

# STEPS to Family Child Care Success Year 4

In partnership with:  
Chicano Federation  
Horn of Africa

International Rescue Committee



Center for Excellence in Early Development (CEED)



June 2024  
Evaluation Report

# Steps to Family Child Care Success (STEPS) Year 4

Evaluation Report | June 2024

FUNDED BY:



PRESENTED BY:



Center for Excellence in Early  
Development (CEED)

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# About CEED

The Center for Excellence in Early Development (CEED) is a transdisciplinary, research-based, training facility with a holistic approach to supporting early childhood development, mental health, and early education in San Diego and beyond.

Our goal is to make an efficient and transformational impact in social justice, K-12 education, and reduce inequalities by providing services to communities who would not have access to them otherwise.

## Research Team



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# Abbreviations

<b>ABBREVIATION</b>	<b>FULL TERMINOLOGY</b>
<b>CACFP</b>	<b>Child and Adult Care Food Program</b>
<b>CalWorks</b>	<b>California Work Opportunity and Responsibility to Kids</b>
<b>CDA</b>	<b>Child Development Associates</b>
<b>CEED</b>	<b>Center for Excellence in Early Development</b>
<b>CF</b>	<b>Chicano Federation</b>
<b>ECBOs</b>	<b>Ethnic Community Based Organizations</b>
<b>FCC</b>	<b>Family Child Care</b>
<b>HOA</b>	<b>Horn of Africa</b>
<b>IRC</b>	<b>International Rescue Committee</b>
<b>PCG</b>	<b>Public Consulting Group</b>
<b>PP</b>	<b>Private Pay</b>
<b>SDQPI</b>	<b>San Diego Quality Preschool Initiative</b>
<b>STEPS</b>	<b>Steps to Family Child Care Success</b>
<b>WBC</b>	<b>Women's Business Center</b>

# Program Terms

TERM	DEFINITION
Business Counselor	Individuals hired by the ECBOs who assist with the training series and 1:1 financial coaching.
Cultural Navigator	Individuals hired by the ECBOs who serve as a liaison between the immigrant and refugee FCC providers and the STEPS program.
FCC Provider	Non-parental, paid child care that is regulated by the state and takes place in a provider's home.
Neoserra	Reporting software used by WBC for reporting coaching goals completed.
Schedule C	Tax document required for sole proprietorships

# Introduction







# History of STEPS

230

Providers have completed STEPS.

≈ 1400

Children have been served by a STEPS provider.

## San Diego Neighborhoods Served:

City Heights | Barrio Logan | East County | South Bay

The Steps to Family Child Care Success (STEPS) program is a collaboration between the International Rescue Committee (IRC), the Chicano Federation (CF), Horn of Africa (HOA), and the Center for Excellence in Early Development (CEED) at San Diego State University. STEPS was founded on the premise that Family Child Care (FCC) providers should be valued as entrepreneurs and small business owners and that supporting them not only improves their economic security but can also increase the economic security of the families and communities they serve by providing high-quality, affordable childcare to working families. The goals of the STEPS program include helping FCC providers improve their financial literacy, knowledge of banking and credit systems in the United States, digital literacy, and increase their skills related to running a successful business. An additional goal is to increase provider enrollment and economic stability.

The program structure and evaluation methods have been refined with each funding cycle, reflecting a continuous improvement model in which each iteration of the program incorporates lessons learned from past cohorts and is data informed.

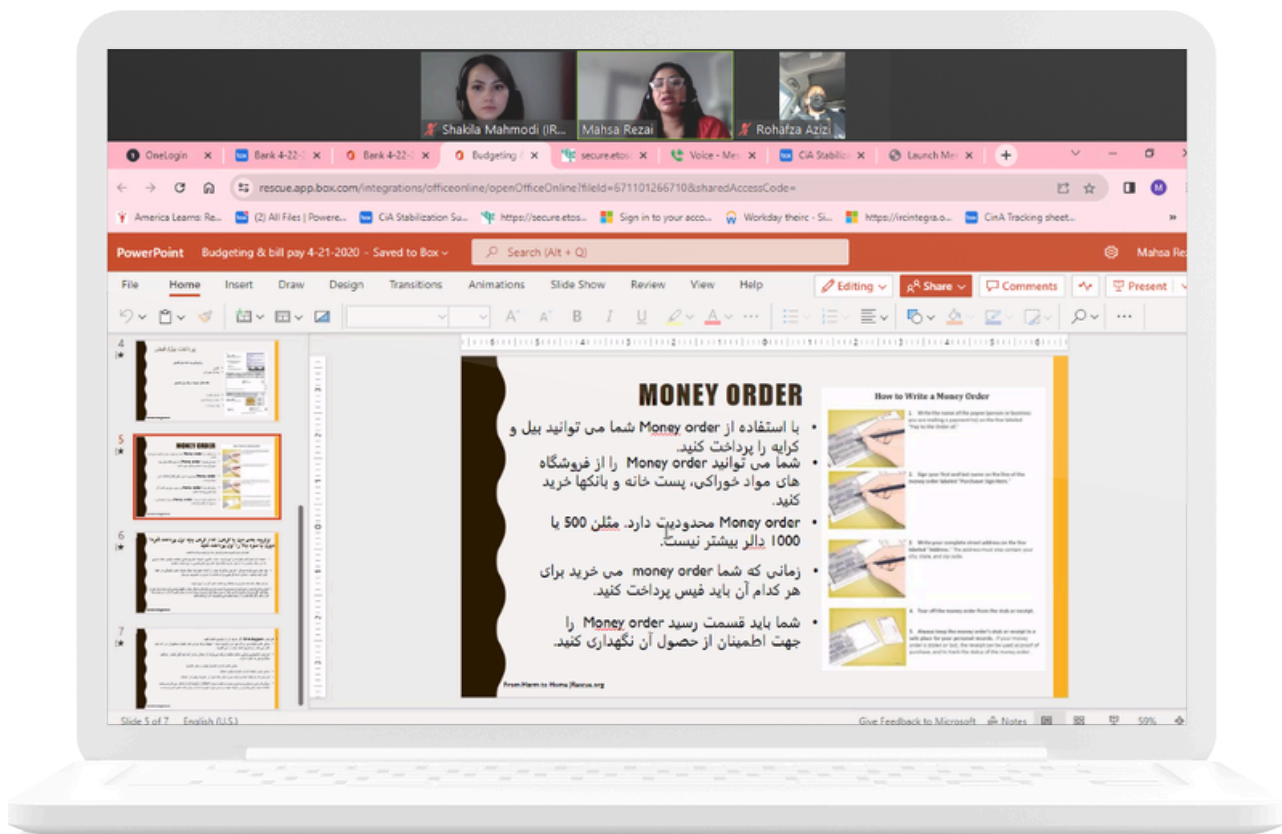


# STEPS Program Features

A key feature of the STEPS program is the use of cultural navigators hired by the ECBOs. The cultural navigators represent the immigrant and refugee communities served by the project and are responsible for recruiting and enrolling providers, serving as a resource in child enrollment and parent relations, and acting as liaisons between providers and agencies responsible for subsidized care and licensing. Importantly, the cultural navigators also provide translation as needed and provide culturally and linguistically responsive services to support provider success.

In addition to the cultural navigators, business counselors are hired by the ECBOs to oversee the STEPS program and act as advocates for the providers by ensuring they complete the STEPS training and take advantage of the personalized business coaching component of the program. In many cases, business counselors also represent the communities served.

Business counselors and cultural navigators collaborated to support the providers with their short and long-term business goals and to encourage strong business practices shown to increase economic sustainability in the FCC sector.



IRC-Dari: Budgeting Training Course

# STEPS Year 4 Program Description

The STEPS Year 4 cohort served four different groups of family childcare providers. The Chicano Federation served a cohort of Spanish-speaking providers, Horn of Africa served a cohort of primarily Somali-speaking providers and IRC served a cohort of Arabic-speaking providers and another cohort of Dari-speaking providers.

As part of the STEPS program, providers are given a Chromebook and attend a 14-week comprehensive training series (14 sessions, 2-3 hours each) provided in a virtual format. A list of training topics for each cohort and course descriptions are presented in [Appendix A – Course Descriptions](#). Each training series covers core topics to support best business practices such as financial literacy, marketing, and tax preparation. Supplemental courses are additional training topics that are selected based on an assessment of the provider needs, such as credit repair, food nutrition, and understanding challenging behavior. This flexibility in course selection offered a more individualized curriculum for the different cohorts.

Some courses were offered in the providers' primary language and others were taught in English and translated by the cultural navigator or business counselor. The course instructors for CF taught all 14 courses in Spanish. The course instructors for HOA taught all 14 courses in English and the cultural navigator translated the training to Somali for the Somali-speaking providers (60% of the providers). Six providers were not proficient in Somali. Their primary language was either Amharic, Arabic, or English. The course instructors for the IRC-Arabic cohort taught 9 courses in Arabic and 5 courses were taught in English with Arabic translation. The course instructors for the IRC-DARI cohort taught 9 courses in Dari and 5 courses were taught in English with Dari translation.

Following the completion of the training series, providers continued to receive support from the cultural navigators on all aspects of their business. They also received financial coaching from a business counselor which included the development of a business plan and 1:1 assistance with various capital funding opportunities. Business counselors and cultural navigators collaborated to support the providers with their short and long-term business goals and to encourage strong business practices shown to increase economic sustainability in the FCC sector.

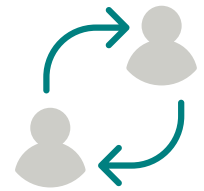
A total of 78 providers, 24 from CF, 15 from HOA, 19 from IRC-Arabic, and 20 from IRC-Dari participated in the program, with all 78 completing the entire program (training series and financial coaching).

## ECBO Responsibilities



### TRAINING

14-Week Training Series



### COACHING

1:1 Business coaching

## CEED Responsibilities



### DATA COLLECTION

Intake, pre/post, and program implementation. Data are collected during training & coaching.



### REPORT PREPARATION

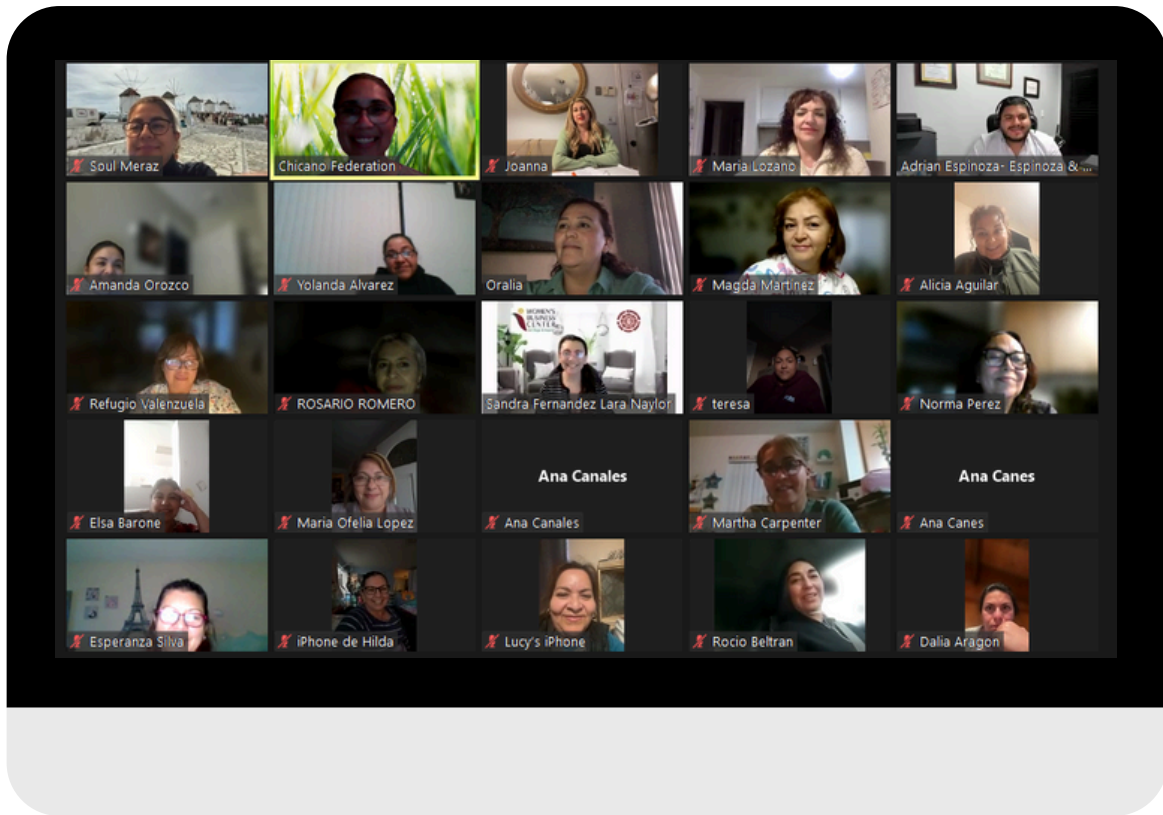
Evaluation and report materials for presentation purposes are prepared

The project period for STEPS Year 4 was January 1, 2023, until May 30, 2024. This evaluation report contains data collected by each agency over 9 months during this timeframe. Each ECBO provided 14 weeks of training and approximately 5 months of business coaching. The chart below provides a timeline of each cohort’s program and data collection period.

# STEPS YEAR 4 TIMELINE

Each ECBO completed a 14-week training series followed by 1:1 business coaching.

	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024		
CF	Training Series			Business Coaching													
HOA				Training Series			Business Coaching										
IRC-Arabic				Training Series			Business Coaching										
IRC-Dari						Training Series			Business Coaching								



CF: All Smiles for Federal Taxes for Small Businesses Training Course

# Program Demographics

This section presents and summarizes self-reported demographic data on the FCC providers, their business, and the children served during the project period. Demographics are displayed in table format in [Appendix B](#) - Data, Sections 1-3.





# FCC Provider Demographics

Most providers in each cohort are either immigrants or refugees. Within cohorts, each group shares some cultural identity, through ethnicity, country of birth, or language spoken. A description of provider demographics for each cohort are displayed below.

**Chicano Federation**  
24 providers  
100% Female, Latinx, Spanish-speaking.  
Country of birth:  
88% Mexico  
12% USA  
Average Years in the US:  
27.3

**Horn of Africa**  
15 providers  
100% Female, African.  
Country of birth:  
53% Somalia  
27% Ethiopia  
13% Sudan  
17% USA.  
Primary Language:  
60% Somali  
20% Arabic  
7% Amharic, Oromo, English  
Average Years in the US:  
15

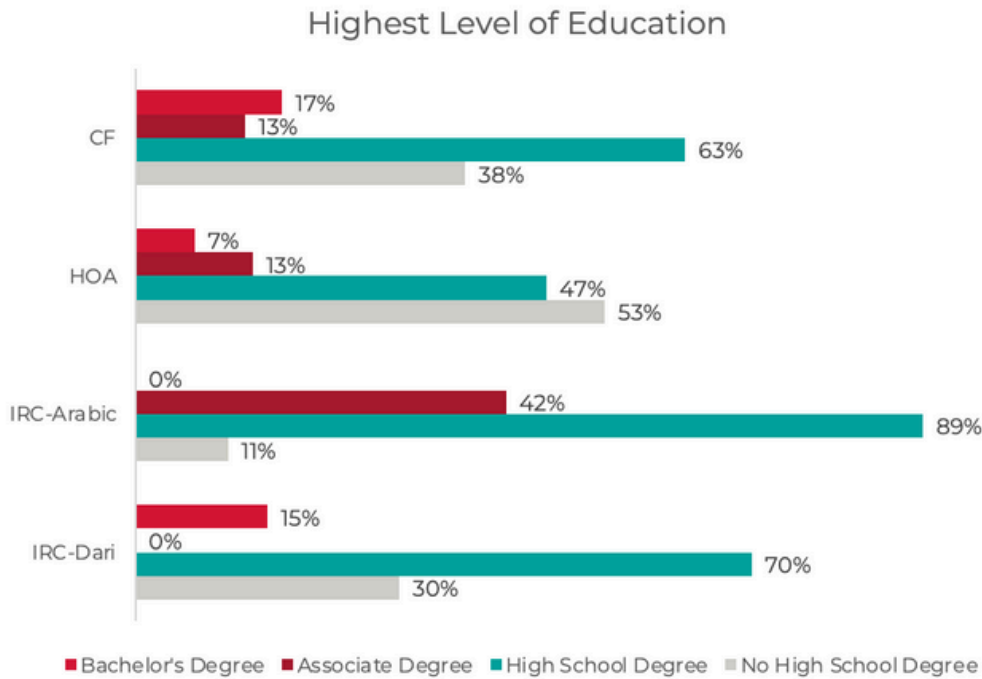
**IRC-Arabic**  
19 providers  
95% Female, 5% Male  
100% White, Arabic-speaking  
Country of birth:  
95% Iraq  
5% Syria  
Average Years in the US:  
13

**IRC-Dari**  
20 providers  
100% Female, Asian/Afghan,  
Dari-speaking  
Country of birth:  
100% Afghanistan  
Average Years in the US:  
4.9



The CF providers have lived in the US on average over 27 years, while the HOA providers have been in the US an average of 15 years, the IRC-Arabic providers have been in the US an average of 13 years and the IRC-Dari providers have been in the US an average of 4.9 years.

Immigrants and refugees born and raised in other countries have different educational pathways. Understanding these educational systems highlights the nuance of working with the immigrant and refugee population and the importance of having a cultural navigator with shared lived experiences available to provide support.



**68%**

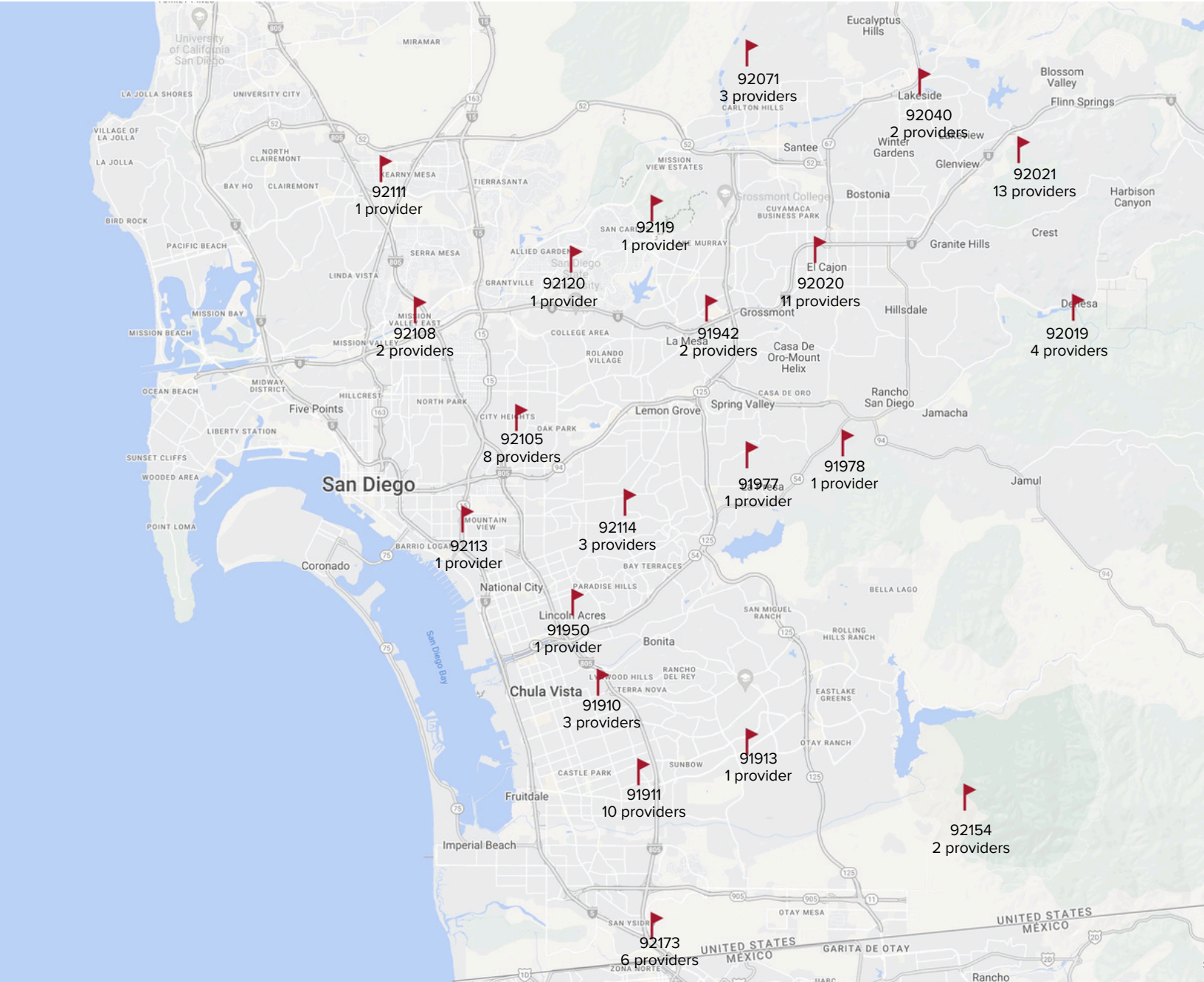
of Arabic-speaking providers have received an Associate's degree or are currently attending Cuyamaca College. The school offers strong ESL programs, accessible funding and is located close to their home where they attend together as a group.

**53%**

of HOA providers do not have a HS degree. Many of these providers grew up during the Somali Civil War and did not have access to education.

# FCC Provider Business Demographics

## Provider's Location and Community



Each ECBO targets a particular region of the San Diego area when recruiting providers for the STEPS program. The providers enrolled in the HOA, IRC-Arabic and IRC-Dari cohorts are mostly refugees, who often settle and live in communities together.

The CF cohort served mostly immigrant Hispanic providers who primarily reside in the South Bay area of San Diego. The HOA providers primarily reside in City Heights, with a few in surrounding communities. The IRC-Arabic providers primarily reside in the city of El Cajon. The IRC-Dari providers primary reside in the El Cajon, Lakeside, and Santee communities.

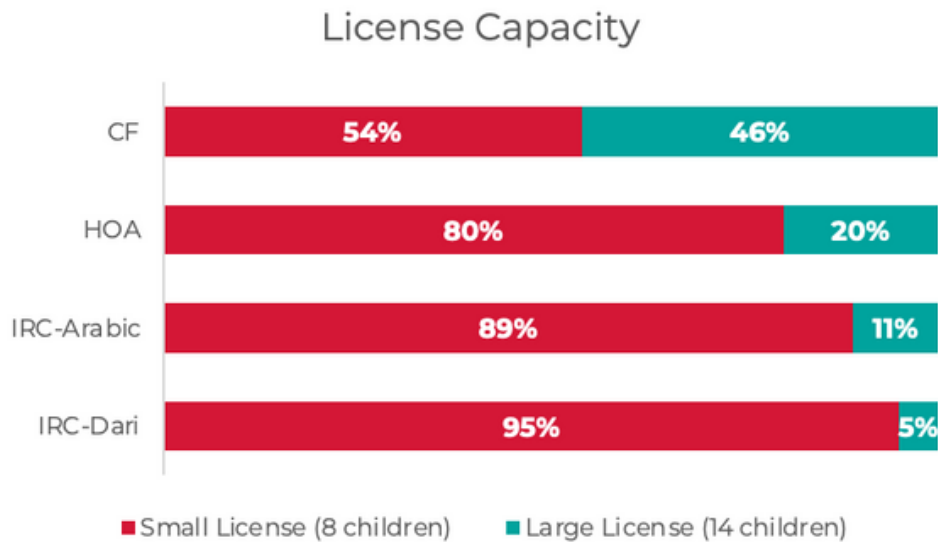
## Provider’s Operational Characteristics

### *Years of Experience as a Provider & License Capacity*

On average, CF providers have 11 years of experience as a FCC provider compared to 4.3 years for HOA, 4.76 years for IRC-Arabic and 1.4 years for IRC-Dari.

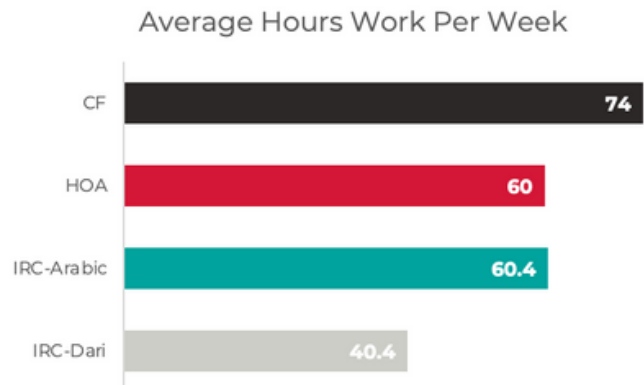
FCC providers are approved by the state licensing agency for either a small (8 children) or large (14 children) FCC license. Providers must have at least one year of experience as an FCC provider with a small license before applying for a large license unless the provider has teaching experience or worked as a director at a child care center. There is considerably more earning potential for those that operate a large license.

The majority of providers from HOA and IRC operate a small license. Forty-six percent of CF providers operate a large license.

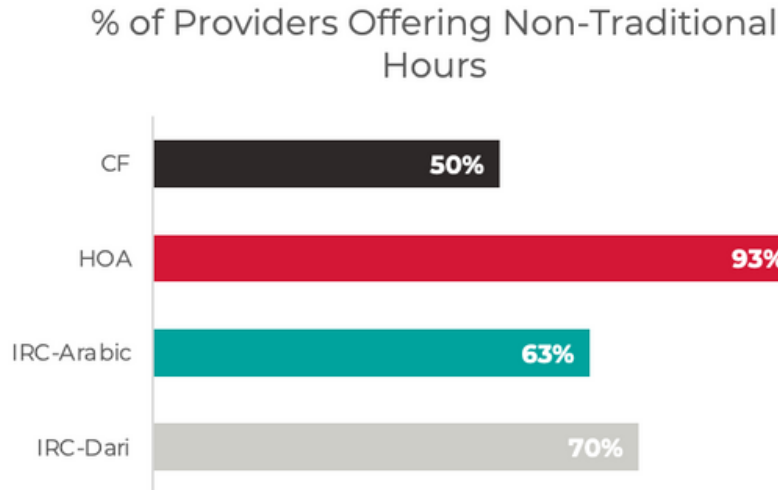


### *Provider Hours*

Providers were asked to report the total number of hours they work per week by totaling the number of hours caring for children and the number of hours operating the business beyond caring for children (for example cleaning, preparing food, grocery shopping, sending invoices, lesson planning). **Providers across cohorts on average work 58.7 hours per week.**



Providers were also asked to report the hours each child attends their child care. One of the benefits for families is that FCC providers can offer care during non-traditional hours. For this analysis, non-traditional hours were defined as 6:00 p.m. to 7:00 a.m. week days and any hours on the weekend. **Sixty-seven percent of providers care for children during non-traditional hours.**

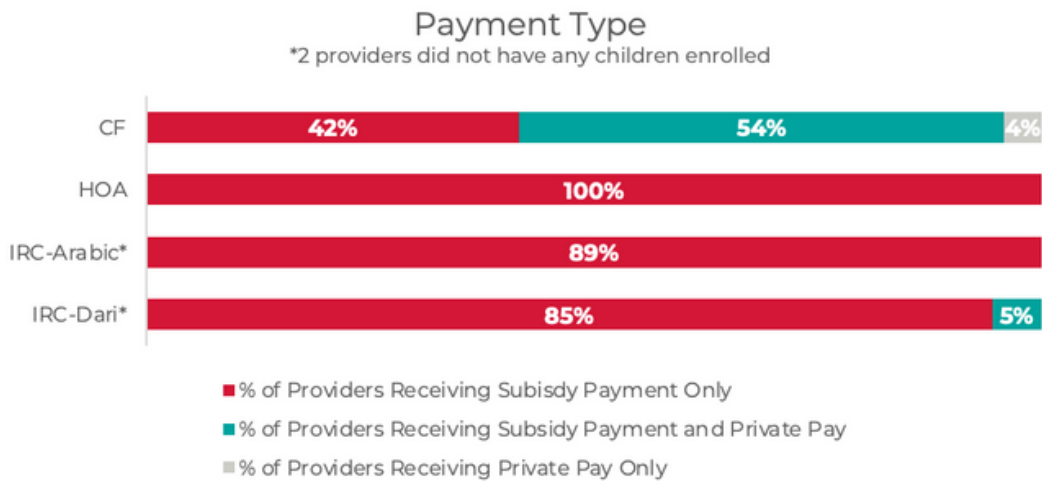


**67%** of all providers care for children during nontraditional hours. This is a benefit of FCC over center-based care, as many families work late at night or weekends.

*Payment of Fees*

It is also important to understand how providers are paid for their work. Providers can be paid privately by the families or paid by agencies that disperse government funded subsidies for families that meet income qualifications. To cover the cost of care, some providers charge an additional family fee.

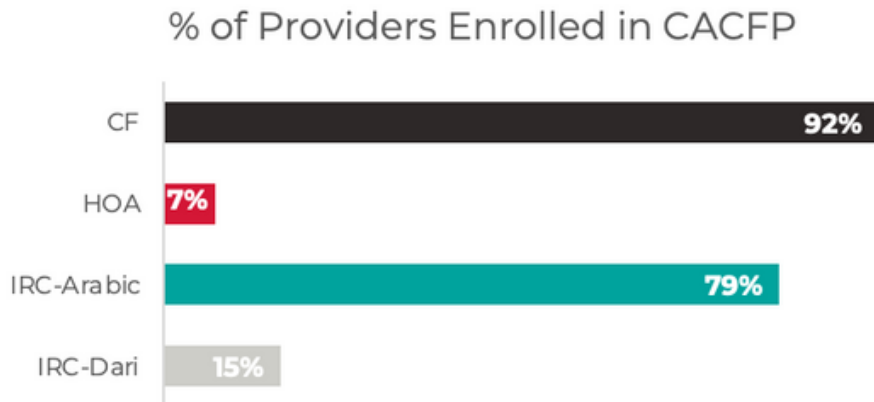
More CF providers enroll families that do not qualify for subsidies and are private pay families, whereas the other three cohorts almost exclusively serve families who receive subsidies. Through 1:1 data correspondence with the ECBOs, it was reported that many of the CF providers charge a family fee, whereas the HOA and IRC providers do not.



### Participation in California Adult Child Food Program (CACFP)

CACFP serves as an income source for providers to receive reimbursement for the cost of food. CACFP is highly regulated and requires attention to detail and that providers serve food that meets CACFP guidelines.

A low percentage of participation in CACFP from HOA providers has been a consistent finding across all four years of STEPS. Data from focus groups indicates that HOA providers experience difficulty navigating the CACFP program due to its complexity and the language barriers that exist during compliance checks. Many of the IRC-Dari providers were new to family child care and were not familiar with the CACFP program. After receiving training on CACFP as part of the STEPS program, some providers enrolled in the program.



### Estimated Monthly Income and Expense for FCC Business

Providers were asked to report their monthly FCC business income and expenses. Tracking income and expenses is a crucial business practice that helps providers budget and record their expenses and deductions when completing tax returns.

On average, the CF, HOA, and IRC-Arabic providers reported a positive net income, while the IRC-Dari providers reported an average monthly net loss. The Dari-speaking providers, on average, have only been in business for just over a year and are still working to grow their business and balance their spending.

As expected, the largest expense for providers was their monthly mortgage or rent payment. The average mortgage or rent payment for the CF providers was considerably less than the other three cohorts. Sixty-three percent of CF providers are homeowners and have also lived in the US twice as long as the other providers, perhaps securing homes at a lower cost with lower mortgage interest rates.

The second most expensive item for providers was food. While this expense can be partially reimbursed through the CACFP program, very few HOA and IRC-Dari providers participate in CACFP and receive this reimbursement.

<b>Summary of Providers' Monthly Income &amp; Expense</b>	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>
Average Monthly Gross Income	\$5,840	\$5,179	\$4,260	\$3,734
Average Monthly Total Expenses	\$3,504	\$4,274	\$3,655	\$4,081
Average Monthly Net Income (pre-tax)	\$2,336	\$904	\$605	(\$347)
Highest Average Monthly Expense: Mortgage/Rent	\$1,008.46	\$1,846	\$2,217	\$1,902
Mortgage/Rent as a % of Income	31%	44%	58%	50%
% of Providers that are Homeowners	63%	7%	42%	20%
2nd Highest Average Monthly Expense: Food	\$776.21	\$1,147	\$550	\$673
Food as a % of Income	24%	27%	14%	15%
% of Providers that Participate in CACFP	92%	7%	79%	15%
% of Providers Estimating Monthly Profit	83%	73%	58%	50%
% of Providers Estimating Monthly Expenses as 50% or more of Income	71%	93%	79%	100%
*All data is self-reported **Largest average expense for CF providers was Salaries (\$2,186/ 39%), but only 10 providers reported a salary expense				

## Child Demographics

Child demographic data was reported at intake and updated monthly during the project period. Providers reported child enrollment data to the cultural navigator each month to understand the demographics of the children served and to measure enrollment. The child demographic data compiled includes information for all children enrolled during the project period.

All 24 providers from CF had children enrolled in their FCC home during the project period, and by the end of the program, 235 children were served. Providers had a relatively balanced group of children from the three age groups (infant/toddler, preschool, school age) and providers enrolled a high percentage (74%) of full-time children. Seventy-eight percent of the children’s families received government subsidies for care. Children were highly likely to have the same ethnic/racial heritage and shared primary language as the provider.

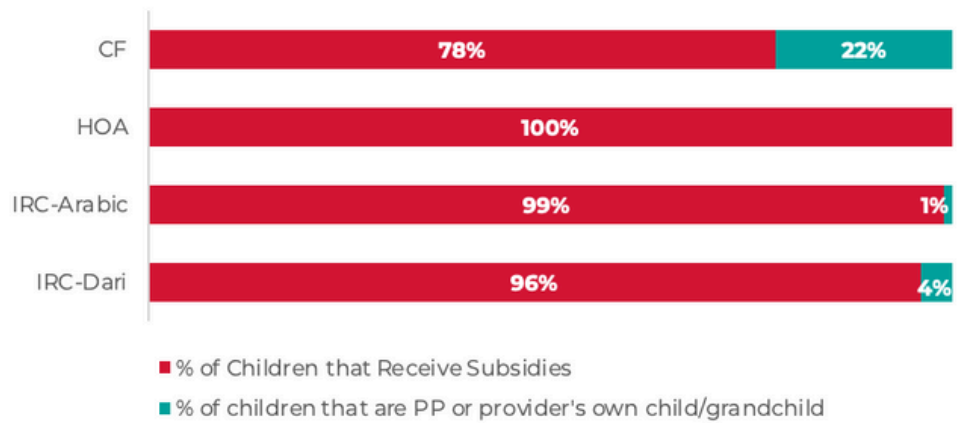
All 15 providers from HOA had children enrolled in their FCC home during the project period, and by the end of the program, 97 children were served. The majority of children served were school age (65%). School-age children do not need full time care, and this is likely why 40% of the children served were classified as part time. All children (100%) received government-funded subsidies and 75% had a similar ethnic/racial heritage as the provider.

Eighteen of the 19 IRC-Arabic providers had children enrolled in their FCC home during the project period, and by the end of the program, 135 children were served. Providers enrolled a high percentage (71%) of school-age children and 99% received subsidies for care. Ninety-six percent share a similar ethnic/racial heritage as the provider and 89% share a primary language with their provider.

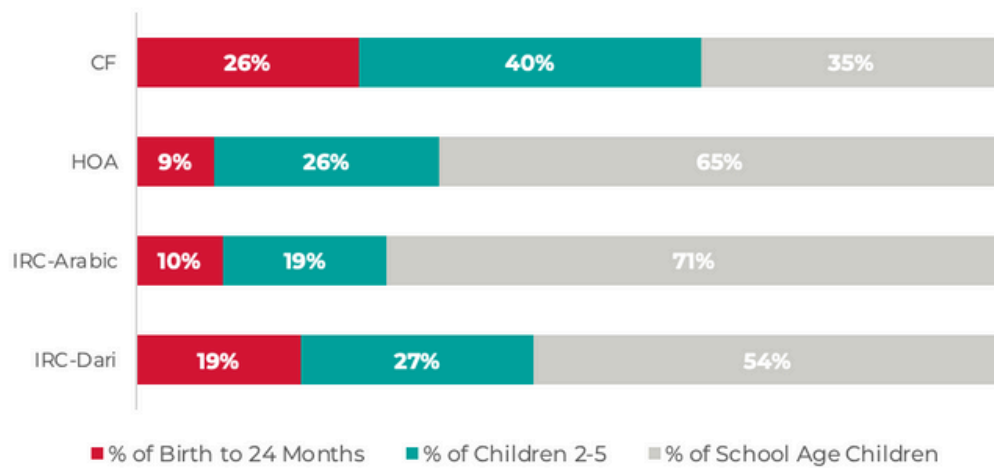
Nineteen of the 20 providers from the IRC-Dari cohort had children enrolled in their FCC home during the project period, and by the end of the program, 153 children were served. Fifty four percent of children enrolled were school age, and the majority were enrolled part time (75%). Ninety-six percent of children received subsidies for care, and 92% of children shared ethnicity and a primary language with their provider.

**93%**  
of children  
receive  
government-  
funded subsidies

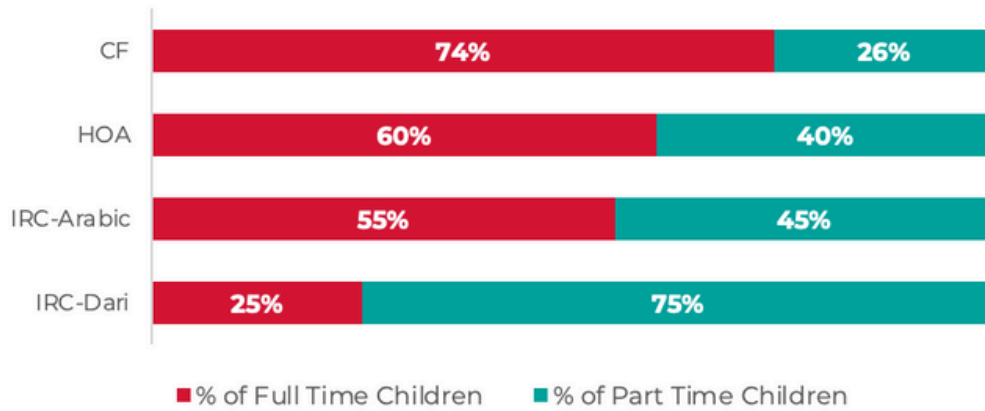
Payment Type



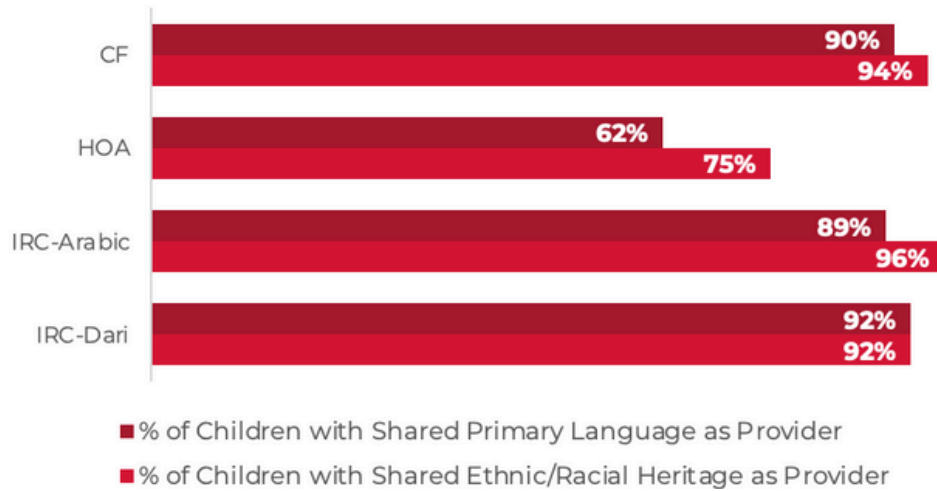
Child Enrollment by Age Group



### Child Enrollment by Part Time/Full Time Status



### % Shared Ethnicity and Language Between Provider and Child





# Impact Data

The impact of the program was measured via pre-post surveys and assessments designed to assess the efficacy of the training series. Monthly enrollment, best business practices and capital funding spreadsheets were collected to measure how the providers' businesses changed over the course of the project period. Copies of the providers' tax documents were also collected to assess changes in the providers' income. Impact data are displayed in table format in [Appendix B - Data, Section 4](#).





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**Certificate of Appreciation**  
FOR ACHIEVEMENT  
**Qamar Abukar**  
HAS COMPLETED CITY DESIGNATED YEAR 4 PROGRAM  
YOUR CONTRIBUTION HAS GREATLY CONTRIBUTED TO  
THE SUCCESSFUL COMPLETION OF THE PROGRAM  
AUGUST 26, 2023

**Certificate of Appreciation**  
FOR ACHIEVEMENT  
**Fadumo Farah**  
HAS COMPLETED CITY DESIGNATED YEAR 4 PROGRAM  
YOUR CONTRIBUTION HAS GREATLY CONTRIBUTED TO  
THE SUCCESSFUL COMPLETION OF THE PROGRAM  
AUGUST 26, 2023

## Needs-Assessment (Pre-Survey)

Prior to the start of the training program, each provider completed a survey to determine their needs and expectations for the STEPS program. Survey data identified two main themes across cohorts: a desire to improve technology capabilities and increase business management skills. Providers were interested in learning how computers and their applications can help them in their child care business and how to improve their online profiles for marketing purposes. There was also an interest in business management and learning the processes for business efficiency, including best practices for bookkeeping, budgeting, and tax preparation.

The CF providers were also interested in learning about child development, how to prepare children for school, creating projects and curricula, and helping children with developmental delays.

The expectations of the providers were in line with the training courses of STEPS. Each ECBO has the agency to tailor the trainings to best meet the needs and interest of providers

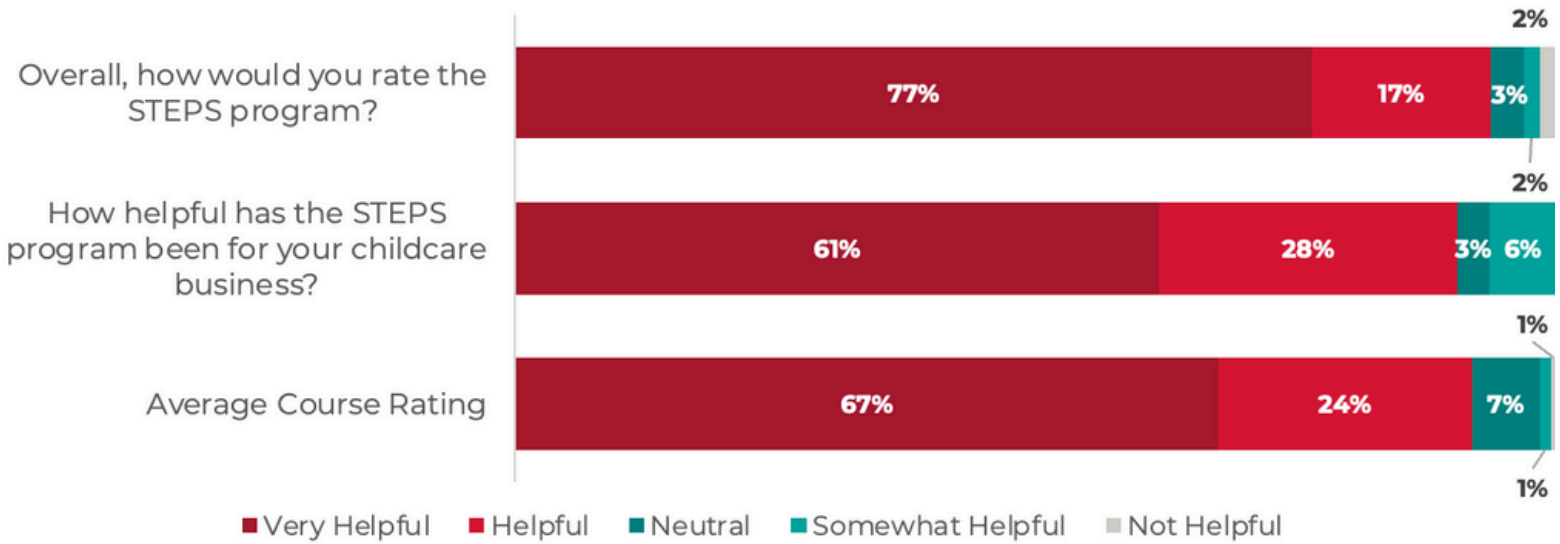
## Post Satisfaction Survey

Post satisfaction surveys were distributed to the FCC providers after the completion of the 14-week training period to assess provider satisfaction with the training series. Response rates were 18 out of 24 (75%) for the CF cohort, 15 out of 15 (100%) for the HOA cohort, 16 out of 19 (84%) for IRC-Arabic cohort, and 15 out of 20 (75%) for the IRC-Dari cohort.

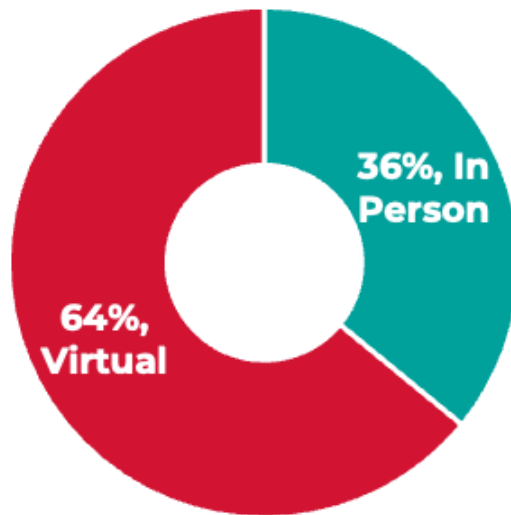
Overall, 77% rated the STEPS program as “very helpful” and 61% thought the program was “very helpful” to their business. On average, 91% rated the training course content either “very helpful” or “helpful”. Sixty-four percent preferred virtual classes over an in-person format.

The survey also assessed the confidence level of the providers in using the business practices and information provided as part of the training series. Providers were least confident in handling business finances, which includes budgeting, bookkeeping, taxes, and banking and credit systems. Given the breadth of knowledge needed in this area, it may take additional courses on these topics to increase provider confidence in this area. The following charts display the post survey results for all providers in the four cohorts combined. Individual cohort post survey result charts and all corresponding data in table format can be found in [Appendix C](#) – Post Survey Results by Cohort.

**89%**  
of providers rated the STEPS  
program as “very helpful” or  
“helpful” for their child care business.

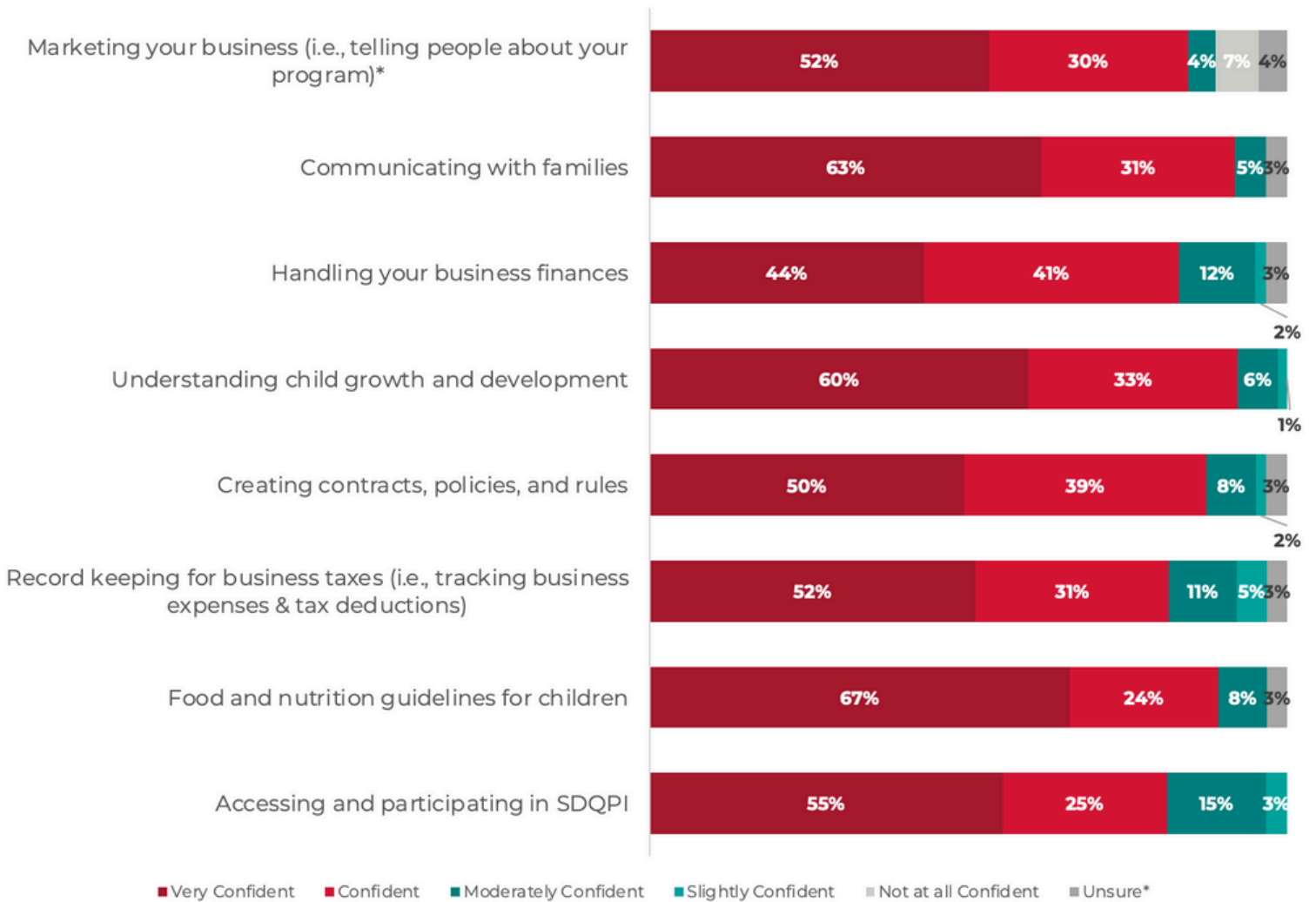


### Class Style Preference



### How confident do you currently feel about the following?

\*CF & HOA survey did not include the "Unsure" response.

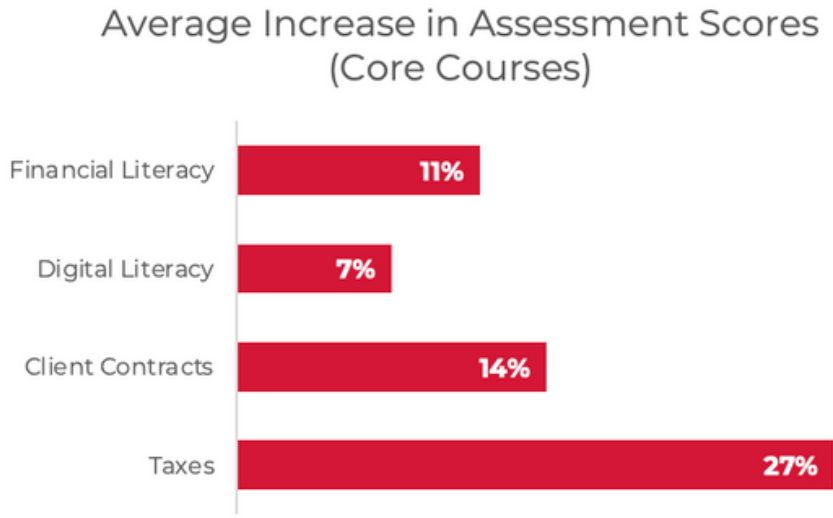
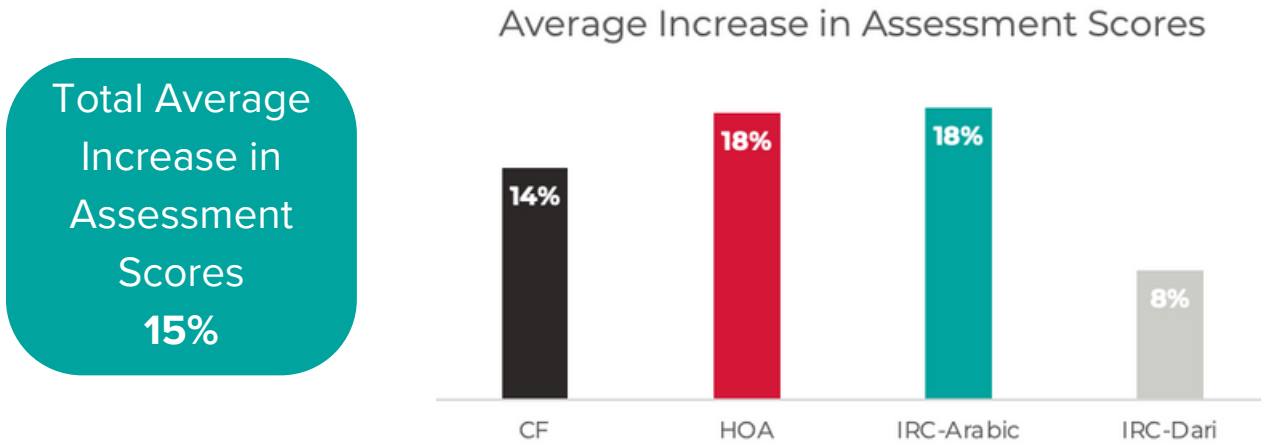


# Pre & Post Training Assessment Data

Pre and post assessment data measuring the efficacy of the training series indicated that STEPS participants developed skills and knowledge needed to strengthen their business. All 4 cohorts received training intended to develop their financial literacy, knowledge of U.S. banking systems, and budgeting and credit systems. Additional supplemental courses were offered based on the needs assessment survey

To assess the providers' knowledge and skills acquisition, providers were asked to answer a series of questions related to the course topic prior to the start of each class. They then answered the same questions at the end of class.

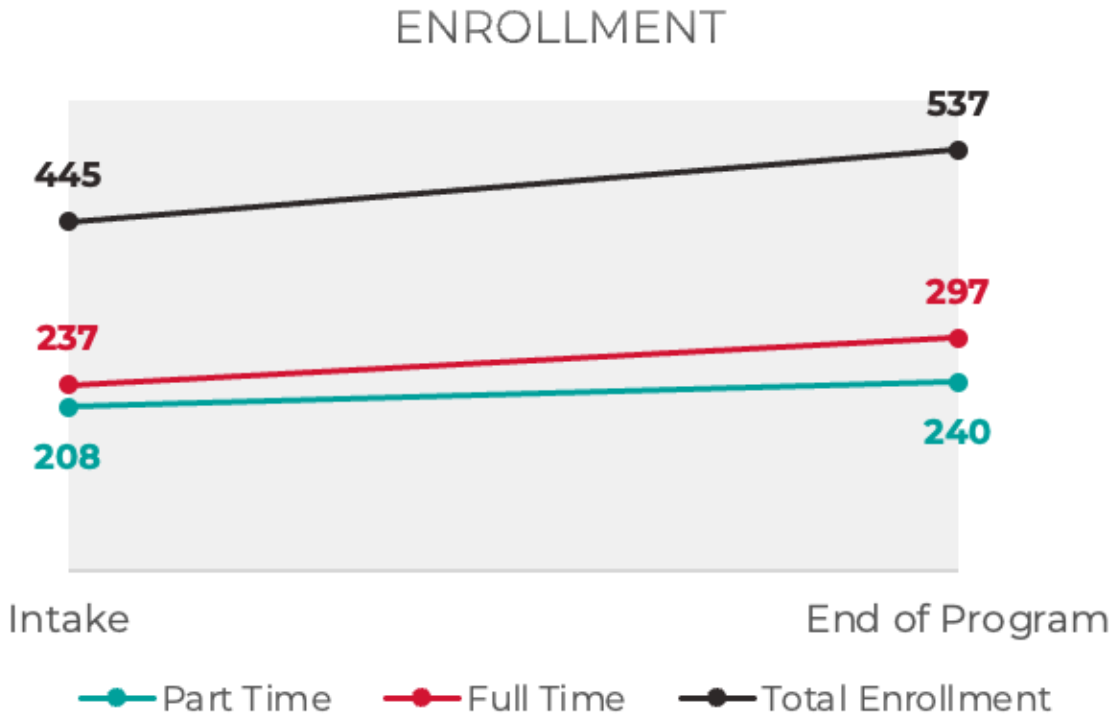
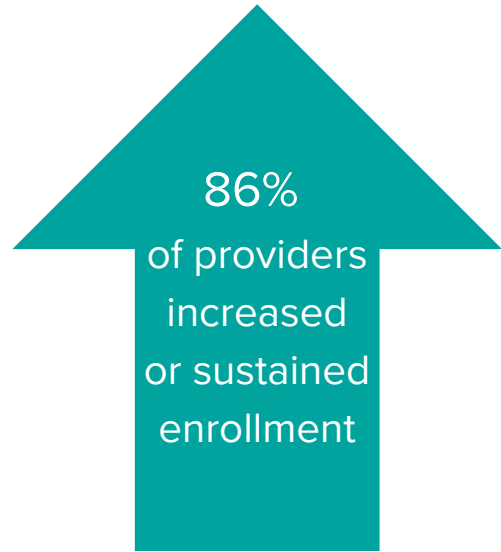
The CF trainings in which providers' knowledge increased the most were Digital Literacy and Marketing 101. The HOA trainings in which providers' knowledge increased the most were Tax Ready Business, Bookkeeping, and SDQPI. The IRC-Arabic trainings in which providers' knowledge increased the most were Tax Ready Business, and Marketing. The IRC-Dari trainings in which providers' knowledge increased the most were Food Nutrition (CACFP) and Bookkeeping. Success in meeting these outcomes is also demonstrated in the provider testimonials found in [Appendix D – Testimonials](#)



# Enrollment Data

Child enrollment data is used by the project to measure economic stability and growth. Enrollment information was collected monthly, for a total of 9 months. Enrollment by age group and part time or full time status at intake and at the end of program was also collected. A child that is in the provider’s care for less than 30 hours was categorized as part time. This more detailed data is important because providers are paid more for a full time child than a part time child.

**Total enrollment across all four cohorts increased by 92 children. Sixty of those children were enrolled full-time and 32 were enrolled part-time.**



CF increased overall enrollment by 48 children, representing a 33% increase. The biggest increase in enrollment was an increase in full-time children ages 2-5 years and on average many of their children are ages 2-5 years (48%). Also, CF providers enroll over 70% of children with full time status.

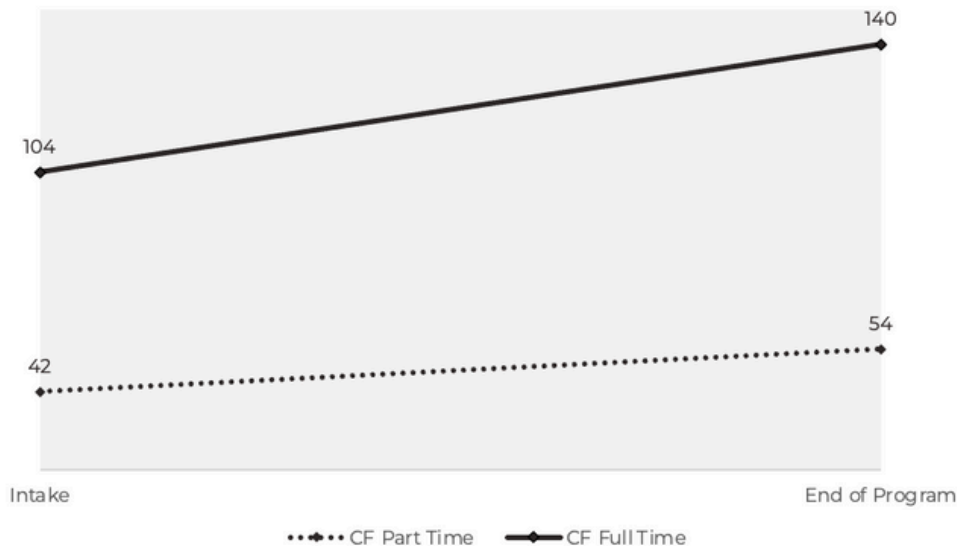
HOA increased overall enrollment by 11 children, a 14% increase. The increases were spread mostly evenly across age groups, however they did enroll more full-time children than part-time children over the course of the project. On average, HOA providers enrolled a small percentage (8%) of infants, and the majority of their children are school age (65%). Through 1:1 data reporting correspondence, the cultural navigator reported that no new Somali refugees have arrived in the US in the last several years. She also reported, as a member of the community, she has observed young Somali couples moving out of state to more affordable cities, do not qualify for subsidies, or use family members to take care of their young children.

IRC-Arabic increased overall enrollment by 20 children, an 18% increase. The increases went up incrementally in each age group and across part time and full time children. Similar to HOA, on average, IRC-Arabic providers enroll a small percentage (7%) of infants and preschool-age (19%) children, and most of their children are school age (73%). During a quarterly data check-in meeting, the IRC-Arabic cultural navigator shared that “some providers expressed a preference for school-age children, citing concerns about the additional work and responsibility associated with infants.”

IRC-Dari increased overall enrollment by 13 children, representing a 12% increase. The changes occurred across age groups, however there was a slight decrease in the children ages 2-5. Over half (57%) of the children enrolled are school age and 75% of the children across all age groups were part-time at the end of the program.

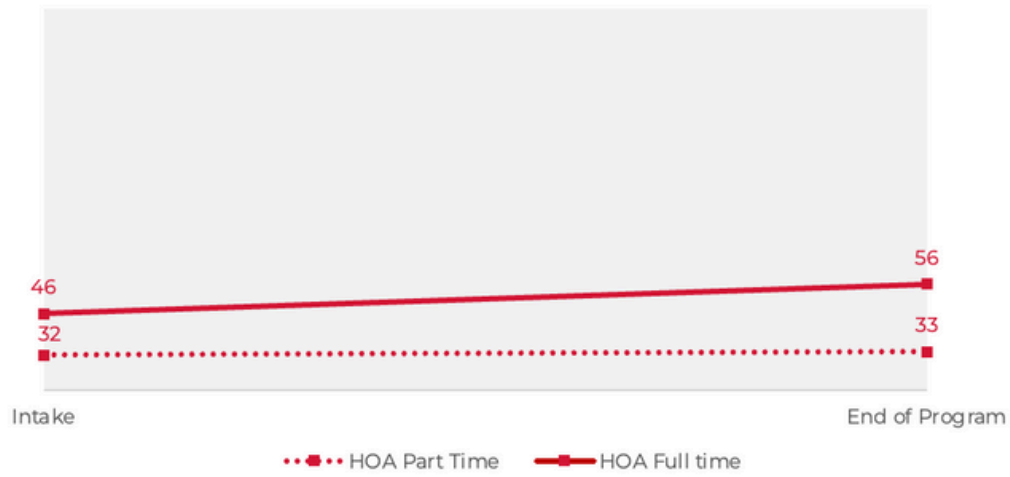
Overall, all four cohorts saw increases in enrollment and over 86% of providers either increased or sustained their enrollment. CF, HOA, and IRC-Arabic had more full-time children than part-time children, however IRC-Dari mostly enrolled part-time children. The CF providers enroll a more balanced number of children within each age group than the other three cohorts. These factors impact potential revenue.

CF providers added a total of 48 children to their FCC homes, a 33% increase.

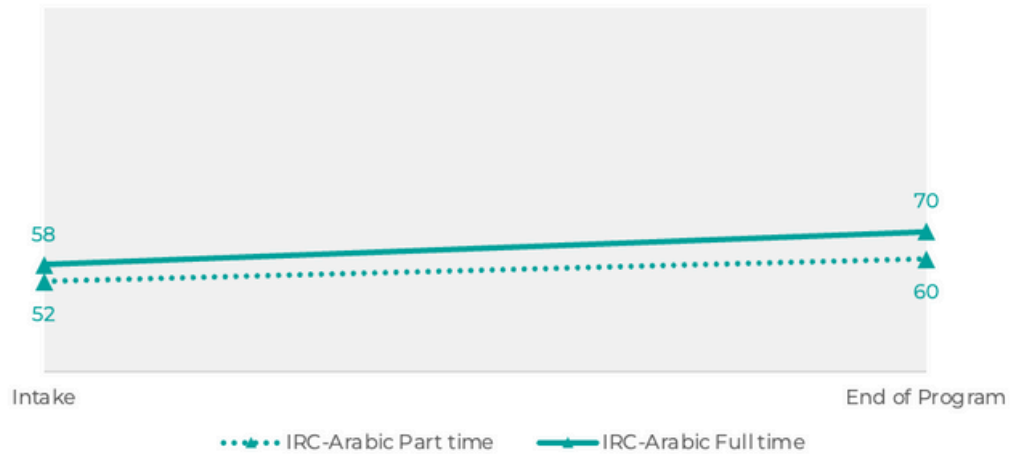




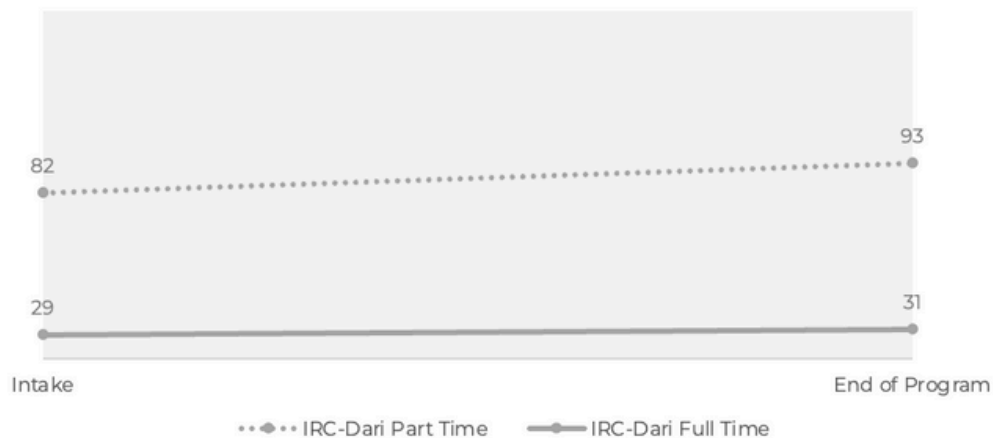
HOA providers added a total of 11 children to their FCC homes, a 14% increase.



IRC-Arabic providers added a total of 20 children to their FCC homes, a 18% increase.



IRC-Dari providers added a total of 13 children to their FCC homes, a 12% increase.

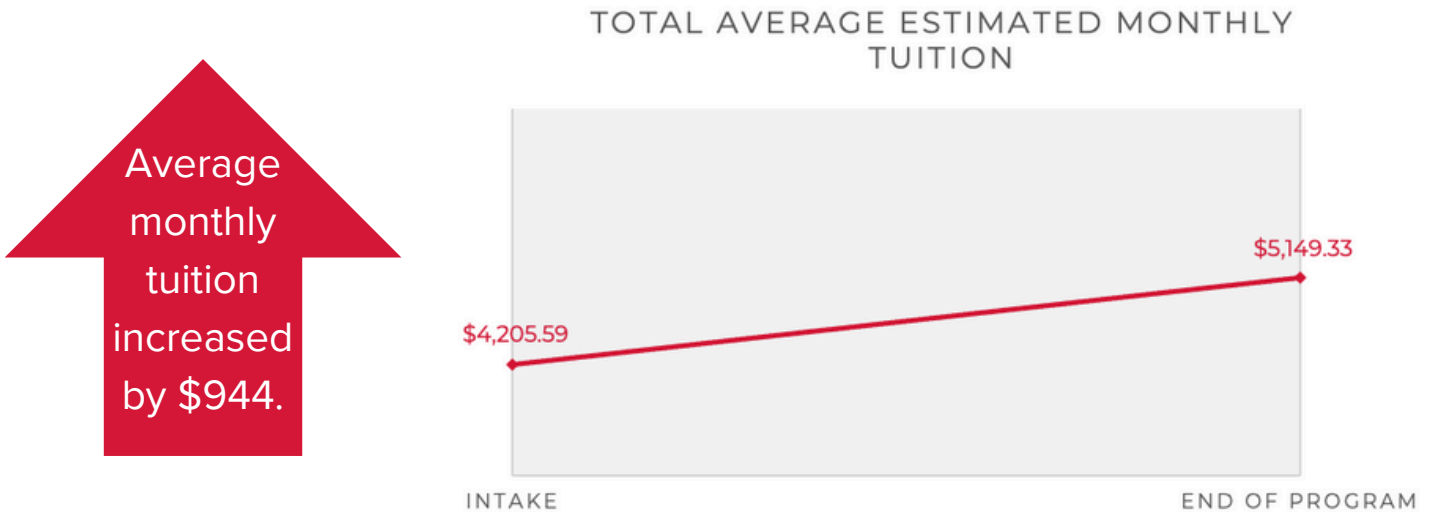


# Tuition Income

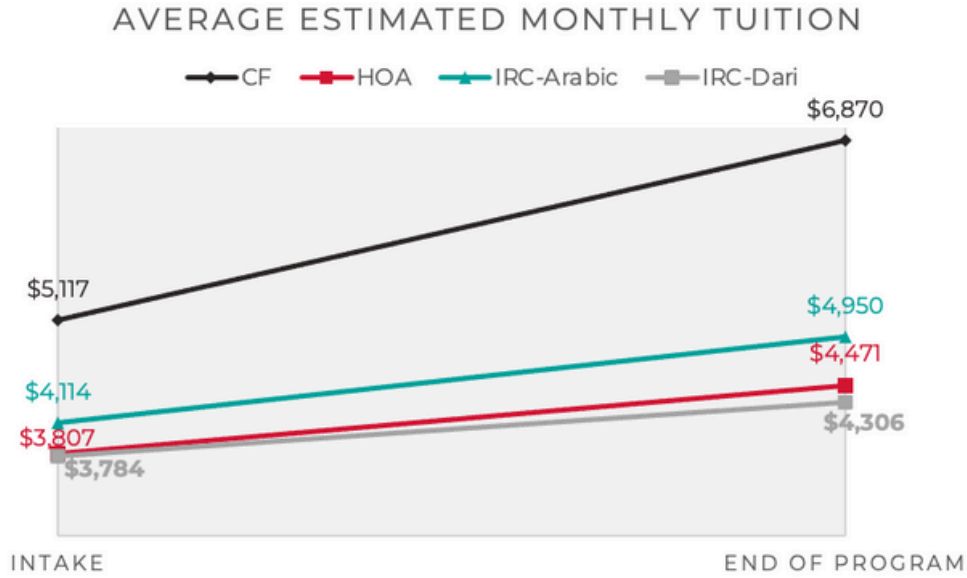
Provider estimated tuition was calculated based on the most recent subsidy rates issued in January 2022 (All rates can be found in [Appendix E](#)). Each license has a maximum number of children allowed for each age group, and by filling the maximum slots allowed, providers can maximize revenue. Provider subsidy rates are highest for infants, second highest for the pre-school children, and school-age children have the lowest subsidy rate.

Monthly subsidy rates were assigned to each child based on age category and part-time/full-time status. The monthly subsidy rate for each child at intake was added together to estimate each provider’s monthly tuition income at the beginning of the program. The process was repeated for the children listed as enrolled at the end of the program to estimate each provider’s monthly tuition income at the end of the program.

**Overall STEPS providers (85%) sustained or increased their monthly tuition income. The average monthly increase in tuition across cohorts was \$944.** It is important to note that even though a provider has the same children at intake and at the end of the program, the provider’s monthly tuition could decrease due to a child aging up into the next pay rate category. Also, some providers monthly tuition may be more than the estimate since some providers charge an additional fee to the families to cover the cost of care.



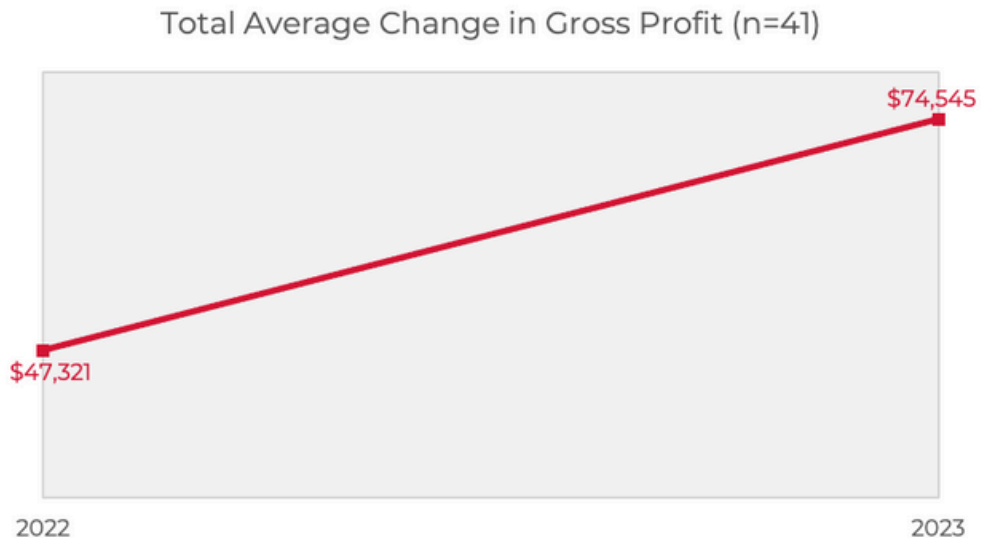
CF providers increased estimated monthly tuition \$1,753, a 34% increase. HOA providers increased estimated monthly tuition by \$664, a 17% increase. IRC-Arabic providers increased estimated monthly tuition by \$836, a 20% increase. IRC-Dari providers increased estimated monthly tuition by \$522, a 14% increase



## Schedule C

The Schedule C tax form represents income or loss from a business that operates as a sole proprietorship. Submission and filing of a Schedule C in 2022 and 2023 indicates the provider is operating a FCC home and is filing taxes for their business from one year to the next.

A change in gross profit was calculated for those providers (n=41; 53%) that submitted tax data in 2022 and 2023. Twenty-nine providers submitted a 2022 Schedule C and the other 12 providers were new to the business and did not have a Schedule C. Forty-one providers submitted a 2023 Schedule C. For the 12 new providers that did not have a Schedule C in 2022, their increase in gross profit is equivalent to their 2023 gross profit. **The average increase in gross profit from 2022 to 2023 was \$27,224, a 58% increase.**



Tax information for each agency can be found in [Appendix B](#) – Data, Section 4: Impact Data. At intake, 17 CF providers submitted their 2022 Schedule C, and four were new to the FCC business and did not have a Schedule C. Three providers refused to share the information. At the end of the program (June 1, 2024), nine providers submitted a Schedule C. Of those that did not submit, five said they have not filed taxes, three providers could not be contacted, and seven providers said they would send in their Schedule C, but did not do so by the due date. Change in gross profit and profit margin was calculated for nine providers. The average change in gross income was \$23,310 and the average change in profit margin was +7%.

Ten HOA providers submitted 2022 Schedule C's and five providers were new to the business and did not have a Schedule C. At the end of the program, 12 providers submitted a Schedule C, two were co-licensee and therefore did not have a Schedule C, and one provider had not filed taxes yet. Change in gross profit and profit margin was calculated for 12 providers. The average change in gross income was \$13,967 and the average change in profit margin was +5%.

Ten IRC-Arabic providers submitted 2022 Schedule C's, eight providers were new to the business and did not have a Schedule C and one provider did not file taxes. At the end of the program, seven providers submitted a Schedule C. Twelve providers would not submit their 2023 Schedule C's. Change in gross profit and profit margin was calculated for six providers. The average change in gross income was \$17,269 and the average change in profit margin was -1%.

Ten IRC-Dari providers submitted 2022 Schedule C's and 10 providers were new to the business and did not have a Schedule C. At the end of the program, 14 providers submitted a Schedule C. One provider filed an extension and five providers would not submit their 2023 Schedule C's. Change in gross profit and profit margin was calculated for 14 providers. The average change in gross income was \$45,370 and the average change in profit margin was 9%.

## Additional Impact Data

The additional impact data provides information about how the providers are investing in the future of their small businesses. Upon completion of the STEPS classes, business counselors, in partnership with the cultural navigators, offered one-on-one financial coaching and support to help providers achieve their business goals. As a starting point, all providers were required to complete a comprehensive business plan with the assistance of the cultural navigator and business counselor. Coaching also included helping the providers achieve best business practices, assisting with grant applications, and providing resources for providers and the families they serve.

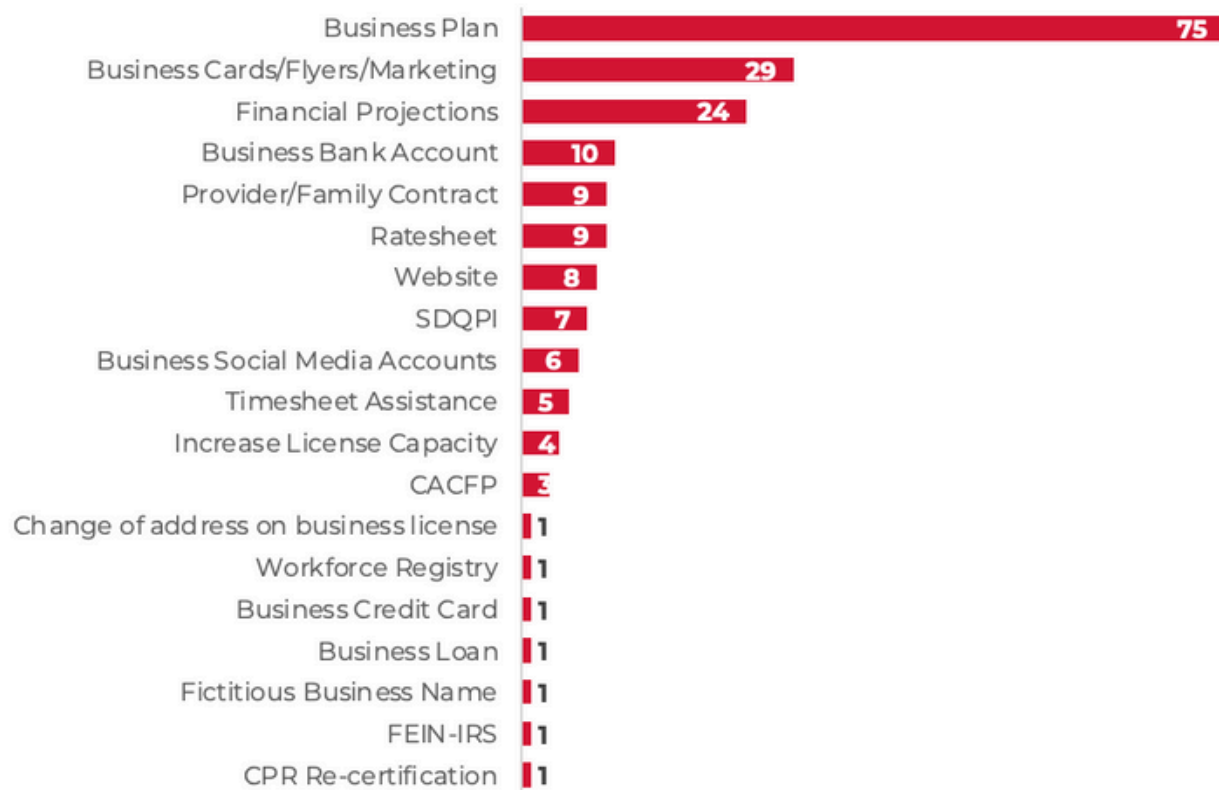
### Business Practices Checklist Data

The FCC Business Practices Checklist (referred to as “Checklist” for the remaining of the report; see [Appendix E](#)) was created to capture the work of the cultural navigators. Evaluators collaborated with the ECBO leadership team and the cultural navigators to create a list of best practices for FCC providers. The Checklist was designed to engage providers and cultural navigators in conversations to determine if they were already using the business practice, and if not, determine which items on the list would be beneficial to their business.

Cultural navigators and business counselors would then help each provider accomplish the relevant items on the Checklist. Cultural navigators recorded the completion of business practices, as well as any additional assistance they provided that was not part of the original list.

**Overall, providers completed 196 goals from the Checklist.** The top goals completed were: 75 business plans were written, 29 business cards were designed, 24 providers completed financial projections, and 10 providers opened business bank accounts.

### Business Practices Checklist - Goals Completed



### *Business Plans*

One of the business practices on the Checklist and a critical component of the STEPS program was for all providers to complete a personalized one-year FCC business plan. This document was designed to help providers have a better understanding of the strengths and weaknesses of their business and to facilitate the creation of goals for their business. Business plans also helped cultural navigators and business counselors shape the business coaching component of the program. Provider goals were reviewed to assess the needs of each provider.

Overall, providers from CF, IRC-Arabic and IRC-Dari wanted to continue to increase enrollment, and many mentioned expanding their marketing strategies and increasing their license capacity (or opening a center) to do so. The HOA providers indicated that wanted to expand, but to do so they needed to move to a larger home, and some were interested in purchasing a home.

A few CF providers also wanted to grow their business by expanding their hours of operation and welcoming more children without changing their license capacity. Ten CF providers were interested in making home improvements. The CF providers, being more experienced, also set goals to incorporate more Montessori learning into their classrooms and one provider was writing their own curriculum and creating a summer camp.

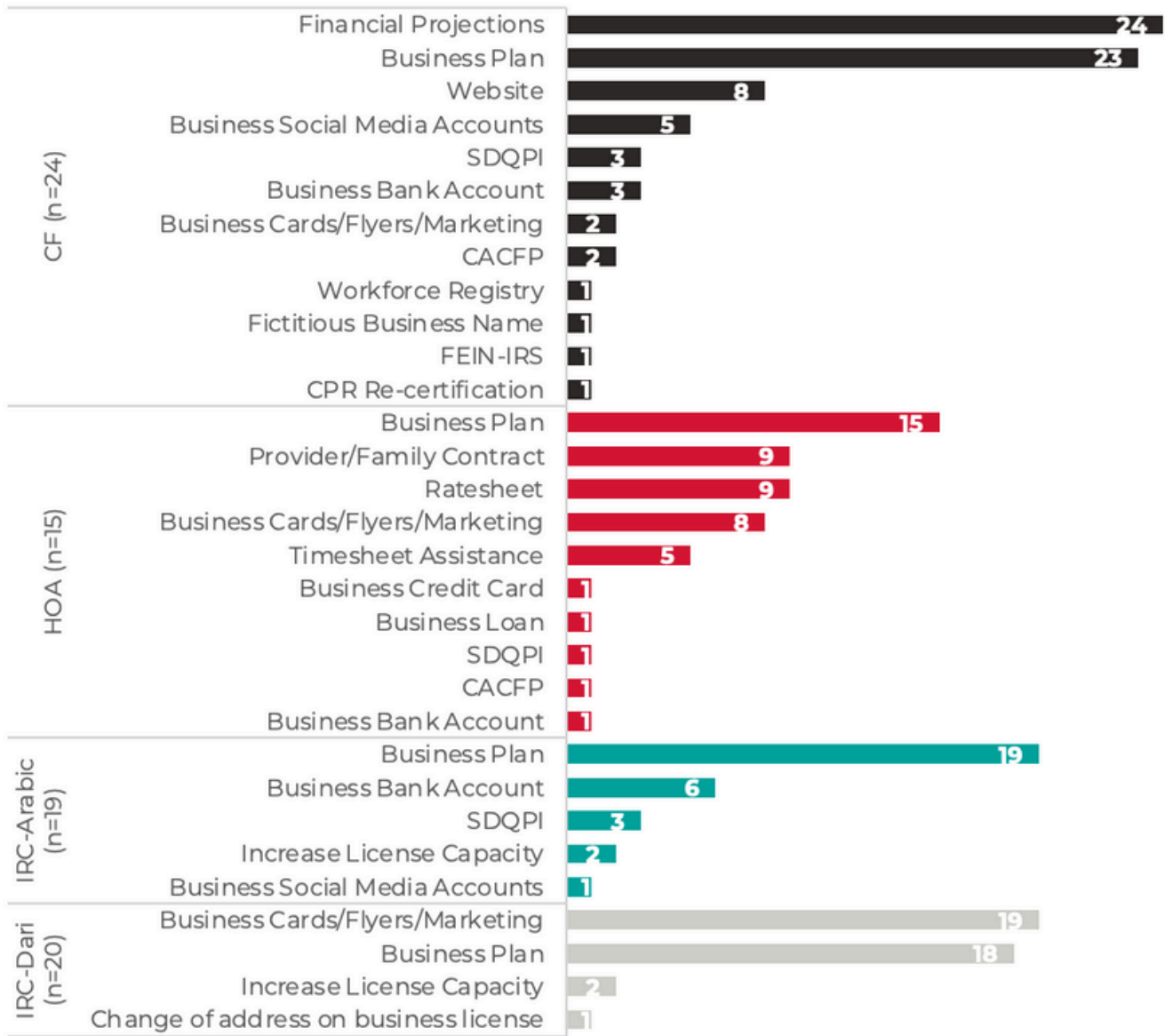
### *Additional Business Practices Checklist Items*

CF worked with the Women's Business Center (WBC) to assist providers with business coaching. In addition to helping the providers with their business plans, all 24 providers completed a financial projection template. Other notable business practices were completed, including helping providers with different marketing strategies.

Horn of Africa providers also received assistance with several different best business practices. The HOA cultural navigator helped providers create business cards in Canva and found additional funding to have the cards printed. More than half created or updated the client contract for their FCC business, which helps providers set expectations for their business relationship with the families. The HOA cultural navigator has on many occasions helped her providers with turning in their timesheets to the subsidy agencies. This has proven to be a difficult task for many providers because of the language barrier and not having resources in their primary language. The cultural navigator added this item to the checklist and tracked the number of providers that she helped.

The IRC-Arabic and IRC-Dari providers made some impactful changes in their businesses. Two providers from each cohort increased their license capacity to 14 children. Three IRC-Arabic providers signed up to enter the SDQPI program and six providers also set up business bank accounts to apply for a local grant. The IRC-Dari cultural navigator helped 19 providers design business cards.

## Business Practices Checklist Goals Completed By Agency



## Focus Groups

All four cohorts hosted a focus group for their providers. The purpose of the focus group was to understand what the providers learned from the training courses and how the business coaching helped their FCC program. Supplemental questions aimed to understand the specific cultural characteristics or traits of the cohort.

Focus group questions were drafted in collaboration with the community partners to tailor the questions for each cultural community. Previous focus groups had already asked questions about the impact of the 14-week training and therefore the shift for this year's focus group was to ask questions about the business coaching phase of the project. The focus group questions for CF, HOA and IRC-Arabic were centered on the impact of the business coaching and the IRC-Dari questions centered around the training and business coaching.

The CF focus group was attended by eight providers and was held in person at the CF offices. The focus group was led by the cultural navigator and was conducted in Spanish. The discussion was recorded, transcribed and a report was provided by SDSU's Dr. Claudia Dunn. The HOA focus group was attended by 12 providers, was held in-person and was led by CEED's Dr. Sarah Garrity, with translation from the HOA cultural navigator. The discussion was recorded and transcribed for reporting purposes. The IRC-Arabic focus group was attended by 14 providers and was conducted using Zoom. The focus group was led by the cultural navigator and business counselor and was conducted in Arabic. The discussion was recorded, and a report was provided by the cultural navigator to the CEED team. The IRC-Dari focus group was attended by 15 providers and was conducted using Zoom. The focus group was led by the cultural navigator and was conducted in Dari. The discussion was recorded, and a report was provided to the CEED team by the cultural navigator.

There were 4 questions that were asked across cohorts. A summary of the findings is reported in the following two tables.



<b>Focus Group Questions &amp; Answers</b>				
<b>Questions</b>	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>
<b>What is one thing you learned from the STEPS training series that you now use in your FCC business or want to use?</b>	Proper reporting of expenses and income; Digitizing recordkeeping using Excel; Inclusion of provider/parent contracts	Organization of records by using apps and excel; Process for using CareConnect for attendance; Importance of a business account to separate personal and business expenses; Confidence with processes and systems.	Recordkeeping of business-related receipts for tax benefits; Marketing strategies that use business cards, social media business accounts, Google business profile, & FaceBook Groups Necessity of a business bank account.	Importance of recordkeeping for tax purposes and for the parents/families. Use of Canva for creating business cards. Food and nutrition. Benefits of enrolling in SDQPI Setting up Google Business profile.
<b>Did you get additional help with your business? If so, what did you get help with?</b>	Google Business and Facebook page; Update of business website; Setting up business on Google maps	The business plan helped them to understand what they needed to do and to create a plan that they could implement.	Capital Funding through: grants; stipends; business loans	Business plan for setting goals Systems that indirectly impact their business such as help with citizenship Regulatory items such as fingerprints for licensing
<b>What additional training or support would you like for STEPS to offer? What classes from the training would you like additional training?</b>	Learning materials; Certificate of completion for STEPS; Prefer a model where the class is offered and an implementation follow up session is scheduled; Excel and website assistance and training.	More STEPS classes with small class size and in their primary language (Somali); ESL classes; Digital Literacy classes; All regulatory and licensing materials are sent to providers digitally and they noted that they do not have the capability to complete their requirements digitally in return.	Classes on the following topics: Approach to childcare and child development; Child behavior; Children with special needs; Reducing screen time on digital devices and creative ways to encourage less screen time for the children	Classes on the following topics: CLD rules and regulations; Advanced recordkeeping; Bookkeeping and taxes
<b>What learning environment needs do you have? (this could be anything like educational toys, developmental tools, etc., but I would let them answer the question first before making these suggestions).</b>	Providers would like for a learning environment expert to come to their home and help them with environment design, for their indoor and outdoor learning and play areas.	Books Toys Tablets Beds Tables Jumpy house (outdoor play)	Providers did not have specific needs for their learning environment, but discussed their need for classes to advance their teaching: Children with behavior problems or children with special needs. Creative ideas to reduce time children spend on iPads; Advanced STEPS courses; English language development.	Learning Materials in the Dari language; Outdoor playground

<b>Focus Group Quotes</b>	
<b>Questions</b>	<b>CF</b>
<b>What is one thing you learned from the STEPS training series that you now use in your FCC business or want to use?</b>	"...they made us create our vision, to have a vision, always thinking about our community, who we work for, which mothers we are working with. We work for people with much lower incomes. Therefore, many single mothers, without much help, the truth is, they need a lot of help. So, yes, that is the visualization of knowing who we work for and the needs that our children have, which is the most important thing, because we are there for them."
<b>How do you define quality child care? What do you want the children to know and be able to do when they leave your program? How do you integrate learning into your program?</b>	"I believe that one of the things that defines my childcare are my routines. I am very structured. At a certain time we eat, at a certain time we go out to play, at a certain time we do our little class, at a certain time it is time to sleep."
<b>Providers will be receiving additional funds with the passing of the new budget. How do you plan on spending those funds?</b>	<p>"First of all to take a personal vacation for myself, even if it means going here just around the corner for a weekend, at ease, without children, without work or anything. And second, having enough money to have a good full-time assistant, because I don't have one and I struggle a lot. I'm having a hard time finding someone who wants to work."</p> <p>"We pay an assistant the minimum wage, it has to be, right? And we don't get paid the minimum wage. Look at how much they pay us per hour. Take the bill of \$150 per week for a child and take out the 40 hours we take care of the child, which is more. It's 50. Calculate how much they pay us per hour per child. It comes out to \$3. You have to pay the assistant the \$15 or \$16 that is the minimum and they don't give it to us. I want to be an assistant."</p>

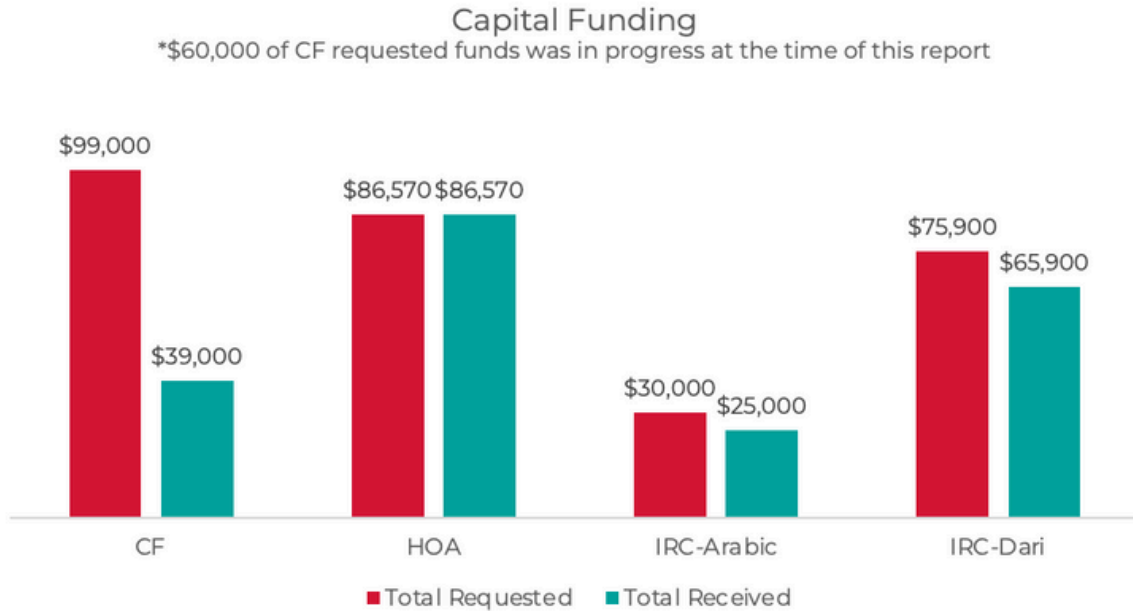
<b>Focus Group Quotes</b>	
<b>Questions</b>	<b>HOA</b>
<b>Did you get additional help with your business? If so, what did you get help with?</b>	"I think she (HOA CN) helps me with every question. I was new to this, so really this program and I'm someone who comes from an education background (degree in microbiology)...I didn't know what I was supposed to do, but if it wasn't for this program, I wouldn't have half the resources or the things or how to do the parts, the timesheets, enrollment, everything with the kids. I think the SMART (class) helped me a lot."
<b>When you think about your approach to teaching and caring for young children, what is really important to you when you take care of the kids in your home?</b>	"Safety in the house is very important...there's no corners around, the windows are locked...because other people's kids are there."
	"How the kids play with each other. Watching them, making sure they are behaving properly for their age. See if they are developing."
	"The education is important too, so to make sure this kid is gaining in knowledge. When the kids feel safe developmentally, they will be growing up to be comfortable for the kid. It helps them to gain knowledge mentally and everything, ABCs, and all."
<b>What do you want children to know and be able to do when they leave your program?</b>	"The time you stay with them, they learn a lot from you and you learn a lot from them. I have children, they leave and then every time they talk to their mom, mom can you drop us in (name of provider's) house? So they come back to visit me and I am so happy to welcome them back."
<b>What things from your culture do you bring into your family child care home?</b>	"Children songs for the Somali. We do it in Somali so the children will learn. They learn and then they ask, they love the folk songs of the children of their home. They cannot translate them to English so they know it in Somali and they will sing it in Somali. When you tell them the folk story or the kids song from back home, it teach the culture."
	"There is one kid from Nigeria and he speaks his own language and we speak Arabic in our home. And the child he came in when he is a couple months and he grow with us until he is in preschool and when he go he completely speak Arabic. And his parents are so happy. He speaks 3 languages, Arabic, Nigerian and English."

<b>Focus Group Quotes</b>	
<b>Questions</b>	<b>IRC-Arabic</b>
<b>If you had to name 1 or 2 traits of your childcare business that your families like the most, what would it be?</b>	"The families appreciate my approach in caring for their children and the level of attention and care I provide. Additionally, they love the homemade food that I personally prepare for the kids."
<b>How important is language and culture to the families you care for?</b>	"Language and culture are of paramount importance to the families I care for. Many of them seek a provider who shares their traditions and language for their children."
	"I don't think it's a big concern for all families, as recently I enrolled two Mexican children who may not share the same culture and language background."
<b>Do you offer non-traditional hours of care and how important is this to the families that you provide care for?</b>	"Yes, I have three children on my weekend schedule, and it's essential to ensure your families feel comfortable and satisfied."
	"I don't mind having the kids during holidays and on weekends."
<b>Questions</b>	<b>IRC-Dari</b>
<b>Why did you decide to attend STEPS classes?</b>	"The class was very useful for me because I obtained my childcare license 2 years ago, but I could not enroll any children until I participated in this class and have learned about marketing, so now I have 4 children in my childcare."
<b>What did you gain from participating in the STEPS classes?</b>	"I bought a lot of food and other stuff for the children in my business, but I had not kept them before this training and did not include to my tax expenses. I start keeping all the necessary documents after the STEPS program."
<b>How important is language and culture to the families you care for?</b>	"Culture is very important and when they are among the Afghan culture, they learn empathy and intimacy. We believe that a mother can build a society and the same example applies to us and we can help to have a society free from discrimination because childhood has a strong role that affects their whole life."
<b>What makes you proud to be an FCC provider?</b>	"When I take care of 10 children then 10 women can work and be independent and that cause women to grow and develop, they will reach their dream as I reach. When I think about it make me so proud being a childcare provider."

## Capital Funding

The ECBO business counselors and cultural navigators also partner to help providers obtain additional funding to support their businesses. They provide information about available grants, loans, and stipends to providers, and if a provider is interested in applying, they receive assistance from the business counselors and cultural navigators who help with translation, gathering relevant documents, and the submission of applications. **Providers received a total of \$216,470 in grant, loan, and stipend funding during the project period.**

Twenty-nine percent of the CF providers applied for capital funding and received a total of \$39,000, or 39% of the total funds requested. All HOA providers applied for capital funding and received a total of \$86,570 or 100% of the total funds requested. Thirty-two percent of the IRC-Arabic providers applied for capital funding and received a total of \$25,000, or 83% of the total funds requested. All IRC-Dari providers applied for capital funding and received a total of \$65,900 or 87% of the total funds requested.



# Key Findings & Recommendations for Program Improvement

This section presents key findings from the STEPS Year 4 evaluation, updates to the recommendations made in the STEPS Year 3 evaluation report, and recommendations for future cohorts.





# Key Findings & Analysis

- Providers work on average 59 hours per week.
- 67% of providers care for children during non-traditional hours.
- 89% of providers rated the STEPS program as Very Helpful or Helpful.
- 91% of all providers rated the classes as Very Helpful or Helpful.
- 64% of all providers prefer virtual classes over in-person classes.
- 86% of providers increased or sustained enrollment.
- 85% of providers increased or sustained tuition.
- Providers' average pre-post knowledge scores increased by 15% for all cohorts.
- Providers received \$216,470 in grants, loans, and stipends (74% of the funds applied for). The amount of funds applied for is indicative of the effort the cultural navigators and business counselors put forth in the capital funding portion of the program.
- The data identified several interesting differences between cohorts.
  - On average, CF providers have lived in the US for longer (27.3 years) as compared to HOA providers (15 years), IRC-Arabic (13 years), and IRC-Dari (4.9 years). The number of years a provider has lived in the US could be some indication of their current level of integration. The providers' culture brings them together, but their varying levels of US integration allows them to share and help each other, with those who are more fully integrated serving as a support system. It was often reported in monthly data meetings with the cultural navigators that the providers would share their experiences or lean on each other for advice.
  - On average, CF providers have operated an FCC home for longer (11 years) as compared to HOA providers (4.3 years), IRC-Arabic (4.8 years), and IRC-Dari (1.4 years). CF providers have had more time to build their clientele and potentially increase their license capacity and also establish higher rates. Some providers charge a higher rate by incorporating an additional family fee in their contract with their clients. A family fee is in addition to the subsidy fee that they receive. This fee is applied because the subsidy fee does not fully cover the cost of child care. The families on subsidized care pay only the family fee out of pocket. Families that do not qualify for subsidies, pay the family fee and subsidy rate. All families must be charged the same total rate. Through 1:1 data reporting with the cultural navigators, it was reported that many of the CF providers charge an additional family fee, whereas the providers from HOA and IRC do not.
  - Non-traditional hours of care are an important feature that FCC providers can offer to families that most childcare centers cannot. Almost all HOA providers (93%) care for children during non-traditional hours. Most of the IRC-Arabic and IRC-Dari providers, 63% and 70% respectively, care for children during non-traditional hours of care and only 50% of CF providers. It is possible that the CF providers who have been in business longer can be more selective in accommodating non-standard hours.



- Similar to data from STEPS Year 1, Year 2, and Year 3 providers from HOA (93%) did not access funds from CACFP. This finding is in line with focus group data used to inform the development of the STEPS project (Garrity, et al., 2020), which highlighted cultural disconnects between CACFP and community food preferences and difficulties completing paperwork requirements. The CACFP program is offered through CF with supports for Spanish-speaking providers, which also explains why CF providers participate at a higher rate (92%). CACFP provides economic benefits through reimbursement for nutritious meals and snacks, and because HOA providers face significant barriers to participation, they lose an important source of support/income for their business. IRC-Arabic providers, despite a potential language barrier, participated in CACFP at a high rate (79% of providers). IRC-Dari had few providers participating (15%); however, this was due to the fact that most were new providers and learned about CACFP for the first time during STEPS.
- CF providers enroll a balanced number of children in each age group and most of their children are full-time status. HOA (65%) and IRC-Arabic (71%) enroll a high percentage of school-age children and their split between part-time and full-time status is relatively even. HOA and IRC-Arabic enroll few infants. The IRC-Arabic cultural navigator reported that many providers expressed a preference for school-age children due to the high cost of care for infants. The HOA cultural navigator suggested the HOA providers serve few infants in their FCC business for several reasons. First, she suggested that no new Somali refugees have arrived in the US in the last several years. She also believes young Somali couples have moved out of state to more affordable cities, do not qualify for subsidies, or use family members to take care of their young children. We would recommend confirming these hypotheses in future provider focus groups. IRC-Dari enrolls a more balanced number of children in each age group, but most of their children are part-time status (75%). In terms of maximizing revenue, full-time status generates a higher subsidy rate, and the rate is higher for infants and toddlers than it is for school-age children. A more balanced group of children from the three age groups indicates that the providers are maximizing revenue by filling their available slots that are regulated by licensing for each age-group. Enrolling younger children also increases the likelihood of the child having full-time status and providing more revenue.
  - There is concern among providers that the transitional kindergarten program in California will impact their businesses. Many providers may see reduced hours from this age group or lose these children as clients all together.
- Feedback from focus groups is in line with what providers have expressed in previous years:
  - Providers would like ESL classes and digital literacy classes.
  - Providers would like classes on child behavior.
  - Providers need more training classes in their primary language.
- Gross profit increased by an average of \$27,224, a 58% increase (n=41). A change in gross profit was calculated for those providers (n=41; 53%) that submitted tax data in 2022 and 2023. Twenty-nine providers submitted a 2022 Schedule C and the other 12 providers were new to the business and did not have a Schedule C in 2022. Forty-one providers submitted a 2023 Schedule C. Cultural navigators have discussed the difficulty in obtaining tax records from the providers during 1:1 quarterly data meetings and in follow-up data correspondence. It was reported that providers are reluctant to share this personal information.

# Progress Update from STEPS Year 3

The following recommendations were made following the analysis of STEPS Year 3 evaluation data. Updates on each recommendation is described below.

- Obtain accurate data on itemized deductions and ensure that all providers used similar accounting methods to increase our ability to accurately assess provider profit over time.
  - UPDATE: Change in gross profit and profit margin were reported to get a broader picture of provider finances. It remains difficult to assess provider growth from net profit (loss) and profit margin because there are many reasons a provider may have a change from one year to the next (i.e., better recordkeeping of expenses, more accurate business use of home expense calculation, made a large purchase such as a car). Reporting gross profit alone indicates pre-expense increases or decreases, however given the cost of caring for children is high, the change in gross profit may not accurately reflect business growth or sustainability.
- It is recommended that a subsidy rate for each child is calculated to determine total tuition income for each provider.
  - UPDATE: An estimated tuition income was calculated at intake and at the end of the program based on each child's age category and part-time versus full-time status. A baseline tuition rate was used to monetize and show how an increase or decrease in the provider's enrollment impacts their earning potential.
- The Business Checklist will be used to engage providers in conversations to determine if each item on the list would be beneficial to their business. Cultural navigators and business counselors will help each FCC provider accomplish the items on the list, and these accomplishments will be recorded on the Business Checklist spreadsheet.
  - UPDATE: The Business Practices Checklist was used to track best business practices providers implemented during the project period. The Checklist was first used with the second Barrio Logan cohort and has been improved after each use. Cultural navigators were given the agency to add business practices that were not included as they progressed through the program and met the needs of their providers. The most recent version of the checklist is currently being used in the San Diego County Shared Services Alliance (SSA) program and although it is more comprehensive and easier to utilize, additional improvements are being noted and recorded for future versions. The most recent version is also organized by constructs and rewritten so that the cultural navigator can pose a question to the provider. A copy of the Checklist used for the STEPS Year 4 cohort and the improved version can be found in [Appendix E](#).
- As the project has continued to evolve, it has become clear that more sophisticated data collection processes are needed. It is recommended that cultural navigators use spreadsheets for monthly enrollment, business checklist, and capital funding.
  - UPDATE: Cultural navigators successfully utilized spreadsheets to record all data.

A review of the recommendations described in the STEPS Year 3 evaluation report indicates that the project team effectively integrated these recommendations into STEPS Year 4 processes and practices, demonstrating the value of using data to inform the work and the importance of the continuous improvement efforts that have characterized each iteration of the STEPS project.

# Recommendations for Future Cohorts

The following recommendations are based on insights gleaned from the evaluation of all the STEPS cohorts over the past 4 years and provide evidence of the project's commitment to continuous improvement and reflection.

- Meet with ECBOs to determine if tax data should continue to be collected. Cultural navigators have expressed that many providers feel as though providing their tax information is intrusive. Given the complexity of the tax documents, it might be more relevant to help providers optimize the number of children in each age group and help providers enroll more full-time children. As an alternative, the following data collection methods for tax data could be used.
  - Make it optional for providers to submit their tax information to receive coaching feedback. Cultural navigators would collect provider-reported gross profit, total expenses, business use of home and net profit without requiring a copy of the tax documents. Cultural navigators can then utilize this information for multiple coaching sessions asking providers to consider how they can increase gross profit through enrollment, how they record expenses and business use of home, and the pros and cons of how these impact net profit. Cultural navigators would again request this information during the next tax cycle to discuss any improvements made.
  - Collect only provider-reported gross profit and not expenses or net profit. There are many reasons for a provider's expenses to be skewed or inconsistent from one year to the next. For example, the provider may not have kept accurate records of their business expenses, or a large expense was purchased (car, outdoor playground, or the provider expensed their rent rather than calculated business use of home). This variability in accounting makes it difficult to assess business growth (loss) based on one year of change in net profit. However, gross profit will indicate a change in enrollment or rates of pay.
  - Collect more accurate tuition data, including information on the number of providers that charge a family fee and the cost of the family fee.
- Use Google Forms or Qualtrics for intake data and monthly enrollment checks.
- Update the monthly enrollment form to capture provider's desired capacity. In previous STEPS evaluation reports, capacity increase was calculated and reported. However, after internally deliberating the nuances of how to define a provider's capacity and working with other evaluators within the FCC field, it was decided to report change in enrollment numbers rather than capacity for several reasons. Using a provider's license capacity does not account for the provider's desired capacity. Additionally, a provider's license capacity does not account for the maximum number of children allowed within each age group, nor does it account for total children enrolled since the regulations for this capacity is for maximum number of children at a given time. Some providers can enroll children above their license capacity if the hourly schedules do not overlap.
- Incorporate more questions about the families that the providers serve during focus groups.

- Improve the Business Practices Checklist with the help of the cultural navigators and business counselors.

Additional recommendations come from the post survey results describing provider needs:

- Further training or classes on the following:
  - Marketing, digital media, website development
  - Organization of learning environment
  - Child behavior
  - Child development
  - Children with special needs
  - Taxes
  - Women in business
  - Digital literacy
  - Income management
- Help securing grants.

## Conclusion

Analysis of data from STEPS Year 4 demonstrates the continued efficacy of the project. During the past four years, data collection and evaluation methods have been refined to better measure the impact of the project and reflect the local context. The critical role of the cultural navigators and business counselors on the success of the program, as well as the collaboration between the International Rescue Committee (IRC), the Chicano Federation (CF), Horn of Africa (HOA), and the Center for Excellence in Early Development (CEED) at San Diego State University, cannot be overstated.



**Check:**  
 HORN OF AFRICA  
 Hodan Mohamed  
 Three Hundred Sixty Six and 30/100  
 \$366.30  
 August 28, 2023  
 Hodan Mohamed  
 PRIME BANK

**Certificate of Appreciation**  
 THIS ACKNOWLEDGES THAT  
**Hodan Mohamed**  
 HAS COMPLETED STATE CITY RIGHTS YEAR 4 PROGRAM  
 YOUR CONTRIBUTION HAS GREATLY CONTRIBUTED TO  
 THE SUCCESSFUL COMPLETION OF THE PROGRAM  
 AUGUST 28, 2023  
 PRICE  
 STATE OF FLORIDA

# Appendix A

Course Descriptions



**Core Courses: Taught in all cohorts**

Digital Literacy 101	Chromebook use including how to use the touchpad, keyboard shortcuts, locating and using settings, locating apps, email set up, sending and replying to emails.
Financial Literacy/Finances 101	Importance of business bank accounts, including how to access bank information. Review of budgeting process and key aspects of budgeting, including income and expenses.
Financial Literacy/Finances 102	Overview of the US credit system, including what is credit, why is it important, how to access a credit report, and the dos and don'ts of the credit system.
Business Management	Review of strong business practices such as SWOT analysis, use of a business plan, SMART goals, Unique Value Proposition, and Elevator Pitch – Ascent Speech.
Bookkeeping/ Accounting	Introduction to accounting practices specific to childcare providers, including designing a record-keeping system, identifying business deductions, claiming car and food expenses, and calculating percentage of time-space.
Tax Ready Business/ Federal Taxes for Small Businesses	Introduction of tax practices specific to childcare providers, further explanation of the use of an EIN number, accounting methods for tax purposes, forms needed for businesses, and how to select a paid tax preparer.
FCC Provider - Parent Contract	Introduction to the rights of childcare providers and families. Contract formation and a description of important and useful policies was reviewed.
SDQPI Quality Journey Orientation	Introduction to best practices for quality environments for child development. An explanation and the benefits of the SDQPI program is provided and participation requirements are presented.

Marketing	Introduction to essential marketing strategies and tools and the creation of a marketing plan. Applying the 4 Ps (product, price, promotion, and place). Creating and using business website and social media.
<b>Supplemental Courses: Courses taught depending on the need of the cohort</b>	
Digital Literacy 102	Set up and use of search engines, how to use bookmarks and ensuring digital security (creating strong passwords and identifying spam/phishing).
Licensing	A review of in-home childcare licensing requirements and regulations and discussion of how regulations can be put into practice, including health and safety of the children, record keeping, reporting requirements, inspections, disaster and fire safety, and rights of the children.
Orientation/ Business Plan	Introduction to STEPS program expectations and documents required for participation including the business plan and financial projection worksheet.
Child Development 101 & 102	Review of the importance of developmentally, culturally, and linguistically appropriate practices and an overview of how early childhood experiences affect lifelong health and learning.
Labor Law or Child Care Law	Review of labor law specific to family childcare businesses, including types of business entities, recruitment of employees, employee rights and the provider's obligations as employers.
Food Nutrition	Introduction to the California Child and Adult Food Program that reimburses childcare providers for serving nutritious and balanced meals to the children in their care.
Google Business Profile	Class informed providers on how to use the Google My Business platform. Providers created listings so their child care business that will stand out when customers search online.



<p>Credit Repair</p>	<p>Learn how to repair your credit and increase your credit score. The training shows providers how to assess their debts and tailor a unique strategy to eliminate them.</p>
<p>YMCA Trauma-Informed Child Care</p>	<p>Class informs providers to help them understand trauma-informed care and child traumatic stress. Reviews different types of traumas, adverse childhood experiences and the impact on the brain and children’s behavior. Key strategies are discussed to support children and lessen the effects of trauma.</p>
<p>YMCA Understanding Challenging Behavior</p>	<p>Overview of YMCA Child Care Resource Services. Discussed challenging behaviors and the difference between positive and traditional discipline. Reviewed temperament, variables that affect behavior and strategies to prevent challenging behaviors.</p>

# Appendix B

Data



CEED

## Section 1: Provider Demographic Data

<b>Gender, Ethnicity, County of Birth, Primary Language Spoken</b>	
	<b>CF</b>
Total # of Providers served	24
Gender - Female	100%
Ethnicity - Latinx	100%
Country of Birth	
Mexico	88%
USA	12.5%
Primary Language - Spanish	100%
	<b>HOA</b>
Total # of Providers served	15
Gender - Female	100%
Ethnicity - African	100%
Country of Birth	
Somalia	53%
Ethiopia	27%
Sudan	13%
USA	7%
Primary Language	
Somali	60%
Arabic	20%
Amharic	7%
Oromo/Amharic	7%
English	7%

<b>Gender, Ethnicity, County of Birth, Primary Language Spoken</b>	
	<b>IRC-Arabic</b>
Total # of Providers served	19
Gender - Female	95%
Gender - Male	5%
Ethnicity - White	100%
Country of Birth	
Iraq	95%
Syria	5%
Primary Language - Arabic	100%
	<b>IRC-Dari</b>
Total # of Providers served	20
Gender - Female	100%
Ethnicity - Asian/Afghan	100%
Country of Birth – Afghanistan	100%
Primary Language - Dari	100%

<b>Number of Years in the US &amp; Level of Education</b>	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>
Average Number of Years in the US	27.3	15	13	4.9
Highest Level of Education				
No High School Degree	38%	53%	11%	30%
High School Degree	63%	47%	89%	70%
Associate's Degree	13%	13%	42%	0%
Bachelor's Degree	17%	7%	0%	15%

## Section 2: Provider Business Demographic Data

<b>Location of Family Child Care Businesses</b>	
% of Providers Residing in Zip Code	<b>CF</b>
91910	13%
91911	42%
91913	4%
91950	4%
92154	13%
92173	25%
% of Providers Residing in Zip Code	<b>HOA</b>
91942	13%
92105	53%
92108	7%
92114	20%
92119	7%

<b>Location of Family Child Care Businesses</b>	
% of Providers Residing in Zip Code	<b>IRC-Arabic</b>
91977	5%
91978	5%
92019	16%
92020	42%
92021	26%
92071	5%
% of Providers Residing in Zip Code	<b>IRC-Dari</b>
92019	5%
92020	15%
92021	40%
92040	10%
92071	10%
92108	5%
92111	5%
92113	5%
92120	5%

<b>Summary of Provider's Business Operations Data (At Intake)</b>				
Self-Reported Data at Intake	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>
Small License (8 children)	54%	80%	89%	95%
Large License (14 children)	46%	20%	11%	5%
Average Number of Years as FCC Provider	11	4.3	4.76	1.4
Average Hours Work Per Week	74	60	60.4	40.4
% of Providers Offering Non-Traditional Hours*	50%	93%	63%	70%
% of Children Receiving Subsidy Payment	76%	100%	100%	99%
% of Providers Enrolled in CACFP	92%	7%	79%	15%

\*Nontraditional hours as 6:00 p.m. to 7:00 a.m. on weekdays and any hours on the weekend\*\* 2 providers currently do not have children.

### Section 3: Child Demographic Data

<b>Summary of Child Demographic Data</b>				
Provider-Reported Data	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>
All Children Served (Children at Intake and Children Added During Program Period)				
Total Number of Children	235	97	135	153
% of Birth to 24 Months	26%	9%	10%	19%
% of Children 2-5	40%	26%	19%	27%
% of School Age Children	35%	65%	71%	54%
% of Full Time Children	74%	60%	55%	25%
% of Part Time Children	26%	40%	45%	75%
% of Children that Receive Subsidies	78%	100%	99%	96%
Shared Characteristics Between Provider and Children				
% of Children with Shared Ethnic/Racial Heritage as Provider	94%	75%	96%	92%
% of Children with Shared Primary Language as Provider	90%	62%	89%	92%
% of Children with Shared Zip Code as Provider	47%	34%	26%	37%

## Section 4: Impact Data

<b>Average Increase in Pre-Post Assessments</b>	
<b>Training Topic</b>	<b>CF</b>
Orientation/Business Plan	13%
Digital Literacy	29%
Finances 101	2%
Finances 102	23%
Business (Believe, Practice & Growth)	12%
YMCA Trauma-Informed Child Care	11%
Marketing 101	29%
Accounting	17%
Child Care Related Law	6%
Federal Taxes for Small Businesses	17%
SDQPI	12%
Child Care Parent/Provider Contracts	10%
YMCA Understanding Challenging Behavior	14%
Digital Marketing	7%
<b>Average Increase</b>	<b>14%</b>

<b>Average Increase in Pre-Post Assessments</b>	
<b>Training Topic</b>	<b>HOA</b>
Digital Literacy	-4%
Financial Literacy 101	5%
Financial Literacy 102	23%
Business Management	29%
Marketing	17%
FCC Licensing Regulations	-5%
Child Care Parent/Provider Contracts	24%
Tax Ready Business	31%
Effective Bookkeeping Practices	32%
SDQPI	38%
Child Development	22%
Labor Law	0.2%
<b>Average Increase</b>	<b>18%</b>

<b>Average Increase in Pre-Post Assessments</b>	
<b>Training Topic</b>	<b>IRC-Arabic</b>
Digital Literacy 101 & 102	-5%
Financial Literacy 101 & 102	3%
Child Development	2%
SDQPI	11%
Child Care Parent/Provider Contracts	23%
Effective Bookkeeping Practices	15%
Business Management	24%
Google Business Profile	17%
Tax Ready Business	56%
Marketing	33%
<b>Average Increase</b>	<b>18%</b>



<b>Average Increase in Pre-Post Assessments</b>	
<b>Training Topic</b>	<b>IRC-Dari</b>
Digital Literacy 101 & 102	8%
Financial Literacy 101 & 102	7%
Business Management	5%
Marketing Smart Plan & Tootris	9%
Licensing Regulations into Practice	14%
Child Care Parent/Provider Contracts	-2%
Tax Ready Business	2%
Effective Bookkeeping Practices	15%
Labor Law	8%
Child Development	-1%
SDQPI	12%
Food Nutrition (CACFP)	24%
<b>Average Increase</b>	<b>8%</b>

<b>Enrollment by Child Age &amp; PT/FT Status</b>								
	<b>CF</b>		<b>HOA</b>		<b>IRC-Arabic</b>		<b>IRC-Dari</b>	
	Intake	EOP	Intake	EOP	Intake	EOP	Intake	EOP
Total Number of Children	146	194	78	89	110	130	111	124
PT	42	54	32	33	52	60	82	93
FT	104	140	46	56	58	70	29	31
PT Birth-24 Months	3	3	1	2	2	2	10	14
PT 2-5 Years	11	14	8	9	9	10	20	18
PT School Age	28	37	23	22	41	48	56	61
FT Birth-24 Months	27	29	4	7	5	9	5	10
FT 2-5 Years	52	80	12	15	11	16	13	12
FT School Age	25	31	30	34	42	45	7	9

<b>Summary of Provider Enrollment Data</b>	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>
Average percent increase in enrollment	33%	14%	18%	12%
% providers that increased or sustained overall enrollment	88%	87%	95%	75%
% of providers that decreased enrollment	13%	13%	5%	20%

<b>Summary of Provider Monthly Tuition Data</b>	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>
Average monthly increase in tuition	\$1,752.95	\$663.80	\$836.23	\$522.08
Average percent increase in tuition	34%	17%	20%	14%
% of providers that increased or sustained tuition income	88%	87%	89%	75%
% of providers that decreased tuition income	13%	13%	11%	20%

<b>Summary of Provider Tax Data</b>	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>
# of providers that shared their 2022 Schedule C	17	10	10	10
# of providers that shared their 2023 Schedule C	9	12	7	14
Average Change in Gross Income 2022 to 2023	\$23,310 (n=9)	\$13,967 (n=12)	\$17,269 (n=6)	\$45,370 (n=14)
Average Change in Profit Margin	7% (n=9)	5% (n=12)	-1% (n=6)	9% (n=14)

<b>Number of Providers that Incorporated New Business Practice During Project Period</b>	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>
CPR Re-certification	1			
Increase License Capacity			2	2
Business Plan	23	15	19	18
Financial Projections	24			
Business Bank Account	3	1	6	
FEIN-IRS	1			
Fictitious Business Name	1			
CACFP	2	1		
SDQPI	3	1	3	
Business Cards/Flyers/Marketing	2	8		19
Website	8			
Business Social Media Accounts	5		1	
Business Loan		1		
Homeowner				
Credit Improvement Loan				
Business Credit Card		1		
Digital Placement Service				
Timesheet Assistance		5		
Rate Sheet		9		
Provider/Family Contract		9		
Workforce Registry	1			
Change of address on business license				1

<b>Summary of Capital Funding</b>	<b>CF</b>	<b>HOA</b>	<b>IRC-Arabic</b>	<b>IRC-Dari</b>	<b>All 4 Cohorts</b>
Total Requested	\$99,000	\$86,570	\$30,000	\$75,900	\$291,470
Total Received	\$39,000	\$86,570	\$25,000	\$65,900	\$216,470

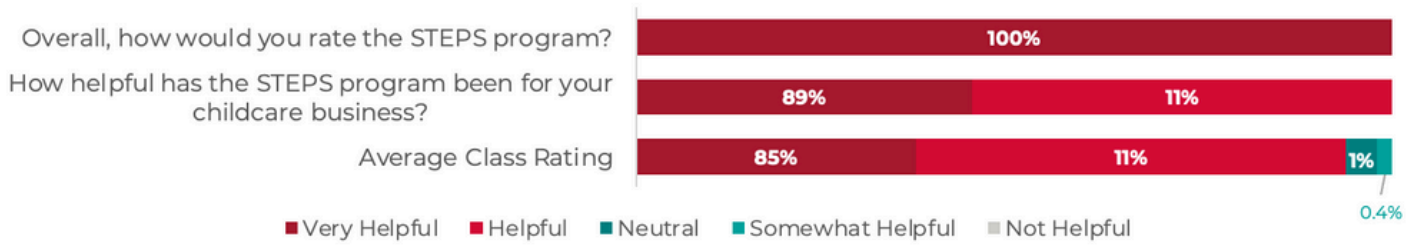
# Appendix C

Post Survey Results by Cohort

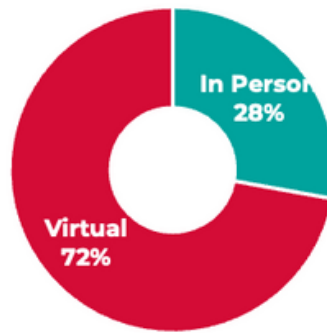


# Chicano Federation

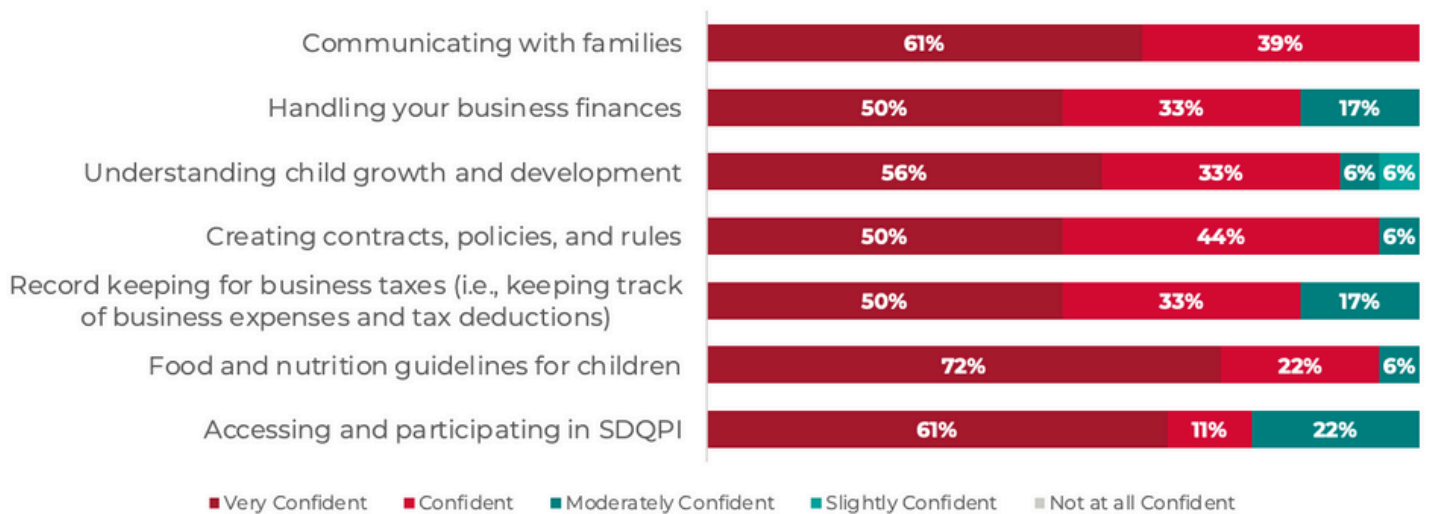
CF: Overall Ratings



CF: Class Style Preference



CF: How confident do you currently feel about the following?

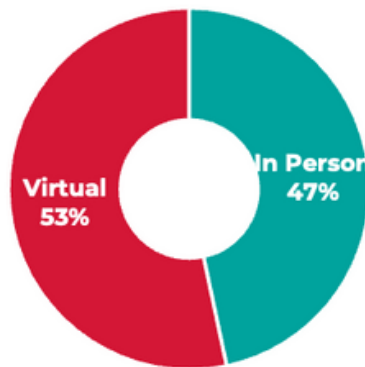


# Horn of Africa

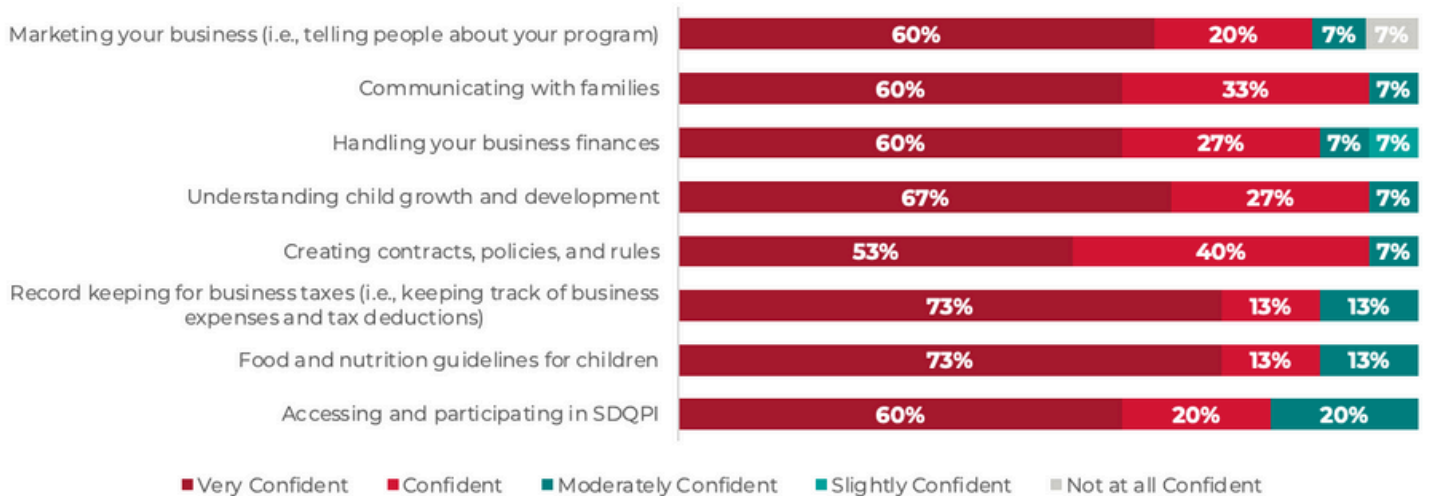
## HOA: Overall Ratings



## HOA: Class Style Preference

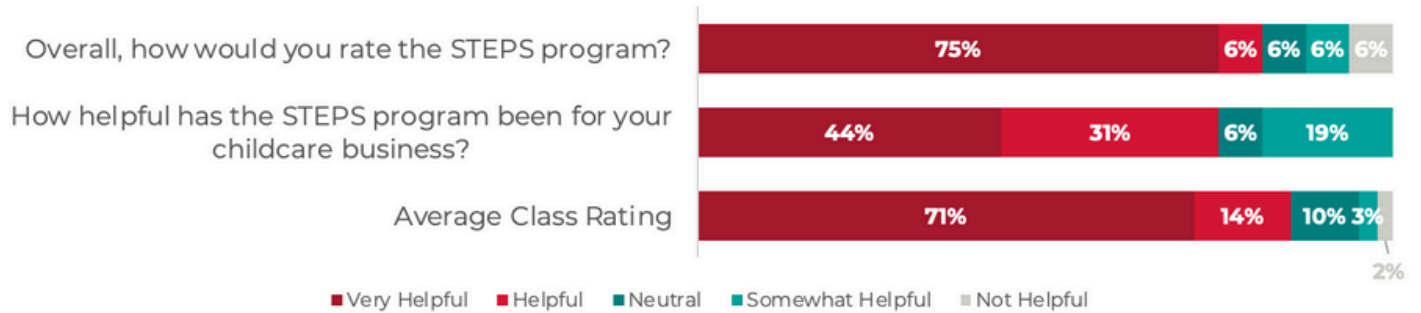


## HOA: How confident do you currently feel about the following?



# IRC-Arabic

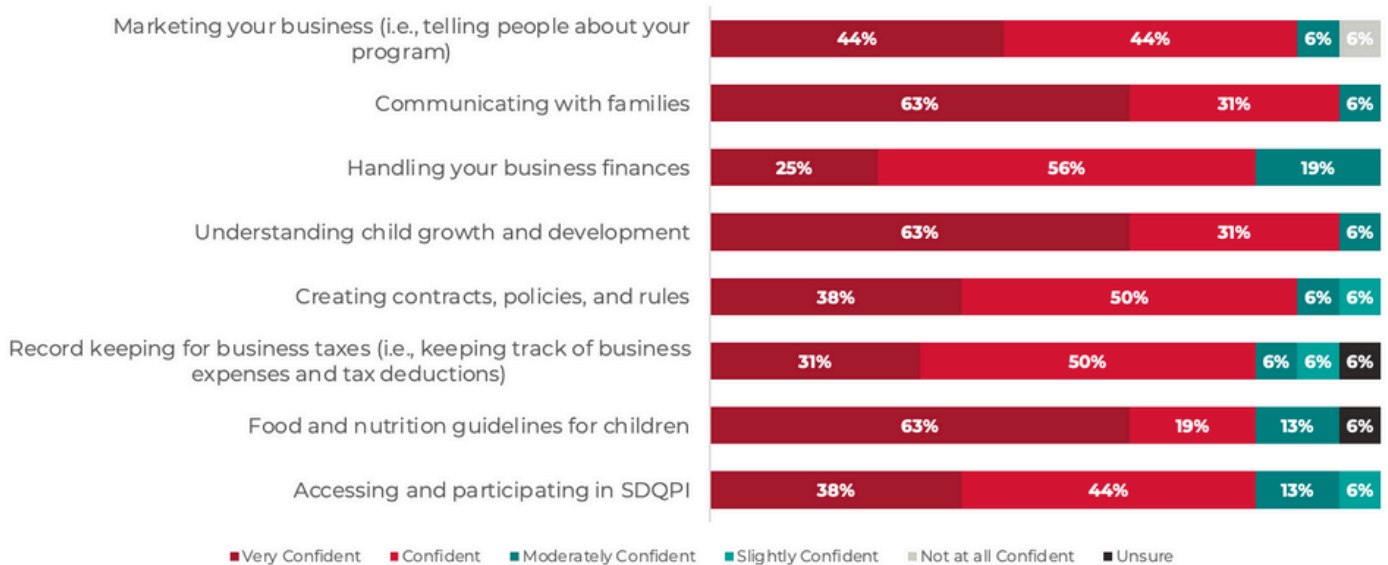
## IRC-Arabic: Overall Ratings



## IRC-Arabic: Class Style Preference

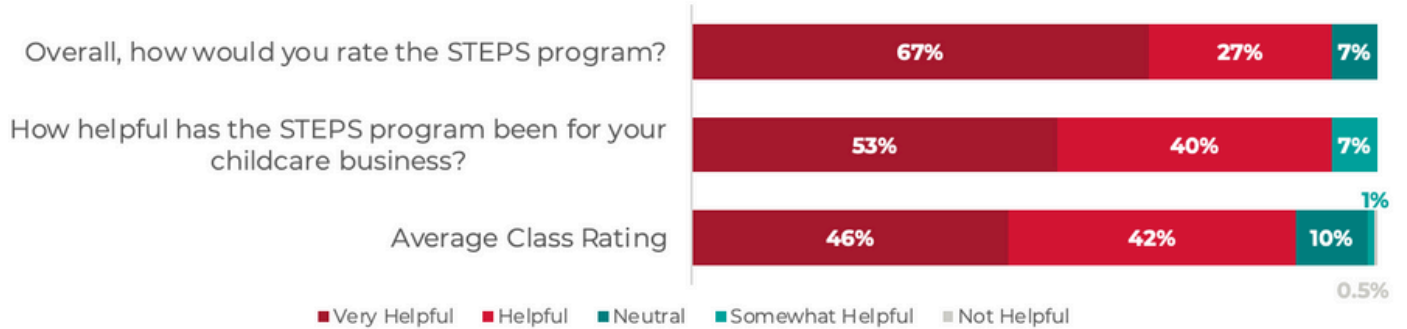


## IRC-Arabic: How confident do you currently feel about the following?



# IRC-Dari

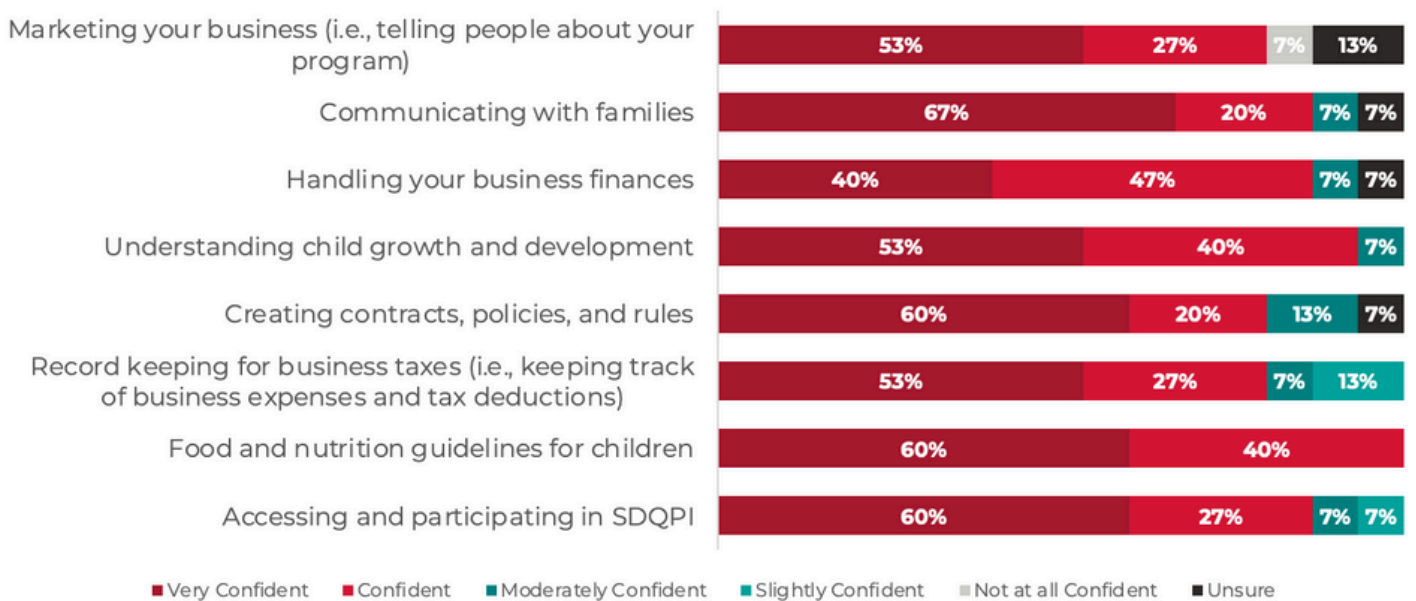
## IRC-Dari: Overall Ratings



## IRC-Dari: Class Style Preference



## IRC-Dari: How confident do you currently feel about the following?





<b>Post Survey Conclusions (All Cohorts)</b>						
Total Responses: 64	Very Helpful	Helpful	Neutral	Somewhat Helpful	Not Helpful	
How helpful has the STEPS program been for your childcare business?	61%	28%	3%	6%	0%	
Overall, how would you rate the STEPS program?	77%	17%	3%	2%	2%	
Average Class Rating	67%	24%	7%	1%	1%	
How confident do you currently feel about the following?	Very Confident	Confident	Moderately Confident	Slightly Confident	Not at all Confident	Unsure*
Marketing your business (i.e., telling people about your program)**	52%	30%	4%	0%	7%	4%
Communicating with families	63%	31%	5%	0%	0%	3%
Handling your business finances	44%	41%	12%	2%	0%	3%
Understanding child growth and development	60%	33%	6%	1%	0%	0%
Creating contracts, policies, and rules	50%	39%	8%	2%	0%	3%
Record keeping for business taxes (i.e., keeping track of business expenses and tax deductions)	52%	31%	11%	5%	0%	3%
Food and nutrition guidelines for children	67%	24%	8%	0%	0%	3%
Accessing and participating in SDQPI	55%	25%	15%	3%	0%	0%
CF & HOA survey did not include the "Unsure" response **Question was not included on the CF survey;						

<b>Chicano Federation</b>					
<b>Post Survey Results (18/24 responses)</b>	<b>Very Helpful</b>	<b>Helpful</b>	<b>Neutral</b>	<b>Somewhat Helpful</b>	<b>Not Helpful</b>
How helpful has the STEPS program been for your childcare business?	89%	11%	0%	0%	0%
Overall, how would you rate the STEPS program?	100%	0%	0%	0%	0%
<b>How would you rate the following courses:</b>					
Orientation/Business Plan	89%	11%	0%	0%	0%
Digital Literacy (Google Drive & Gmail)	67%	22%	6%	6%	0%
Finances 101	89%	11%	0%	0%	0%
Finances 102	83%	11%	0%	0%	0%
Business - Believe, Practice Grow	67%	22%	0%	0%	0%
Brain Development in Infants and Young Children	94%	6%	0%	0%	0%
Marketing 101	89%	11%	0%	0%	0%
Marketing 102 - Digital marketing?	94%	6%	0%	0%	0%
Accounting Principals and Financial Statements	89%	11%	0%	0%	0%
Legal Matters	83%	11%	0%	0%	0%
Taxes & Deductions	89%	11%	0%	0%	0%
Child Care Contracts & Policies	83%	6%	6%	0%	0%
SDQPI	89%	6%	0%	0%	0%
Trauma Informed Care	89%	11%	0%	0%	0%
Average Class Rating	85%	11%	1%	0%	0%
<b>How confident do you currently feel about the following?</b>	<b>Very Confident</b>	<b>Confident</b>	<b>Moderately Confident</b>	<b>Slightly Confident</b>	<b>Not at all Confident</b>
Communicating with families	61%	39%	0%	0%	0%
Handling your business finances	50%	33%	17%	0%	0%
Understanding child growth and development	56%	33%	6%	6%	0%
Creating contracts, policies, and rules	50%	44%	6%	0%	0%
Record keeping for business taxes (i.e., keeping track of business expenses and tax deductions)	50%	33%	17%	0%	0%
Food and nutrition guidelines for children	72%	22%	6%	0%	0%
Accessing and participating in SDQPI	61%	11%	22%	0%	0%
	<b>In Person</b>	<b>Virtual</b>			
<b>Course Delivery</b>	28%	72%			

<b>Horn of Africa</b>					
<b>Post Survey Results (15/19 responses)</b>	<b>Very Helpful</b>	<b>Helpful</b>	<b>Neutral</b>	<b>Somewhat Helpful</b>	<b>Not Helpful</b>
How helpful has the STEPS program been for your childcare business?	53%	33%	7%	0%	0%
Overall, how would you rate the STEPS program?	60%	40%	0%	0%	0%
<b>How would you rate the following courses:</b>					
Orientation	67%	33%	0%	0%	0%
Digital Literacy 101	67%	33%	0%	0%	0%
Digital Literacy 102	60%	40%	0%	0%	0%
Financial Literacy 101	73%	27%	0%	0%	0%
Financial Literacy 102	67%	33%	0%	0%	0%
Business Management - business plan and growth	60%	33%	0%	0%	0%
Marketing	67%	27%	7%	0%	0%
FCC Licensing Regulations	60%	20%	20%	0%	0%
Child Care Parent/Provider Contracts	60%	33%	0%	0%	0%
Tax Ready Business	67%	20%	13%	0%	0%
Bookkeeping	60%	33%	0%	0%	0%
SDQPI	67%	20%	13%	0%	0%
Child Development	73%	20%	7%	0%	0%
Labor Law	60%	33%	7%	0%	0%
Average Class Rating	65%	29%	5%	0%	0%
<b>How confident do you currently feel about the following?</b>	<b>Very Confident</b>	<b>Confident</b>	<b>Moderately Confident</b>	<b>Slightly Confident</b>	<b>Not at all Confident</b>
Marketing your business (i.e., telling people about your program)	60%	20%	7%	0%	7%
Communicating with families	60%	33%	7%	0%	0%
Handling your business finances	60%	27%	7%	7%	0%
Understanding child growth and development	67%	27%	7%	0%	0%
Creating contracts, policies, and rules	53%	40%	7%	0%	0%
Record keeping for business taxes (i.e., keeping track of business expenses and tax deductions)	73%	13%	13%	0%	0%
Food and nutrition guidelines for children	73%	13%	13%	0%	0%
Accessing and participating in SDQPI	60%	20%	20%	0%	0%
	<b>In Person</b>	<b>Virtual</b>			
<b>Course Delivery</b>	47%	53%			

<b>IRC-Arabic</b>						
<b>Post Survey Results (16/19 responses)</b>	<b>Very Helpful</b>	<b>Helpful</b>	<b>Neutral</b>	<b>Somewhat Helpful</b>	<b>Not Helpful</b>	
How helpful has the STEPS program been for your childcare business?	44%	31%	6%	19%	0%	
Overall, how would you rate the STEPS program?	75%	6%	6%	6%	6%	
<b>How would you rate the following courses:</b>						
Digital Literacy 101?	56%	25%	13%	0%	6%	
Digital Literacy 102?	44%	25%	25%	0%	6%	
Financial Literacy 101?	69%	6%	19%	0%	6%	
Financial Literacy 102	81%	6%	6%	6%	0%	
Child Development 101	75%	13%	6%	6%	0%	
Child Development 102	81%	6%	6%	6%	0%	
SDQPI	69%	13%	13%	0%	6%	
Contract In-Home Child Care Policy	69%	13%	13%	0%	6%	
Credit Repair	75%	13%	6%	6%	0%	
Bookkeeping	75%	13%	13%	0%	0%	
Business Management	81%	13%	6%	0%	0%	
Business Google Profile	75%	25%	0%	0%	0%	
Tax Ready Business	75%	19%	0%	6%	0%	
Marketing	75%	6%	13%	6%	0%	
Average Class Rating	71%	14%	10%	3%	2%	
<b>How confident do you currently feel about the following?</b>	<b>Very Confident</b>	<b>Confident</b>	<b>Moderately Confident</b>	<b>Slightly Confident</b>	<b>Not at all Confident</b>	<b>Unsure</b>
Marketing your business (i.e., telling people about your program)	44%	44%	6%	0%	6%	0
Communicating with families	63%	31%	6%	0%	0%	0%
Handling your business finances	25%	56%	19%	0%	0%	0%
Understanding child growth and development	63%	31%	6%	0%	0%	0%
Creating contracts, policies, and rules	38%	50%	6%	6%	0%	0%
Record keeping for business taxes (i.e., keeping track of business expenses and tax deductions)	31%	50%	6%	6%	0%	6%
Food and nutrition guidelines for children	63%	19%	13%	0%	0%	6%
Accessing and participating in SDQPI	38%	44%	13%	6%	0%	0%
	<b>In Person</b>	<b>Virtual</b>				
<b>Course Delivery</b>	50%	50%				

<b>IRC - Dari</b>						
<b>Post Survey Results (15/20 responses)</b>	<b>Very Helpful</b>	<b>Helpful</b>	<b>Neutral</b>	<b>Somewhat Helpful</b>	<b>Not Helpful</b>	
How helpful has the STEPS program been for your childcare business?	53%	40%	0%	7%	0%	
Overall, how would you rate the STEPS program?	67%	27%	7%	0%	0%	
<b>How would you rate the following courses:</b>						
Digital Literacy 101	47%	33%	20%	0%	0%	
Digital Literacy 102	40%	40%	20%	0%	0%	
Financial Literacy 101 Budget & Banking	40%	53%	7%	0%	0%	
Financial Literacy 102 Credit	47%	47%	7%	0%	0%	
Business Management, Business Practice & Growth	60%	33%	7%	0%	0%	
Marketing Smart Plan or Tootris	47%	33%	20%	0%	0%	
In-Home Child Care Licensing Regulations into Practice	40%	40%	20%	0%	0%	
Child Care Provider-Parent Contract	40%	53%	0%	7%	0%	
Tax Ready Business	47%	47%	0%	0%	7%	
Effective Bookkeeping Practices for Child Care Providers	47%	40%	13%	0%	0%	
Labor Law	40%	47%	13%	0%	0%	
Child Development	53%	33%	7%	7%	0%	
SDQPI	53%	40%	7%	0%	0%	
Food Nutrition	47%	47%	7%	0%	0%	
Average Class Rating	46%	42%	10%	1%	0%	
<b>How confident do you currently feel about the following?</b>	<b>Very Confident</b>	<b>Confident</b>	<b>Moderately Confident</b>	<b>Slightly Confident</b>	<b>Not at all Confident</b>	<b>Unsure</b>
Marketing your business (i.e., telling people about your program)	53%	27%	0%	0%	7%	13%
Communicating with families	67%	20%	7%	0%	0%	7%
Handling your business finances	40%	47%	7%	0%	0%	7%
Understanding child growth and development	53%	40%	7%	0%	0%	0%
Creating contracts, policies, and rules	60%	20%	13%	0%	0%	7%
Record keeping for business taxes (i.e., keeping track of business expenses and tax deductions)	53%	27%	7%	13%	0%	0%
Food and nutrition guidelines for children	60%	40%	0%	0%	0%	0%
Accessing and participating in SDQPI	60%	27%	7%	7%	0%	0%
	<b>In Person</b>	<b>Virtual</b>				
<b>Prefer In-person</b>	20%	80%				

# Appendix D

Testimonials



<b>Chicano Federation</b>	
<b>Provider</b>	<b>Testimony (at graduation from training series)</b>
<b>LG</b>	I am very thankful to all the people that organized the program and help that you have given us. It has helped us reset out business. With all the things we learned in the classes, it helped us realized that we needed to do a reset to our childcare, and make changes, positive changes. Thank you so much for all the efforts you put towards us.
<b>MOL</b>	I would like to thank all the instructors. I learned a lot from all of them. God may repay you all you did for us. In the two years, I have been a childcare provider, no one has ever invited me to participate in something like this, I know I made the right decision to be part of the program. Made great connections with my classmates that some of them I only know on zoom, I feel we connected, I will always have them in my heart. Thank you, Norma and Sandra.
<b>NP</b>	These classes came to refresh our business; I am still working on my marketing with Stephany. I don't have nothing but appreciation for all the hard work Norma puts in to supporting us, and the efforts to set up the classes for us, thank you and everyone that has participated and all the team and classmates.
<b>RC</b>	Thank you for all the support. Norma thank you so much for your patience, you know that it has been rough and I was ready to give up, but you lifted me up and everyone supported me, and here we are finishing up, and for all blessings, and waiting for the next set of classes.
<b>MC</b>	1st, of all thank you SM, because of her, Norma was able to invite me to the classes. I learned so much form everyone and thank you for the support that I received form the classes and the instructors. Thank you for all your help even if I had to play catch up.
<b>AC</b>	To say thanks, it seems like it is not enough, for all I have gained, sharing with my peers, and we have learned so much, and thank you to all the presenters, we learned a lot, thank you for sharing all your knowledge, and above all, it means a lot to us that you still tell us that if we have questions please feel free to ask us, for me that is so confronting, and to know that if we have questions we have someone to help us out, and to know we have someone to steer us in the right direction, that makes a little space to answer our questions, it inspires to say THANK YOU!
<b>ML</b>	I would like to thank you Norma and Sandra, for helping me learn how to be more organized, because I used to just be worried about taking care of the kids and that was it, but now I know I need to keep track of my spending and money that comes in, now I know that I need to look like a business, marketing, doing my administration, and I realized that I need to look at myself as a director and not just a worker, cause I am the owner of a business. Thank you to my peers and the team.
<b>DA</b>	Thank you so much for all the people that made this possible, organizer and the people that gave the money for this class, I am thankful.
<b>AO</b>	I want to say thank you for your patience. For all the teachings, it is not easy for us to find the programs. I was on the wait list for almost a year, waiting for this program to come to my area, but it was so worth it. We learn so much. Thank you to all, Sandra, Norma, Esther, you are so dedicated, and you have helped us learn more about us, as businesswomen. Thank you for building this group, theses connections, because I feel that we build a community. Thank you

<b>Horn of Africa</b>	
<b>Provider</b>	<b>Testimony</b>
<b>FA</b>	<p>Hello, my name is FA and the STEPS program helped me better build my childcare business by giving me and teaching me the tools and resources I would need to better grow my business. Before the program I didn't know how to get in contact or utilize my resources, I was like a deer in headlights. After the program, I was not only more knowledgeable in my field but also got to get into contact with programs like, SDQPI that will help me turn my daycare into a Headstart in the future which is my ultimate goal and future plans. In the future I would like to have a school with after school programs that really help students excel not only in their education, also career path and life experiences that would help transition them into prominent members of society.</p>
<b>HA</b>	<p>Hello, My name is HA, I am a childcare provider. I live in City Heights, and my clients are City Heights residents and surrounding area, who need childcare provider, usually who do not have a car or do not know how to drop (off). I have my own car and I do drop off and pickups. Before the program I did not know a lot of resources for childcare providers, and I was not sure who to ask for help. Since I enrolled in the STEPS program, I learned about lots of different agencies who help providers, and obtained lots of education and resource for my business. Like getting interest free loan from IRC, I did not know before. In the future I want to get a bigger house and expand my business and use the tools and education I learned from the STEPS program.</p>
<b>EH</b>	<p>My name is EH, I live in Lemon Grove, California and I am a childcare provider. My clients are any ethnicity, from the Lemon Grove, City Heights, La Mesa, and Paradise Hills. I have a car so I can pick up and drop kids. Before I became a childcare provider I was stay-at-home mom and my husband was working, and it become hard for us to live on one income. One of my friends told me if I take classes at HOA and become a childcare provider you can make extra income. I come to the community office, took the classes and became licensed. Immediately I found a family in need of childcare and after 10 years I am still working with childcare. Enrolling in the STEPS program gave me the knowledge and skills to run my business effectively. In the future I want to expand my business, to a large license and enroll more children. We bought a house end now we can host more children.</p>



<b>IRC-Arabic</b>	
<b>Provider</b>	<b>Testimony</b>
<b>IH</b>	<p>I'm IH, residing in El Cajon, California. I started my own childcare business after recognizing the need for someone to care for my four grandchildren. In the beginning, I provided childcare services and accepted cash payments. However, I made the decision to expand and establish my business officially by obtaining a childcare license in 2018.</p> <p>Thanks to the knowledge and skills I gained from the SETPS program, I've been able to navigate the childcare field effectively. Moreover, I believe creating an official Facebook page will help improve my business. It will allow me to reach more families and showcase the loving care I provide for children. Through social media, I can connect with parents and share updates, which will benefit my childcare business overall.</p>
<b>KH</b>	<p>I'm KH, living in El Cajon, California. I work as a childcare provider, and the inspiration to start my childcare business came from a close friend who is also in the same profession. This friend's encouragement, coupled with my husband's support, played a significant role in motivating me to pursue this path and establish my successful childcare business. This journey began on May 12, 2021.</p> <p>Currently, I am providing care for six children from my home country of Syria. Joining the SETPS program has been immensely beneficial as it has provided me with a wealth of valuable information about running my business, all in my native language, Arabic. Moreover, my participation in SETPS has made me eligible for the SEED grant, which will assist me in enhancing and growing my childcare business. I am deeply grateful for this opportunity.</p>
<b>RP</b>	<p>I'm RP, a childcare provider with a genuine passion for children. I have a strong educational foundation, holding an associate degree in child development. Furthermore, I bring valuable hands-on experience gained from working at (name of center) Day Care for over three years. I find great satisfaction in helping children with their homework and providing cooking services as a dedicated childcare provider. My commitment to providing a nurturing and educational environment ensures that the children in my care receive the support they need.</p> <p>Before joining STEPS, I was providing care for just one child. However, the knowledge I gained about running a childcare business the right way attracted and enabled me to care for four children. Additionally, my participation in SETPS has opened the door for me to access the SEED grant, which will be instrumental in further developing and expanding my childcare business. I genuinely appreciate this valuable opportunity.</p>
<b>WO</b>	<p>I'm WO, and I live in El Cajon. I found inspiration from my fiancé, who works as a childcare provider, which led me to envision my own childcare business. I obtained my license on November 4, 2021. I provide care to 11 children, primarily from my home country of Iraq.</p> <p>I want to express my gratitude to the IRC for their exceptional staff and services. With their assistance, through the STEPS program, I gained valuable business knowledge and received support to expand my childcare license to a larger one. I've also become eligible for the SEED grant of 5K. This opportunity is instrumental in growing my business. My goal is to open my own daycare center in the near future, and thanks to the IRC's help, I'm one step closer to achieving it.</p>

<b>IRC-Dari</b>	
<b>Provider</b>	<b>Testimony</b>
<b>ZM</b>	I am very thankful for the STEPS classes. I have learned so many things that have given me the tools for managing my childcare. This program was perfect because there were all those essential topics that we needed and should know as a provider. I am thinking of expanding my child care to the large after these classes because I feel more confident.
<b>MM</b>	I want to say thank you so much for this perfect program, before STEPS program, I was not able to run my business by myself and I always asked my husband to help me to fill out the time sheet or other paper work on my business, but now I feel confident to do all of them by myself and please let me know whenever there is more program available so I will join gladly to learn more..
<b>JSB</b>	Thank you for sharing with us information about the way we can do our childcare business, I want to thank everyone in the STEPS program. Because this program helps us to know more about our business, especially for the tax session because I know how I can be prepared for the tax season.
<b>ME</b>	Your training course was really very useful for us, including our communication with other providers, there were many positive changes in my business, things I didn't know, like information about holidays and meal plan, but now everything became clear, we had very good professors, you really worked hard and answered our questions very patiently. In the future, if you have another training course, I would like to join.
<b>ZHA</b>	I took this class for 14 weeks because of interesting and helpful material and topics I was not missing even one class as it was very helpful. I learned a lot of new things that was unclear for me. It was very beneficial. In my opinion we need more classes like that to improve our knowledge about our business. Our instructors were kind and knowledgeable and answered our questions quickly and efficiently. Thank you.

# Appendix E

## Business Practices Checklist



# Business Practices Checklist used for STEPS Year 4

FCC Business Checklist	At Intake			After Intake
	No	Yes	Needs or Wants to Update	ECBO Assistance & Date Completed
Renew/Change FCC License (i.e. small to large)				
Renew CPR Certification				
Business Plan				
Business Bank Account				
FEIN-IRS				
Fictitious Business Name				
Business License/Business Tax Certificate				
Commercial Insurance Coverage Options				
CACFP				
SDQPI				
Business Cards				
Website				
Business Facebook Account				
Business Instagram Account				
Google Business Page				
Business Loan				
Homeowner (Mortgage)				
Credit Improvement Loan				
Business Credit Card				
Digital Placement Service (i.e., Tootris)				

# Updated Business Practices Checklist for Future Cohorts

FCC Business Practices Checklist	Provider Name		
	Yes	No	N/A or Additional Notes
<b>1. Licensing and Operations</b>			
1.1 Is the provider's FCC license current and up to date?			
1.2 Are the provider's CPR and First Aid certifications current and up to date?			
1.3 Does the provider have a business plan? (within the last 5 years)			
1.4 Does the provider maintain all necessary business insurance policies (liability, home/renters, auto)?			
1.5 Does the provider have a business license or business tax certificate?			
1.6 Does the provider have policies for hiring?			
1.6.1 Does the provider offer an orientation for any new employees?			
1.6.2 Are assistants or employees paid at least minimum wage?			
1.6.3 Does the provider hold quarterly or monthly meetings with their assistant for planning purposes?			
<b>2. Continuing Education &amp; Resources</b>			
2.1 Have you attended any trainings in the last year?			
2.1.1 Trainings offered through YMCA?			
2.1.2 Trainings offered through the Union?			
2.1.3 Trainings offered through California Department of Education?			
2.2 Do you have a CDA credential?			
<b>3. Recordkeeping</b>			
3.1 Does the provider use a contract and written policies with enrolled families?			
3.1.1 Do the contracts outline clear policies for collecting fees and a policy for delinquent fees?			
3.1.2 Do the contracts outline clear policies for contract termination?			
3.2 Does the provider maintain records for each child required for licensing? (i.e. immunizations, physical)			
3.3 Does the provider have a system for tracking and storing receipts for business expenses?			
3.4 Does the provider utilize technology and automation to operate their business?			
3.5 Does the provider supply receipts for payment of tuition/fees to each family?			
3.6 Does the provider supply an end of year statement of tuition and fees to each family?			
<b>4. Financial Management</b>			
4.1 Does the provider have a business bank account exclusively for their FCC business?			
4.2 Did the provider file income taxes for their business last year?			
4.2.1 Did the provider report business use of home as an expense?			
4.3 Does the provider have an operating budget for tracking revenue and expenses?			
4.3.1 Do the provider's prices reflect the cost of care per child?			
4.4 Does the provider have outstanding payments owed for child care that are 3 months or more past due?			
4.5 Does the provider need to improve their credit score?			
4.6 Does the provider have a business credit card exclusively for their FCC business?			
<b>5. Networks and Provider Programs</b>			
5.1 Is the provider enrolled in CACFP?			
5.2 Is the provider enrolled in SDQPI?			
5.3 Is the provider a member in any FCC networks?			
5.4 Is the provider a member of the local FCC union?			
<b>6. Marketing</b>			
6.1 Does the provider utilize marketing tools for advertising? (i.e. business cards, car magnets, etc.)?			
6.2 Does the provider have a website for their FCC business?			
6.3 Does the provider have social media accounts for their FCC business?			
6.4 Does the provider track inquiries for care? (i.e. what families need)			
6.5 Does the provider update their child care program file with referral programs? If yes, how often?			
6.6 Does the provider use digital placement services?			
<b>7. Business Growth</b>			
7.1 Does the provider want to increase their licensing capacity?			
7.2 Does the provider want to maximize their capacity (i.e. maximum # of infants, toddlers, etc.)?			
7.3 Has the provider increased fees within the last 3 years? Or increased the family co-payment?			
7.4 Is the provider interested in obtaining a business loan to grow their business?			
7.5 Is the provider interested in applying for available grants?			
7.6 Is the provider interested in hiring an assistant or employee?			
<b>8.0 Communication</b>			
8.1 Does the provider use communication tools to disperse information to families? (i.e. newsletters, emails)			
8.2 Does the provider use a business software program for their FCC business to communicate with families? (i.e. CareConnect)			
8.3 Does the provider maintain a community resource binder for families to access?			

# Appendix F

## Subsidy Rates



**Effective January 1, 2022**

**Family Child Care Homes for San Diego County  
Maximum Reimbursement**

<b>Age Group</b>	<b>Full-time Daily</b>	<b>Full-time Weekly</b>	<b>Full-time Monthly</b>	<b>Part-time Hourly</b>	<b>Part-time Weekly</b>	<b>Part-time Monthly</b>
Birth to 24 Months	59.53	257.17	1,051.24	12.77	180.25	744.63
2 through 5 Years	53.44	238.94	987.78	11.94	176.64	675.65
School Age	43.87	181.19	744.18	10.30	144.73	557.11