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**TESTIMONY BEFORE the
NEW YORK CITY COUNCIL'S
COMMITTEE ON GENERAL WELFARE**

May 21, 2012

Good morning. My name is Lisa Caswell. I am the Senior Policy Analyst for the Day Care Council of New York. The Day Care Council is a membership organization of 220 nonprofit organizations that operate approximately 300 publicly funded child care and family child care programs in the five boroughs of New York City. Our member agencies are under contract with the City's Administration for Children's Services to provide accessible and quality child care services for families. It is estimated that the Day Care Council's member child care programs serve more than 40,000 children from poor and low-income working families on an annual basis.

Before I begin, I would like to thank the Chair of the General Welfare Committee, Council member Annabel Palma, for holding this important hearing today. We sincerely appreciate the opportunity to comment on the Fiscal Year 2013 Executive Budget.

After waiting more than five months for the Early Learn awards to be announced we are now left with a number of questions and concerns that are overwhelming. First and foremost, we are losing a total of 6,700 subsidized child care slots which represents a devastating loss to low-income families and communities in our city. How and why are we letting such a thing happen in a city where millionaires walk among us?

If eligible children are not able to find seats in programs that received an EL award, no plans are in place with the current ACS administration to issue vouchers to these families. The jobs that have led to the highest levels of private employment since 1969 are not those of low-income workers. Why should we put their jobs at risk, particularly with a city budget gap heavily impacted by personal income and business tax revenue losses?

A significant number of quality, long standing providers whose linkages with community partners ensure even more powerful outcomes for children and families. We can only ask why such procedures/criteria were used to disqualify agencies that have accreditation, quality assessments,

and superior reputations in their communities. Half of the family child care awards are going to providers with no prior experience in this area.

ACS did its best to issue an RFP that targeted available funds to the most needy communities. It also did its best to maximize all available funds, by giving priority status to applicants who bid for the “blended model” which made use of Head Start, child care, and UPK dollars.

However, we have learned that the more slots awarded the more money agencies will need to cover the required match of 6.7%. If an agency is the recipient of mixed funding, child care and Head Start, the combined cost of the federal match required by Head Start providers is 20 percent coupled with the 6.7% provider contribution an agency is left in a serious financial situation. One of our member agencies was awarded three centers with a total of 265 slots. Their required contribution is \$447,000.

Equally daunting challenges arise with the elimination of health insurance benefits for providers in the system. The DCCNY has been struggling to get accurate demographics on the child care workforce from the City for several months. We have just recently received cost projections from our health insurance brokers. In a recent meeting with some of our members, there was general agreement that the rates for each of the EL program models would need to be increased by a minimum of 20% in order to run basic operations, and provide health insurance for their staff. Unfortunately, this leaves no funding for salary increases which have not been increase in six years. Just imagine, a master degreed teacher working with a class of 18 four year olds hasn't had a salary increase since 2006. That's unconscionable but it occurs every day in our city.

Even though New York City has suffered the impact of the Great Recession to a lesser degree than the rest of the country, it is economically foolish to place the jobs of low-income parents at risk, unless this Administration has determined that corporate loop holes are more important than city's young children. The majority of newborns are children in color. The majority of families facing this upset are families of color. The vast majority of employees in this system are black and Hispanic women who are struggling to maintain their households. And, it has been repeated numerous times that this particular group of workers has not had a salary increase six years.

To restore these slots would cost a total of \$65 million dollars, roughly 7% of this year's 2012 budget. Children under five years old represent _____% of NYC total population. We strongly believe that is important to invest in their well being now giving them opportunity to grow healthy in a city with more changes to be success and truly contribute to their community.

New York City has the greatest number of high net worth people in the country with 7,720 people worth \$30 million or more. I would think that together, we should find a way to educate and care for our youngest citizens with quality early education.