The purpose of this issue brief is to assist Child Care and Development Fund (CCDF) Administrators and their partners in their work to support license-exempt family child care (FCC) homes receiving CCDF funding. It is one of a series of three issue briefs that offer insights into how States and Territories have improved their systems with new requirements, monitoring policies, and support systems for exempt providers. These issue briefs were developed based on several regional webinars and meetings that focused on monitoring license-exempt providers.

Most States allow license-exempt providers to receive CCDF funding. And while license-exempt providers are not subject to the regulatory requirements set forth by the licensing agency, the Child Care and Development Block Grant Act of 2014 (CCDBG Act of 2014) requires States and Territories to have health and safety requirements in 10 different topic areas in place for all providers participating in the CCDF subsidy program, as well as preservice and ongoing training on those topics (CCDBG Act 658E(c)(2)(K)(i)). The CCDBG Act of 2014 also requires States and Territories to have monitoring policies and practices in place to ensure that child care providers are in compliance with the health and safety requirements (CCDBG Act 658E(c)(2)(I)).

As States and Territories work to build a monitoring system for exempt CCDF providers, they might also consider how to build a system of support for this population of providers. As described in this brief, exempt FCC providers, regardless of whether they receive CCDF funding, have unique needs. In addressing these needs, States and Territories can better support the children in their care and their families.

This issue brief is organized into two sections: The first provides an overview of terminology, characteristics, use of exempt FCC, and child care assistance data. The second provides examples of several state and national initiatives to support exempt FCC.

Overview

Defining Types of License-Exempt Home Child Care

Data and research on home-based providers relies on varying terms. For the purpose of this brief, these terms will be used interchangeably: Exempt Family Child Care; Family, Friend and Neighbor (FFN) Care; and Informal Child Care. Each of these terms is used to describe providers with the following characteristics:

- They are exempt from licensing due to the small number of children in care or because they are relatives of the children they care for; and

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1 These issue briefs were originally produced by the National Center on Child Care Quality Improvement, a previous contract of the Office of Child Care. The National Center on Early Childhood Quality Assurance is disseminating the issue briefs. These briefs and additional materials about monitoring providers can be found on the Child Care Technical Assistance Network Web site at https://childcareta.acf.hhs.gov/.
They may or may not be receiving CCDF funding. Most of the research referenced in this brief does not separate those receiving subsidies from those that do not.

**Characteristics of Family Child Care Providers**

The National Survey of Early Care and Education (NSECE) collected information from child care providers and parents, including data on home-based caregivers’ educational attainment and hours worked per week. The NSECE categorized home-based providers into two segments: listed and unlisted.

- **Listed** includes both licensed and registered/certified license-exempt homes (homes that are not required to be licensed, but receive child care assistance).
- **Unlisted** includes those providers that are neither licensed nor receiving child care assistance.

**EDUCATIONAL ATTAINMENT OF HOME-BASED TEACHERS AND CAREGIVERS**

The comparison of listed and unlisted home-based providers’ educational attainment in Figure 1 shows that a higher proportion of unlisted home-based providers had a high school diploma or less.

![Figure 1. Educational Attainment of Home-Based Teachers and Caregivers](http://www.acf.hhs.gov/sites/default/files/opre/nsece_wf_brief_102913_0.pdf)

**HOURS WORKED PER WEEK**

Figure 2 shows the median number of hours worked per week by home-based providers. Listed home-based providers work almost 54 hours per week, nearly twice the median hours per week worked by unlisted providers. Center-based teachers and caregivers work around 40 hours per week.

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Figure 2. Median Hours Worked per Week for Teachers and Caregivers by Provider Type

Use of Exempt Family Child Care

The NSECE also gathered data on parents’ search for and perceptions of early care and education. Data indicate that parents perceive homes as better for infants and toddlers.3

Several studies have examined parents’ perceptions of FCC. Forry, Tout, Rothenberg, Sandstrom, and Vesely summarize findings from studies in their Child Care Decision-Making Literature Review (2013).4

As outlined in excerpts below, preferences are largely influenced by families’ specific needs and limitations.

- **Child care preferences in immigrant groups:**
  
  Using data from the Early Childhood Program Participation component of the 2005 National Household Education Survey (NHES), Karoly and Gonzalez (2011) found that low parental education, low family income, two-parent family structure, and Latino ethnicity together account for immigrant families’ lower use of centered-based child care for their three- and four-year-old children compared to non-immigrant families. (Forry, Tout, Rothenberg, Sandstrom, and Vesely, 2013, p. 21)

- **Families of children with special needs:**

  Parents of children with special needs are more likely to utilize care from a relative, friend, or neighbor than from a child care center or family child care provider (Booth-LaForce & Kelly, 2004; Chaudry et al., 2011; Ward et al., 2006). Chaudry et al. (2011) found children with severe special needs requiring medical equipment were typically cared for by relatives in the home, because no


affordable and suitable alternative was available. In Ward et al.’s (2006) study, parents reported being concerned about the high cost of inclusive care, frustrated that their providers refused to administer medications and/or called more often than parents felt was necessary, and disappointed in providers’ lack of support and inclusion of their children in activities. Parents in this study overwhelmingly used informal care arrangements, with usage rates being even higher among children with multiple needs, and used family child care the least often. (Forry, Tout, Rothenberg, Sandstrom, and Vesely, 2013, p. 22)

### High price of center-based care:

Davis and Connelly (2005) found families to be more likely to use FCC when the average price of center-based care was high and the average price of FCC was low. Qualitative interviews with low income and immigrant parents in the Child Care Choices of Low-Income Working Families study (Chaudry et al., 2011) and the New Americans Study (Ward, Oldham, LaChance, & Atkins, 2011) underscore families’ challenges with waiting lists – for Head Start and other early care and education programs – and that the lack of affordable alternatives results in many parents choosing relative care or other home-based care arrangements. (Forry, Tout, Rothenberg, Sandstrom, and Vesely, 2013, p. 24)

### Data on CCDF Participation

Across States, 15 percent of children receiving CCDF are cared for by providers that are legally operating without regulation. Reporting instructions for the ACF-801 provide that “for reporting purposes, a legally operating, unregulated provider is a provider that, if not participating in the CCDF program, would not be subject to any State or local child care regulations.” However, in 8 States and Territories, at least 35 percent of children receiving CCDF are in care that is legally operating without regulation. Figure 3 illustrates that 84 percent of children receiving CCDF are served in licensed or regulated child care. Nine percent of children are in relative care that is legally operating without regulation, and six percent are served in non-relative care that is legally operating without regulation.

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Support for Exempt Family Child Care Providers

**Preferred Methods for Supporting Exempt Family Child Care**

Because research studies focusing on informal providers vary greatly in terms of scope and participant demographics, it is difficult to make generalizations about these caregivers. However, research indicates that informal providers want to learn more about child development and care, health and safety, and behavior management (Paulsell, Porter, & Kirby, 2010).6

How information is provided to these groups is just as important as what information is provided. Paulsell, Porter, and Kirby found in their review of literature on home-based child care (Supporting Quality in Home-Based Child Care: Final Brief, 2010) that family, friend and neighbor caregivers “may be attracted to initiatives that employ experiential learning approaches to convey … information – such as home visiting, support groups, or play and learn groups …”

First 5 LA7 (First 5 LA, 2012) surveyed and conducted focus groups with family, friend, and neighbor (FFN) providers in Los Angeles County. The following were among its findings:

- Forty-two percent provide child care primarily because they need the income; 30 percent to help a friend or relative; and 19 percent because they enjoy being with children.
- Fifty-eight percent of the FFN providers interviewed viewed their work as a career.
- Eighty-two percent were interested in becoming licensed.

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Thirty-one percent identified “not enough time to self” as the greatest challenge in caring for children, and 26 percent identified the lack of toys and materials as the greatest challenge.

Based on its findings, First 5 LA made the following recommendations for its community:

- Offer resources in Spanish;
- Provide resources and education for providers about the licensure process;
- Offer classes and activities in the evenings;
- Link providers to community resources;
- Educate providers and families about child care subsidies; and
- Provide classes in the areas where there is the greatest interest. (p. 4)
State and Local Initiatives to Support Exempt Homes and Improve Quality

Following are some examples of state and local initiatives to support informal providers using various approaches, categorized by Quality Improvement Initiatives, QRIS Participation, Training and Resource Distribution, and Partnering with the Child and Adult Care Food Program (CACFP). Please note the initiatives highlighted below exemplify how States support exempt homes, but they do not necessarily indicate that the State is meeting new monitoring requirements included in the CCDBG Act of 2014.

QUALITY IMPROVEMENT INITIATIVES

Bobby Weber categorizes quality improvement initiatives for FCC providers into four strategies: Home Visiting, Linking FFN Care with Publicly-Funded Center Care, Play and Learn Groups, and Training and Distribution of Resources.

Several of the States included below combine these strategies. This sample of strategies represents various ways by which States and communities work to improve the quality of home-based child care.

Arizona

- **Arizona Kith and Kin Project**
  [http://www.asccaz.org/kithandkin.html](http://www.asccaz.org/kithandkin.html)
  - Kith and Kin providers in Maricopa, Yuma, and Pima Counties; and the La Paz/Mohave, Coconino, Yavapai, and Gila River Indian Community Regions participate in the project, which is headed by the Association for Supportive Child Care (a resource and referral agency) and funded by First Things First. It includes 14 weeks of training support groups, centered on a curriculum that includes topics to support learning and protect children’s health and safety.

- **Friend, Family and Neighbors Caregivers Outreach Project**
  - The United Way of Pinal County, funded by Arizona’s First Things First, provides support to unregulated friend, family, and neighbor child care providers in the form of resources, training, networking, and professional development opportunities. Child care is provided to participants during networking and training events. Environmental quality improvement supplies and funding for participants to become licensed or certified may be available to participants.

Hawaii

- **Tūtū and Me**
  [http://tutuandme.org](http://tutuandme.org)
  - Tūtūs (grandparents) are the primary caregivers for approximately 20 percent of Hawaiian children through age 5. Tūtū and Me—a free, mobile early childhood and parent education program sponsored by the Partners in Development Foundation—is designed to help caregivers of Native

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Hawaiian children effectively prepare these children for school. Components of the program include play and learn centers, training sessions, and resource sharing. Tūtū and Me is evaluated, internally, on an ongoing basis, and Bank Street College of Education evaluated the program in 2006. Additional information about the program, including videos of the play and learn and training sessions, is available on the Web site.

Illinois

- **Community Connections**
  

  Community Connections allows children to be transported from home-based child care to part-day, center-based preschool programs 4 days a week. Teachers visit the home-based child care providers on the fifth day to discuss the children, share activities, and deliver educational resources. The home-based providers do not lose child care assistance funding as a result of participating in the program.

Michigan


  In Grand Rapids, Michigan, the First Steps Initiative used the Parents as Teachers curriculum designed for use in FCC settings, Supporting Care Providers through Personal Visits, to reach 158 children in FFN care in its partnership’s first pilot year. Through home visits to the FFN providers and play groups that welcomed both families and FFN caregivers, the pilot program provided children with developmental screening and connected families to additional supports and resources. (p. 8)

Minnesota

- **Minnesota Family, Friend and Neighbor Grant Program**

  In 2007 the Minnesota Legislature established the Family, Friend and Neighbor Grant Program to support FFN providers, promote school readiness, and foster community partnership. Grants were awarded to six organizing agencies, each of which offered a mix of services, including early literacy groups, play and learn groups, classroom-based training, and literacy activities. Among the evaluation results were findings that children demonstrated age-appropriate developmental skills, and FFN caregivers engaged in learning activities on a regular basis and had an interest in engaging with children. Evaluation results are documented in *Evaluation of the Minnesota Family, Friend and Neighbor Grant Program: Report to the 2010 Minnesota Legislature*, available at [http://www.cehd.umn.edu/ceed/projects/ffn/webinarhandouts/DHS-5269-ENG_2-10-10_GJF.pdf](http://www.cehd.umn.edu/ceed/projects/ffn/webinarhandouts/DHS-5269-ENG_2-10-10_GJF.pdf).

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Minnesota Studies on Family, Friend and Neighbor Care

- Findings from a 2011 assessment of FFN associations (Chase & Valorose, 2012) show the following:
  - About 2 out of 5 associations provide e-newsletters or listservs, teaching materials, print newsletters and/or social networking. A quarter have a website. Seventeen percent provide curricula resources to members, and 10 percent provide bulk purchasing benefits … Eighty-two percent invite speakers to meetings. Two-thirds provide informational sessions on Minnesota Professional Development. Half arrange mentoring and coaching. A quarter sponsor conferences, mostly on an annual basis. (pp. 16-17)
- Additional studies from Minnesota on FFN care are available on the Child Care & Early Education Research Connections Web site, at http://www.researchconnections.org.

Minnesota Child Care Resource and Referral Network Web site

- Child Care Aware® of Minnesota devotes a comprehensive section of its Web site to reaching out to community organizations in an effort to encourage them to support FFN providers: http://childcareawaremn.org/community/support-ffn/help-ffn/how-to-include-family-friend-neighbor-caregivers-in-programs-services. Information about community events and resources (including play and learn groups, newsletters, resource bags, online learning opportunities, and information about training) are is available. Additionally, the Web site includes information for FFN providers in four languages: http://childcareawaremn.org/professionals-caregivers/family-friend-neighbors.

North Dakota

- Child Care Aware® of North Dakota offers the Let’s Explore miniconsultation program for license-exempt homes and in-home providers. A child care consultant visits the program at least three times to “share tips, provide free materials, and demonstrate ways to incorporate new ideas into [the] program.” Additional information is available at http://www.ndchildcare.org/info/explore.html. License-exempt programs also have access to start-up grants ($800 – $1200) if they wish to move toward licensing, and almost 200 hours of free online training.

Washington

- Kaleidoscope Play and Learn Program
  - The Kaleidoscope Play and Learn Program is administered by Child Care Resources of King County. Facilitated play groups for children and their caregivers meet weekly to engage in age-appropriate play activities and learn about how to support children’s learning at home. The program was evaluated in 2013. Results of the evaluation are available at

QRIS PARTICIPATION

Arizona, Illinois, and Michigan have included exempt FCC homes in their QRIS.

- Arizona’s QRIS includes standards for exempt home providers receiving CCDF (called DES [Department of Economic Security] Certified FCC Homes), as well as financial incentives.
- The Illinois Quality Counts Quality Rating System (QRS) includes standards and incentives for license-exempt FCC, which is defined as care provided by relatives, friends, or neighbors for a small number or family of children (typically three children or fewer). For these providers, there are three tiers of training to achieve for the Illinois Quality Counts QRS. Providers completing Training Tiers receive a QRS Training Tier certificate. Providers caring for Child Care Assistance Program (CCAP) children receive a quality bonus of 10 percent, 15 percent, or 20 percent to the standard payment for CCAP children in care.
- In Michigan, the Tiered QRIS for unlicensed (relatives and in-home) providers consists of three levels that allow providers to engage in training and an individualized quality improvement plan. This system has one required level and two voluntary levels that providers can choose to achieve. Providers can move up a level by meeting specific quality measures including training hours, high school/General Equivalency Diploma completion courses, and licensing preparation.

TRAINING AND RESOURCE DISTRIBUTION

These initiatives provide training opportunities for enhancing caregivers’ knowledge and skills. Some encourage caregivers to become licensed and provide support with the licensing process.

Nebraska

- Nebraska offers Quality Enhancement Payments to license-exempt providers who complete one or more of the required activities (a current certification in CPR (cardiopulmonary resuscitation) and First Aid, completion of a workshop within the last 12 months; attendance at a regional, state, or national conference within the last 12 months; or a summary of a book or video checked out from the Early Childhood Training Center within the last 12 months). Each activity is worth a specific payment (eligible for a maximum of $275; license-exempt providers who provide care in the child’s home [in-home providers] are eligible for a maximum of $175). Upon completion of required credit hours, T.E.A.C.H. (Teacher Education and Compensation Helps) Early Childhood® Nebraska participants are awarded a 2 percent pay raise in addition to any regularly scheduled raise, or may receive a $350 bonus).

New Jersey

- Through Family Strength Associates, Inc., New Jersey offers high-quality training opportunities and workshops for all child care center staff, registered FCC providers, and FFN providers throughout the State, including Head Start agencies, to enhance child care services for children. Workshops are presented by experienced and knowledgeable consultants in the field, and training content represents promising practices and aligns with early childhood professional standards. These training opportunities are provided throughout the State using a variety of host sites.

New Mexico

- New Mexico developed an 18-hour course for FFN child care providers, called “Platicas” (“Conversations,” in Spanish) aimed at bringing FFN providers together in small groups to learn about ways to support the development and learning of children in their care. The design of Platicas has three overarching components that embrace these principles: 1) relationships; 2) teaching practices for
adults (andragogy); and 3) evidence of understanding. The course is free and is facilitated through regional Training and Technical Assistance Programs across the State. Individuals completing the course receive a state-issued certificate (453 certificates have been issued).

- New Mexico also organizes Regional Early Care and Education Conferences throughout the State. These regional conferences are conducted by the child care licensing and assistance programs, Training and Technical Assistance Programs, and the CACFP. Several conferences are held annually throughout the State, and training is offered in Spanish.

**New York**

- The Early Childhood Professional Development Institute, through its Informal Family Child Care Project, offers professional development opportunities, career guidance, and help meeting the Medication Administration Training and CACFP requirements for informal providers in the city. The project also offers printed and online educational materials including newsletters and brochures. Additional information is available at [http://www.earlychildhoodnyc.org/ifcc/](http://www.earlychildhoodnyc.org/ifcc/).

**Washington**

- Washington's Department of Early Learning (DEL) provides reimbursement to the provider union to offer training to license-exempt providers. DEL plans to include relative caregivers and license-exempt caregivers in the professional development registry and move toward minimum training standards to be eligible to receive subsidies. Providers receive a payment as an incentive to take the training.

**PARTNERING WITH CACFP**

The CACFP reimburses child care providers for healthy meals served, and it offers support in meal planning and nutrition. Food Program sponsoring agencies visit child care providers three times annually and provide training. This training and support can facilitate meaningful connections for exempt home providers.

Relative care providers enrolled by the Michigan Department of Human Services to provide child care to subsidy-eligible children are eligible to participate in the CACFP. Recruiting efforts have been expanded in the State to ensure inclusion of relative providers.

All license-exempt home providers who receive CCDF in New Mexico are required to participate in the CACFP.

**National Models and Resources**

These examples are meant to represent a range of approaches to improve informal child care quality.

- **Center for Law and Social Policy (CLASP): Home Visiting Partnerships with Family, Friend, and Neighbor Caregivers**
  - CLASP issued several publications that include recommendations for States on the use of home visiting as a method of support for Family, Friend, and Neighbor caregivers. These resources include state models, best practices, and case studies. They are based on the rationale that by expanding home visiting services to FFN caregivers, States are able to reach more vulnerable children; improve relationships between children, caregivers, and parents; and improve the consistency and quality of care. The publications are available at [http://www.clasp.org](http://www.clasp.org).

- **Early Head Start Enhanced Home Visiting Pilot Project**
  Early Head Start (EHS) programs have always worked with families and child care partners to ensure
that infants and toddlers have appropriate learning experiences, emotional grounding, and safe and healthy environments that promote development. However, it was not until 2003 that the Head Start Bureau launched the Enhanced Home Visiting Pilot Project (EHVP) to offer opportunities for EHS programs to work with family, friend, and neighbor care providers.¹¹

- Funded by the Head Start Bureau, the EHVP began with 23 EHS programs participating with the objective to develop and implement strategies for improving the quality of infant and toddler child care provided by EHS kith and kin caregivers. The pilot was evaluated by collecting information from three main sources: interviews and focus groups conducted during two rounds of site visits to pilot sites; a management information system designed for use by the pilot site; and observational assessments of caregiving environments.¹²
  

  
  http://eclkc.ohs.acf.hhs.gov/hslc/hs/resources/ECLKC_Bookstore/PDFs/TA11%5B1%5D.pdf

- **National Alliance for Family, Friend and Neighbor Child Care (NAFFNCC)**
  
  NAFFNCC was a workgroup initiated by the Institute for a Child Care Continuum, Bank Street College of Education that helped influence FFN policies, enhance providers' access to services, and increase the awareness of the role FFN providers play in the child care system.
  

- **Sparking Connections, Families and Work Institute (FWI)**
  
  Sparking Connections was a demonstration and evaluation project of FWI. It was a 3-phased, 4-year national initiative to demonstrate and evaluate strategies to support FFN caregivers through partnerships with retailers and other nontraditional partners. The Sparking Connections National Consortium—a 2-year evaluation and demonstration project (Phase II)—began in December 2003 following the publication of FWI’s Sparking Connections report.
  
  http://bit.ly/1MHapuQ

- **Healthy Child Care America/American Academy of Pediatrics Early Education and Child Care Online Learning Modules**

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Healthy Child Care America and the American Academy of Pediatrics offer free online learning modules on prevention and control of infectious diseases, Sudden Infant Death Syndrome and safe sleep practices, administration of medication, and influenza prevention and control. New topics will include prevention and response to food allergies, safety and injury prevention, shaken baby syndrome, emergency preparedness and response planning, and transportation and passenger safety.

Virtual Lab School

The U.S. Department of Defense (DOD) partners with Ohio State University and the U.S. Department of Agriculture to offer online courses on best practices for working with children birth through age 12. The courses follow “tracks” for the developmental stages and personnel in direct care (as well as training and curriculum and management). Additional information is available at http://www.virtuallabschool.org.

Penn State Better Kid Care

Penn State Better Kid Care offers online self-directed learning for early care and education professionals. There are more than 150 on-demand modules on its Web site. Additional information is available at http://extension.psu.edu/youth/betterkidcare.

Additional Resources

- Demographics of Family, Friend, and Neighbor Care: Table of Methods and Findings (January 2009), by Amy Susman-Stillman and Patti Banghart. http://www.researchconnections.org/childcare/resources/14339/pdf;jsessionid=46A60863793B66B113718A55058DB88F


