school outcomes and life outcomes and that's why we're here at this hearing today. Two, as an education advocacy organization, we know that base lining the discretionary funding is necessary and should be done this year to create a more stable system that can sustain itself. Third, as an education advocacy organization, we're very concerned about the Early Learn rate. We continue to be concerned that the rate is insufficient to support the high quality standards that programs require and the compensation and health insurance plans necessary to attract and retain qualified teachers. But we also want to make

sure that the rate is adequate not only to serve the average preschooler, but all eligible preschoolers including preschoolers with disabilities, English language learners, preschoolers in foster care and preschoolers living in temporary housing. We were disappointed on Thursday to receive a call from a family whose child was discharged from an Early Learn program with the explanation that the program didn't have the resources to manage the child's behavior, and this was a student with a disability, and discharging this student threw the family into crisis, putting the parent at risk of losing her job and putting the child at risk of experiencing school failure and push out before the child ever entered kindergarten. We know that programs are well-intentioned and need the resources to be able to work with all types of students and prepare them from kindergarten. And finally, we've heard from parents about the difficulty of finding an available Early Learn seat. We've heard today the seats are out there, and we need to come up with a plan for knowing and communicating to families where these seats are and connecting them with the available seats. In the coming months we look forward to discussing with you

how to ensure that the budget includes funding so that every child can participate in a high quality early childhood program, and we thank you for your commitment to these programs.

MOIRA FLAVIN: Good evening. My name is Moira Flavin, and I am the Policy Associate for Early Childhood Education, Education and Youth Services at Citizen's Committee for children of New York. CCC is a 70 year old, independent child advocacy organization dedicated to ensuring that every child, every New York child is healthy, housed, educated and safe. Thank you to Chair Palma for holding this hearing and I'd like to start by thanking the Council for your ongoing commitment to Early Childhood and thousands of children are in child care programs right now because of the unprecedented restorations the City Council has made in the past three years. CCC is also grateful to ACS for its efforts to bring high quality child care to as many children as it can afford. We're well aware of ACS's structural budget deficit in its child care program that has made this incredibly challenging. CCC remains very supportive of the goals of Early Learn, which have been laid out by colleagues, so I won't repeat them. And we

support maximizing available resources through the blending of child care, Head Start and UPK funding. We appreciate ACS efforts to ensure that the contracted system is fully enrolled. It is imperative that every contracted seat be utilized as we know that there are many more eligible children than there are seats in the system. Most recent data allows us to compare the number of children served by ACS over time which is important as we've not been able to do that to date, but unfortunately the data confirms the substantial reduction in the number of children being served by the contracted system through child care and Head Start and the slight increase in children being served by vouchers. The enrollment and voucher numbers reflect a 19 percent decrease in the number of children served by ACS in the fiscal year 2013 compared to fiscal year 2010. These capacity reductions and lower enrollment result from a combination of budget cuts and the implementation of Early Learn. We're incredibly grateful to the City Council. We're concerned about the amount of one year funding in the system as it creates anxiety for parents and children, impacts morale, and affects programs' abilities to plan. ACS

is also facing federal cuts, which is something we're also concerned about. I'll just move to the recommendations. In the short term, CCC is looking to Mayor Bloomberg to baseline the 60 million in one year funding in ACS's child care system. Going forward, CCC will be looking to the next mayor, City Council, public advocate and comptroller to have a plan to make high quality sustainable, fully funded early education available to every New York child. First and foremost, the 60 million dollars in discretionary funding for child care must be baselined. The programs funded with discretionary dollars must be made part of the Early Learn system. The per child rate paid to Early Learn providers must be increased so that providers can meet their standards, provide fair compensation, have appropriate staffing, address the employee contribution to health insurance and appropriately fund the cost of operations, administrations, and materials. And we must invest in the workforce to ensure that staff have appropriate compensation and benefits. These steps are critically important to retaining a quality staff and ensuring that children receive quality early childhood services. Thank you.

CHAIRPERSON PALMA: Council Member

Arroyo, you have a question? No? I want to thank you all for your testimony. I think it's imperative to know that and we'll continue to reach out to you for dialogue and guidance in terms of understanding the process in terms of the one year funding and you, know, what--it really needs a baseline, I think, because of the RFP. It puts the discretionary centers at risk of--if baseline, I mean, happens, right? It's just a process of going down the line on which centers score well, and some of the centers that we were able to save through our discretionary dollars may not meet the criteria of the RFP. So it's still a real discussion that needs to happen on how do we make sure that those centers continue to be viable in their communities and provide the services that are desperately needed in the City. I want to thank everyone who participated in today's hearing and press conference. I know, you know, this is an ongoing conversation. This is not going to end with this administration exiting, but we in the Council are facing again a heavy lift. Come FY15 [phonetic] and we're looking to the next administration to focus on early childhood education in a real way, in the

way that this council has committed to early childhood education and, you know, when it comes down to it it's just--it's dollars and cents, and we need to make the real investment in early childhood education and we need to do that through a real partnership with an administration that it's going to make that kind of commitment. And so we'll continue to be, you know, in the forefront keeping the conversation alive, pushing forward and making sure that early childhood education becomes a priority of this city in a real way and not, you know, by creating a system that then creates a further gap in the services that need to be--that need to be delivered. Seeing that there are no other questions, so anyone else signed up to testify I am going to adjourn today's hearing of the General Welfare Council and thank Raphael [phonetic] and Izzy [phonetic] our Sergeant at Arms for the work that you helped us today. Thank you so much for attending the hearing. The meeting's now adjourned.

[gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify there is no relation to any of the parties to this action by blood or marriage, and that there is no interest in the outcome of this matter.



Date 11/14/2013