VIRGINIA CHILD CARE STABILIZATION AND SUSTAINABILITY EVALUATION REPORT

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Executive Summary

Virginia's swift response to the pandemic included relief funding, policies, and programs that resulted in the survival of many child care businesses that would have otherwise closed. However, the child care industry now faces a new threat. Providers of every size in every geography are struggling to find the staff they need to operate. The staff they do have are leaving in droves, often citing low pay and increasingly demanding work environments. Because they must then close classrooms and reduce the number of families and children they can serve, frustrated owners and executive leadership report that their child care businesses and organizations are losing revenue at rates that they simply cannot afford.

In response to the evolving needs of the child care industry and consequent gaps in services for families and children, the Virginia Early Childhood Foundation (VECF), with the support of the Virginia Department of Education (VDOE), commissioned Luminary Evaluation to explore the provider experience before, during, and after the pandemic. The evaluation effort also captured current strategies and actions that providers are taking to protect their businesses and sustain their operations, as well as opportunities for further support at the system level.

Luminary engaged in deep listening with providers and child care thought leaders across the Commonwealth during one-on-one interviews and focus groups. The analysis of the data resulted in four major observations of child care sustainability, as well as a menu of strategies and opportunities for both providers and statewide agencies.

Evaluation Observations

Observation 1: The existing vulnerabilities of the child care business model were exposed and amplified by the disruptions of the Covid-19 pandemic.

Observation 2: While many providers report that responsive pandemic relief funding and policies saved their businesses, they also emphasize the urgent need for further and different support in the wake of a staffing and compensation crisis.

Observation 3: Child care providers recognize and value the programs and policies that Virginia has put in place to ensure their capacity to serve families. They view these measures as opportunities for continued progress.

Observation 4: Providers report a range of strategies and approaches that they can use to address threats to business sustainability, but do not see them as a substitute for substantial further investment into the child care system.

During the data collection process, interviewees and focus group participants were asked to consider current and potential strategies that address the staff shortage and compensation crisis, both at the individual, provider level and system level. The aim of these strategies is to help improve child care business sustainability, effectively strengthen the child care supply, and ultimately serve more families in need of care. There were three system level successes that were highlighted consistently across conversations. They included: 1) **True Cost Reimbursement**, 2) **Mixed Delivery**, and 3) **Incentive-based Workforce Programs** (RecognizeB5, Project Pathfinders, and Registered Apprenticeship). The following provider level strategies and system level opportunities emerged during conversations and are explored in greater detail throughout the report. The provider level strategies are those that interviewees and focus group participants have either used themselves or observed other providers using.

Strategies and Opportunities to Address the Staff Shortage and Compensation Crisis

Provider Level	System Level
• Partner with colleges and universities • Pursue public/private community partnerships • Hire "floaters" and consider combined staff coverage • Utilize technology such as Child Care Management Systems • Rely on networking to identify and hire candidates • Exhaust every available funding stream • Increase tuition (as a last resort) • Establish cash flow protection policies • Connect with other providers	• Promote the professionalization of the ECCE field to strengthen the workforce pipeline. • Offer providers training focused on business acumen and budgeting when funding is uncertain. • Allocate resources to Ready Regions to facilitate community level collaboration through a more robust industry support structure • Address the tension that exists between the 0-5 and K-12 fields. • Streamline requirements and expand access to early childhood education programs and funding sources. • Negotiate for advanced payment or more timely reimbursement for subsidized care. • Cultivate provider-led networks built upon trusting relationships and develop a provider-led lobby for the child care industry.

Information from this report will inform future actions that can be taken by Virginia. It will also serve as a foundation for the Early Childhood Care and Education (ECCE) Financing and Compensation Task Force that was convened in May 2023 by VECF.

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Background and Context

The Virginia Early Childhood Foundation (VECF) is an organization founded as a non-partisan, public-private partnership with a mission to build the capacity of regions statewide for strategic, sustained focus on the healthy development and school readiness of Virginia's youngest children. This is accomplished through system and capacity building, partnerships and innovation, and policy and advocacy.

With the onset of the Covid-19 pandemic, child care businesses across Virginia were at significant risk of closure, which would have resulted in the devastating impact of depleting an already fragile supply of providers on whom families rely. To protect child care businesses so that families could access these critical services, VECF and state leaders knew they had to act quickly to connect providers to the resources, supports, and federal relief dollars that were emerging. As part of this aid, in 2021, VECF offered two crucial free supports to mitigate the impact of the pandemic on providers: 1) a free subscription to Wonderschool, a child care management system (CCMS) to improve operational efficiencies, and 2) specialized technical support from Civitas Strategies Early Start (CSES) to help providers develop their business acumen and strengthen business practices.

As implementation of these efforts continued, VECF engaged Luminary Evaluation in March 2022 to assess the execution and impact of technical assistance offerings through a two-part evaluation process. The formative evaluation report was issued in April 2022 and explored the challenges faced by Virginia early child care providers as they navigated the economic aftershocks and social disruption caused by the COVID-19 pandemic. There were four key observations from this report:

1. Family and center child care business owners are operating with a survival mindset, often curtailing their ability to prioritize even near-term opportunities to build their business.
2. Potential partners in the state are unclear about the project's value proposition and how it can complement, rather than compete with existing services.
3. Time-strapped providers are accessing the guides and videos, finding them useful, and are receptive to group and individual coaching.
4. There was mixed feedback among providers who have adopted Wonderschool.

Equipped with this information and recommendations about how to meaningfully engage providers, VECF moved forward with implementation.

As 2022 progressed, it became clear that the child care landscape had once again shifted. The initial staffing and compensation challenges that providers had experienced prior to and during the pandemic had become a full-blown crisis. In response, Luminary and VECF discussed the need to not only better understand the current challenges, but also place them within the context of historical challenges associated with the child care business model. The team focused the second phase of the evaluation effort on better understanding the emergent set of challenges providers now face as well as the strategies and opportunities available to navigate them.

Relatedly, in May 2023, VECF convened an Early Childhood Care and Education (ECCE) Financing and Compensation Task Force comprised of eleven center-based providers across Virginia. Facilitated by 20 Degrees, a firm that helps organizations consider their structures and rethink the traditional business model, the task force's objectives are to:

1. Consider the staffing crisis & develop recommendations for policymakers, including policies impacting workforce recruitment and retention,
2. Participate in high-quality training and customized support designed to help providers sustain their business, address staff compensation and retention, and navigate an unpredictable environment, and
3. Collaborate in the development of a toolkit that can be used by other providers across Virginia.

This study engages in deep listening with task force members to understand their experiences as well as the perspectives of peer providers they have observed in the field. This information will also serve as a knowledge base for 20 Degrees to access as they engage with providers over the summer and fall months of 2023.

Methodology & Approach

Phase two of the evaluation commenced over the course of two sessions, as well as several conversations and reviews via email. During these sessions, evaluation project partners shaped the work by identifying driving questions across four themes:

1. **Business Sustainability Challenges** - What are the primary business sustainability challenges that child care providers have historically faced? How did the pandemic exacerbate those challenges or create new ones? Have these challenges persisted or shifted in the post-pandemic world?

2. **Relief Funding and Future Financial Risk** - How did relief funding impact the trajectory of child care during the pandemic and its aftermath (March 2020-March 2022) and what are the risks moving forward with unpredictable public funding?

3. **Provider Business Practices** - What new business practices have providers put into place to sustain their businesses? What gaps remain in their business acumen and practice given the uncertainties of the fiscal climate?

4. **Wages and Compensation** - Low wages and compensation continue to be a persistent threat to the child care industry, resulting in staffing shortages and instability. What possible solutions and opportunities do constituent groups have to address this key issue (and other key challenges that may be emerging)?

Guided by these questions, the team collaboratively developed a data collection approach that relied on deep listening with family child care and center-based providers, as well as early childhood thought leaders. The resulting data collection methodology included a combination of document review, interviews, and focus groups to gather both retrospective feedback and forward-thinking opportunities.

Interviews
A total of 18 one-hour, one-on-one interviews were conducted for this project: 4 with early childhood thought-leaders and landscape experts, 11 with center-based providers, and 3 with family child care providers.

Attachment A presents the Interview Guide that contains all questions and prompts that interviewees responded to.

Focus Groups
Luminary conducted a series of 3 one-and-a-half-hour focus groups with 11 center providers who were also members of the ECCE Financing and Compensation Task Force. There were 2 groups of 4 and one group of 3. The objective of these groups was to collectively explore and

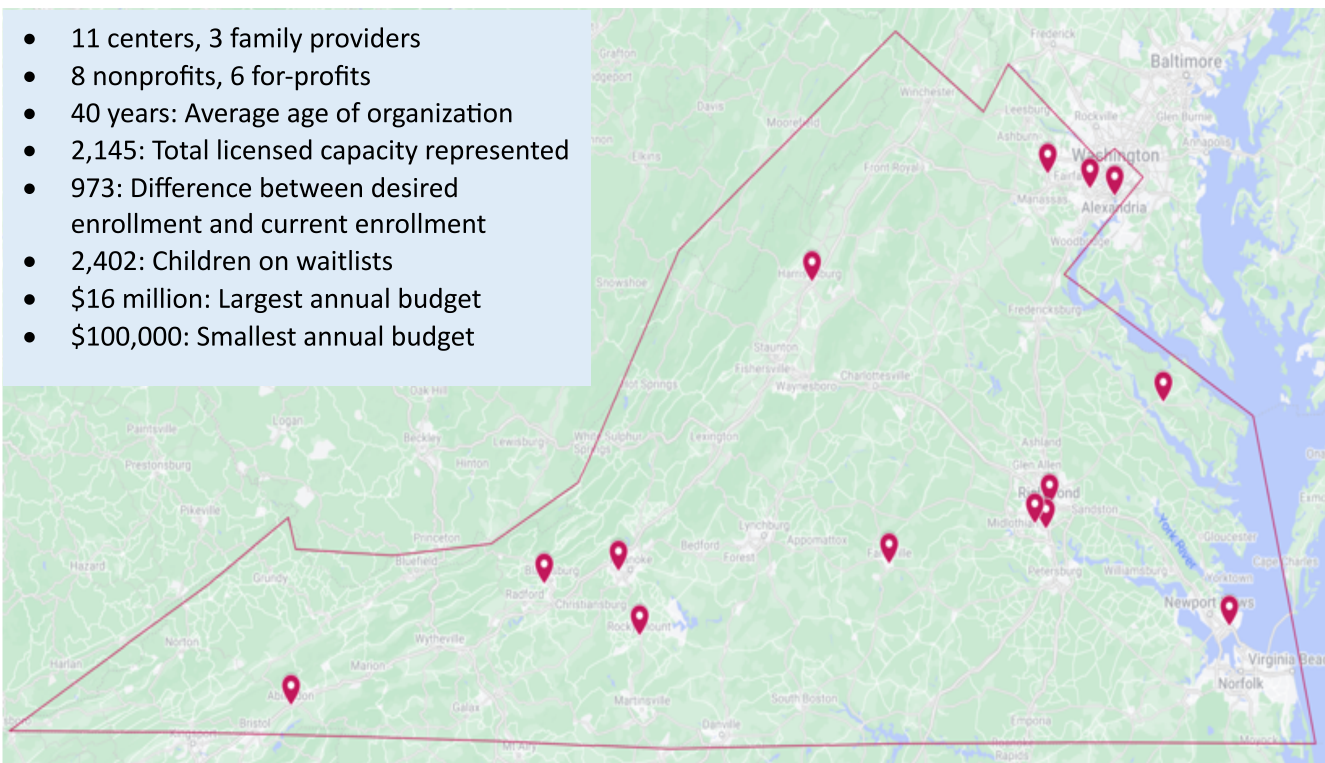
problem-solve the pervasive business sustainability challenges alongside identifying provider level and system level solutions and opportunities for action.

These focus groups followed the interviews, and discussion prompts drew from the collective experiences and deidentified observations shared during individual conversations. Focus groups were asked to consider the story of a fictious center-based provider named Lucy. While her story was derived, her experiences reflected the realities that providers spoke about during their conversations.

Attachment B presents the Focus Group Guide in detail.

Provider Representation
Providers selected to participate in this project represent a range of geographies, business types, years in the field, and organization sizes.

Participating Provider Locations and Characteristics



Observations & Opportunities

Observation 1: The existing vulnerabilities of the child care business model were exposed and amplified by the disruptions of the Covid-19 pandemic.

Business Model Challenges

Historically, the child care business model has always presented challenges. Pricing is market-driven, meaning “providers can only charge what parents can afford to pay.” However, much of the time, parents cannot afford to pay the true costs of care (i.e., what it actually costs providers to deliver their services); providers participating in this study report that over 70% of these costs are allocated to labor. Providers describe the labor necessary to run a child care business as their highest and most important fixed cost: “You can’t outsource this. This is just a very labor intensive, human intensive pursuit and tuition doesn’t cover all of it.”

This fundamental mismatch between pricing and cost of care results in razor-thin margins that child care owners and administrators must struggle with day after day, year after year. When child care providers interviewed for this report were asked to share whether their business was profitable, only one for-profit provider confidently said “yes.” The other remaining providers, non-profit and for-profit businesses alike, reported that they either break even or were not profitable. One provider responded, “You’re in the wrong business if you’re looking for profit.” All provider owners indicated that they are dissatisfied with their income. Often, when they are concerned about meeting the financial obligations of their businesses, they will pay themselves little to no salary to make ends meet. This is a practice that was either personally experienced or observed by providers across conversations and provider types. One provider remarked, “I’m profitable, but I’m always putting funds back into the centers. I don’t want the quality to go down…meals, playground, walls, I won’t let it suffer.”

While budgets are unrealistically tight for both nonprofit and for-profit providers, for-profit businesses have the additional disadvantage of not being able to fundraise in the way that nonprofits do, even though they view their work as mission-driven. As one nonprofit leader indicated, “We designed the business to not be profitable without a huge lift from philanthropy. We run a break-even budget that doesn’t support itself with tuition.”

Pandemic Impacts

When the COVID-19 pandemic swept the nation and the world in March 2020, a spotlight was shined on child care as parents across the country worked from home and front-line workers searched for care. As families struggled to balance their work lives and access care, the nation developed a heightened awareness of the role that child care plays in a functioning economy. This awareness resulted in an unprecedented state distributed federal investment that infused the U.S. child care industry with $24 billion. This temporary investment had a specific focus, to keep as many child care providers as possible operational so that families would have the care they needed but was not designed to address long-term challenges or costs. As one provider put it, "People realized that the economy couldn't function without us and started to give us money and resources. The biggest change during the pandemic was a new awareness and people saying child care matters." When providers were asked to compare the child care industry pre-, during, and post- pandemic, they noted that prior to the pandemic, most providers operated with a "status quo" mindset. Providers reported that while running a child care business often felt "hectic" and "thrown-together", they were able to "make it work." However, once the pandemic set in, "it highlighted the deficiencies and challenges that always existed…it just exposed everything." This was especially true when it came to finding and retaining a robust early childhood education workforce. One provider illustrated these points when she described her own experiences with running a child care business before and after the pandemic:

> "When the pandemic started, I had money in the bank, I was ok financially. I was paying myself $40,000 per year, and I was fine with that. I had enough staff, and they were good staff, they weren't premium, but they were dependable and trainable. Since the pandemic, people don't want to work. I feel backed into a corner by my employees. They can go to Target and make more, and they do. Never in my career have I paid this much money and it's still not enough."

The duality of this heightened awareness of both the need for and vulnerabilities of child care, awakened a new urgency among child care providers to advocate for more permanent change and progress.

Observation 2: While many providers report that responsive pandemic relief funding and policies saved their businesses, they also emphasize the urgent need for further and different support in the wake of a staffing and compensation crisis.

Business Survival

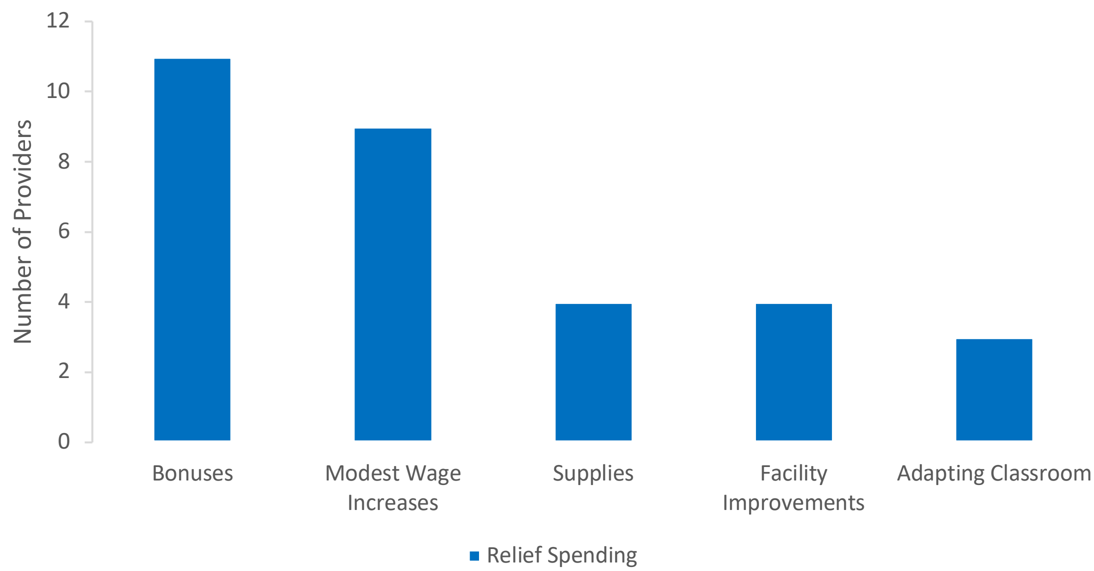
National research[1] shows that both center and family child care providers across the United States were sustained during the pandemic because of relief funds. The same is true for Virginia providers who contributed to this report. One provider remarked, "The pandemic pulled the rug. Were it not for the Commonwealth choosing to respond the way it did, more organizations would have suffered." When asked what most providers would have done had they not been able to secure relief funding, the majority indicated they would have closed their businesses or used loans and debt to survive.

> Child care providers participating in this study estimated that they received a combined total of $2.4 million in pandemic relief funding.

[1] Smith, L., Bagley, A., Reef, G., & Sarkar, M. (2022, September). *Covid-19 relief bolstered U.S. child care programs in crisis*. Bipartisan Policy Center. https://bipartisanpolicy.org/explainer/child-care-programs-crisis/

As illustrated in Figure 1, providers reported that relief funding was primarily used to pay staff in the form of bonuses (quarterly and one-time). Most providers participating in this study did not use relief funding to permanently raise wages significantly. They recognized that this was a one-time funding source and maintaining higher pay rates would be difficult when it was gone. "The difficulty is that I don't have a funding stream that will be stable over time, that's why we were conservative with any raises."

Figure 1. Provider Relief Spending Categories (n=14)



Some providers also reported having no choice but to increase payrates more significantly because of difficulties finding and keeping staff. In one case, a provider reported having to raise her salaries 25-30%. All providers expressed trepidation about the consequences of any pay raise as relief funding ends, costs continue to rise, and the minimum wage increases over the next year to $15 per hour.

Any relief funds that providers did not use to pay staff were allocated to several different purposes including adapting classrooms for COVID protocols, technology upgrades, purchasing supplies, cleaning services, rent, and other facility related costs. Some nonprofit providers reported that relief funds were especially important because they were unable to pursue their normal fundraising efforts that they relied upon for operation. Relief funds temporarily replaced the money that would have been taken in by these organizations. These funds helped make up shortfalls in budgets attributed to low levels of enrollment, exacerbated by not having enough staff to open classrooms.

In addition to offering relief funding, Virginia streamlined programs to connect providers and families with additional resources and support. Providers reported the most significant of these changes being 1) increasing income eligibility for families seeking subsidy to those whose income falls at least 85% below the state's median income, 2) temporarily eliminating parent copays, and 3) increasing the number of absences covered. This approach moderated the variances and instabilities in attendance choices and resulted in a funding model similar to that of K-12.

When asked to describe any ongoing risk to their organization or business as relief funding ends, providers expressed significant concern for themselves and other providers. They predict that providers will pursue survival strategies that they would have resorted to during the pandemic if the relief funding hadn't come through. These strategies might entail taking out loans and leveraging credit, eliminating staff, reducing their own pay to cover expenses, or raising tuition. They are especially concerned about the minimum wage that must be increased to $15 per hour by January 1, 2026. They report that while they agree their entry level staff should be receiving more hourly pay, providers want to ensure that compensation remains fair across all levels of staff. They emphasized that an increase of the lowest level of wage will necessitate an increase across all other levels.

Staffing and Compensation Crisis

As the pandemic ends, the precarious financial position of many child care providers has worsened. "Before the pandemic, child care was on the collision course, and COVID accelerated and exacerbated the challenges on the workforce front." Providers report that demand for child care has returned to pre-pandemic levels. The number of families on waitlists has skyrocketed, but providers remain under their desired enrollment levels. This is largely due to an inability to open classrooms because providers cannot find and retain the staff needed to operate them. Because classrooms cannot open and reach desired enrollment levels, providers are experiencing a loss of revenue, which in turn limits their ability to raise wages of veteran staff.

2,257 children are on waitlists across 11 center-based programs sampled

145 children are on waitlists across 3 family child care providers sampled

Given the thin margins that providers operate with, the revenue loss from low enrollment outpaces the savings from having staff vacancies. Family child care providers also find themselves facing the same dilemmas as centers. One family provider has a full waitlist and would like to take on four more infants who are on the list. However, she is struggling to fill the full-time position that she needs to be able to accommodate more infants. Because of this, she is contemplating downsizing her business to four children rather than twelve.

In May 2023, 11 center-based providers reported **75 unfilled staff positions**, and all 3 family child care providers reported at **least 1 open position**.

There are three primary factors that providers point to as shaping the current staffing and compensation crisis: **1) persistent low wages**, **2) stress and heavy workloads**, and **3) a limited pipeline of early childhood education professionals**.

1. **Persistent Low Wages** – One of the continued vulnerabilities of the child care business model is its reliance on low-paid workers, many of whom are women and disproportionately women of color. As was true in other service sectors, the pandemic propelled significant turnover of the existing child care workforce. One provider reported that she lost two-thirds of her staff during COVID. Respondents identified several reasons why people left their jobs including health concerns, early retirement, and lack of child care themselves. However, now that many of these concerns have subsided, they also observe that the early childhood education workforce has not returned. While there are many factors contributing to this shortage, providers contend that low wages are the primary concern. This is confirmed in Virginia-based research[2] that reveals those providers whose staff are more highly compensated have less turnover.

   $13.78 average hourly wage for entry level staff across sampled center-based child care providers

   $17.57 average hour wage for teachers across sampled center-based child care providers

   The current rates of pay across providers participating in this study ranged from $11 to $20 per hour. All but one provider report that their staff is unsatisfied with the current rates of pay, even after several increases, and 100% of providers feel that their staff should be paid higher. Providers describe the pervasive impact low wages have on their workers. “Early childhood education should be a right not a privilege. For my staff who have kids, they can’t even go here because they can’t afford it. The staff who can bring their children here are the ones on DSS (Child Care Subsidy).” Another reports, “because our pay is so low, some of our employees are getting social services funding. We have to be careful with raises because they might take away their services, but not be a high enough wage to cover their expenses.”

   Providers' reality of low wages was further shaped by historic levels of inflation, which rose to its height in Summer 2022. This meant that even as providers worked hard to raise pay and absorb the higher expenses, they simply couldn't keep pace with the skyrocketing cost of living experienced by themselves, their existing staff, and potential job candidates. Several respondents pointed out that child care feels the staffing crisis so acutely because the industry cannot compete with larger corporations that have more room in their financial models and can more easily adjust pay rates. Each day, child care providers find themselves unable to meet the wage requirements for candidates they interview. In many cases, providers experience “ghosting” during the interview process, where candidates apply but then don’t respond when they are invited for an interview. One provider has had a position

[2] Bassok, D., Hall, T., Markowitz, A. J., & Doromal, J. B. (2021). Teacher turnover in child care: Pre-pandemic evidence from Virginia.

posted for over a month and she's only had a total of six applicants. Of the four she reached out to, none responded, and the position remains unfilled. When providers are able to make a hire, they report that they are often hiring people whom they normally would not and then end up having to hire someone new when that person doesn't work out. Providers associate the high rate of turnover with candidates "who are just looking for another job." This is disruptive to the provider and can compromise the quality of care.

When asked the question of what an appropriate compensation level for early childhood education staff would be, most providers pointed to a solution that offered greater parity to K-12 compensation. One provider stated that 75% parity with the starting salary for K-12 teachers would be acceptable. It was noted that this approach aligns with the 'competitive wages' that are being promoted for teachers in Mixed Delivery.

2. **Stress and Heavy Workloads** – Child care providers describe the work they do to educate young children as extremely rewarding, but also very intensive. They emphasize that their line of work is not for everyone and requires dedication, fortitude, empathy, and patience. Research conducted by the University of Virginia[3] shows that during the pandemic, reports of depression among Virginia early educators spiked at alarming rates. Increased stress for early childhood educators is attributed to a variety of issues, namely financial hardships, and food insecurity[4]. Providers shared that they are experiencing more staff calling out from work than ever before. Because of this, they need to hire even more staff to serve as "floaters" that can be moved around according to where staffing shortages are. Owners and administrators also find themselves spending significant amounts of time in classrooms to ensure coverage.

   Providers also report that responsibilities continue to be piled onto job requirements, but the pay stays the same or only rises slightly. This also impacts staff stress levels. During every conversation, providers observed that there has been a significant increase in children presenting with special needs, both diagnosed and undiagnosed, since the pandemic. "We have a lot of children right now with very high needs. On top of that, we have teachers who are not experienced, skilled, trained, or educated. This is a recipe for disaster." Providers not only indicate the need for staff who are more equipped to handle the challenging behaviors present in their classrooms, they also describe the specialized support required for these children. This support consists of Applied Behavior Analysis (ABA) therapists and speech and language pathologists.

   As a result of these combined pressures, staff are choosing to leave the field and pursue other jobs where they can receive similar or higher pay coupled with less stressful work environments.

[3] Markowitz, A. J., Cubides-Mateus, D. M., & Bassok, D. (2021). Spikes in teacher depression during the pandemic: Evidence from Virginia early educators. *Study Early Educ. Through Partnersh.*

[4] Markowitz, A. J., Bassok, D., & Kiscaden, S. (2021). Changes in early educator wellbeing and job commitment in the wake of the Coronavirus pandemic: Lessons from large-scale surveys in Jefferson and Rapides parishes.

3. **Limited Pipeline of ECCE Career Professionals** – Across conversations, providers questioned where the next generation of early childhood educators are. "Where is the next generation? How are we going to draw that next wave into this career path? There isn't the interest that there should be." They pointed out that "People are seeing early childhood as a passthrough. They are not seeing it as a pathway for their career."

   Many providers share this sentiment as they observe staff leaving their positions to work in the public schools where they will not only receive better pay, but also experience better working conditions. One larger provider who can offer higher levels of compensation laments that she still cannot match the public school. "Our compensation and benefits are competitive, but we can't compete with the environment and working conditions that the school division offers (i.e., summers off, less hours, leave policies, etc.)." Other providers brought up the unrealistic requirements that early childhood educators face as they pursue additional credentials and certifications to further their career and increase their wages. For many of these individuals enrolled in credential or degree programs, the length of time it takes to yield a return on their efforts is untenable, especially for working parents who are trying to make ends meet. One interviewee pointed to the example of the Head Start requirement that a teacher assistant needs to have at least an associate's degree or a CDA within two years of hire. She opined that for resource strapped families with time constraints and difficulties finding child care of their own, this is simply not enough time. The ramification of these requirements without immediate returns along the way narrows the hiring pool for all potential staff, but it particularly impacts marginalized populations who are seeking entry level opportunities that will allow them to provide for their family.

Observation 3: Child care providers recognize and value the programs and policies that Virginia has put in place to ensure their capacity to serve families. They view these measures as opportunities for continued progress.

Virginia child care providers are not alone in their struggle to survive in the wake of the staffing and compensation crisis. Nationally[5], almost every state has experienced a similar version of this crisis and grappled with the existing fragility of the child care business model and industry. Responses have been diverse with varying levels of success. As respondents considered the national landscape, they pointed out that Virginia has taken important action that many other states have not yet been able to achieve.

Of the policies and programs that Virginia has put into place that can support providers beyond the pandemic, four were brought up over the course of conversations and focus groups as being especially beneficial. They are: **1) True Cost Reimbursement**, **2) Mixed Delivery**, **3) Recognize B5**, and **4) Project Pathfinders and Registered Apprenticeship**.

[5] Hur, E. H., Ardeleanu, K., Satchell, T. W., & Jeon, L. (2023, April). Why are they leaving? Understanding Associations between early childhood program policies and teacher turnover rates. In *Child & youth care forum* (Vol. 52, No. 2, pp. 417-440). New York: Springer US.

1. **True Cost Reimbursement** – On October 1, 2022, Virginia rolled out a new "cost of quality" methodology[6] for reimbursing child care costs to providers participating in the Child Care Subsidy Program. Prior to this change, the "market rate" or what parents could pay in a specific community drove the rate of reimbursement. The new process considers rates regionally and accounts for different types of licensures. Providers across the state receive higher reimbursements as the rates have been calculated to "reflect the costs of program inputs by including wages, program standards, curriculum, and quality improvement activities."[7] Virginia is one of the few states that has successfully implemented this change. The others are the District of Columbia and New Mexico[8]. Alaska and Arkansas are either using a "cost model estimation approach" or a "hybrid model" .[9] Providers report that this effort has resulted in a "huge change" for their businesses. One provider stated, "it used to be that us participating in subsidy was an extension of our scholarship program, meaning we made up the difference between the reimbursement rate and cost of care. There was always a short fall. Now costs are more covered." While this reimbursement methodology is in a pilot phase, providers do perceive it to be a permanent enough funding stream to rely on when raising their compensation rates.

   While the response to the true cost reimbursement was overwhelmingly positive among providers, it did present a challenge for one family provider. This provider reported that prior to the pandemic, she served all private pay families. When the pandemic hit, these families removed their children from care, and she had to rebuild her enrollment. She noticed that there were very few private pay families who were enrolling and that most were on subsidy. She posited that the increased income eligibility for subsidy meant more families in her area qualified. She also reported that her private pay rate was higher than the true cost reimbursement rate for her region. To receive the same pre-pandemic rate, she asked her newly enrolled families to pay the difference between the subsidy rate and her desired rate. This was on top of the subsidy copay. Some of her families could not afford to pay both as their income levels had dropped and their expenses had gone up. For these families, she opted to take a loss in revenue rather than not serve them.

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[6] https://budget.lis.virginia.gov/item/2022/2/HB30/Chapter/1/129/, Sections O and Q

[7] Griffey, E. (2022, August 16). *Voices supports proposed changes to child care payment rates and parent co-pays*. Voices for Virginia's Kids. https://vakids.org/our-news/blog/voices-supports-proposed-changes-to-child-care-payment-rates-and-parent-co-pays

[8] Coffey, M. (2023, March 9). States Can Improve Child Care Assistance Program Through Cost Modeling. https://www.americanprogress.org/article/states-can-improve-child-care-assistance-programs-through-cost-modeling/

[9] Smith, L. (2020, June 2). *Moving forward: Why it's time to rethink how states set child care reimbursement rates*. Bipartisan Policy Center. https://bipartisanpolicy.org/blog/moving-forward-why-its-time-to-rethink-how-states-set-child-care-reimbursement-rates/

2. **Mixed Delivery** – The Mixed Delivery Program offers providers contract-based public funding to serve children who meet Virginia Preschool Initiative eligibility criteria in private early childhood care and education settings. Providers view Mixed Delivery as a "beacon of hope" and many credit it with "stabilizing" their businesses as they faced financial uncertainty with the end of pandemic relief funding. One provider shared her perspective: "It was real money with deliverables attached to the money that I knew we could meet with integrity."

   While providers greatly value the support that Mixed Delivery provides, some also expressed trepidation with relying on it as a long-term, permanent funding source that can be used to increase compensation.

   > "I am building my budget around Mixed Delivery slots we have now and for which we applied for FY24. My fiscal year begins on July 1. As part of that I am providing a large compensation increase in the budget. If we do not get the additional slots, I will need to scale it back for next year. The bigger issue is if I do get them, I will provide the increase in compensation. All of this means that I need to be guaranteed to get that number of slots into the future as long as there is Mixed Delivery funding. I see this as ongoing operational funding and not as one time funding like what we received as Covid relief funding. If sites who receive the funding cannot be guaranteed they will receive it annually, then it will do no good in terms of helping increase child care compensation in Virginia. I understand that if the state were to eliminate the program from the state budget, we would lose the funding and likely then would have to do lay-offs which would mean fewer children are served."

   As providers considered their experiences with Mixed Delivery, the requirement to have no less than 50% of Mixed Delivery children in a classroom was repeatedly discussed. Providers found this requirement to be extremely difficult to maintain and even went so far as to identify it as detrimental to their financial well-being. They also described the requirement as being most challenging for smaller providers, especially if those providers qualify children for Mixed Delivery based on special needs rather than income. This was primarily reported by providers in the Southwest region of Virginia. One provider described her own scenario: "I was not able to finish filling my classroom because of the 50% rule. If I only have three Mixed Delivery children to add to a class, that means that I can only have six kids in that class." She went on to say that she realizes her center may be a unique case because the expectation is that a provider would also have children qualifying for Mixed Delivery based on income, but in her case she did not.

Another provider observed the impact that Mixed Delivery has on her compensation structure. "We are required to put all of our Mixed Delivery kids in the same classroom to meet the 50% threshold. The model is to pay the teachers in the classroom more, but they're doing the same job as the other teachers. I can't raise some teachers, but not others so I did raises across the board." While this approach to pay raises across the board for all teachers might typically be seen as a positive outcome of the Mixed Delivery model, in the current climate of the staffing and compensation crisis, providers see it as a further hardship.

3. **RecognizeB5** – RecognizeB5 is a publicly-funded educator incentive program that offers a total of $2,500 for July 2022 – June 2023 year. Eligible ECCE educators who stay at their program for a specific amount of time receive this amount in two direct payments. They will receive up to $3,000 for the July 2023 – June 2024 program year. Respondents consistently pointed to the benefits of the RecognizeB5 program. They credit it with helping them retain staff through the school year. While they overwhelmingly support the program and recognize its utility, there were some challenges pointed out with the timing of the payments. One provider noted that some of her staff waited for the second payment before giving notice. Once they had the payment, they left their positions which further contributed to her staffing shortage at the close of the school year. She suggested that it might make sense to issue these payments in August to account for end-of-school-year turnover.

4. **Project Pathfinders and Registered Apprenticeship** – Respondents identified both state-funded programs as offering significant benefits to child care providers. Project Pathfinders is a scholarship opportunity administered by VECF designed to help early childhood educators set specific credentialing goals and then access funding and resources that can be used to reach those goals. The Registered Apprenticeship is a related program that invites child care providers to offer apprenticeships to their full-time staff. The child care provider serves as a mentor and the staff completes on-the-job learning while taking on community college coursework. As the apprentice develops their skills, the provider increases their wage accordingly. After 2-3 years of successfully meeting goals, the apprentice is then awarded a nationally recognized certificate. Providers who participate in these programs report that they greatly appreciate how staff are incentivized to build skills and remain in their job as they pursue career related goals.

   They also reported challenges. For one provider, during the pandemic two teachers who were participating in degree programs reached the point in their educations where they needed to complete a practicum to fulfill degree requirements. Because these practicums could not be completed in the private child care setting, these teachers left their positions for public school positions where they would have the opportunity to complete their practicum hours at their place of employment. The impact this has on the provider is that she is losing two teachers who have grown in their skills and experience at a time where she is fighting against a staffing shortage. "I need at least some higher-level teachers to stay, especially with the increase of special needs in the classrooms." She wished there could be a licensure track for teachers who are participating in these programs who work in child care centers so that teachers don't have to leave their positions and go to the school division to complete their internship.

Another provider affirmed this sentiment and while praising the value of the apprenticeship program, also voiced caution. "Because I'm a small center, there's nowhere else to go here. It's pretty limited, in a larger center, staff can always go into management. Once they have their degree, they'll leave. I feel like my center has always been a stepping stone for future employment." As the state continues to build upon the success of programs like the Registered Apprenticeship and Project Pathfinders, providers emphasize the importance of connecting the system with pathways that provide ongoing opportunity and career growth for newer ECCE professionals as well as more seasoned ones.

Observation 4: Providers report a range of strategies and approaches that they can use to address threats to business sustainability, but do not see them as a substitute for substantial further investment into the child care system.

When interviewees were asked what they thought was needed to address the acute staffing and compensation issues in child care and ensure the sustainability of the industry, every person responded that the system needs sustained and significant investment. Specifically, they argued for the establishment of permanent funding streams that providers can rely on to make meaningful, lasting progress. "There are far too few dollars in the system to gain much traction on the compensation issue." However, respondents also recognized that significant investments at the state level take time and offered ideas about near-term actions that providers and the state could take now to navigate the staffing and compensation crisis.

The following strategies were shared by providers during both focus groups and interviews and are ones that they are using or have observed others use.

1. **Pursue partnerships with colleges and universities.** Several providers spoke of their experiences working with local institutions of higher education to access students in degree and certificate programs who are looking for opportunities to work in the field. "It makes sense. You have people going into education and they want these experiences." One provider described her strategy of hiring several part-time college students to help alleviate pressure on full-time staff. She explained, "hiring more staff who are part-time for less money means you have a greater supply of people, which can create more opportunity for you to offer your full-time staff more breaks that are more comparable to what public school teachers would experience….Because we have many college students, we employ them and our teachers can get four weeks off in the summer."

Respondents also observed that accessing community colleges is an important recruitment strategy. “I was able to go into the classes and speak about child care. I’ve gotten three people from speaking to classrooms.” Another provider spoke about her experiences and emphasized that even smaller centers can benefit from communicating with local colleges. “When I’m looking for part time people, I always call the colleges first.”

While most providers extolled the benefits of college and university partnerships, they also emphasized that these types of partnerships can be a double-edged sword. One interviewee cautioned that the downside of this approach is “students are less experienced, so they can only handle so much.” Another provider described her experience with higher rates of turnover as teachers worked through their degrees and became more experienced. “I know that child care centers are the pipeline for public school teachers. They usually stay two years, then once they start student teaching, they leave. When these students go, it’s an all-hands-on-deck experience.”

It is also important to note that providers view hiring college students to serve as part-time, temporary staff as a stopgap measure that is not always ideal, but necessary. These providers would like to engage with college students as part-time employees, but they would prefer that it be because they are helping them develop their skills and a future career, and not because the students are their only option to fill their staff rosters.

2. **Develop public/private partnerships with local communities.** Many interviewees discussed the important role that child care plays in the economic well-being of local communities. Some of them also described their experiences with successfully forming partnerships that are mutually beneficial for their own organization and the community they serve. One provider explained that they lease their current building from a local school division, and it is “beyond reasonable for the lease.” The division provides the maintenance, grounds keeping, landscaping, and custodial costs. The child care organization also receives a grant from the city each year to help defray costs further. Local collaborations like this are often not easy to develop and usually require significant investments of time for planning. For many providers, especially small or medium ones who are stretched very thin, it can feel daunting or perhaps even impossible to pursue or initiate these types of opportunities. However, interviewees propose that providers should start small by first forming relationships in the local communities as small businesses or community serving organizations. One suggested getting involved by going to local small business meetings or networking events. “Providers need to put themselves out there as small businesses and leaders in the community to catch the opportunities for partnership that might develop.”

3. **Hire “floaters” and consider combined staff coverage.** Several providers described creative ways that they have been structuring their staffing and hours available for care. One approach is to hire more “floaters” than they had in the past. Floaters are staff who

are paid to fill in as needed because provider owners and executive leadership report that teachers are calling out at greater rates than they had before the pandemic. They attribute this phenomenon to staff becoming ill, but also because some staff are experiencing greater levels of stress and burnout. If providers don't have enough as needed coverage, they often find themselves covering classrooms, which they describe as unsustainable when trying to operate their business. Providers also report that floaters sometimes make a higher rate than regularly stationed teachers because they are being asked to have greater flexibility and often step into challenging situations.

Another strategy respondents acknowledged to help make ends meet is accepting full-time enrollment only. For one provider, core care might take place from 8AM-4PM and then parents either find additional wraparound care or pay extra for additional hours. Another provider noted, "We've always done part-time, but we've cut that out. Starting on May 29th, it's five days a week or nothing. I can't operate with fluctuations."

4. **Utilize technology such as Child Care Management Systems.** Adopting new technology is often a dauting process, especially in times of stress. However, one provider found that adopting the child care management system, Wonderschool, streamlined her billing process to the point where she was able to get by with fewer staff. "One of the things that helped us a lot was the Wonderschool platform. Up until I started using it, I processed ACH payments. Now it's all done through Wonderschool. It's smooth and if someone's payment doesn't go through, I can just pull it up and look at it."

5. **Rely on networking to identify and hire candidates.** While all providers reported being short on staff, they also emphasized that the hires they have been able to make often come from people in their own networks. "We are able to draw in people who are affiliated with someone, or they are a spouse of a graduate student." Providers report that they encourage other providers to not be shy about reaching out to everyone they know with positions and opportunities. This includes parents, other staff members, community partners, colleges, universities, other social service sector businesses, local group and associations, families, and friends.

6. **Exhaust every available funding stream.** Along with advocating for additional funding in the child care system, providers also brought up the importance of leaving no stone unturned for funding programs that are available. As one interviewee put it, "If you're a nonprofit, apply for all grants; for all eligible providers, if you're not doing Mixed Delivery, explore it." Every center-based and family provider interviewed in this study reported that they accept subsidies and all but two providers report that they participate in Mixed Delivery. Of the two that are not yet participating, one is a candidate and the other mentioned that she "needs to consider it."

   A frequently raised topic was the difficulty that for-profit providers have connecting with alternative funding streams, such as grants. Many felt that the pandemic relief aid was the first-time they had experienced the benefits of a significant amount of funding received through a “grant-like” process. As this funding ends, and a fiscal cliff looms in the distance, many providers are unsure how to respond. For some, the financial assistance they received during the pandemic finally felt like the “right” amount of compensation for the services they provide. Interviews and focus groups explored various responses to the end of pandemic relief funding. One story told by a for-profit provider stands out because of the way she replaced her pandemic relief funding with other revenue streams.

> “At first when I read that the stabilization grants were going away, I cried, and then I shifted my business model. First, I emailed all the colleagues I had met. I emailed the Virginia Preschool Initiative programs in my area, all the Head Starts, the local United Way, and the hub for Ready Regions West. I got feedback from everyone. I asked for seven partnerships and received six of the seven. These partnerships are helping me access reliable funds and I’m not relying heavily on private pay.”

This provider also mentioned that not being at full enrollment after the pandemic made pursuing these partnerships possible, since she was always full before the pandemic.

> “I rebuilt my enrollment through these partnerships. A lot of my parents came back, and they were in a place where they were now eligible for funding. I guided them toward the funding. I set up laptops in the parent area so that they could apply online. I also had local partners there so that they could talk to a representative if needed.”

7. **Increase tuition (as a last resort).** Each provider and interviewee spoke about how important it is not to pass on the increasingly high costs of child care to parents and families. However, providers also lamented that sometimes there just isn’t another choice and that raising tuition is “just a reality out there right now.” While there was discussion of providers across the Commonwealth raising tuition, respondents described the ways that they were trying do it thoughtfully with consideration for parents that would experience hardship from any increase. One provider reported that she began raising her rates in December 2022. She then raised rates significantly (25%) for private pay parents, but only for new families coming in. Current families would have until September 2023 to respond to the new rates. She also established an unprecedented $250 enrollment fee that will be paid at the beginning of each year. This, she posited, will help cover the cost of supplies, most of which are bought in August and September for the year. The enrollment fee would be waived for low-income families. She went on to say, even with the fee increases and the revenue increase she’d receive from Mixed Delivery, most of the additional revenue will be absorbed by inflation and food costs.

Other providers are considering a sliding scale approach as an attempt to ease the burden of raising costs. “The federal government says a new parent should pay no more than 7% of their income. I’m going to redo tuition so that it is a sliding scale based on percentage of income, but I don’t know if I’ll be able to get to that 7%.” Regardless of how they are approaching these increases, almost every provider spoke of the need to do so to survive after the relief funding ends.

8. **Establish cash flow protection policies**. Respondents relayed that in this time of uncertainty, every dollar counts and if bad debt (i.e., tuition money that is at least 3 months past due) is building, it threatens business sustainability. They also suggested that providers can protect their businesses by putting policies in place that generate more on-time payments. These policies might describe situations such as: payments made prior to care; late payment penalties; early drop-off/late pick up fees; annual or administrative fees; and subsidy payments and parent responsibility.

9. **Connect with other providers.** One theme that emerged continuously across conversations is that child care providers by and large do not see each other as competition, but rather as colleagues. This was true of family child care providers as well as center directors (both nonprofit and for profit). There were many stories that providers shared about how they have either asked for help from another provider or offered help to them. For example, one family provider shared that there was a provider who was new to the field and did not have a license. She invited her to come to her home and view her child care. She answered questions about what has helped her business over the years and encouraged her “not to be afraid of the licensure people.” She reassured her that they were there to help her grow her business, not to get her in trouble and take it away.

   A large center director shared a similar story and reported that she regularly gets calls from small, for-profit center business owners asking her for help and advice on how to navigate current challenges. There were also other stories of providers forming spontaneous meetups and networking opportunities both online and in person to share advice, stories, and offer encouragement during and after the pandemic. These informal channels offer providers access to one another for moral support, encouragement, knowledge, and mentoring experiences. They work because providers are each other’s most trusted resources.

System Level Opportunities

During the data collection process, respondents considered what types of programs and supports could be implemented at the system level to address threats to child care business sustainability. Their suggestions largely focused on the continued professionalization of the early childhood education field to build a robust pipeline of career-driven individuals. The following is a summary of the system level strategies that were shared:

1. **Promote the professionalization of the ECCE field to strengthen the workforce pipeline.** One of the historic challenges that the ECCE field has faced since well before the pandemic is the pervasive perception of child care as "babysitting" and its workforce as largely unskilled hourly workers. Over the years, vast amounts of research have been conducted extolling the importance of early childhood. However, these misconceptions still exist at every level of society, from the ground level all the way up to policy and decision-makers. The impacts of an undervalued early childhood education field manifest in numerous ways, including less defined career pathways and lower pay than other human-centered service industries such as K-12 education and health care.

   While the need to professionalize the ECCE field is a formidable challenge, providers and thought leaders do not see it as unsolvable. They focused on two actions that could help the field make forward progress. The first is to develop pathways that present clear short- and long-term opportunities for career minded potential ECCE professionals. The second is to coalesce around messaging that attracts people to the field. As one interviewee put it, "The biggest support we need is to make this industry a desirable place where you can build a career, not just pay your bills. The reality is that it's bigger than just the wage. Even if the wage went up to $20, it's still hard work and we need people who want to do that work." Another affirmed this and suggested extending ECCE career pathways beyond teaching positions to showcase the diversity of opportunities in the field. "We need to market early childhood better, show the paths of professional growth that exist in the field, from policy to software creation, to the creation of materials. There are so many places your career can go that people just don't know about."

   A specific ECCE workforce cultivation strategy that was suggested across conversations is reaching potential ECCE professionals as early as possible. This means working with local high schools and community colleges to offer and promote credentials such as the CDA. There were some providers who described high schools in the divisions who already have these programs in place. There were others who said that high schools had CDA programs but discontinued them during the pandemic and haven't revived them. Respondents also elevated the need for more on-ramps and incentivization for entry level workers, especially those in underserved populations.

   One provider spoke at length about the requirements for employment for Head Start and the barriers they often create. For example, she pointed to the requirement for assistant teachers to have an associate degree within two years of employment. In her area, there are populations of immigrants and refugees who are looking for ways to enter the workforce and secure employment that can help them support their families. These individuals would often like to secure Head Start assistant teacher positions but require a lot of support to take advantage of these opportunities. They find themselves taking English classes, working to make ends meet, and supporting their children as they enter the public-school systems. For these families, attaining a two-year associate degree often feels insurmountable, and the provider reports that it simply isn't enough time. She explained that programs designed to build on-ramps for at-risk populations must "adjust to the people that we have now, as opposed to relying on strategies of the past that are not responsive to current needs." This means developing programs that reflect the cultural and linguistic diversity present across the Commonwealth. According to one Virginia-based study[10], there are over a million people across Virginia speaking another language other than English at home. "We need access to the kinds of programs that will support people for whom English is not their first language. I cannot name a state level resource that is multilingual and multicultural. Alexandria is massive in terms of the number of languages that are represented here. We have to try to build bridges."

When considering the design and implementation of workforce development programs with the goal of helping the current ECCE workforce build their credentials, respondents emphasized the importance of offering immediate, short-term incentives to address barriers to completion. For example, one interviewee drew comparisons to a Louisiana teacher incentive program that offered the Early Childhood Ancillary Certificate but did not produce the high completion levels that were anticipated. The program introduced a credential for child care teachers that focused on teacher child interactions and the use of Classroom Assessment Scoring System (CLASS). It was completely free to participants with costs covered by the state. Upon completion, participants would receive a yearly tax credit of $3,300 while working in the ECCE field. A study[11] conducted over three years by researchers from the University of Virginia in Louisiana yielded program results that were unexpected. Researchers learned that over this three-year period, an estimated 75% of educators who enrolled in the program did not earn the credential. The study concluded that there were several reasons for this: 1) the program was complicated with too much administrative burden for participants, which required securing a scholarship through a lengthy application process and completing significant amounts of credentialing paperwork; 2) the program did not occur during the workday and was supplemental to holding a full-time job, many of whom didn't work at a qualifying center. For participants especially women, this proved to be very difficult. They didn't have transportation, or child care for their own children; 3) many teachers quit their job or transitioned out of the field before the program was completed. The interviewee explained that an example like the one in Louisiana offers important lessons that Virginia can consider as programs are created or revisited: "We have to keep in mind that many of the people pursuing credentials are at capacity in their lives. A tax credit feels far away for them. We must front load these kinds of incentives, offering a 'pay as you go' experience."

[10] Liebert, Saltanat. and Grant E. Rissler. (2022) Barriers to Integration of Virginia's Immigrants: Challenges and Opportunities Identified through a Needs Assessment. Richmond (VA): L. Douglas Wilder School of Government and Public Affairs, Virginia Commonwealth University.
[11] Bassok, D., Herring, W., Markowitz, A. J., & Bellows, L. (2021). Professionalizing the Child Care Workforce through Credentialing: Lessons from Louisiana's Early Childhood Ancillary Certificate.

Respondents also emphasized the importance of protecting individuals who want to participate meaningfully in the workforce, but do not want to lose their public benefits in what is known as a 'cliff effect.' This happens when families receive benefits through a public assistance program, earn a raise, and then become ineligible for those benefits because their income is now slightly over the eligibility threshold. These families are unable to afford their cost of living without assistance and are ultimately at a disadvantage.[12] Providers report that their staff, especially those who are less experienced, or are more entry level are sometimes at-risk to experience a benefits cliff. To protect the ECCE workforce, action could be taken at the system level to ensure that incentives, bonuses, or increases they receive not count against educator benefits or are not treated as taxable income.

2. **Offer providers training focused on business acumen and budgeting when funding is uncertain.** A common theme that was raised during all conversations was that professionals who lead child care centers or operate family child care businesses approach their roles drawing from diverse backgrounds. Some describe transitioning to the field from a career in business or corporate management. Others share a story of accepting their first child care job in high school and have worked in the field ever since, some even in the same center where they began. What these stories all have in common, however, is a love of children and the mission to serve children and families. Many view their work as a calling.

   While the commitment to the mission-driven work of child care was evident throughout the data collection process, experiences with acquiring skills needed to lead and run a sustainable business were often varied and inconsistent. One interviewee observed, “Child care providers go into the field because they love children, but they don’t have the business part of it. Some people get lucky if they have a business background from previous experiences.”

   Another interviewee observed, “Some people are in their twentieth budgeting cycle and have it down. They manage waitlists, have good policies, maximize cashflow, and manage people. These tend to be bigger programs with executive directors that have office and administrative staff. If you are a smaller program or a family child care home, you may have been a great caregiver, but your budgeting isn’t really there, and you just find yourself making it work month to month.” Another provider described her own experience with approaching fiscal management over the decades that she’s run her business: “I’ve learned from trial and error. I’m a paper pencil person. I just get out a notebook and write down how much I’m spending. I’ve never had an operating budget. I can look at my checkbook and know what I have.” All these observations indicate a wide

[12] Report introduction to benefits cliffs and public assistance programs. National Conference of State Legislatures. (n.d.). https://www.ncsl.org/human-services/introduction-to-benefits-cliffs-and-public-assistance-programs#:~:text=This%20happens%20when%20families%20receive,like%20a%20slope%20or%20plateau.

range in skill level when it comes to budgeting for a business. The gaps in knowledge and practice across providers becomes especially apparent as they work to budget in this current era of revenue uncertainty.

The same inconsistency was reported by providers and thought leaders when it comes to other skills like leadership and people management. "Most people move into management roles because they need to make more money. They love children and they love teaching, but the further up you go, you're teaching adults to teach. Direct and intentional supervision is challenging." Respondents concluded that they would like to see the system take a more consistent approach to developing directors and better equip them with the business skills and practices they will need to be successful. One provider asserts, "We need to offer a program to develop directors, similar to the way that teachers have to go through training before they start working. I'm in a fortunate position because I've been able to move teachers into directors because I'm developing them. A director's job is beautiful, but really difficult. Many are being thrown in and they have no clue. Professional development courses in the areas of leadership and fiscal management would change things." Another provider compared this type of training to the way that principals are prepared to lead schools in the K-12 setting. These trainings are standardized and required.

Respondents also argued the need for providers who are effectively trained in business and leadership training is a lesson learned from the staffing and compensation crisis. One provider described an interaction she had with another provider to illustrate this point. "I just ran into a situation where a small, struggling provider contacted me asking for advice. They had just lost a key staff member and were unsure how to move forward. The woman was doing many things on her own, grant writing, budgeting, human resources. Nobody is going to do a great job at all of those things if they have no one to work with, so she got burnt out and left." If this provider had more experience with how to clearly identify roles and responsibilities and delegate tasks from a managerial perspective, would the outcome have been different? While providers acknowledge that they are pressed for time, they want more options and strategies to prevent feelings of stress, burnout, and frustration that are driving so many out of the field.

The need for further technical assistance and training in building a change management budget was especially evident as providers considered the Mixed Delivery model and how to compensate educators working in this setting. As discussed earlier in the report, providers struggled with the idea of paying their Mixed Delivery educators a higher rate without raising all staff pay. Similarly, they reported challenges with distributing their Mixed Delivery slots across classrooms, which they describe as contributing to under enrollment. In the case of educator compensation and Mixed Delivery, providers could benefit from specific training on how to vary staff pay in the short term, with a goal of progressive, long-term parity. It would also be helpful for them to learn from each other and from quality technical assistance experiences about how providers have approached distributing Mixed Delivery slots across their classrooms and kept their enrollment up at the same time. Knowledge of these strategies could alleviate the challenges providers experience with Mixed Delivery.

Finally, respondents contend that if additional training efforts around leadership and budgeting are developed, they should be responsive to the diverse needs and business structures of providers. For example, a family child care training focused on budgeting might explore the ways that providers can reconsider the expenses that also impact their personal budgets. One provider described a particularly effective in-person training series that "went down to basics" and asked them to think about details such as the product brands that they were purchasing or vetting the suppliers on their electric bill. She said these trainings were eye-opening because they really helped her reconsider what would be economically better for her business and for ordinary, everyday expenses in the home. As a home provider, business and home expenses are so related, and no amount of savings is too small. This type of guidance would be very different from the training that a center provider might need.

3. **Allocate resources to Ready Regions to facilitate community level collaboration through a more robust industry support structure.** Virginia is comprised of regions that present unique strengths, needs, and opportunities. Respondents emphasized this throughout conversations and asserted that system level responses to further support child care would be most successful if they were locally responsive. As one interviewee remarked, "Local challenges are unique, and communities are often best poised with the information they need about the problems they are trying to solve. I see the role of the state as incentivizing this local problem-solving and making collaboration possible."

   Respondents described opportunities at the local level that embrace increased coordination with the small business community, linking pre-k to child care systems, making systems easier to navigate, and filling information gaps for families searching for care as well as employers trying to hire workers for whom child care is a barrier.

   Another area of opportunity that was cited frequently during conversations was the need for shared resources and services that could effectively meet providers' needs. Respondents noted that they don't necessarily see this as a full shared services network, but rather facilitated collaboration around the most needed resources or services. They also see these needs potentially varying according to location and geography. Several interviewees brought up examples of where they see this type of collaboration working. For example, Hampton Roads Shared Services offers human resources support where they recruit and screen candidates and then send them to the provider. There is a fee for this service. Another example is shared maintenance services, especially for larger providers whose facilities are owned by a larger organization or agency. Yet another provider shared that she does not do any bookkeeping for her sites, nor does she do payroll. In her words, "I am good at child care; when directors try to wear too many hats, that's when issues happen." She went on to say that there are some directors who enjoy the financial aspects of running the business, but for her, she's happy to have the option for help in this area.

Respondents also discussed ideas about collaborative or shared services that would really help impact provider well-being across the board. These examples included a substitute teacher pool, grant application support, assistance with administrative paperwork for licensure, tuition collection, securing liability insurance, affordable health insurance, and retirement options. Insurance was a topic that was especially important to family child care providers. One provider stated, "Family providers should be seen as equal to centers, we've always been frowned upon, but now we're getting more recognition than we've ever had. I've heard a lot of family providers say that they don't have insurance, and they need help finding options that they can afford on a family child care budget."

Meaningful collaboration at the community level is often complex and requires an investment of time and resources specifically dedicated to coordination of efforts. This entails gathering information, seeking consensus, and building relationships. Respondents suggested that for this collaboration to be successful, a coordinating body at the state level would be best to equip local communities with the tools they need to foster public/private solutions. Ready Regions were suggested as entities that are well-positioned to foster connections between communities and providers. However, respondents also caution that the Ready Region teams are handling high workloads and so it would be important that they have the people and resources for collaboration efforts to be successful.

4. **Address the tension that exists between the 0-5 and K-12 fields.** Child care providers seek general recognition as professional educators, but they especially look to the K-12 field and the way they are perceived by their colleagues in this educational setting. Respondents reported that there has always been tension between the two educational settings, but it has grown worse because of the perceived competition for staff. Several providers pointed to examples of the school division changing their recruitment strategies and drawing staff away from child care programs. One provider shared the story of a parent at her center who was also a principal at the local school. She said that the parent asked her if it would be alright if he approached one of the teachers and invited her to apply for a public school position that they were having trouble filling. The provider allowed this and said, "What could I do? This was an excellent opportunity for the teacher, but it put me in a very difficult position."

   As providers considered their value on the educational continuum, they pointed out challenges, but also opportunity. The transition of Virginia child care programs from the Department of Social Services to the Department of Education was seen as an important step toward the recognition of child care as education. One interviewee stated, "All of these programs, regardless of funding or name on the outside of the door are recognized as early childhood education, and that's a really important thing…there is a philosophical reckoning that this is education."

Given this recognition, providers would like to see progress toward this leveling continue. For example, they want to be able to offer their staff benefits that would help them be competitive with public schools. One provider questioned, "why should highly qualified pre-k teachers be treated any differently than a pre-k teacher down the street in the public school. Why can't they be part of the Virginia Retirement System if we are all under the Department of Education? Why can't we have access to DOE health insurance?" The reason they do not have access to these public benefits is because child cares are often privately owned, small businesses. While there are efforts being developed to offer health benefits options to providers such as the WiseChoice Health Exchange, it may still prove too costly for smaller providers to utilize. Given the stress that providers currently experience, many will continue to question how they fit into the public education landscape. However, these questions also provide an opportunity for discourse to explicitly address and clarify the relationship between 0-5 and K-12. Bridging the divide between these two education communities is essential. The national research[13] is clear; the earlier children can receive intervention and support, the better their educational outcomes. A smooth, collaborative relationship between the 0-5 and K-12 systems ultimately benefits families because children are getting intervention and support as early as possible when these systems are working together.

When asked what methods would be most effective to address and ease the tensions, several respondents suggested engaging with superintendents directly. Because child care functions so differently from K-12 settings, many superintendents are simply not aware of the day-to-day challenges providers face. Asking child care providers and superintendents to begin problem-solving together would allow for each side to better understand one another and lead to mutually beneficial solutions. These conversations might yield additional opportunities for synergy and partnership.

Another opportunity brought up is the idea of helping child care providers think innovatively about new roles that educators can take on within the child care setting to grow their careers. For example, one suggestion was establishing coaching or mentoring roles. As the industry stabilizes, offering existing staff growth opportunities could be a powerful retention strategy, especially for small to mid- size providers who need to attract and retain quality, experienced educators.

5. **Streamline requirements and expand access to early childhood education programs and public funding sources.** As new programs are developed and existing programs modified over time, providers and thought leaders alike emphasize the importance of keeping the administrative burden placed on providers as low as possible. This is

[13] Ou, S. R. (2005). Pathways of long-term effects of an early intervention program on educational attainment: Findings from the Chicago longitudinal study. *Journal of applied developmental psychology*, *26*(5), 578-611.

especially important for small and medium providers who have limited staffing and resources to keep up with program requirements. Additionally, respondents voiced their support for any policies that would continue to maximize eligibility for families and reduce the copay. They emphasized "the need to increase the number of children that are publicly funded so that there are more resources not tied to the wealth of families."

6. **Negotiate for advanced payment or more timely reimbursement for subsidized care.** While providers overwhelmingly support the inclusion of more families in the subsidy program, they also offered caution about the transition some providers might experience because of it. This was especially true with family providers and small or medium centers. One family provider explained that when more of her families became eligible for subsidy during the pandemic, she had to adjust her cashflow expectations. She was used to most families paying for care the week prior to receiving it. However, as they transitioned to subsidy, she found herself receiving reimbursements after she had provided the care and incurred costs. In some cases, it took a month and a half to receive reimbursement payments. This presented new financial challenges for her that she had to navigate in a time of increasing uncertainty. To remedy this, providers should receive information about how to approach their budgeting to account for the reimbursement model for subsidy and any other programs that use this method of payment. It would also be helpful to identify system level strategies that connect providers with their funds more efficiently to protect their cash flow.

7. **Cultivate provider-led networks built upon trusting relationships and develop a provider-led lobby for the child care industry.** States know that child care providers need support as they develop their businesses. They often engage expert trainers and third parties who offer important workshops, content, and skill building activities. However, there are times when no matter how well-designed and effective a program is, attendance among child care providers remains low. This raises the question of how best to engage with providers, especially those who are not as tapped into resources and supports. For providers and thought leaders that were part of this study, the answer is to create authentic opportunities for networking and collegial support among child care providers. This is especially important for fledgling family child care businesses who are a key strategy to increasing supply, especially in child care deserts. Respondents reported that a trusting relationship with peers is the critical ingredient that can make the difference for struggling child care providers who otherwise might experience isolation and discouragement.

   One provider described her own experience during the pandemic, with creating an informal setting for providers to come and share their stories, get advice, and receive moral support.

> "I decided to get engaged in the community. I decided to communicate what my experience had been so I created a Director's Forum to hear their stories and have a platform where people can talk about their fears, share stories, and network. It created a desire for me to look beyond my own center and center walls and take a community approach."

Identifying and engaging leaders such as this provider to be that trusted advisor or ambassador for others in the field was described as an important opportunity for elevating professionalism and coalescing around a unified message promoting the value of child care. When asked what communication methods providers would prefer for this type of engagement with other providers, responses varied. They enjoy in person opportunities, but recognize that this is not always feasible, especially as they navigate the staffing crisis. Positive alternatives include text messaging, social media, and WhatsApp.

Conclusion

Through the evaluation process, child care providers and thought leaders consistently conveyed the urgent need to solve the staffing and compensation crisis. As pandemic funding ends, respondents spoke of an imminent, looming fiscal cliff, but they also spoke of hope. They observe the progress that Virginia has made in its policies and programs, reflecting true cost reimbursement, expanding Mixed Delivery, and offering incentive based workforce development programs. They recognize the successes of these initiatives as incremental forward progress and want its momentum to continue.

While every respondent reported they believe significant increases of investment into the 0-5 system to be the ultimate answer that delivers comprehensive change, they also acknowledge this is a long-term solution and does not address their immediate real needs. Accordingly, respondents note that while continued advocacy programming for more funding is essential, they also recommend exploring existing funding and programing, pursuing all local public/private partnerships, and using the additional strategies discussed in Observation 4.

Driven by a heightened awareness of both the value and vulnerability of child care that resulted from the pandemic, providers see this as a moment in time, rife with opportunity. They hope all child care stakeholders across Virginia seize this opportunity and take action that truly recognizes, respects, and enhances the professionalism of child care and contributes to its long-term sustainability.

Attachment A: Interview Guide

Evaluation Project Questions:

1. **Business Sustainability Challenges** - What are the primary business sustainability challenges that child care providers have historically faced? How did the pandemic exacerbate those challenges or create new ones? Have these challenges persisted or shifted in the post-pandemic world?

2. **Relief Funding and Future Financial Risk** - How did relief funding impact the trajectory of child care during the pandemic and its aftermath (or March 2020-March 2022) and what are the risks moving forward without further public investments?

3. **Provider Business Practices** - What new business practices have providers put into place to sustain their businesses? What gaps remain in their business acumen and practice given the uncertainties of the fiscal climate?

4. **Wages and Compensation** - Low wages and compensation continue to be a persistent threat to the child care industry, resulting in staffing shortages and instability. What possible solutions and opportunities do constituent groups have to address this key issue (and other key challenges that may be emerging)?

Project Question	Category	Interview Script/Question
Intro Script	Thought leaders/ Intermediaries	Thank you so much for taking the time to talk with me today. I am looking forward to learning more about you and your perspective on Virginia's child care system, specifically child care providers. This interview is designed to be a casual conversation and all information you share with me will remain completely anonymous. I've put together a set of questions, but if there is anything that I'm not asking you about that you would like to share, please feel free to do so. Also, please feel free to ask questions at any time during the conversation. Do you have any questions before we begin?
Intro Script	Providers	Thank you so much for taking the time to talk with me today. I am looking forward to learning more about you and your perspective as a child care provider. This interview is designed to be a casual conversation and all information you share with me will remain completely anonymous. I've put together a set of questions, but if there is anything that I'm not asking you about that you would like to share, please feel free to do so. Also, please feel free to ask questions at any time during the conversation. Do you have any questions before we begin?

Intro Script	Thought leaders/ Intermediaries	Please tell me about yourself. What is your role? How do you currently engage with child care providers?
Intro Script	Providers	Please tell me about yourself and your child care business. # years operating business Current enrollment Desired enrollment # of children on waitlist Number of staff currently employed Number of open positions Total annual operating budget (if known and comfortable sharing)
1. Business Sustainability Challenges	Providers	I would like to ask you about your experiences with running a child care business before, during and after the pandemic. Thinking back to before the pandemic, what would you say were your business's greatest challenges? How did the pandemic impact those challenges? What are your greatest challenges now?
1. Business Sustainability Challenges	Thought leaders/ Intermediaries	I'd like to better understand how the challenges of running a child care business, (specifically with the business model), have evolved over time. What would you say were the greatest challenges that providers faced before the pandemic? How did the pandemic impact those challenges? What do the challenges look like today in a post-pandemic world?
2. Relief Funding and Future Financial Risk	Providers	I understand you received a child care stabilization payment during the pandemic (November 2021 - Summer 2022). How much funding did you receive? How did you spend the funds? What did receiving these funds mean for your program and the families you serve? What would have happened if you didn't receive these funds?
2. Relief Funding and Future Financial Risk	Providers	As you may know, pandemic relief funding has ended, and child care stabilization payments are no longer available. What financial risks, if any, does the ending of the funding program present to you? How do you plan to address these risks?
2. Relief Funding and Future Financial Risk	Thought leaders/ Intermediaries	From your perspective what impact did child care stabilization payments have on Virginia providers during the pandemic (specifically between November 2021 - Summer 2022)? What risks have emerged now that pandemic relief funding is ending? How do you observe providers addressing this risk?

3. Provider Business Practices	Providers	Many child care providers have the unique experience of being both an educator and an entrepreneur. I'm interested in learning more about the day-to-day management activities that you must attend to keep your business going. This includes everything from budgeting to record-keeping, fee collection, hiring and retaining staff, etc. What business management practices do you feel are strongest for you? Are there any specific programs or resources that helped you strengthen these practices? What areas do you wish you had more skills and knowledge in? What specific business supports would you like to receive in the future you feel would be most valuable? (Probe about types of supports (i.e., information sessions, coaching, peer groups, resources, etc.), method of delivery (i.e., online, in person, hybrid), frequency and timing, topics/skills)
3. Provider Business Practices	Thought leaders/ Intermediaries	I'm interested in learning about your observations of child care providers and their business management practices. What areas do you typically observe as being strong among providers in terms of business acumen and skill level? Have there been any specific resources or programs that have been effective in helping them build these skills? What gaps exist and what can be done to help fill these gaps moving forward? (i.e., What specific business supports do you feel providers would find most valuable into the future? (Probe about types of supports (i.e., information sessions, coaching, peer groups, resources, etc.), method of delivery (i.e., online, in person, hybrid), frequency and timing, specific topics/skills)
4. Wages and Compensation	Providers	Is your business profitable? If yes, are you satisfied with the amount of profit your business is able to generate? Why or why not? If no, what do you feel needs to change for it to become profitable?
4. Wages and Compensation	Providers	Do you employ staff? If so, what range of hourly rates do you currently pay? Do you believe that the wages you are able to offer are sufficient and/or appropriate for your staff given their experience and quality of their work? How satisfied do you feel your staff are with their current wages/level of compensation? If they are not satisfied, what prevents you from raising wages? What would need to change in order for you to offer them higher pay? If they are satisfied, why do you believe they feel this way?

4. Wages and Compensation	Thought leaders/ Intermediaries	Low wages and compensation continue to be a persistent threat to the child care industry, resulting in staffing shortages and instability. From your perspective, why have wages been historically so low for child care providers? What needs to change in order for wages to increase in VA?
4. Wages and Compensation	Thought leaders/ Intermediaries	Do you have ideas about opportunities or immediate next steps that constituent groups can take to address the acute compensation and staffing issues that child care providers are experiencing?
4. Wages and Compensation	Providers	What opportunities do you feel the state has to address the acute compensation and staffing issue in the child care industry? What next steps could child care providers take to address these issues? What would it take for providers to take these next steps?
Closing Script	All Interviewees	Are there any other key challenges or issues that I haven't asked you about today that you feel are critical to learn about as we develop greater understanding of the evolving needs of child care providers?

Attachment B: Focus Group Guide

Introduction: Welcome and thank you for joining me today for a focus group. Our primary goal during the session is to brainstorm solutions the financial, compensation, and staffing issues facing child care providers and their sustainability. Today's session will be recorded for research purposes, but your responses will remain anonymous, and no names will be shared in reporting.

Discussion Prompt 1: I'd like to take a few minutes and give everyone and opportunity to introduce themselves. Please share your name, your child care center name, and something that you hope to learn about or contribute to today's discussion.

Discussion Prompt 2: As I mentioned early, our objective is to discuss key challenges that child care providers face, as well as possible solutions and recommendations to address them. We will explore these topics by considering the scenario of a fictious owner of a child care center named Lucy. While Lucy isn't a real person, the issues she faces are experienced by providers across Virginia every day. As we consider her scenario, please draw from your wisdom and experience to collaboratively develop strategies and specific actions that can help her business and others like it to make forward progress.

Lucy is the owner of Grow and Learn Together Child Care. She began her career as an early childhood educator, but later transitioned into a corporate position as a regional manager of a set of retail stores. While she met with professional success in her career, she missed her work with children and families. She decided to take the plunge and open her own child care. She has been operating her business ever since and is now in her fifteenth year. Since founding her business, she has expanded to 2 locations, and someday would like to establish a third.

The pandemic hit Lucy's business pretty hard. Staff quickly became overwhelmed, and many families initially withdrew their children from care. Enrollment went from 85 down to 45 at one location and from 78 down to 30 at the other. She also had periods of closures due to illness and staffing challenges. In fact, many of her staff and teachers left their positions. Fortunately, her center received federal relief funds, so she consolidated her classrooms and moved forward. Lucy used her relief funds primarily to support her staff. She offered quarterly bonuses and raised her starting hourly pay rate to $15 per hour. Without that aid, Lucy believes that her staff would have quit, and her business would have closed permanently.

As the pandemic ended and the world adjusted to the new normal, Lucy found herself facing new challenges. Her enrollment was going back up, but she could not hire the staff she needed to reopen her classrooms. Also, two of her most experienced teachers had just given their notice because they had been recruited to the public school. They were sorry to leave but told her they would be receiving a much higher rate of pay along with benefits and would be working fewer hours. There was no way that she could match the level of compensation they would be receiving. This meant that she now must find at least 4 full-time employees and 3 part-time employees.

While she has been able to hire some staff, she's finding that they have less experience or are entry-level and hopes that she can develop them so that they stay and grow in their positions. She does worry however about the intensity of the work and the compensation they receive. One newer staff member left last week after telling Lucy that the work was too difficult and that she was having trouble managing challenging student behavior in her assigned classroom. She opted to take a position at Target and will be making the same hourly wage.

Another challenge Lucy has noticed is there are more children presenting with more significant needs throughout her classrooms. She wonders if this is due to the learning loss that many children likely experienced during the pandemic. Between her staffing shortages and teachers needing more support, Lucy is finding herself and another administrator spending a significant amount of time in classrooms. She's always had to do this from time to time over the years, but right now it seems like a lot more. This is all taking a toll on her ability to run her business effectively.

On the bright side, Lucy is very excited about her center's participation in the Mixed Delivery program. She began Mixed Delivery in 2022 and feels as though the funds from this program have made a significant difference for her business, allowing it to survive as federal relief funds ended. However, she is concerned about the long-term impact that raising wages presents. She realizes that because she raised her starting wage to $15 per hour, she will also need to increase the wages of her more experienced teachers, especially given that the funding she used to issue bonuses is no longer available. She wonders if perhaps she made a mistake applying the one-time relief funds to something permanent like pay raises. So, she will need to figure out how to maintain those raises. She resolves that she will just take less pay for herself at the end of the year to try to make up the difference and will try to look for other places to find funding. Given these ongoing challenges, Lucy worries about her ability to sustain her business and even though she is extremely busy trying to keep up, she wants to invest time into solving her challenges. She knows that other providers are facing some of the same issues and wonders how they are addressing them and if anything is working that could also help her business.

Have you or providers that you know had experiences that are like Lucy's? What advice would you give to Lucy about specific steps she can take to help her business become more sustainable? How does she navigate her financial uncertainty given that relief dollars/programs like ARPA are temporary and will end, and the state is still in the process of developing and deploying new programs to increase money coming to providers?

As we answer this question together, let's consider the following areas of Lucy's work. What strategies can she employ in these different areas to help her make progress?

- Financial Management - (budgeting, cashflow, profitability, setting rates, collecting tuition, preparing for taxes)
- Staffing and Compensation – (finding, hiring, managing, and paying staff)
- Time Management – (hours spent on business beyond educating children, communication with parents, developing policies, cleaning, preparing food, etc.)
- Connecting to programs and leveraging additional revenue streams
- Maintaining program quality

Discussion Prompt 3: Now that we've considered Lucy's scenario and the actions she can take to strengthen her business, let's think about the broader, system level. This means the policies and programs that are created by Virginia and statewide agencies to support child care providers like Lucy.

What changes could be made to existing programs and supports or what additional programs and supports should be offered to benefit Lucy and providers like her? What specifically would these policies or programs look like? What features would be essential to their design?

Let's consider the following areas of discussion as we answer this question:

- Funding opportunities or programs (like Mixed Delivery, Child Care Subsidy)
- Professional development or training
- Licensing and regulation
- VQB5
- Other ideas?

If you could give one recommendation or insight to state leaders that could more effectively support the stability of providers like Lucy and/or yourself, what would it be?

Closing: Thank you so much for your participation in today's session! Are there any final thoughts that you would like to share today?

About Luminary Evaluation

Luminary Evaluation is a national, full-scale program evaluation firm that helps public-serving organizations and agencies identify what is working, what is not working, and what options exist to increase their impact. Luminary exists to provide an answer for organizations in search of independent program evaluation that carefully balances rigor and action with affordability.

Luminary Evaluation services include the following:

- **Program Evaluation –** We help public-serving organizations assess their impact and make data-driven decisions based on findings and recommendations.

- **Impact Planning –** Organizations often conduct data collection and assessment with their own staff. We help them build evaluation plans and ongoing practices that they can implement.

- **Community Needs Assessment** – Organizations want to be intentional with their programs and services. Our assessment process identifies needs that are reflective of diverse communities and recommends actions to meet those needs.

- **Program Playbooks** – Good programs need good materials. We help organizations codify and articulate their program models by designing user-friendly and attractive written manuals and guides.

- **Satisfaction Surveys, Interviews, Focus Groups** – We design and implement custom data collection instruments that reflect the unique perspectives and experiences of members and program participants.

Alison LaRocca, President & CEO, Luminary Evaluation

Alison draws on more than 15 years of evaluation and advisement experience as she partners with nonprofit organizations and funders across the country to harness the power of data and improve outcomes for families and children.

Alison believes that evaluation is a participatory journey and is most meaningful when organizations serve as partners, with their collective wisdom and experience elevated throughout the process. It is with this belief that Alison personally leads and conducts the design and execution of all of Luminary's engagements. Over the course of her career, she has led more than 50 evaluation projects for foundations and nonprofits of every size and scale across the country. Her areas of evaluation expertise span the public serving sector with a focus on early childhood education; post-secondary readiness and success; homelessness; adult coaching and education; and diversity, equity, inclusion, and belonging. She is especially proud of her ability to collaborate with organizations as they recognize their existing strengths around data collection and analysis, helping them feel empowered to reach their goals to understand and communicate impact.

Alison began her career as a classroom teacher at the Community Day Charter Public School in Lawrence, MA. She has also consulted with multiple schools on using performance data to improve student progress and crafting new, cost-effective learning tools and techniques.

Her formative years as an educator ignited Alison’s passion for strength-based inquiry and collaborative knowledge sharing that remain at the heart of every evaluation engagement.

Equipped with this experience, Alison transitioned from the classroom to management consulting, joining Civitas Strategies, a national management consultancy. While at Civitas Strategies, Alison developed an approach to conducting rapid cycle evaluations that offered nonprofit leaders and funders the data-analysis they needed to make critical decisions about programming and investments. As their portfolio of evaluation work grew, so did the idea for Luminary Evaluation. In 2017, Alison led the effort to establish Luminary, with a mission to change the way nonprofits consider evaluations, making them more accessible and engaging. Since its founding, Alison has been instrumental in its growth and development, culminating in her current role as President & CEO.

A native of beautiful Berkshire County in Western, Massachusetts, Alison grew up on her family farm. She is a proud graduate of Williams College, where she was a first-generation college student and majored in History. While at Williams, she received the Hubbard A. Hutchinson fellowship in dance. She also holds a Master’s in Elementary Education from Merrimack College.