WHITE HOUSE CONFERENCE ON CHILD CARE

October 23, 1997

POLICY DEVELOPMENT AND CONFERENCE PLANNING

THE WHITE HOUSE

WASHINGTON

September 15, 1997

MEMORANDUM FOR HILLARY RODHAM CLINTON

CC: BRUCE REED
MELANNE VERVEER
ELENA KAGAN

FROM: JENNIFER KLEIN
NICOLE RABNER

RE: CHILD CARE

As you know, over the past few months, we have been preparing for the upcoming White House Conference on Child Care on two tracks: policy development and conference planning. The purpose of this memorandum and binder is to give you an overview of our progress with the policy planning process and to solicit your advice and ideas. Also included in the binder is information for discussion on the conference format.

We have divided the policy development discussions into three broad categories -- **1) quality, 2) affordability, and 3) school-age care** -- and have led an interagency process of examining current child care policy in each of these areas and exploring ways to improve it. Our goal to date has been to identify the major policy challenges for possible focus, which this memo outlines. It is now time to begin to prioritize among the many options and make strategic decisions about where to recommend investing limited resources. Please note also that we do not anticipate announcing many of these options <u>at</u> the conference itself, as the event will take place ahead of the budget process. However, we do expect to have some important policy announcements ready for the conference, as well as a process in place to further develop others for later announcement (perhaps at the State of the Union).

1. Quality

Issues relating to quality of care are perhaps the most challenging and important that we face. As you know, studies reveal a quality crisis in child care. For instance, one study of child care centers shows that 10% of children in center-based care are in care that is dangerous to their health and safety, 70% are in care that is barely adequate, and only 20% are in high quality care. Infants are at greatest risk, with 40% in care that is dangerous to their health and safety.

While there is clear agreement that high quality care for all children is our goal, there exist underlying concerns about pursuing policy that increases the quality of care, but prices care out of the reach of working parents, as well. For that reason, the discussion of quality and affordability go hand-in-hand.

Our discussion of policy related to quality has several components:

A. Health and safety standards
B. Professional development and screening
C. Quality enhancement

A. HEALTH AND SAFETY STANDARDS

National child care standards are extremely controversial. At the same time, experts, advocates and parents seem to agree that with the clear absence of state leadership in this area, there is a role for the federal government to play. The question with which we are grappling is the nature and extent of that role. Included in this binder is a memo prepared by the Department of Maternal and Child Health at HHS that outlines various policy options and examines the advantages and disadvantages of each.

Perhaps the most promising policy option involves a set of national child care standards recently-released by HHS for states' voluntary use. The standards, called *Stepping Stones* (and included in the binder), is a reader-friendly document extrapolated from the 1992 *National Health and Safety Performance Standards: Guidelines for Out-of-Home* Care, which was developed by the American Public Health Association in cooperation with the American Academy of Pediatrics through a grant support by HHS. We could urge, for example, that states use *Stepping Stones by* offering them incentive grants if they agree to use these guidelines.

In addition to the options outlined in the memo included in the binder, we are examining immediate steps we might be able to take, along the lines of the regulation recently promulgated that requires immunizations in federally-supported child care settings.

B. PROFESSIONAL DEVELOPMENT AND SCREENING

Professional Development

Experts routinely link the quality of any child care setting to the quality of the child care providers themselves. Yet child care providers are among the lowest paid, least trained professionals, and the profession not surprisingly experiences a very high turn-over rate. We are exploring several policy options related to enhancing professional development, some of which are explored in the binder:

- Creating a national child care provider scholarship fund which could be available to states conditioned on their setting standards for child care provider preparation and/or facilitating loan forgiveness or Pell Grant expansion to assist and encourage child care professionals to seek training;

- Linking compensation to training for child care providers by requiring that states set higher reimbursement rates for providers that meet higher training standards, to address high turn-over rates and encourage providers to seek higher education; and

- Establishing a National Child Care Provider Day to stimulate national recognition of the important work of child care providers and to urge talented people to join the profession.

<u>Screening of Child Care Providers</u>

Making sure that child care providers are properly screened for criminal/abuse histories is a compelling issue; it is also one that is wrought with complications of cost, jurisdiction and effectiveness. Today, there exists no national standard for criminal (state/FBI records) and/or civil (child abuse registry) background checks for child care providers. Background checks requirements are made at the state level, and today, while state laws routinely require these checks for people who work in banks, for example, no consistent requirement exists for child care providers. While a few federal laws have been passed to either facilitate or encourage such checks, they have had little impact and substantial obstacles remain:

- No national standards exist for background checks. "Background checks" can mean either a criminal history name check, a fingerprint check, or a civil records check. Moreover, states vary widely on who they check (part-time/full-time employees) and the scope of crimes they are checking;

- There is no single database for background checks. The feds and the states have their own information systems and many criminal justice records remain decentralized at the local level. In addition, these information systems may not collect all of the relevant information relevant for day care workers (e.g., sex offender registry may identify a convicted child molester but not a child abuser); and

- The cost of background checks can be substantial. Fingerprint checks are at least three times as expensive as name checks, but are more reliable. Concerns were raised about passing these costs along to the customers, many of whom may already find child care costs prohibitive. Moreover, child care facilities have a high rate of employee turn over.

Since the Supreme Court's decision the Brady Law, there is a heightened sensitivity to imposing mandates on states in this area, particularly without providing additional funding. Our discussion on moving forward was focused on an Interstate Compact bill which the Justice Department is preparing the send to the Hill this month. Under the Compact -- which must first be passed by Congress and then by individual states -- the FBI would maintain an index of all of the state-maintained criminal history records and the ground rules for states to share their information. The Compact would be a solid first step to expand the availability of criminal history records for "non-criminal justice purposes." The downside is that each state needs to ratify the compact if they want to participate-- which could take a long time.

C. QUALITY ENHANCEMENT

Included in the binder is a memo prepared by HHS that outlines policy options specific to the question of child care quality enhancement. A range of ideas are discussed, including:

- Creating a quality incentive fund that would be available to states for quality improvements in a number of areas, such as promoting accreditation, providing consumer education, providing professional training, meeting standards, etc.;

- Establishing a family child care network support fund that would be available to states to establish and support family child care networks. Family child care settings are particularly vulnerable to poor quality, because of their isolation from any support networks; and

- Creating a national public awareness campaign, stimulating technology and establishing a research fund designed to improve consumer awareness and care.

2. Affordability

The federal government has two mechanisms for helping working parents afford child care -- the tax system, through the Dependent Care Tax Credit (DCTC) and the block-grant subsidy system, through the Child Care and Development Block Grant (CCDBG). We are exploring ways to expand and improve each to reach more working parents. Included in the binder are memos that examine the two systems and outline possible approaches to reform. We are waiting for HHS and the Department of Treasury to complete its analysis of how these two systems interact -- what income levels are being adequately covered and who is being left out -- before we devise specific recommendations in this area. To date, the most promising policy proposals are:

- Reforming DCTC to adjust the income slide parameters for eligibility and increasing the amount of qualifying expenses (neither has not been adjusted for inflation since 1982); and

- Increasing subsidy dollars to states to reach more people, possibly conditioned on certain quality-related initiatives undertaken by the states.

3. School Age Care

In our many focus groups with experts and advocates on child care, one message was very clear -- the need for after-school programs is extreme and the evidence has never been more clear that these programs are good investments, in terms of education enhancement, crime reduction and teen pregnancy prevention. The Department of Education is in the process of completing its proposal for an ambitious expansion of federal support for after-school programs. Included in this binder is a overview of current federal programs in this area and some of the compelling supporting evidence.

THE WHITE HOUSE

WASHINGTON

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QUALITY

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Divider Title: A

WHITE HOUSE CHILD CARE GROUP
On
QUALITY ISSUES

Health and Safety Standards/ Health Promotion and Child Development Issues.

Background

Studies indicate that there are serious problems with the quality of child care. A study of child care centers found that 10% of children are in care that is dangerous to their health and safety, 70% are in care that is barely adequate, and only 20% are in high quality care. Infants are at greatest risk, with 40% in care that is a danger to their healthy and safety (Heilburn,et al., 1995). A study of family child care found that 35% of children were in poor quality care, 56% adequate care, and only 9% in high quality care; and children from low income families were in substantially lower quality care (Galinsky, et al., 1994).

Such studies present compelling evidence to address quality in child care in the context of "freedom from harm, specifically, physical and developmental harm" through a spectrum of possible examples, as follows:

OPTIONS TO PROMOTE HEALTH AND SAFETY IN CHILD CARE SETTINGS

1. Create a set of standards on child health and safety, health promotion and child development to be promulgated by Federal regulation

Advantages
A set of standards, developed by the experts in this field, already exists in the form of *Caring for Our Children.* The standards are a tangible step to improve child care that would be directly attributed to the Administration. Responds to the media criticism of the weakness of State regulations. Standards represent direct evidence of the Administration's commitment to children and families.

Disadvantages
There is no certain mechanism to promulgate such standards. According to Office of General Counsel, Title V (MCH) has no such authority. The Child Care Bureau's legislation apparently has some authority but initial efforts to include health and safety issues were only minimally successful. Head Start has health and safety performance standards but addresses a restricted population as does the Department of Defense. This option appears contrary to the Administration's federalism approach. Presently, most States have a problem with monitoring resources and would have difficulty, without additional resources, to carry out this task.

1A. Focus the promulgated standards on freedom from harm (the *Stepping Stones* document)

Advantages
In addition to those cited for 1. Above, content is already available and has been reviewed by experts in the field. Focus is on what will keep children safe, can emphasize the intent to avoid human tragedy. Responds to the media criticism of the weakness of State regulations. Can be contrasted with *Caring for Our Children* in terms of burden to providers.

Disadvantages
Same as 1.

2. Require all Child Care providers, including Family Child Care providers, to demonstrate competency in First Aid and CPR, Nutrition, Environmental Health and Safety, and managing the developmental and emotional needs of at-risk children.

Advantages
Educational requirements are much more likely than the existence of health and safety standards to have a tangible impact at the provider level, where behavior actually counts. Would raise the general knowledge level of child care providers and increase the quality of developmental care as well as health and safety. Would provide a more solid base for advancement of child care workers. Educational system could assist in monitoring compliance. Need to look at the Head Start experience with the Child Development Associate degree program.

Disadvantages
Requires a significant amount of new fiscal resources. Would take time to develop and implement curriculum on a broad scale. Uncertain whether this would be politically feasible. Could increase the cost of child care for families needing the service.

2A. Require all child care providers to have a Child Development Associate degree.

Advantages
Can build on the experience of the Head Start program. Curricula already developed. Some educational resources already in place. Has the advantage of the Head Start name for which there seems to be much political good will. Positive attributes somewhat similar to the argument for using EPSDT as the benefits package for child health insurance. See also 2.

Disadvantages
As with EPSDT, concern about cost and ability to monitor such a requirement without requiring all child care to be regulated. See also 2.

3. Expand the health and safety requirements of the Child Care Block Grant.

Advantages
There exists some legislative language and precedent for this type of approach. There is an opportunity to direct the 4% quality set aside toward promulgation of these requirements.

Would have a substantial audience of providers and customers, especially those in socioeconomic need.

Disadvantages
Difficulty with which even minimal requirements were included in the present Block Grant regulations. Would not necessarily have any impact on those programs not receiving Block Grant funding. Federal influence likely to be challenged by States.

3A. Adopt the three health and safety requirements (infection control including immunizations, building and premises safety and health and safety training) of the Child Care and Development Fund as Federal Regulations.

Advantages
More incremental than *Stepping Stones* so perhaps less opposition. Same as 3 above.

Disadvantages
Same as 3 above.

4. Require all Child Care programs in Federal facilities to adhere to the *Stepping Stones* document and challenge Governors to match the Federal position.

Advantages
Demonstrates the Administration's commitment. Immediately creates a *de facto* Federal standard without having to go through the process. Sets up a comparison between the Administration and any given State. Would allow the Administration to create a report card on State efforts.

Disadvantages
To some extent the President did this when he cited the Defense Department for its efforts in child care at the *Brain* conference. Taken alone is not likely to have the desired impact. Would need to have a monitoring and visible ongoing reporting effort. Center-based model only- comparison's could not be made with family child care homes.

5. Promote States'Adoption of "Stepping Stones "through a set of incentives and a challenge to Governors to adopt these standards as benchmarks.
To facilitate this:

- State standards can be coded by the States so that an annual "Report Card" of state progress in adopting "Stepping Stones" can be developed.

- A cost/ impact analysis on the standards in "Stepping Stones" can further promote their use.

- Financial incentives can be offered to adopt and implement "Stepping Stones" as well as promote the Healthy Child Care America Campaign (possibly through the Child Care and Development Fund's four percent quality dollars or the tobacco tax) .

- A National Coalition of Stakeholders in Child Care could be established to move this process along .

Advantages
Establishes an on-going system to view each state's baseline standards and annual progress. The Administration can use this information to challenge states to improve, using the "bully pulpit" approach. States might respond to this approch if they know the cost of implementing such standards up-front and they are offered financial incentives to implemnt them.

Disadvantages
State " Report cards" carry a certain amount of political risk. Targeted funds for this activity would have to be assured. Implementing some key standards might appear to be costly, e.g., safe playground facilities, unless resources are identified .

6. Create a National Support Network for Child Care Providers
This Network could include, for example :

- Child Care Health Consultants to communities (child care providers and resource and referral agencies) to train child care providers and parents and provide telephone and on-site health consultation services .

- A National Hotline (linked to state health and child care hotlines) for health and safety information (Healthy Start model) .

- Community-based Child Care Health and Safety Training and Technical Assistance Centers which are responsive to the needs of parents and child care providers.

- National Media Campaign which advertises the hot line, and includes television - based training activities for child care providers and parents around health and safety.

Advantages
States with excellent health and safety standards often cannot assure adequate monitoring. Assuring that standards are implemented is best done through consultation and support targeted to child care providers themselves.

Disadvantages
Although more of a challenge than disadvantage, strong state committment to partner in

this effort will be needed.

7. Create a National Support Network For Parents
This could include, for example, the activities in #6 plus:

- A National Hotline (linked to state resource and referral hotlines) to respond to parents' concerns regarding health and safety in child care.

Advantages
Parents as consumers need to know what constitutes good quality in the child care services they purchase. They in turn become advocates and supporters of better state standards.

Disadvantages
Same as #6.

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Divider Title: **B**

Professional Development Policy Options

Create a national provider scholarship fund.

Funds would be available to states to provide education scholarships to family child care and center-based providers. In order to access the scholarship funds, States would have to agree to set standards for child care provider preparation, encourage the licensure of providers, and provide wage increases or bonuses upon completion of an agreed-upon number of course hours or upon attainment of credentials

Advantages:

- o Through training, bonuses and wage increases, the State can assure a more qualified and stable provider workforce, thereby improving both the quality and continuity of care available to working families.

- o States would have the flexibility to design scholarships to meet the needs and circumstances of individual provider and to target training through family child care networks or to center-based providers.

- o By building a skilled provider workforce, child care quality could be improved without significantly increasing parent fees and without reducing States' flexibility to design their child care program.

Disadvantages:

- o States may be reluctant to take on the development o provider preparation standards without significant resources.

- o While we know that skilled child care providers are the cornerstone to quality, this option alone will not help ensure other mechanisms to improve quality.

Require that States provide higher reimbursement rates for providers that meet some training standard set by the State

Advantages

- o Higher reimbursement rates would reward more highly qualified providers with increased wages and provide an incentive for all providers to seek appropriate training.

- o Staff turnover may be reduced as a result of higher wages.

Disadvantages

- o CCDBG funding is limited. If states are required to pay higher rates, states would serve fewer children.

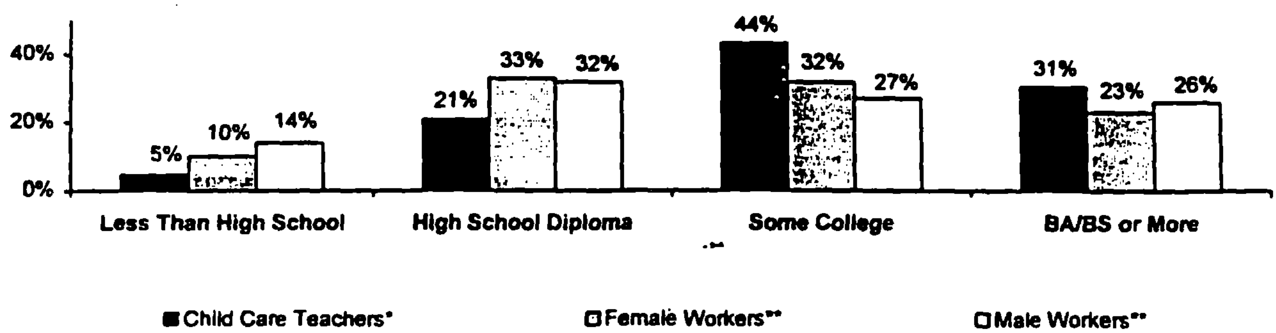
PROFILE: The Child Care Work Force[i]

There are an estimated three million child care teachers, assistants, and family child care providers in the United States. They care for 10 million children each day.

97% of all teaching staff are female
33% of all teaching staff are women of color
41% of all teaching staff have children
10% of all teaching staff are single parents

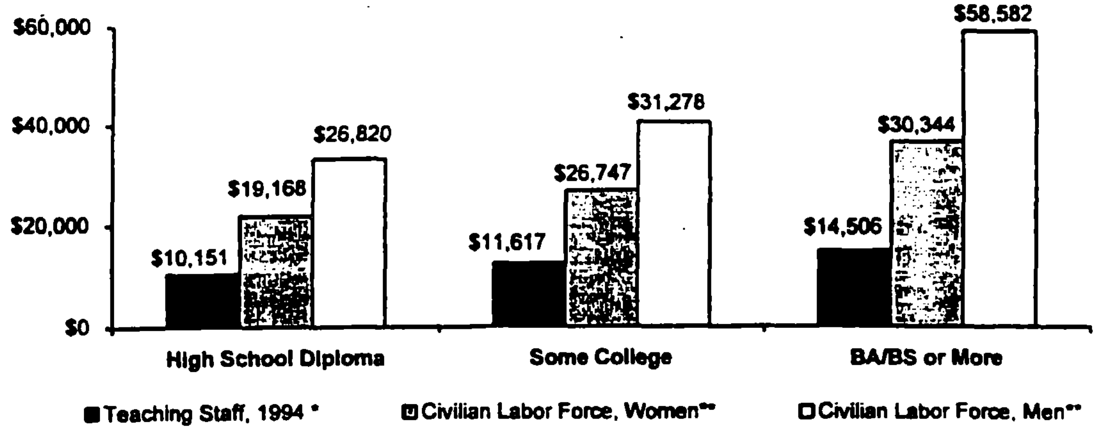
- Child care teaching staff earn on average $6.89 per hour or $12,058 per year (based on a 35 hour/50 week year).[ii] Only 18% of child care centers offer health coverage to teaching staff.
- Although they earn substantially lower wages, child care teachers are better educated than the general population.
- Male workers in the U.S. earn on average $33,971 annually, almost three times more than child care staff. Female workers in the U.S. earn on average nearly 50% more, $19,781, than child care teaching staff.[iii]
- One-third of all child care teachers leave their centers each year.

Education of Child Care Teaching Staff Versus All Workers



* *National Child Care Staffing Study.*
** *Current Population Surveys*, 1995, Bureau of Labor Statistics, US Dept. Of Labor.

Annual Wages of Child Care Teaching Staff Versus All Workers



* *National Child Care Staffing Study*. Wages in 1996 dollars.
** *Current Population Surveys*, Bureau of Labor Statistics, US Dept. Of Labor. Wages in 1996 dollars.

How child care center teachers tell us they support themselves and their families on their wages:

- They hold second jobs.
- They live with their parents.
- They depend on a second income.
- They forego health insurance and medical care.

When child care center teachers can't live on low wages any longer, they leave their jobs thus jeopardizing the quality of care for millions of children each year.

- Family child care providers who care for and educate young children in their homes also have very low earnings. Providers earn $9,528 annually after expenses.[iv] Unregulated providers, who care for fewer children and are offered fewer supports, earned just $5,132 after expenses.

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i Unless otherwise indicated, data presented are in 1996 dollars, based on the 1996 Average Consumer Price Index.

ii *Cost, Quality and Child Outcomes in Child Care Centers, Technical Report* (1995). University of Colorado at Denver, Department of Economics. Salary data in 1993 dollars.

iii U.S. Department of Labor, Bureau of Labor Statistics. Earnings in 1996 dollars.

iv *The Economics of Family Child Care Study*, forthcoming. Wheelock College. Earnings in 1996 dollars.

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CRIMINAL HISTORY BACKGROUND CHECKS
MAJOR ISSUES

- No national standards
  - Federal requirement versus States' requirements
    - Federal -- criminal records and fingerprint check
    - States – criminal and civil records and finger print check
      criminal records and finger print check
      criminal records and civil records check
      criminal records check
  - No standardized definitions for States
    - Applicability -- who needs/should have a background check
      - Full- or part-time employees, volunteers or contractors
      - Status – owners, care providers, administrative staff
    - Content -- what does a background check consist of
      - Information related to child abuse
      - Information related to other crimes

- No single repository of information for background checks
  - Decentralized criminal justice records (local law enforcement/courts)
  - Decentralized child protective services records
  - Gaps in all systems

MAJOR ISSUES (continued)

- **Numerous information systems have different purposes and content**
  - **Criminal record and sex offender systems assist law enforcement in tracking crimes and criminals**
  - **Central child abuse registries assist social service agencies in protecting children**

- **Current laws have limited impact**
  - **Crime Control Act of 1990, as amended, requires fingerprint checks for workers in Federally operated/contracted child care facilities**
  - **National Child Protection Act of 1993, as amended, authorized national checks only if State law required such a national check through a State-designated agency**
    - **Not all States require screening for people who work with children**
    - **Screening requirements vary among States that require it (some do not require background checks)**

- **Cost considerations**
  - **Automating information systems**
  - **Linking State and Federal information systems within and across jurisdictions**
  - **Processing charges for record and fingerprint checks**

MAJOR ISSUES (continued)

- Right to employment and privacy considerations
  - Accuracy of information
  - Completeness of information
  - Retention period of information
  - Misuse of information
- Background checks are only one element of screening for potential employees and volunteers

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Divider Title: C

OPTIONS TO IMPROVE THE QUALITY OF CHILD CARE

Recent research has documented that quality child care plays a critical role in assuring the well being of our nation's children and families. Quality care protects children from harm; it promotes children's development, school readiness and academic achievement and it meets parents' needs for reliable care that fits their work schedule.

Despite a growing awareness of the importance of child care quality, a number of studies have emerged over the past decade that raise concerns about child care quality. From the National Child Care Staffing Study released in 1989 to the more recent Cost and Quality Study, we know that the quality of child care for most children remains far from adequate.

Four percent of federal dollars are set aside to address quality, however, there continues to be a need for training, consumer services and other improvements.

In addition to the options described in the earlier paper on promoting health and safety in child care settings, the following options suggest a multi-pronged approach to improving access to quality care. **Each of these options, alone or in combination, could also be tied to the health and safety options.**

1. Create A Quality Incentive Fund

Funds would be available to States to provide community grants to establish family child care networks, promote accreditation, provide consumer education, provide training, meet standards, promote health and parent education in child care and improve access and affordability. Communities would select priorities based on local need. **States would be required to assure that their child care standards incorporate those key protections for children's health and safety outlined in "Stepping Stones".**

Participating communities would be required to form local partnerships to leverage resources and develop strategies to address the child care needs of working families in the community.

Advantages:

- o Funding can be used as an incentive for States to incorporate key standards.
- o Communities would tailor services to their specific needs and serve as laboratories for innovative practices.

- o Community needs assessments and planning will help States target their child care services appropriately, i.e., for family child care or infant care.

- o Would bring together critical partnerships at the community level, stimulating local public/private investments and facilitating linkages with state programs.

Disadvantages:

- o Flexibility of approach could make it difficult to evaluate across programs.

2. **<u>Create a family child care network support fund.</u>**

Funds would be available to States to establish and support family child care networks. With more than 2 million family child care providers in the U.S. caring for millions of young children, family child care is woven into the fabric of every community. Family child care provides care in small group settings in close proximity to the child's home. Small group size enables providers to include very young children and children with special needs, and to interact more closely with parents. The flexibility of family child care can also respond to the child care needs of parents working non-traditional hours. Family child care networks provide a formal network of support to help build and expand child care capacity in communities.

Advantages:

- o Networks provide a mechanism for screening, recruiting and training providers within a community and assist providers in meeting any licensing or health and safety requirements.

- o Networks provide contact and professional support to caregivers who are otherwise very isolated.

- o Networks can provide a realistic assessment of the child care needs and resources in the community and can improve the quality and continuity of care across the network through technical assistance, monitoring, and other supports such as equipment purchasing plans, alternate care arrangements when the provider is ill, and access to child care food programs.

- o Networks can help provide outreach to families and organize parent activities to ensure both parent involvement and consumer education.

Disadvantages:

- o Focuses investment on supports to a specific category of provider while other providers may also need similar supports.

. Create a national public awareness campaign, stimulate technology and establish a research fund

Funds would be available to:

Establish a consumer hotline for parents that would connect with local resource and referral agencies.

Launch a public awareness campaign for parents on choosing and monitoring quality care and parent involvement.

Establish a National Center for Child Care Statistics

Support research and demonstrations on child care issues that could benefit other communities.

Develop new technologies for long-distance training of child care providers.

Advantages:

- o Would provide critical consumer supports to help parents make informed child care decisions in the best interest of their children.

- o Would stimulate and maximize the use of technology to improve the quality of care available.

- o Would build capacity within the child care system to identify and address the needs of working families.

Disadvantages:

- o Specifies a narrowly defined range of activities.

- o Provides no additional funds to the states.

AFFORDABILITY

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Divider Title: **D**

VERY PRELIMINARY OPTIONS TO MODIFY CHILD AND DEPENDENT CARE TAX CREDIT

Current Law

Child and Dependent Care Tax Credit -- A taxpayer who incurs expenses for the care of a qualifying individual -- a dependent child under 13 or an incapacitated adult dependent or spouse -- in order to work is eligible for a nonrefundable tax credit. Taxpayers with adjusted gross income of $10,000 or less are allowed a credit equal to 30 percent of eligible employment-related expenses. For taxpayers with adjusted gross incomes of $10,000 to $28,000, the credit rate is reduced by one percentage point for each $2,000 or fraction thereof above $10,000. The credit is limited to 20 percent of employment-related child and dependent care expenses for taxpayers with adjusted gross incomes above $28,000. Employment-related expenses are limited to $2,400 for one qualifying individual and $4,800 for two or more qualifying individuals. The maximum value of the credit ranges from $480 to $720 for a taxpayer with one child and $960 to $1,440 for a taxpayer with two or more children. (The dollar amounts are not indexed.)

To qualify for the credit, a taxpayer must provide over half the costs of maintaining the household in which the taxpayer and the qualifying individual reside. In order to qualify for a dependency exemption and thus the credit, the taxpayer must also provide over half the support of the qualifying individuals. The taxpayer may not count public assistance (e.g., TANF benefits) as counting toward his or her contribution for the support of the dependent or the maintenance of the household.

Exclusion for Employer Provided Contributions for Child and Dependent Care -- Employers are allowed to exclude the provision of child and dependent care benefits from employees' taxable income and social security earnings. Child and dependent care assistance is defined as an employer's payment of, or provision for, the employment-related dependent care expenses of its employees and includes employer contributions through cafeteria plans. The exclusion is limited to $5,000 of child care expenses and does not vary with the number of qualifying dependents. The amount of the expenses eligible for the child and dependent care credit is reduced dollar for dollar by the amount of expenses excludable from that taxpayer's income under the child and dependent care exclusion. The benefit of the exclusion to the taxpayer depends on both the amount of qualifying expenses and his or her income and payroll tax rate.

Description of Options

Option 1

Taxpayers generally would no longer be required to provide over half the costs of maintaining the home in which the taxpayer and the qualifying child reside to claim the child and dependent care tax credit. They would still be required to demonstrate that they reside in the same household as the child. A married taxpayer who files a separate return would still have to meet the current law household maintenance test in order to qualify for the credit. (This option was included in the Treasury Department's "Tax Simplification Proposals," released in April, 1997.)

Option 2

Beginning in 1998, the credit rate would be 30 percent of qualifying child care expenses for taxpayers with adjusted gross income of $17,000 or less. For taxpayers with adjusted gross income between $17,000 and $44,000, the credit rate would be reduced by one percentage point for each $3,000 or fraction thereof above $17,000. The credit rate would be limited to 20 percent of employment-related child and dependent care expenses for taxpayers with adjusted gross incomes above $44,000. The amount of qualifying child and dependent care expenses would be increased from $2,400 to $2,500 for one child and from $4,800 to $5,000 for two or more children. Both the beginning point of the phase-down range and the maximum amount of qualifying child and dependent care expenses would be indexed in subsequent years.

Option 3

Option 2 with the following modification. Taxpayers could claim up to $4,000 of child care expenses with respect to a qualifying child under the age of six ($8,000 if they have two or more qualifying children under the age of six). The maximum amount for qualifying child care expenses for preschool children would be indexed in subsequent years.

Option 4

The child and dependent care tax credit would be made refundable beginning in 1998. However, the credit rate and the amount of allowable expenses would not be changed.

Option 5

The credit rate, applicable to qualifying child and dependent care expenses, would be increased to 30 percent for all eligible taxpayers. In addition, qualifying child care expenditures would be increased to $2,500 for one child and $5,000 for two or more children.

Very Preliminary Revenue Estimates

	FY 1999 to FY 2003
Option 1:	-$300 million
Option 2:	-$2.5 billion
Option 3:	-$4 billion
Option 4:	-$4.5 billion
Option 5:	-$6 billion

Effects of Options

Option 1 -- Treasury Simplification Proposal (Released April 1997)

- A working parent could be eligible for the credit for child care expenses, even if he or she resided in their parents' home. The child and dependent care tax credit is an adjustment for employment-related child care expenses and should not also be based on a taxpayer's ability to maintain a home.

- Under this proposal, taxpayers would no longer need to demonstrate that they maintained a household in order to claim the child and dependent care tax credit. As a consequence, a single parent or married couple, who reside in another taxpayer's home, would be able to claim these tax benefits if they incur child care costs in order to work. In combination with a Treasury proposal to simplify dependency definitions (also included in the April 1997 package), some welfare recipients would also be able to claim the credit if they worked.

- Under current law, single taxpayers are required to meet two separate household maintenance tests for head of household filing status and for the child and dependent care tax credit. Married couples are generally not required to meet a household maintenance test, except to claim the child and dependent care tax credit. By eliminating the household maintenance test for the child and dependent care tax credit, the proposal would reduce record-keeping for both single and married workers with children.

- The proposal eliminates 6 lines from the instructions to the form 2441 and about half a page (or 81 lines) from publication 503 (Child and Dependent Care Expenses).

- Single working parents, who cannot afford to live on their own and who may be making the transition from welfare to work, would be the primary beneficiaries of the proposal.

Options 2 and 3 -- Increase Child and Dependent Care Tax Credit Dollar Parameters

Pros:

- The child and dependent care tax credit parameters have not been adjusted for inflation since 1982. As a result, very few taxpayers are eligible for the maximum credit rate of 30 percent.

- About half of those claiming the child and dependent care credit have expenses above the maximum limits and would benefit if the maximum amount of qualifying expenses was increased above $2,400 ($4,800 for two children).

- Increasing the amount of qualifying expenses to $4,000 for parents with preschoolers would adjust the limitation for inflation since 1982 and provide parents with a reasonable adjustment for the costs of child care provided through centers. According to HHS, child care provided through centers costs about $3,700 in 1996.

- Option 2 targets assistance to lower and moderate-income families, who would benefit from an increase in the credit rate.

- By increasing the credit rate for families with incomes below $44,000, this option particularly benefits single parents. Single parents may face special problems finding child care, because they may not be able to share child care responsibilities with the noncustodial parent.

  -- In 1994, over 90 percent of single parents claiming the child and dependent care tax credit had adjusted gross income under $50,000. In contrast, about 46 percent of married couples claiming the child and dependent care tax credit had adjusted gross income under $50,000.

- The welfare reform act increases mandatory spending on child care for very low-income families. An expanded child and dependent care tax credit will assist those families who no longer qualify for block grant funds (the near-poor, in particular), because their incomes have increased as they gain work experience.

Cons:

- Families need funds for child care assistance in "real time." But most recipients will not be able to obtain the credit until they file a tax return at the end of the year, long after the child care bills have come due.

- The IRS will generally be unable to verify child care expenditures prior to the payment of the credit to the taxpayer, but will not find it cost-effective to recapture erroneous payments to taxpayers. A social service office may be better able to check the authenticity of child care expenditures.

- Given the costs of quality child care, low-income workers are more likely than higher-income taxpayers to rely on informal (non-cash) child care arrangements. A small tax credit is not likely to change low-income mothers' reliance on their relatives and friends to care for their children in their absence.

- Raising the credit rate only for taxpayers with incomes below $44,000 may be viewed as an increase in the marriage penalty.

Option 4 -- Make Child and Dependent Care Tax Credit Refundable

Pros:

- Making the credit refundable will increase the share of federally-assisted child care benefits accruing to low-income families, particularly those with income below the poverty level.

- Among working mothers who pay for child care, low-income working mothers typically spend a greater share of their income for child care than those with higher incomes. In 1991, working mothers with child care expenditures and income below the poverty level spent 27 percent of their family income on child, while those with higher income spent 7 percent.

Cons:

- Families need funds for child care assistance in "real time." But most recipients will not be able to obtain the credit until they file a tax return at the end of the year, long after the child care bills have come due. Low-income families may find it difficult (if not impossible) to rearrange their finances or borrow against the receipt of a tax credit at the end of the year.

  -- To address this concern, advance payments of the credit could be made available, but experience with the EITC suggest that most taxpayers will not take advantage of this option. Eligibility for advance payments may be difficult to verify, unless a government office or employer is required to monitor claims.

- The IRS cannot verify child care expenditures prior to the payment of the credit to the taxpayer, but will not find it cost-effective to recapture erroneous payments to lower-income taxpayers with small tax liabilities. A social service office may be better able to check the authenticity of child care expenditures prior to paying out a voucher.

- Efforts to create new refundable credits have led to intensified scrutiny of the EITC and its compliance problems. The EITC provides a credit of $3,656 to families with two or more qualifying children with incomes between $9,140 and $11,930. The credit for families with one child and income between $6,500 and $11,930 is $2,210. The credit has been sharply attacked by Congressional critics in recent years (and will be attacked again this fall).

  -- In the income range where making the child credit refundable matters, the EITC exceeds substantially the sum of income and payroll taxes. Hence, critics of a refundable child credit will be quick to label these payments "welfare" and vigorously fight this proposal.

Option 5 -- Increase Maximum Credit Rate to 30 Percent

Pros:

- A uniform credit rate for the child and dependent care tax credit would reduce some of the marriage penalties in the tax code.

- The current tax treatment of child and dependent care expenses creates some inequities among taxpayers and adds complexity in the tax code. A higher, uniform rate for the child and dependent care tax credit may reduce these inequities and simplify tax administration.

  -- Under current law, the exclusion is applicable to both income and payroll taxes. Many families may fare better with the exclusion than under the credit, because their combined income and payroll tax rates exceed the value of the credit rate. Some families (including some low-income taxpayers) may fare better under the credit because the credit rate is higher than their combined income and payroll tax rates.

  -- As a consequence, the exclusion raises both equity and simplification concerns. Taxpayers can only benefit from the exclusion if they work for an employer who provides child care assistance. Taxpayers who have a choice must compute and compare the value of the tax preference under both the exclusion and the child and dependent care tax credit in order to determine which is more beneficial.

  -- The option would make the child and dependent care tax credit more beneficial for many low and moderate-income workers than the exclusion. In many cases, it would be easier for taxpayers to understand that the child and dependent care tax credit was more beneficial, without having to compute and compare their tax liability under both provisions. Further, the more beneficial child and dependent care tax credit would be available to all working taxpayers, regardless of whether or not they worked for an employer who provided child care benefits.

- Taxpayers would no longer have to use a look-up table, which was irrelevant to most, to determine the applicable credit rate.

Cons:

- This option does not target assistance to low-income families. Taxpayers with incomes below or at the poverty level would not benefit from this option. Even working families with incomes slightly above the poverty level would receive a smaller tax cut than those with higher incomes.

Office of Tax Analysis
August 19, 1997

Clinton Presidential Records
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BACKGROUND

THE CHILD CARE AND DEVELOPMENT BLOCK GRANT

The **Child Care and Development Block Grant** (CCDBG) is the primary Federal subsidy program specifically devoted to child care. It enables low income parents and parents receiving Temporary Assistance for Needy Families (TANF) to work or to participate in the educational or training programs they need in order to work. Funds may also be used to serve children in protective services.

PRWORA consolidated four child care subsidy programs: AFDC/JOBS Child Care, Transitional Child Care, At-Risk Child Care and the Child Care Development Block Grant. Funds are now available to states in three parts: mandatory funds (based on historical levels of funding for the entitlement programs), matching funds, and discretionary funds. A single lead agency must be identified at the state level to administer the CCDBG funds.

The new CCDBG provides increased Federal funding for child care over past programs--some $4 B additional over the life of the new law (FY 97 - FY 2002) for a total of around $22 B. The preponderance of the funds are distributed to States to operate child care subsidy programs and improve the quality and availability of child care.

Funding to the States - FY 1997

FY 97 funding for CCDBG is $2.9 billion:

In FY 1997, States received close to $1.2 B in Mandatory Funds.

- o These are 100% Federal funds. A State's share of these Funds is based on the Federal share of its funding for the now-repealed AFDC-linked child care programs (AFDC/JOBS Child Care, Transitional Child Care, At-Risk Child Care). The share is based on Federal funds received in FY 1994, FY 1995, or an average of FY 1992-1994, whichever is greater.

States also are eligible to receive a little over $.7 B in Matching Funds in FY 1997.

- o These funds are available using a proportional child population formula that was used in the former At-Risk Child Care Program.

- In order to receive matching funds, a State must maintain effort, i.e., expend its own funds at the level it was matching the former AFDC-linked child care programs in FY 1994 or FY 1995, whichever is greater. A States must also provide matching funds at the Medicaid match rate.

A little over $.9 B in Discretionary Funds, appropriated in FY 1997, will be distributed to the States in FY 1998.

Statutory Limits and Requirements on State Expenditures

States must spend at least 70% of their Mandatory and Matching Funds on families on TANF, transitioning from TANF, or at-risk of becoming eligible for TANF. They are required to demonstrate how they serve those populations in their CCDF Plan. States define the term "at-risk".

States must spend at least 4% of their CCDF funds (Discretionary, Mandatory, and State and Federal share of the Matching Funds) on activities to improve the quality and availability of child care. Under the old AFDC-related programs, there was no quality expenditure requirement. Under the original CCDBG, States were required to spend 25% of their funds on quality activities and activities to increase the supply of before- and after-school care and early childhood development programs.

States must spend no more than 5% of their CCDF funds (Discretionary, Mandatory, and State and Federal share of the Matching Funds) on administration.

Eligible Families

By statute, States can serve families whose parents are working or in education or training, and families whose children are receiving protective services.

By statute, States can serve families whose income level is up to 85% of the State median income (SMI) for a family of the same size.

- Based on a preliminary analysis of plans submitted for the FY 1998-1999 biennium: 10 States placed eligibility levels at up to 85% of the SMI and some 30 additional States set eligibility levels in the 50% through 80% range.

- The most recent data indicates that the majority of federal child care subsidy serves children below 130 percent of poverty.

Eligible Children

By statute, a State can serve children under age 13.

- In Fy 1995, 64% of children served through the CCDBG (now the Discretionary Fund of the CCDF) were age 5 and under, 35% were age 6-12, and 1% were over age 13.

- By regulation, a State may serve children age 13 and over who are under court supervision or are mentally or physically incapable of self care. In ACF's preliminary analysis of the current draft FY 1998-1999 CCDF Plans, we found that 60% of States indicate they will serve children under court supervision. Some 90% will serve children who are incapable of self care.

- By statute, States must give priority to children with special needs and to children from very low income families. States have the flexibility to define "special needs" and "very low income."

- States can also give priority to other categories of children. A preliminary analysis of State plans for the upcoming biennium shows that States additionally have chosen to give priority to such categories as teen parents, families in protective services, and families receiving TANF.

How Families Receive Subsidies and Contribute to the Cost of Care

Families apply for child care subsidies through their local child care resource and referral offices, local welfare offices, family day care network offices or other agents of the Lead Agency.

The statute requires parental choice of provider. Any legally operating child care provider may be chosen. The main categories of child care are center-based care, family day care homes, group family day care homes, and in-home care. Sectarian care and relative care are permissible choices, as well as any other types of legal provider.

The statute requires that the family offered CCDBG-subsidized care be given the choice to enroll the child with a provider that has a grant or contract to provide services or to receive a child care certificate. A certificate is defined in the statute as a check or other disbursement that is issued by a Sate or local government under the statute directly to a parent who may use the certificate only as payment for child care services. Some States run all-certificate programs. Others offer a mixture of certificates and grants or contracts.

By statute, a State's CCDBG Plan shall certify that payment rates for the provision of child care services for which assistance is provided are sufficient to provide equal access for eligible children to comparable child care services in the State or substate area that are provided to children whose parents are not eligible to receive assistance. States must provide a summary of the facts used to determine that the rates are sufficient to provide equal access.

The statute requires that the family contribute to the cost of care on a sliding fee basis. The CCDBG Plan must include the scale or scales used to determine the family's contribution. The statute requires that the scale be based on family size and income. The State may add other factors, e.g., the number of children in care, rules for counting income. By regulation, States may exempt families below the poverty level from paying the co-payment.

Recent reports by the Census Bureau indicate that families with income below the poverty level pay a disproportionate share of their income--some 18%--for child care; whereas families above the poverty level pay only 7% of their income for child care. In the CCDBG proposed rules, ACF did not propose to limit the family co-payment. As part of its guidance on the statutory concept of "equal access," however, ACF has suggested in its preamble to the CCDF proposed rule that, as a benchmark, a State design its sliding fee scale(s) to require that a family spend no more than 10% of its income on child care, no matter how many children are in care.

Quality of Care

By statute, a State must certify that it has in effect licensing requirements applicable to child care services provided within the State. The State must describe those requirements in its CCDBG plan as well as how they are effectively enforced.

By statute, a State must certify that there are in place requirements designed to protect the health and safety of children that are applicable to the providers that serve CCDF children. The requirements shall include:

- **the prevention and control of infectious diseases (including immunization);**
- **building a physical premises safety; and**
- **minimum health and safety standards.**

All providers of care to CCDF children, therefore, must meet the basic health and safety standards--whether through licensure or regulation or through requirements designed by the Lead Agency to apply to unregulated care providers serving CCDF-subsidized families.

States must spend 4 percent of CCDF funds on Quality. Activities usually include efforts to expand and improve training, licensing and resource and referral and outreach and support to new providers.

States additionally have flexibility within the CCDF to create payment rates that reward higher quality care, such as establishing higher payment rates for accredited centers or other child care facilities or rewarding in-home providers with appropriate child care credentials.

OPTIONS

INCREASING SUBSIDY TO SERVE MORE CHILDREN

In FY 95, the four federal child care programs were funded at $2.16 billion. Below is the most recent data from that year on the number of children served in each program:

Program	Children served
AFDC/JOBS	233,029 average per month
AFDC/non-JOBS	209,020 average per month
TCC	141,017 average per month
ARCC	189,891 average per month
CCDBG	662,735 per year

An exact total number of children served with these four programs is not available since numbers from each program cannot be combined due to differences in data collection methodology and lack of information about duplication across data sets.

No current data is yet available on the number of children served by the new unified CCDF program funded at $2.9 billion in FY 97. Since states have a great deal of flexibility in critical policy areas, we do not yet know how many children will be served. **Numbers of children served will depend on state decisions regarding: reimbursement rates, parent co-payments, age of children served, how much is spent on quality and amount of state investment.** Rough estimates are that these funds provide a little more than one million slots. Each slot could serve more than one child a year, since children may move in and out of the system.

1. <u>Increase the number of children served with current policies</u>

Under this option, states would be allowed to continue to set all policies with regard to eligibility, reimbursement rates, co-payments, targeting, etc. A specific amount of funds would be added to reach a targeted number of children.

For example, one goal could be to double the number of children over the next five years, reaching approximately 2 million children by the year 20002.

Advantages:

- o Maintains flexibility provided in existing statute for States to tailor program to meet specific State or local needs.
- o Avoids additional regulatory and administrative requirements, e.g. tracking additional "pots" of funding in financial management, reporting, program design.

Disadvantages:

- o Forfeits opportunity to target use of funds to foster national goals.

2. Increase number of children served and target specific ages of children

A. Provide additional funding targeted to care for infants and toddlers.

Advantages:

- o The care infants receive will influence their later lives.
- o Available infant care will also ensure that young families are served, e.g., teen parents with very young children.
- o Targeting infants particularly could help bolster the supply of providers in this area of shortage.
- o Given that, under Temporary Assistance for Needy Families (TANF), States will require parents with very young children to work, the demand for care for very young children may increase dramatically.
- o Under new welfare requirements, parents are required to go to work or attend training when their child is 3 months old. States may choose to exempt parents of children under age 1 from these work requirements. However, many states have are requiring families to work with children under age 1.
- o A recent GAO study found that communities are generally not meeting current demand for infant care. The study found that the percentage of current demand for infant care that is met by the known supply ranges from 16% to 67%, with the gap being particularly great in poor communities.

Disadvantages:

- o Since infants require more specialized care and more individual attention, child care for infants typically is more expensive.
- o There are fewer providers of infant care. There would be a need to assure supply of slots as well the availability of infant child care subsidies.

B. <u>Target additional funding to school-age child care.</u> There is a prevailing lack of school-age child care, especially in low-income area.

Advantages:

- o School-age care will provide adult supervision so that children will not be alone, keep them off the streets, and ideally, provide them with a range of positive and enriching experiences during out-of-school time.

- o School-age child care costs less than pre-school care, and therefore more children could be served.

Disadvantages:

- o If only school-age child care is targeted, infant and toddler child care, which is expensive and critical to young children's development, might not expand.

<u>3. Increase number of children served and target non-welfare families.</u>

Under this option, all new funds could be directed at non-welfare families. Funds could also be targeted to promote other policy goals such as affordable co-payments and higher reimbursement rates.

Advantages:

- o Would provide a greater degree of assurance that child care assistance is available for non-welfare working families and not disproportionately targeted to TANF families.

Disadvantages:

- o Depending upon the program design could impede State flexibility by making artificial distinctions between categories of families. There is little practical distinction between low-income working families (non-welfare families) and working families who also receive assistance. Low income non-welfare families frequently cycle on and off of assistance (the "one paycheck away from welfare" dilemma of the minimum wage worker) so this artificial categorization is not useful.

- o Targeting low-income working families is unnecessary as there are adequate provisions in the current law to ensure that they are served.

SCHOOL-AGE CARE

Center for Research
on Women

School-Age Child Care Project

FACT SHEET ON SCHOOL-AGE CHILDREN

Revised September 1996

CHILDREN'S OUT OF SCHOOL TIME

- ***Children spend less than 20 percent of their waking hours in school.*** Schools typically are open for less than half the days of the year, and when open provide care only until mid-afternoon. What happens in the other 80 percent is critical to children's development.

- ***Whether or not their mother is employed, research indicates that what children do during non-school hours has a critical impact on school achievement and long-term success.*** Research indicates that the activities in which children are engaged, as well as the quality of adult supervision they receive, are as important as family income and parents' education in determining academic success.

- ***Children spend more of their out-of-school time watching television than in any other single activity. Children's television viewing has been associated with lower reading achievement, behavior problems,. and increased aggression.*** Television is not necessarily harmful to all children, but when they watch more than three hours a day and/or watch programs with violent content, negative outcomes are increasingly likely.

SCHOOL-AGE CHILDREN WITH EMPLOYED PARENTS

- ***Approximately 24 million school-age children require child care.*** According to the Bureau of the Census, in 1991 there were 36.7 million children between the ages of 5 and 14 years living in the U.S. Of these children, 21.2 million lived with a mother who was employed, and an additional 953,000 lived with an unemployed mother (currently seeking employment) and 999,000 lived with a mother enrolled in school. An estimated 912,000 children in this age range lived with a single father who was employed, 61,000 with an unemployed father, and 9,000 with a single father enrolled in school.

- ***An estimated 17 million parents need care for their school-age children during their hours of work.*** In 1991, the Census Bureau found that 14.9 million employed mothers had children between the ages of 5 and 14. An additional 681,000 mothers were unemployed and 642,000 were enrolled in school. An estimated 728,000 employed single fathers lived with school-age children, in addition to 50,000 unemployed fathers who were seeking employment and 9,000 fathers who were attending school.

Wellesley College 106 Central Street Wellesley MA 02181-8259 Telephone 617 Facsimile 617

CHILD CARE ARRANGEMENTS OF SCHOOL-AGE CHILDREN

- ***Unlike preschool children, school-age children are likely to spend time in many different care arrangements.*** According to the National Child Care Survey 1990 (NCCS), 76 percent of school-age children with an employed mother spend time in at least two child care arrangements during a typical week, in addition to their time in school. Based on a nationally representative sample of parents of children under the age of 13, the NCCS examined both primary and secondary care arrangements for school-age children, in addition to the hours they spend in school (see Hofferth et. al., 1991 in references).

- ***School-age children of employed mothers are most likely to be cared for by a parent (33%), followed by care by a relative (23%), lessons (15%), center-based afterschool program or day care center (14%), family day care home (7%), self-care (4%), and in-home provider (3%), according to the NCCS.*** These percentages reflect the primary care arrangement, or the one where the child spends most of his or her non-school hours during a typical week. Secondary care arrangements are as follows: care by a parent (55%), lessons (19%), relative (14%), self-care (4%), family day care (3%), center care (3%), in-home provider (1%) and other arrangement (1%).

- ***Experts estimate that nearly 5 million school-age children spend time without adult supervision during a typical week.*** Exact figures are not available, due to parents' reluctance to report that they leave children alone. Older children are much more likely to spend time on their own than younger children. Data from the NCCS suggest that less than 5% of children under age 8 are regularly in self-care compared to nearly 35% of twelve-year-olds.

- ***Approximately 1.7 million children in kindergarten through grade 8 were enrolled in 49,500 formal before-and/or-after-school programs in 1991, according to the National Study of Before and After School Programs.*** The study found that 83 percent of those enrolled in after school programs are in the pre-kindergarten through third grade age range.

THE EFFECTS OF OUT-OF-SCHOOL TIME ON FAMILIES AND THE COMMUNITY

- ***Studies have found that latchkey children are more likely to engage in risky behaviors, especially urban children and those who have little access to adult supervision.*** According to one recent large-scale study, latchkey children are at significantly greater risk of truancy from school, stress, receiving poor grades, risk-taking behavior, and substance use (Dwyer et. al, 1990). These researchers also found that children who spend more hours on their own and those who began self-care at younger ages are at increased risk.

- ***A number of studies have found that children who attend good school-age child care programs during the hours when their parents are working may experience positive effects on their development.*** Most recently, Posner and Vandell (1994) found that children attending afterschool programs had better peer relations, emotional adjustment, and better grades and conduct in school than their peers in other care arrangements. These children were exposed to more learning opportunities, spent more time in academic activities and enrichment, and spent less time watching television.

- ***Teachers and principals are recognizing the positive effects of good quality programs on their students.*** The Cooperative Extension Service (Riley et. al., 1994) studied the effects of 64 programs that had received Extension assistance in 15 states. Teachers said that the programs had caused the children to become more cooperative (34%), learned to handle conflicts better (37%), developed an interest in recreational reading (33%), and were getting better grades (33%). Over one-third (35%) of the school principals stated that vandalism in the school had decreased as a result of the programs. In addition, 16 percent of the program children had avoided being retained in grade due to program participation, resulting in a savings of over $1,000,000.

- ***Public officials are recognizing the importance of school-age care.*** In a 1995 survey conducted by the National League of Cities (Meyers and Kyle, 1996), child care and before- and after-school care together were seen as one of the most pressing needs for children and families by <u>92 percent of all respondents</u>. No other need received this rating from such a high percentage of respondents, such needs included: housing, family stability, drug and alcohol abuse, education, crime, welfare reform, and a host of other issues.

Related Materials

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U.S. Bureau of the Census. (1994b). *Current Population Reports: P70-36. Who's minding the kids? Child care arrangements: Fall 1991*. Washington, DC: U.S. Department of Commerce.

Resources:

School-Age Child Care Project (SACCProject)
Center for Research on Women
Wellesley College
Wellesley, MA 02181.
Tel.(617)283-2547
Fax.(617)283-3657
Website: http://www.wellesley.edu/WCW/CRW/SAC

Resources include *The School-Age Fact Sheet*, *Spotlight on MOST*, and *ASQ Resource Manual*. The Project provides training, technical assistance, consultation, and resource materials.

National School-Age Care Alliance (NSACA)
c/o AYS Services
4720 North Park Ave.
Indianapolis, IN 46205
(317)283-3817

NSACA is the national organization for school-age care professionals, with state affiliates in 35 states.

School-Age Notes
P.O. Box 40205
Nashville, TN 37204
Tel.(615)242-8464
Fax.(615)242-8260

School-Age Notes is a newsletter for the field, and distributes many other publications.

Search Institute
Thresher Square West
700 South Third St., Suite 210
Minneapolis, MN 55415
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Fax.(612)376-8956

Resources on developing programs for youth based on developmental assets.

OVERVIEW

Need for After-School Programs

There is a tremendous need for extended-learning opportunities in the United States today.

- **Limited participation.**
    - In 1991, according to the Bureau of the Census, there were 36.7 million children between the ages of 5 and 14 (K through grade 8) living in the U.S.
    - Approximately 24 million of these K through grade 8 school-age children required child care.
    - However, only about 1.7 million children of these children in grades K through grade 8 were enrolled in 49,500 formal before- and after-school programs.
- **Especially limited participation in schoolbased programs.**
    - In 1993-94, according to the National Center for Education Statistics, only 974,348 children in public elementary and combined schools (grades K up to 8) were enrolled in 18,111 before- or after-school programs in public schools.
    - Just 3.4 percent of all public elementary and combined school students (grades K up to 8) were enrolled in before- or after-school programs in public schools.
    - Seventy percent of all public elementary and combined schools (grades K up to 8) did not offer before- or after-school programs.
- **Latch-key child problem.**
    - Estimates of the number of kids in self care (latch-key children) who are unsupervised during non-school hours range from 2 million to 15 million.
    - Experts estimate that about 5 million school-age children spend time without adult supervision during a typical week. Because of self-reporting, however, it is difficult to get a firm figure.

Barriers to Participation

The most frequent barriers to schools' participation in after-school programs include:

- Lack of resources to offer an after-school program
- Recruitment of a program administrator and staff to run a program
- Unwillingness of the school district to open the building beyond the regular school day
- Unwillingness of the principal to have his/her school used for a program
- Unwillingness of teachers to have their classrooms used for after-school activities
- Negotiations with custodial unions that stipulate building use fees

The most frequently mentioned barrier to participation is the parents' inability to pay the tuition and fees charged by programs.

- Availability
- Parent fees
- Transportation
- Hours of the program
- Quality of activities
- Poor conditions
- High staff turnover

Components of Successful Extended Learning After-School Programs

Based on an examination of schoolbased, afterschool programs that have a focus on enrichment and learning activities, the following components characterize these programs:

- Coordination with the regular school day learning program
- Student participation in learning activities
- True linkages between after-school and regular school day personnel
- Hiring of qualified staff
- Low student-staff ratio
- Involvement of parents
- Program evaluation

Costs of Schoolbased After-School Programs

Estimated costs of schoolbased, after-school programs, (programs that are housed in a public school either run by the school system, in collaboration with a communitybased organization, or by a schoolbased organization) range in costs according to the types of services delivered.

- Costs per student run between $2-2.50 an hour

- Transportation costs run about $1.00 per trip.

The Need for After-School Programs

The need for increased opportunities for children to learn and develop in safe and drug-free environments outside of regular school hours is clear. Without affordable, high-quality after-school programs[1] available to parents who work, many children must care for themselves or be supervised by older siblings which can entail excessive television watching and experimenting in risky behaviors such as alcohol and drug use. In communities without libraries, many children do not have access to books and other information resources or adults who can help with challenging homework; as a result, some of these students may not learn the skills they need to achieve their potential. These common sense notions are borne out in the **research that shows the importance of providing after-school opportunities for children:**

Few opportunities exist for young people. While there has been a growth in the availability of after-school care programs for children over the last 20 years, relatively few organized, extended learning opportunities exist. And even when they do exist, a 1994 survey of parents found that 56 percent think that many parents leave their children alone too much after school.

- **Limited participation.** In 1991, according to the Bureau of the Census, there were 36.7 million children between the ages of 5 and 14 living in the U.S. Approximately 24 million of these school-age children required child care (U.S. Bureau of the Census, 1994). However, only about 1.7 million children from kindergarten through grade 8 were enrolled in 49,500 formal before- and after-school programs (Seppanen, 1993).

- **Especially limited participation in schoolbased programs.** Extended learning programs in schools are even more scarce, especially for older children and youth. According to the National Center for Education Statistics (NCES), in 1993-94, only 974,348 children in public elementary and combined schools (just 3.4 percent of all public elementary and combined school students) were enrolled in 18,111 before- or after-school programs at public schools. Seventy percent of all public elementary and combined schools did not offer before- or after-school programs (NCES, September 1996).

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[1] For the purposes of this paper, the definition used in the 1993 Study of Before and After School Programs of "Before- and after-school programs" applies: Before and After-school programs refer specifically to formally organized services for 5 to 13 year-olds that occur before and/or after school during the academic year and all day when school is closed and parents are at work. These programs include only school- or center-based programs that operate at least two hours a day, four days per week. These programs augment the schoolday, and typically also the school calendar, creating a second tier of services that provide supervision, enrichment, recreation, tutoring, and other opportunities for school-age youth.

- **Latch-key child problem.** Estimates of the number of kids in self care (latch-key children) who are unsupervised during non-school hours range from 2 million to 15 million (Child Care Action Campaign, 1992; Children's Defense Fund, 1989; National Commission on Working Women, 1989; U.S. Bureau of the Census, 1987). Experts estimate that about 5 million school-age children spend time without adult supervision during a typical week (School Age Child Care Project, 1997). Because of self-reporting, however, it is difficult to get a firm figure.

Parents want more access to extended learning opportunities. Survey data clearly indicate the demand for after-school programs:

- **Extent of parent demand for access.** A 1997 survey of elementary and middle school parents shows that 90 percent of parents have children that attend an after-school program or would be willing to pay for an after-school program if it was offered to them (National Opinion Research Corporation, 1997).

- **Extent of general public demand for access.** By and large, the public favors keeping school buildings open for use by schoolchildren (with adult supervision): 87 percent after school; 67 percent on weekends; and 72 percent during vacations (Gallup, 1992).

- **Principal agreement.** Principals have long seen a need for extended learning programs; in a 1989 survey, 84 percent of school principals agreed that there is a need for before- and after-school programs (Seligson, 1989). In 1993, the National Association of Elementary Principals printed a book entitled, "Standards for Quality School-Age Child Care."

Youth are at greatest risk of violence after the regular school day. According to the Federal Bureau of Investigation, youth between the ages of 12 and 17 are most at risk of committing violent acts and being victims between 3 p.m and 6 p.m.— a time when they are not in school at the end of the regular school day (FBI, 1993).

- **Child self-care risky.** Children left to themselves or under the care of siblings after school experience greater fear of accidents and crimes and are more bored than children in supervised care. They also are more likely to engage in risk-taking behaviors and drug and alcohol use, and are more often the victims of accidents and abuse. Children who spend more hours on their own and who began self-care at younger ages are at increased risk (Miller and Marx, 1990).

- **Organized activities can counter unsafe behaviors and enhance learning.** Children under adult supervision in a formal program have demonstrated improved academic achievement and better attitudes toward school than their peers in self- or sibling-care. After-school and summer programs can offer the support and supervision children need in order to learn and to resist the influences of unsafe or violent behaviors (Miller and Marx, 1990).

Children in quality programs do better in school. Research indicates that program quality is very important. Children in these programs are exposed to more learning opportunities, spend more time in academic activities and enrichment, and spend less time watching TV. These students have more positive interactions with staff when student to staff ratios are low, staff are well-trained, and a wide variety of activities are offered. Students in quality programs may have better peer relations and better grades and conduct in school than their peers in other care arrangements (Posner and Vandell, 1994).

- **School-age programs of poor quality can harm children.** When school-age programs are well designed, they can raise achievement, but when they are low quality, with poorly trained staff and few age-appropriate activities, participants may do worse in school than children who are cared for by a parent or a sitter or even left alone (Carnegie Corporation of New York, 1996).

- **Teachers and principals recognize the positive effects.** The Cooperative Extension Service found that in programs that had received their assistance, teachers reported that the programs helped the children to become more cooperative, handle conflicts better, develop an interest in recreational reading, and earn better grades. More than one-third of the school principals stated that vandalism in the school decreased as a result of the programs (Riley et al., 1994).

- **Youth need opportunities outside of the regular school day.** Research clearly shows that positive and sustained interactions with adults contribute to the overall development of young people and their achievement in school. After-school activities allow children and youth to explore and master activities (art, dance, music, sports) that can contribute to their overall well-being and achievement (Clark, 1989).

- **Young people want opportunities outside the regular school day.** In a recent survey, young adolescents ages 10 to 15 were asked to identify what they wanted most during their non-school hours. Their responses included safe parks and recreation centers, exciting science museums, libraries with the latest books, videos, and records, opportunities to go camping and participate in sports, long talks with trusting and trustworthy adults who know a lot about the world and who like young people and opportunities to learn new skills (Carnegie Council on Adolescent Development, 1992).

- **Parents rank high computer classes, art and music courses, and community service as activities for after school programs.** In a 1997 survey of parents who indicated they enrolled or would like to enroll their child in an after-school program, 95 percent feel that their child would benefit from an after-school program that included computer technology classes and 91 percent feel their child would benefit from arts, music, and cultural after-school activities. Among middle school parents, 90 percent favor after-school community service or volunteer opportunities for their children (NORC, 1997).

Barriers to Participating in After-School Programs

The most frequent barriers to schools' participation in after-school programs include:

- **Lack of resources** to offer an after-school program
- **Recruitment of a program administrator** and staff to run a program
- **Unwillingness of the school district** to open school buildings beyond the regular school day
- **Unwillingness of the principal** to have his/her school used for a program
- **Unwillingness of teachers** to have their classrooms used for after-school activities
- **Negotiations with custodial unions** that stipulate building use fees

The last barrier is particularly acute in the State of New York. Some union contracts stipulate significant fees for the use of school buildings outside of regular school hours that make the operating costs prohibitive. This is especially a problem for nonprofit organizations in New York City when fees were established as part of the janitorial union contract in 1975, as well as other New York cities (e.g., Buffalo). However, calls to several cities in other states do not indicate a similar problem.

In addition, parents face barriers to their children's participation:

- **Access.** Seventy percent of public elementary and combined (K-8) schools do not offer before- or after-school programs. A mere 3.4 percent of all students in public elementary and combined schools nationwide participate in before- and after-school programs in their schools (NCES, September 1996).

    - **Solutions:** Organizations like the National Community Education Association works with both individual schools and whole districts to make available after-school programming in the public schools. In addition, the Partnership for Family Involvement in Education, like many organizations, has pledged as part of the Presidents' National Volunteer Summit to work more vigorously in this area and create 500 new after school program in 1997.

- **Parent fees.** After-school activities for children may require fees which parents are unable or unwilling to pay. Parent fees make up approximately 80 percent of the budget of school-based programs (Seppanen et al., 1993). Waivers and scholarships are available on a very limited basis. Programs in high poverty areas simply do not have enough resource to serve the large numbers of children who wish to attend. Many good programs have long waiting lists. In cases when parents cannot afford child care, students may not participate because they are needed at home to care for younger siblings.

- **Solutions.** In 1991, almost 40 percent of public school programs offered a sliding scale for parent fees based on parents' ability to pay (Seppanen, 1993). In addition, the federal Title I program can be used for after-school programs, thus defraying fees. Finally, some programs like the Virtual Y make their program free to families, raising the money in the community.

- **Transportation.** The lack of safe and available transportation may prevent many of these children from participating in before- and after-school programs. Many programs do not provide transportation after the extended learning day. In addition, children who attend school outside of their neighborhood, because of a desegregation plan, school choice, or other reason, may not be able to participate unless provisions are made for early and late buses. Finally, some districts charge bus fees to access after-school transportation, which can inhibit participation among moderate and low income families.

  - **Solutions.** Based on the number of children participating in after-school programs, some schools offer late buses as part of their regular bus fleet runs. Where programs are offered in neighborhood schools, parents may be readily able of pick up their children from the school. However, in 1991, 20 percent of parents asked for transportation as a component of the after-school program their child was enrolled in when it was not offered (Seppanen, 1993).

- **Hours of the program.** Most programs operate according to the school calendar rather than parents' work schedule, in which case parents must make alternative arrangements for child care or leave children on their own.

  - **Solutions.** Programs like the Beacon Schools and IS 218 are open hours beyond the regular 3 p.m. to 6 p.m. after-school program, operating until midnight and 9 p.m., respectively.

- **Quality of activities.** Parents and students may choose not to participate because of unchallenging curriculums. Some programs may be perceived as merely providing supervision, rather than enrichment and extended learning opportunities. Activities may not address the needs of older students. Also, before- and after-school programs may not coordinate with the regular school program to help students who are falling behind in a particular subject and to reinforce what's happening in the classroom.

  - **Solutions.** Like programs operated at I.S. 218 in New York City and at the Seattle Title I school program run by Bailey Gatzert Elementary School, afterschool programs should be designed to coordinate with the regular school day and offer challenging complementary activities. Programs should have materials available to them and be aware of best practices, perhaps employing the School Age Child Care Project standards of excellence.

- **Poor conditions.** Before- and after-school programs often have to make do with the resources available. Almost one-third of programs report a difficulty sharing space in schools and other facilities. Other common problems include a lack of activity space, no room to expand, and insufficient storage.

    - **Solutions.** Real and honest communication must take place between staff from the after-school program and the regular teaching force about the use of classrooms and other facilities. This is the most commonly discussed barrier among those groups that operate programs and communication is the only way to resolve the situation.

- **High staff turnover.** Before- and after-school programs suffer from a high staff turnover rate due to low wages and lack of benefits. While some programs do not have this problem, those that do experience a 60 percent turnover rate. This lack of continuity affects the quality of the activities, of the program as a whole, and of the bonds created between the children and staff.

    - **Solutions.** After-school programs need to be re-thought of as an extension of the regular school day with many of the same personnel that would be found during the regular school day, such as classroom teachers, participating but at perhaps a lower ratio than the regular school day. In the Murfreesboro, Tennessee program, this is accomplished by staggering teacher starting times. In after-school care situations, the quality of after-school staff is directly linked to the quality of the program offered. Wages and benefits must be calculated as an important part of the program. When teachers are used in extended learning programs, some of this turnover associated with day care can be resolved.

Necessary Components of An After-School Program

The most important part of any after-school program is that kids have a safe, learning environment with adults who clearly care for them.

Common elements across extended learning programs in schools. When we examine exemplary in-school programs that offer both enrichment and instructional activities (community schools in Flint, Michigan; after-school programs in Murfreesboro, Tennessee, I.S. 218 in New York City, and the soon-to-be implemented Virtual Y in New York City; the 21st Century Community Learning Centers) after-school, we find the following common elements:

- **Coordination with the regular school day learning program.** More than a latch key after school program, the extended school day should dovetail with the classwork engaged in throughout the day. This was also a major recommendation of the Carnegie Corporation's report, Years of Promise: A Comprehensive Learning Strategy for America's Children.

- **Student participation in learning activities.** The atmosphere should be more relaxed but it should be instructional allowing for hands-on projects, enrichment classes, reading, math, mentoring, sports, computer lab, music, arts, community service, trips, and even entrepreneurial workshops.

- **True linkages between after-school and regular school day personnel.** Support of and coordination with the school so that there is true partnering with the school and all school personnel in an atmosphere of mutual respect with regard to the use of facilities and materials, and the creation of a welcoming environment for parent, and community volunteers.

- **Hiring of qualified staff.** Programs should hire qualified staff, provide on-going training for staff, and be willing to pay for that quality. Staff usually include a program administrator, paraprofessionals, college students, and teachers. In some cases of when teachers are part of the program, they participate on the basis of a staggered school day where their day begins at 11 a.m. and ends at 6 p.m.

- **Low student-staff ratio.** For true student enrichment, the student-staff ratio should be low, especially when tutoring or mentoring activities are taking place.

- **Involvement of parents.** Opportunities for parents to be part of the afterschool program by offering orientation sessions, workshops, serve as volunteers, serve on a parent advisory committee, and take part in classes that may be offered in computers or English as a Second Language.

- **Program evaluation**. From the beginning of a program, there should be a plan for measuring success, based on the goals set for the program--including student improvement in their regular school program. Both continuous improvement strategies and outside evaluations by a local university or board of education should be employed.

Researchers have also begun to identify core elements of after-school care programs and quality standards.

Characteristics of Quality After-School Programs as Assessed by the University of Wisconsin. The University of Wisconsin-Madison is conducting a study of after-school programs and assessing after-school care program quality. Programs being examined include those operated by for-profit agencies, non-profit programs, and programs located in schools. The University of Wisconsin study is assessing quality programs on the following components:

- tone and quality of interactions between children and staff
- caregiver skill
- presence of age-appropriate programming and activities
- level of child satisfaction
- level of parent satisfaction
- flexibility of programming and child choice of activities
- regulatable characteristics such as staff-to-child ratios, levels of staff education, and space available for activities.

Knowing the kind of program a child attends (e.g., for-profit or nonprofit) offers clues about the quality of care provided. For example, children in for-profit programs generally have more unoccupied time, spend more time watching television and videos, and spend more time not interacting with anyone, when compared with children attending nonprofit programs. For-profit programs also tend to offer fewer positive interactions between staff and children and offer fewer programming alternatives, when compared to nonprofit programs. Parents of children attending for profit programs report lower satisfaction with those programs, compared with nonprofit programs located in schools and those operated by community centers.

Program quality also varies across elements that are potentially regulatable, such as program size and caregiver education levels:

- **Size.** Children in small programs (41-60 children) have more and more positive interactions with caregivers and with other children.

- **Child-to-staff ratios.** Larger child-to-staff ratios (greater than 13-1) are associated with more time waiting in line and with caregivers showing poorer behavior management skills.

- **Caregiver education.** Higher levels of education are related to fewer negative interactions between caregivers and children and greater parental satisfaction.

- **Caregiver experience.** Caregivers with 25 to 36 months experience had better behavior management skills and more positive regard for children compared to those with more or less experience.

Core Components from the Carnegie Council on Adolescent Development. Whether an after-school program is located in a neighborhood school or community facility, effective programs identified by the Carnegie Foundation include the following key elements:

- **A research base and needs assessment.**
- **A basic understanding of social relationships.**
- **Involving parents.**
- **Tailoring programs to community needs.**
- **Capturing interest.**
- **Providing food.**
- **Setting clear rules.**
- **Collaborating with local community organizations.**
- **Being safe and accessible for all children.**
- **Providing linkages to schools.**

Standards for Quality After-School Care as developed by Wellesley College, Institute for Out of School Time. Standards of quality for after-school care have been developed by the Wellesley College School-Age Child Care Project (now the Institute for Out of School Time). The National Association of Elementary School Principals were also involved in developing these standards.

- **Human Relationships.**
- **Indoor Environment.**
- **Outdoor Environment.**
- **Activities.**
- **Safety, Health, and Nutrition.**
- **Administration.**

Costs of After-School Programs

Costs vary widely in implementing after-school extended learning programs. The major sources of variation in the cost of extended-hours programs run by public schools are:

- **Salaries of program staff**
- **Type and extent of services offered, including any materials**
- **The number of children served in the program**

These costs can vary widely depending on the level of staff expertise, the scope of the director's responsibilities, and local custodial rates. Most programs pay for instructional staff, a part-time director who receives a salary supplement, and custodial services. Materials costs vary extensively, and can be minimal, or very substantial, depending on the activities a program offers. Programs depend upon a variety of sources for their funding, including donations and government and foundation grants based upon the services which they provide.

The costs below are for school-sponsored programs; programs sponsored by other organizations appear to have somewhat lower costs, primarily due to using lower cost (non-school) personnel.

Hourly program cost per child: The costs of typical after-school programs vary significantly depending to the scope of the program, the level of staff expertise, and the materials used in the program.

- **Lower range costs.** The lower range of the cost estimate assumes that program staff will be supplemented by volunteers or low-level staff (college-students, etc.), and that program activities will include academic and enrichment work, but will not require a significant amount of new materials. Lower cost programs often center around providing homework assistance, recreation, and provide art and enrichment activities which do not require large expenditures for materials or professional staff (e.g. professional music teachers).

- **Higher range**. The higher range of the cost estimate assumes that programs will use certified teaching personnel and more experienced staff to provide instruction, and a full-time program director; program activities may include substantial amounts of enrichment activities (e.g. art and music classes) as well as significant materials expenditures (e.g. computer labs, art supplies). Higher costs programs are able to provide a wider range of options for students, and usually include targeted academic assistance, enrichment activities supervised by well trained staff (e.g. an art class taught by an art instructor), and may feature computer labs or field trips.

Hourly program costs per student. Hourly program costs typically range between about **two to two and a half dollars per student** (assuming three hours after school, five days each week, and a ratio of 10-12 students per instructional staff member)

Estimated hourly cost per student: $2.00 to $2.50

Yearly program costs per student. Per student yearly program costs range from $1,050 to $1,575, (assuming three hours after school, five days per week, thirty-five weeks, ratio of 10-12 students per instructional staff member)

Estimated yearly cost per student: $1,050 to $1,575

Yearly program cost. In a typical elementary school of 450 kids, yearly costs for after school programs range from $157,500 for low-cost programs serving approximately a third of the student body (i.e. 150 students) to $500,000 for higher-cost programs serving most of the student body (i.e. almost all of the 450 students; **note: assume that marginal costs per student should decline with increased utilization**).

Estimated total yearly program cost: $157,000 to $500,000

Transportation costs. Many programs do not report paying any additional transportation costs; programs which do provide extra transportation report paying about $1.00 per child, per trip (assume $25 per hour for bus drivers, $1.00 per mile for bus use, gas, and maintenance, 30 miles per day, 45-60 students per bus).

Estimated cost per student per trip: $1.00

OVERVIEW
U.S. DEPARTMENT OF EDUCATION'S AFTER-SCHOOL ACTIVITIES

Title I. The 1992 reauthorized Title of the Elementary and Secondary Education Act (the Improving America's Schools Act) includes strong language recommending use of effective instructional strategies that "give primary consideration to providing extended learning time such as extended school year, before-and after-school, and summer programs and opportunities." In ? Spring 1996, 64 percent of principals in Title I schools reported using Title I funds for before or after-school efforts. The Department produced *Extending Learning Time for Disadvantaged Students: An Idea Book* in 1995.

21st Century Community Learning Centers. As part of the Improving America's Schools Act, after-school programs were encouraged through 21st Century Community Learning Centers. The Department is seeking $50 million from Congress to fund about 500 pilots in FY 1998. The middle school. Senate has marked the appropriation at $1 million while the House fully funded the program at the $50 million.

Partnership for Family Involvement in Education. The Community Sector of the Partnership for Family Involvement in Education embraced bolstering after-school programs in the sign-on pledge. They also helped write a guidebook on keeping schools open for extended learning. Finally, the steering group of the Partnership voted to make after-school opportunities a nationwide initiative of the Partnership.

Keeping Schools Open Guidebook. In May, 1997, the First Lady released *Keeping Schools Open as Community Learning Centers: Extending Learning in a Safe, Drug-free Environment Before and After School*. The Department of Education wrote the step-by-step guidebook on how school facilities can be used for after-school programs with the National Community Education Association, Policy Studies Associates, and the America Bar Association.

America Reads Challenge. The President announced the America Reads Challenge in Summer 1996 that focuses on bringing all third graders up to basic proficiency on national reading tests through the use of volunteers working in before and after-school and summer programs. This summer, 1.5 million elementary school children were tutored through the summer component of the America Reads Challenge, READ*WRITE*NOW!

Summit Commitment. As part of the Presidents' Volunteer Summit, the Department pledged a nationwide effort to develop 1,000 new after-school partnerships by December 1997 through the 21st Century Community Learning Centers program.

America Goes Back to School. A major thrust of this year's America Goes Back to School: Answering the President's Call to Action has been on showcasing after-school programs. Every interested citizen writing in for a kit receives examples of after-school programs.

Family Reunion VI Survey. As part of the Vice President's Family Reunion VI conference, "Families and Learning," a survey sponsored by the U.S. Department of Education, the Partnership for Family Involvement in Education, and GTE found that 82 percent of parents have a child who attends an after-school program or would like their child to attend an after-school program. Computer classes, art and music courses, and community service rank high as activities for after-school programs (see attachment).

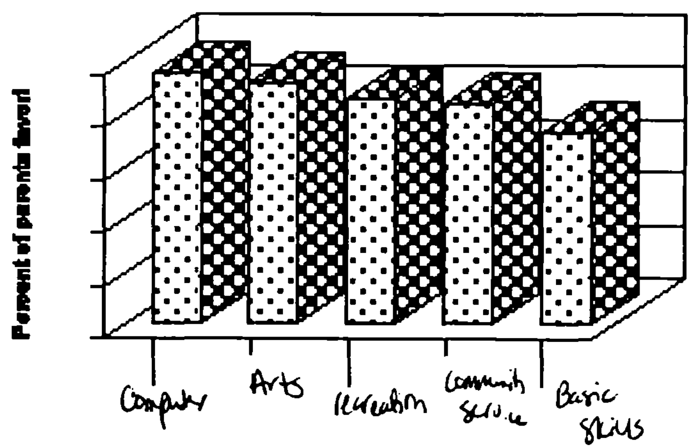
Training and Evaluation Guide. The Department is planning a follow-on document to *Keeping Schools Open* that will focus on training for staff in after-school programs and how to provide a continuous improvement model for extended learning programs' self evaluation. Discussion are underway with the Institute for Out-of-School Time on the project.

Beyond the school day and the school year (Percent of all parents who:)			
	All Parents	Elementary School Parents	Middle School Parents
Have a child in an after-school program	**35**	32	39
Pay fees for an after-school program	**17**	19	15
Are interested in free after-school programs	**79**	77	81
Would pay a fee for an after-school program	**73**	72	74
Have a child in a school-based summer program	**18**	19	16
Paid for a school-based summer program	**9**	9	9
Are interested in a free school-based summer program	**70**	68	72
Would pay a fee for a school-based summer program	**73**	70	76

- Parents express a strong demand for after-school programs: 82 percent of parents have a child who attends an after-school program or would like their child to attend an after school program.

After-School Activities: What do parents want? (Percent of parents with children in after-school programs or who would like their children to attend an after-school program reporting that their child would benefit from:)			
	Parents Who Want or Use After-School Programs	Elementary School Parents	Middle School Parents
Computer technology classes	**95**	96	95
Arts, music and cultural programs	**91**	94	88
Supervised recreational activities	**85**	86	85
Community service or volunteer opportunities	**83**	76	90
Basic skills enrichment or tutoring	**73**	71	75

- Of these parents (who enroll or would like to enroll their child in an after-school program), 95 percent feel that their child would benefit from an after-school program that included computer technology classes and 91 percent feel that their child would benefit from arts, music and cultural after-school activities. Among middle school parents, 90 percent favor after-school community service or volunteer opportunities for their children.



FACT SHEETS

child care and
early education

KEY FACTS ON CHILD CARE AND EARLY EDUCATION

How many children need child care in the U.S.?

12 million children under age 6 and 17 million children between the ages of 6 and 13 have both parents or their only parent in the work force.

(Source: composite figure of Bureau of Labor Statistics data, *National Child Care Survey*, 1990, Hofferth, *et al.* Urban Institute Press, Washington, DC, 1990, and Child Care Action Campaign calculations)

How many children have received child care and early education before they enter kindergarten?

By the age of six, 84% of children have received supplemental care and education.

(Source: U.S. Department of Education, National Center for Education Statistics, *National Household Education Survey*, 1995)

What kind of child care do families use?

According to the U.S. Census Bureau, of the 9.937 million preschoolers (under age 5) with employed mothers in 1993:

- 29.9%, or 2,972,000, were cared for in child care facilities (*i.e.*, child care centers, nursery schools, preschools).
- 25.3%, or 2,516,000, were cared for by relatives either in the child's home or in the relative's home.
- 22.2%, or 2,201,000, were cared for by their own parents (mothers while working at home or away from home: 6.2% or 616,000; fathers caring for children at home: 16% or 1,585,000).
- 16.6%, or 1,645,000, were cared for in the home of a non-relative provider.
- 5.0%, or 492,000, were cared for in their own homes by non-relatives.
- 1.0%, or 111,000, were cared for in other arrangements.

(Source: Casper, Lynn M., *Current Population Reports: Who's Minding Our Preschoolers?*, U.S. Census Bureau, March 1996)

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What is the percentage of mothers in the workforce whose youngest child is age 12 or under?

- Youngest is under the age of one - 56.9% (or 1,651,000)
- Youngest is under the age of three - 58.7% (or 5,650,000)
- Youngest is under the age of six - 62.3% (or 10,395,000)
- Youngest is between the ages of six and thirteen - 75.1% (or 10,003,000)

(Source: Bureau of Labor Statistics, Division of Labor Force Statistics, "Employment status of the civilian noninstitutional population by sex, age, presence and age of youngest child, marital status, race, and Hispanic origin, March 1995, Table 3, unpublished data)

What is the average family expenditure for child care, and what proportion of family income does this represent?

Families with employed mothers of preschool children (under age 5) spend an average of $74 per week on child care, or about 8 percent of their annual income.

Families whose monthly income was:

- Less than $1,200 paid $47.29/week or 25% of their income.
- $1,200 to $2,999 paid $60.16/week or 12% of their income.
- $3,000 to $4,499 paid $73.10/week or 8% of their income.
- $4,500 and over paid $91.93/week or 6% of their income.

(Source: Casper, Lynn M., *Current Population Reports: What Does It Cost to Mind Our Preschoolers?*, U.S. Census Bureau, September 1995)

What is the size of the child care work force in the U.S.?

There are approximately 3 million child care teachers, assistants, and family child care providers in the U.S.

(Source: NCECW, figures derived from Hofferth, S., *et al.*, *The National Child Care Survey Revisited*, 1991, The Urban Institute)

Family Day Care

- **Regulated** family child care providers = 298,515
- **Non-regulated** family child care providers = 550,000 to 1.1 million[1]

Center-Based Care

There are 93,221 licensed child care centers nationwide.[2]

(Sources: The Children's Foundation, *1996 Family Child Care Licensing Study*, 1996)

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[1] Estimated by Willer, B. *et al.*, *The Demand and Supply of Child Care in 1990: Joint findings from The National Child Care Survey 1990 and A Profile in Child Care Settings*, a joint publication from: National Association for the Education of Young Children, Administration on Children, Youth and Families, U.S. Department of Health & Human Services, and the Office of Policy and Planning, U.S. Department of Education)

[2] State licensing requirements vary. States may or may not require licensing of Head Start programs, pre-schools, nursery schools, prekindergartens, religiously affiliated centers, or programs operated by public schools.

What is the average salary for child care providers?

Teachers, Assistant Teachers, and Teacher-Directors working in child care centers earn an average of $6.89 per hour, $12,057.50 for 35 hours/week, 50 weeks/year.

(Source: *Cost, Quality & Child Outcomes*, University of Colorado at Denver, 1995)

What is the average turnover rate for child care providers?

The turnover rate for all providers in child care centers is 36% per year.

(Source: *Cost, Quality & Child Outcomes*, University of Colorado at Denver, 1995)

In contrast, average turnover in other professions is much lower. The turnover rate for public school teachers is 5.6% per year.

(Source: *National Child Care Staffing Study Revisited: Four Years in the Life of Center-Based Child Care*, 1993)

How much does American business lose each year due to child care problems?

U.S. employers lose $3 billion annually due to child care-related absences.

(Source: Reisman, Barbara, *Child Care: The Bottom Line*, p. 66, Child Care Action Campaign, 1988, based on Bureau of Labor Statistics data, 1988)

How many U.S. businesses offer work-family benefits to their employees?

Approximately 6,000 employers nationwide offer work-family benefits to their employees. Four percent of all employees are eligible for employer-assisted child care benefits in the U.S.

(Source: Bureau of Labor Statistics, *Employee Benefits in the United States 1993-94*, March 1995)

How many U.S. businesses provide on-site or near-site child care for employees who pay for it?

Approximately 2,200 employers sponsor child care centers.

(Galinsky, E., *The Changing Workforce*, Families & Work Institute, 1993)

Public sector: The U.S. Government operates over 800 on- or near-site centers in the U.S. and abroad. Six hundred forty-four of these are sponsored by the U.S. Armed Forces.

(Source: Wohl, Faith, interview in "Uncle Sam Leads the Way on Worksite Child Care," *Child Care ActioNews*, January-February 1996)

child care and
early education

ORPORATE PRODUCTIVITY, CHILD CARE, AND WORK-FAMILY OLICIES

ne changing workforce
the past forty years, the nature of the American work force has changed dramatically, inging with it equally dramatic changes in family life:

- Fewer than 10 percent of all households are headed by a male breadwinner with a wife at home.
- Half of all mothers with children under one year of age are working outside their homes.
- Eighty-seven percent of American workers--men and women--have some day-to-day responsibility for family members and 47 percent have dependent (child or elder) care responsibilities (Galinsky *et al.*, *The Changing Workforce*, 1993, Families & Work Institute).
- By the year 2005, more than 70 percent of women in the work force will have children in need of child care or after-school care, based on current population projections.

ource: Census Bureau, Bureau of Labor Statistics, unpublished data, 1993, 1995; Fullerton, oward J, "The 2005 Labor Force: Growing, but Slowly," *Monthly Labor Review*, p.30, Table 1, ovember 1995.)

survey of 5,000 employees at five major U.S. corporations found that 82 percent of orking parents missed days at work, were tardy, had left work early, or had used work ne to deal with various child care problems. A number of national surveys have stimated such lost work time to be between six and eight days per parent annually ernandez, *Child Care and Corporate Productivity*, 1986). This translates into a $3 llion loss annually for American businesses, according to the Child Care Action ampaign.

ne changing workplace
ne workplace, too, is changing dramatically. In the past decade, many companies ve restructured, drastically scaling back on their workforces to increase profitability nd competitiveness. Companies continue to search for ways to cut costs, improve uality, and maintain flexibility.

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The employment contract has changed for employees at all levels. No longer can production workers, service employees, or even managers count on lifetime employment, steady career advancement, and ever-increasing salaries and benefits. Yet at the same time, "[companies] are asking employees to work harder and smarter, to provide better customer service, and to be ready and willing to change with a newly flexible organization" (Work/Family Directions, Inc., *The Business Case for Work and Family Policies and Programs*, Boston, MA).

The role of business

Convinced that work/family conflict affects productivity, more companies are recognizing that flexible work options and dependent care benefits are smart investments in their current and future workforces. Improved employee recruitment and retention, productivity, and loyalty are important results of these benefits that feed directly into a company's bottom line. Also, many companies are thinking ahead, and realize that investment in child care and early education today results in a better educated and prepared work force tomorrow.

Parents know their children need good quality child care, but many can't find it in their communities. If parents do find good quality child care, they often can't afford it. Parents need help bridging the gap between what good quality child care costs and what they can afford. They also need help locating good quality child care settings in their communities. A growing number of companies now respond to their employees' child care needs in a variety of ways.

Employers may provide one or more of the following dependent care benefits:

- Access to child care resource and referral services.
- On-site or nearby child care centers.
- Emergency care for ill children.
- Dependent Care Assistance Plans (DCAP), which allow employees to pay for child care out of pre-tax earnings.
- Seminars and workshops on child care and child care support services.
- Paid family leave.
- Flextime and other work scheduling such as work-at-home or compressed workweeks that help families balance work schedules with parental responsibilities.
- Child care subsidies to help lower-wage employees afford child care.

There is some evidence of growth in employer-supported benefits. In 1993, approximately 2,200 employers in the United States sponsored child care centers (Families & Work Institute, *Workforce*), with 6,000 employers nationwide offering some form of work-family benefits (Bureau of Labor Statistics, *Employee Benefits in the United States 1993-94*, March 1995). The U.S. Government operates over 800 on- or near-site child care centers in the U.S. and abroad. Six hundred forty-four of these are sponsored by the U.S. Armed Forces (Faith Wohl, interview in "Uncle Sam Leads the Way on Worksite Child Care," *ChildCare ActioNews*, January-February 1996). Uncle Sam, the nation's largest employer, also is its largest supporter of worksite child care programs (Wohl, *ibid.*).

Investment in community child care resources: American Business Collaboration

A growing number of companies recognize that investing in the child care resources in the communities in which they operate is a cost-effective way to satisfy the child care needs of employees, improve corporate productivity, and improve the community's resources for the benefit of all families. These have taken the form of direct corporate investments in community-based child care programs in centers and family child care homes, in resource and referral services, and in the of dependent care programs that may involve a consortium of corporations and, in some ıⁿions.

ıε . these investors in community resources is the American Business Collaboration for Dependent Care (ABC), a coalition of 156 major U.S. corporations, government entities, and fit organizations established in 1992. During the first phase of the ABC's initiative, in 1992, ·s of the group invested more than $27 million in 45 communities in 25 states and the District nbia. In September 1995, 21 "champion" corporations of the original group pledged to invest ·f $100 million over the next 10 years to develop and strengthen school-age child care and re projects in communities across the country. This is believed to represent the largest single ent in dependent care ever by the private sector.

es of corporate dependent care programs
ı Charlotte, North Carolina, **NationsBank** offers resource and referral services, numerous ent care assistance policies, and a near-site child care facility for its headquarters, and has ɟ more than $900,000 in seed money for a center for its employees in Atlanta. In addition, Bank has invested $25 million to provide child care benefits, such as income-based ıs.

ɔrporations are addressing the child care needs of lower income workers. A division of ;RA Refrigerated Foods Company, **Butterball Turkey**, has invested corporate funds into on- near-site child care centers for low-income employees at its Arkansas and Missouri plants. ɔd by concerns about worker loyalty and productivity and by employee surveys that found that was a workers' second greatest expense, CONAGRA now provides care for all shifts (6:00 ıi t), operates after-school and summer school programs for children and infants, and :es employee expenses through pre-tax payroll deductions.

Incorporated, a Skokie, Illinois-based manufacturer of automobile sealing products, employs nately 2,000 people in three states and overseas, and expresses its commitment to them the benefits it offers. Its work and family benefits package -- costing about $700 per ɔe -- includes: on-site child care, an elder care resource and referral service, a sick child care ılt emergency care service, and subsidized tutoring and college scholarships for employees' . A University of Chicago study of 882 Fel-Pro employees found that 92 percent of the ients indicated that the company's benefits make it easier to balance their work and their ıl lives. Of those with children, 72 percent agreed that Fel-Pro's benefits have helped their do things they would not otherwise have been able to do (*Added Benefits: The Link Between ʔesponsive Policies and Job Performance*, University of Chicago, 1993).

usinesses respond too
37 million Americans work for companies with fewer than 100 employees, according to the ıall Business Bureau. However, a company's small size does not have to limit its ability to child care benefits to its employees. With proper planning and strong commitment on the he employer, the goal of meeting employees' child care needs can be achieved. Moreover, ɔfits to small employers are much the same as those commonly reported by large ons: improved employee productivity and morale, an increased ability to attract and retain /c s, and a better image in the community. Child care options that work especially well for nall businesses include:

Child care subsidies.

- Financial assistance, through the pre-tax Dependent Care Assistance Plan (DCAP).
- Resource and referral services.
- A flexible benefits plan which offers employees the opportunity to choose from a menu of benefits that include some form of child care.
- The direct provision of a licensed on- or off-site child care facility.
- Consortium centers.

Chalet Dental Clinic in Yakima, Washington, with 50 employees, operates an on-site child care center used by 15 of its employees, which is its maximum capacity. When space is available, the clinic opens the center to non-employees in the community, and patients may use the center at no charge during their office visits. Employees pay low daily fees for using the center, which serves children up to five years of age; and the employer reports that the operating costs for the center are approximately $2,500 to $3,000 monthly. The employer reports that publicity surrounding the clinic's center has helped reduce the clinic's recruiting costs, and that benefits to the employees outweigh the center's operating costs. The clinic also offers employees up to three months of unpaid parental leave (Child Care Action Campaign, *Not Too Small to Care: Small Businesses and Child Care,* pp.26-28; telephone interview, 1997).

In its eleventh annual survey (1996) of the 100 best companies for working mothers, *Working Mothe* magazine included two companies with fewer than 100 employees. The smallest company on the li: was **Tom's of Maine**, a manufacturer of natural personal care products, with 68 employees. The company subsidizes the cost of child care for employees earning less than $22,500 annually, and provides a smaller subsidy for employees earning between $22,501 and $32,500. The company als provides four weeks of fully paid parental leave, work at home, job sharing, compressed workweek, nd flextime options.

VCW, Inc., which sells insurance and other products to truckers and employs 70 persons, provides on-site child care, with fees below market rates, with back-up care also available. Employees have work at home, flextime, and compressed workweek options.

Child care benefits boost the bottom line

Businesses that help employees with child care also benefit from decreased absenteeism and turnover, improved productivity and morale, and less staff turnover, which has in turn led to lower recruitment and training costs. A 1994 comparative study of Johnson & Johnson's employees founc that 71 percent of those employees who utilized family-supportive policies at the company ranked this reason as "very important" in deciding to stay at Johnson & Johnson (Families & Work Institute, *A Evaluation of Johnson & Johnson's Balancing Work and Family Program*, Executive Summary, April 1993).

If American employers understand that people are the critical resource responsible for the success (any business, they will realize the value of understanding and responding to employee's needs. American businesses are realizing that if child care and other dependent care problems are solved, productivity can be increased and worker stress can be alleviated. The very small number of employers who currently support comprehensive work-family initiatives for their employees must radically increase if the long-term success of business, and the nation, is to be ensured. As the Fel-Pro study states, "Demographic and economic trends indicate that it is time for American business t learn to make the most out of the vast human resources available ... Providing family responsive policies in the workplace helps accomplish this goal" (University of Chicago, *Op. cit.*, p.10).

Fact Sheet

Administration for Children and Families

Administration on Children, Youth and Families

Child Care and Development Fund

The newly established Child Care and Development Fund (CCDF) has made available $2.9 billion to States. Tribes receive approximately $59 million for FY 1997. This new program, authorized by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, will assist low- income families and those transitioning off welfare to obtain child care so they can work or attend training/education. The award represents an increase in child care funding of $568 million for States over FY 1996.

The Child Care and Development Fund brings together, for the first time, four Federal child care subsidy programs and allows States to design a comprehensive, integrated service delivery system to meet the needs of low-income working families. Additionally, the Child Care and Development Fund sets aside a minimum of four percent of Federal and State funds to improve the quality and availability of healthy and safe child care for all families.

Major Change for Child Care

The major change for child care services under the Child Care and Development Fund is the requirement for ``ates to serve families through a single, integrated child care system. Four Federal child care programs are now bined. Three programs, AFDC/JOBS Child Care, Transitional Child Care, and At-Risk of Welfare ,endency Child Care (formerly called Title IV-A child care), have been repealed and all child care funding is now combined under the former Child Care and Development Block Grant (CCDBG) program. CCDBG regulations will apply to the combined Child Care and Development Fund program where they correspond with the statute. New regulations will be developed to revise the old regulations and make them conform with the new law.

Child Care Services Funded by CCDF

Subsidized child care services will be available to eligible parents through certificates or contracted programs. Parents may select any legally operating child care provider. Child care providers serving children funded by CCDF must meet basic health and safety requirements set by States and Tribes. These requirements must address prevention and control of infectious diseases, including immunizations; building and physical premises safety; and minimum health and safety training.

Quality Activities

A minimum of four percent of CCDF funds must be used to improve the quality of child care and offer additional services to parents, such as resource and referral counseling regarding the selection of appropriate child care providers to meet their childþs needs. To improve the health and safety of available child care, many States have provided training, grants and loans to providers, improved monitoring, compensation projects, and other innovative programs. Tribes may use a portion of their funds to construct child care facilities provided there is no reduction in the current level of child care services.

Public Input For State And Tribal Child Care Plans

States and Tribes must submit comprehensive plans by July 1, 1997. The legislation has strengthened the requirements for conducting public hearings regarding these plans and public comment is invited through this process.

Fact Sheet

Administration for Children and Families

Administration on Children, youth and Families

ACF Child Care Programs Serving Children and Youth

What's New in Child Care

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, establishes the Child Care and Development Fund to provide assistance to working low-income families to achieve and maintain economic self-sufficiency.

The major change in Federal child care is the requirement for States to serve families through a single, integrated child care system. Three Title IV-A child care programs, Aid to Families with Dependent Children (AFDC) including Job Opportunities and Basic Skills Training (JOBS) program, Transitional Child Care (TCC), and At-Risk Child Care (ARCC) have been repealed and replaced by new funding under section 418 of the Social Security Act. All child care funding is now administered under the Child Care and Development Block Grant (CCDBG) Act rules. CCDBG regulations will apply to the Child Care and Development Fund program where they correspond with the statute. This new program took effect on October 1, 1996.

The data following in this publication was reported under the old Child Care laws.

Federal Child Care Programs in FY 1995

Administration for Children and Families' (ACF) child care programs are administered by the Child Care Bureau within the Administration on Children, Youth and Families. ACF child care programs assist low-income families to obtain child care and other supportive services so they can work or participate in an approved education and training program, in order to achieve economic self-sufficiency. Child care assistance was formerly available through States by either Title IV-A programs or the Child Care and Development Block Grant.

Title IV-A Child Care Programs (Prior to October 1, 1996)

Aid to Families with Dependent Children (AFDC) - provided child care to recipients who were employed or participating in an approved education and training program, including the State and Tribal Job Opportunities and Basic Skills Training (JOBS) program.

Transitional Child Care (TCC) - provided up to 12 months of child care to working AFDC recipients upon loss of eligibility for AFDC due to an increase in hours of or earnings from employment.

At-Risk Child Care (ARCC) - provided child care to low-income working families not receiving AFDC, but who need child care in order to work and who would be at-risk of becoming dependent on AFDC if they did not receive child care assistance.

These Title IV-A child care programs were named after Title IV-A of the Social Security Act, which was amended by the Family Support Act of 1988 to provide for AFDC child care and TCC. Title IV-A was further amended by the Omnibus Budget Reconciliation Act of 1990 to provide for At-Risk child care.

Child Care and Development Block Grant (CCDBG) Program

Child Care and Development Block Grant (CCDBG) - provides child care services for low-income family members who work, train for work, or attend school, or whose children are receiving or need to receive protective services. CCDBG provides States, Indian Tribes, and Territories with funding to help low-income families access quality child care for their children. In addition, CCDBG increased the availability of early childhood development and before- and after-school care services. Funds are available to provide certificates, grants, and contracts for child care services for low-income families. The CCDBG was created under the Omnibus Budget Reconciliation Act of 1990.

What the Numbers Show for FY 1995

What was federal spending on child care in FY 1995?

In FY 1995, States, the District of Columbia, and territories received the following IV-A child care funds:

AFDC child care (including Jobs):	$678.1	million
Transitional child care:	$214.7	million
At-Risk child care:	$285.6	million
Administration:	$56.7	million

In FY 1995, 288 grantees, including the 50 states, the District of Columbia, Puerto Rico, Guam, Palau, American Samoa, the Commonwealth of Northern Mariana Islands, the Virgin Islands, and 231 Indian tribes received:

CCDBG:	$932.3	million

State matching funds are required for AFDC child care, TCC, and ARCC at the FMAP rate for program funds. Matching requirements ensure that States and Territories will receive a certain level of funding if they contribute a specified amount. The Child Care and Development Block Grant is a discretionary program requiring no match.

How many children were served by these child care programs in FY 1995?

FY 1995 average monthly number of children served:

AFDC/JOBS:	233,029	average per month
AFDC/non-JOBS:	209,020	average per month
TCC:	141,017	average per month
ARCC:	198,891	average per month
Children served by CCDBG: (funded some portion of care for)	662,735	per year (unduplicated count of children for the whole fiscal year)

What types of child care arrangements did parents choose for their children?

The type of paid child care arrangements used while parents were employed or participating in an education and training program varied depending on the program status of the families and the age of the child. In FY 1995, center based care was the type of care arrangement most frequently chosen by parents receiving title IV-A and CCDBG. The second most frequently chosen child care arrangement was family day care or group home followed by child care provided in the child's own home.

Program	Center	Family/Group Home	In Child's Home
AFDC	42.7%	40.5%	16.9%
C	56.0%	33.9%	10.1%
ARCC	67.9%	27.4%	4.7%
CCDBG	57.9%	35.5%	6.6%

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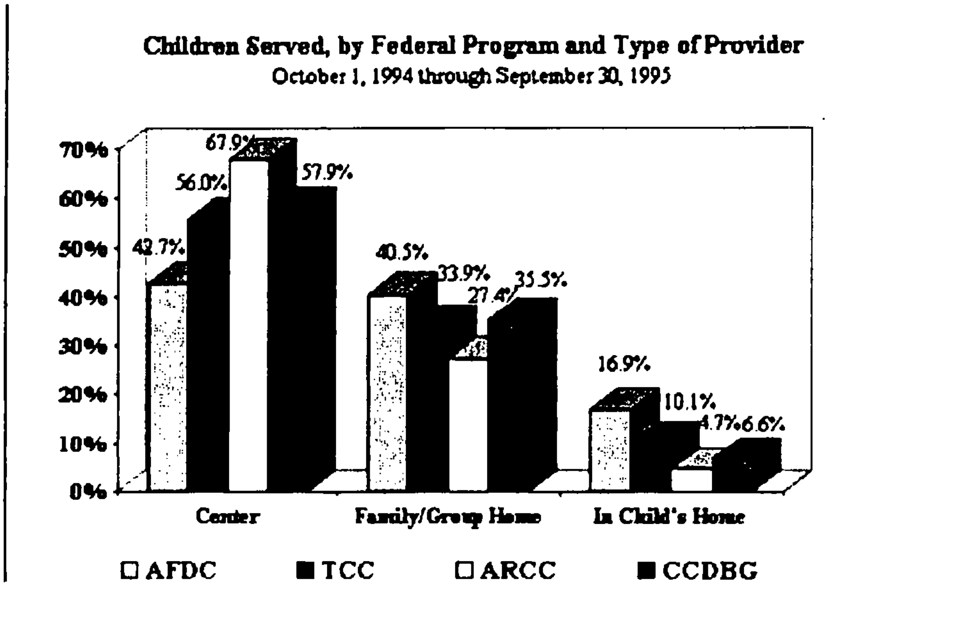

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1 By program, the following number of States/territories reported on Type of Provider: 46 for JOBS; 44 for AFDC/non-JOBS; 48 for TCC; 38 for ARCC; and 55 for CCDBG.

2 Children of AFDC, JOBS, and non-JOBS participants receiving IV-A paid child care.

What were the ages of the children of JOBS participants receiving IV-A paid child care?

Data on children served by age for FY 1995 are available only for children of AFDC/JOBS participants and children in CCDBG-funded child care. The majority of the children of JOBS participants served are under age six.

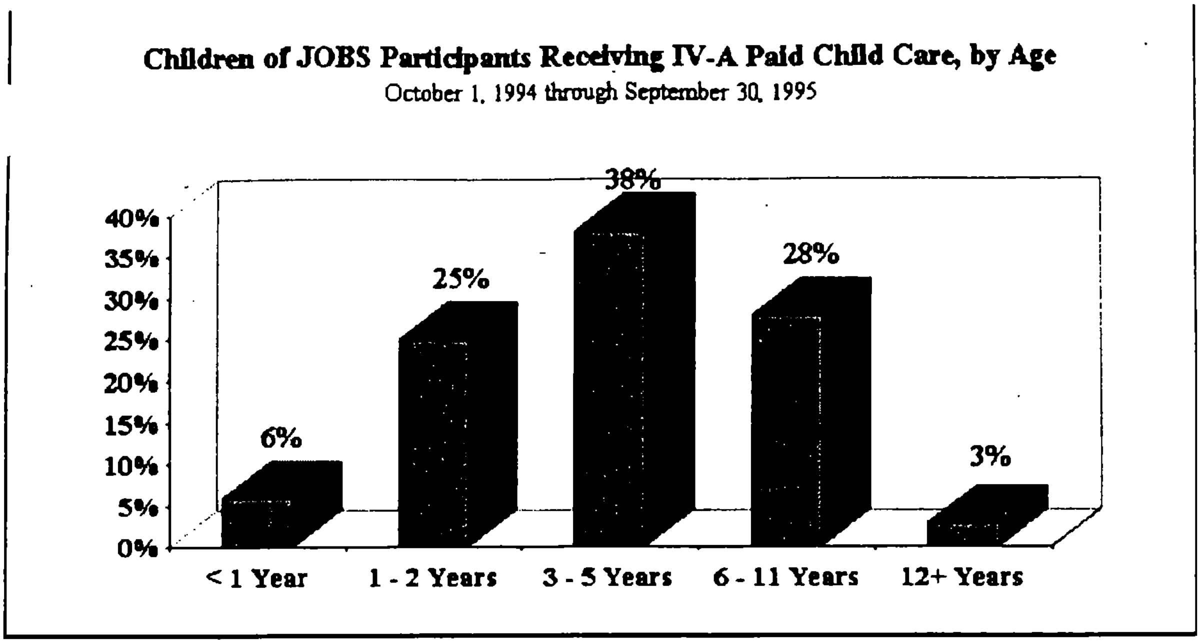


Chart is based on reporting by 46 States, the District of Columbia and territories of Guam, Puerto Rico, and the U.S. Virgin Islands.

Compared to children who are ages one through five, AFDC/JOBS children under one year of age use less center-based care and more care provided in a group and family day care home or in the child's own home.

Age of Child Reported	Center	Family/Group Home	In Child's Home	Not Reported
·ss than one year	38.1%	39.4%	18.8%	3.8%
·ne through two years	47.9%	33.6%	15.1%	3.5%
Three through five years	49.8%	33.8%	13.0%	3.5%
Six through twelve years	32.3%	44.3%	17.8%	5.5%
Thirteen years and older	8.9%	57.6%	21.7%	11.8%

What were the ages of children served with CCDBG-funded child care?

The majority of the children served with CCDBG-funded child care are under the age of six. Children ages thirteen and older were the smallest group served by both the JOBS and CCDBG programs.

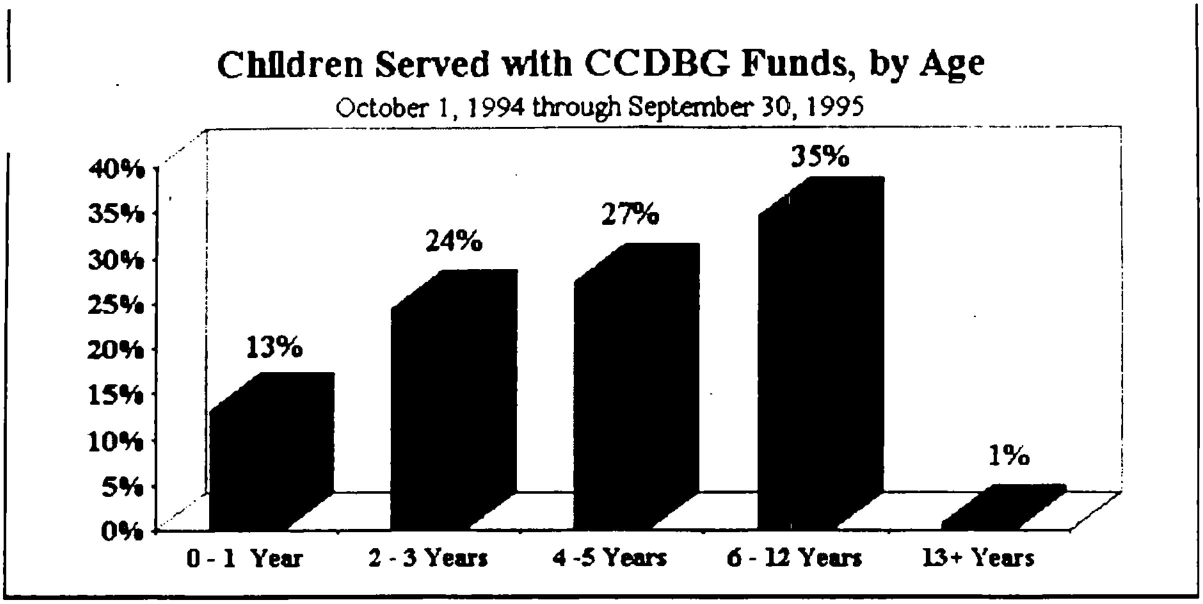


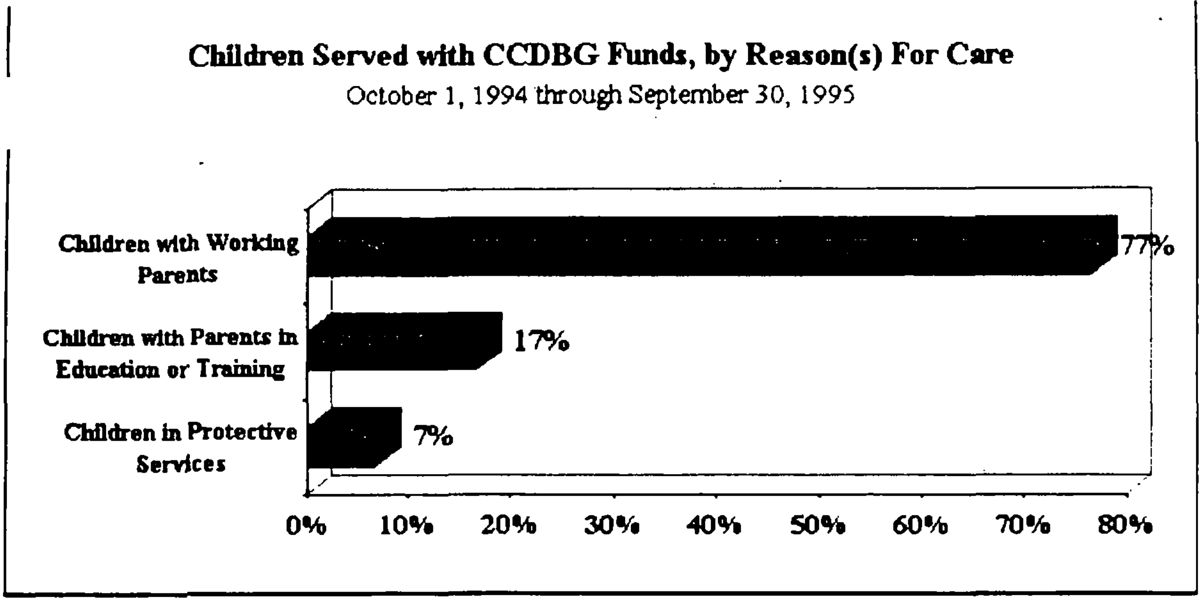
Chart is based on reporting by 49 States, the District of Columbia and territories of Guam, Northern Mariana Islands, Palau, and the U.S. Virgin Islands. Under the CCDBG program, Puerto Rico is considered a State.

Compared to children of JOBS participants, children served with CCDBG-funded child care use more center-based care in all age groups as their primary source of care.

Age of Child	Center	Family/Group Home	In Child's Home
wborn to one year	61.5%	32.8%	5.7%
,o through three years	71.8%	24.9%	3.3%
Four through five years	77.6%	19.7%	2.7%
Six through twelve years	66.3%	27.6%	6.1%
Thirteen years and older	56.2%	33.3%	10.5%

Why did families using CCDBG funds need child care assistance?

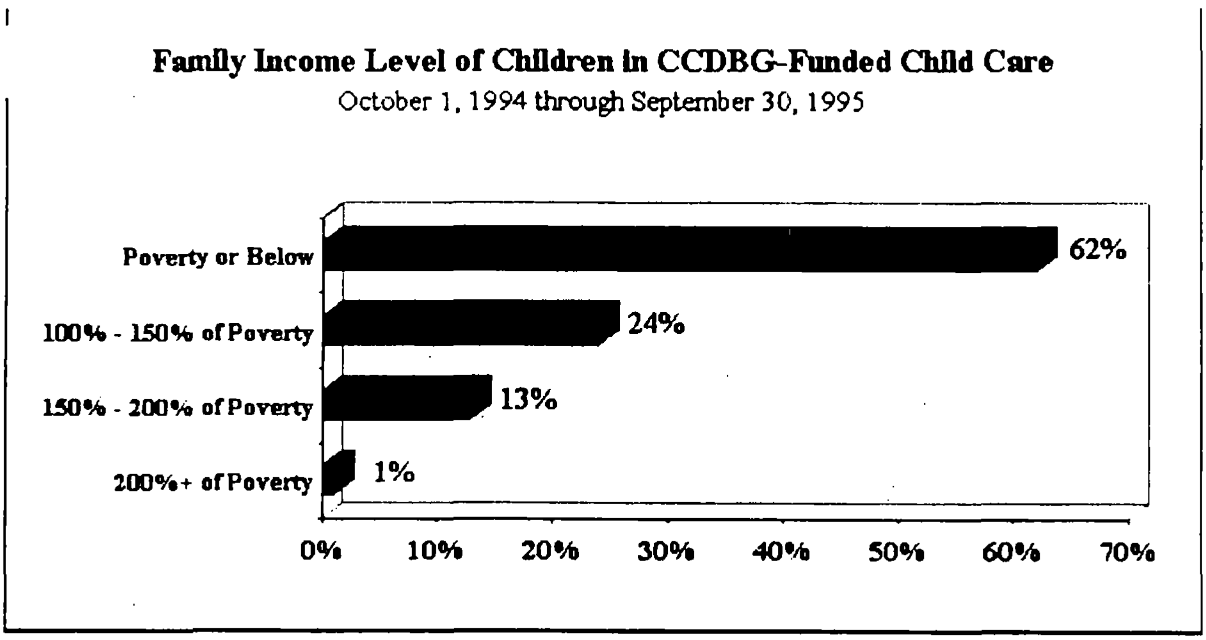
In FY 1995, over three-fourths of the children needed child care because their parents were working, less than one-fourth because their parents were involved in an education or training activity, and the remaining children needed child care because they were placed in protective services.



Total reporting for this question was 559,096. Based on reporting from 50 States and territories.

What was the income level of the families using CCDBG-funded care?

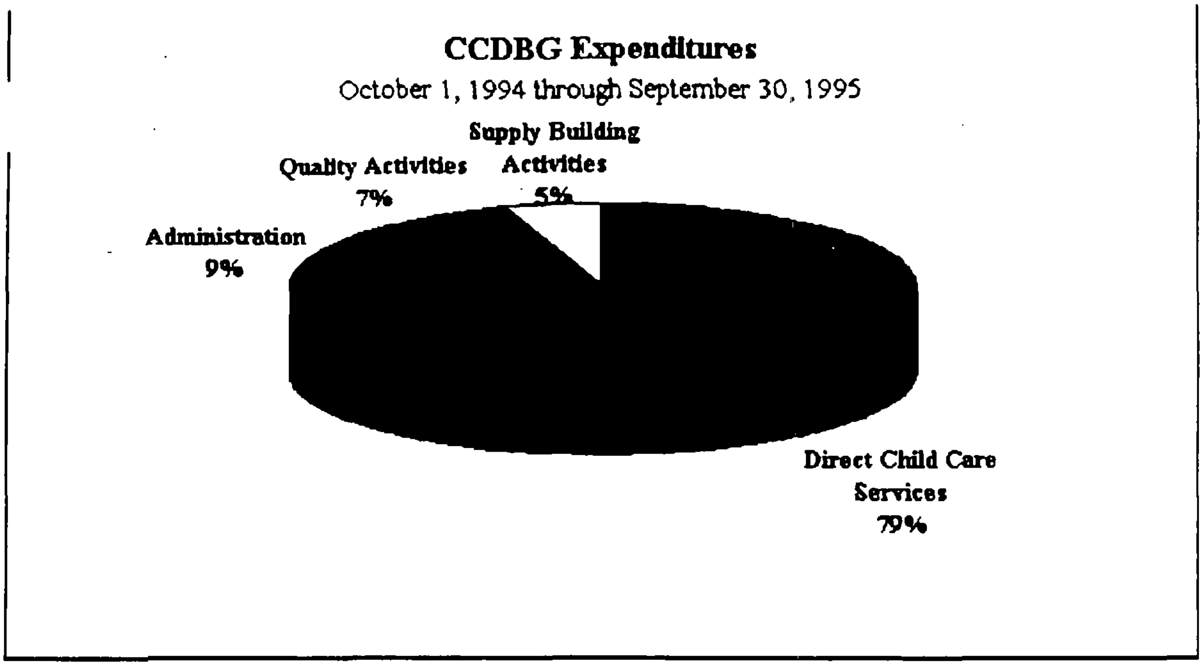
In FY 1995, about two-thirds of the children in CCDBG-funded child care lived in families that were at or below the federal poverty level. Almost a quarter of the children in this program lived in families with incomes between 100 and 150 percent of the poverty level.



Total reporting for this question was 438,596. Based on reporting from 42 States and territories.

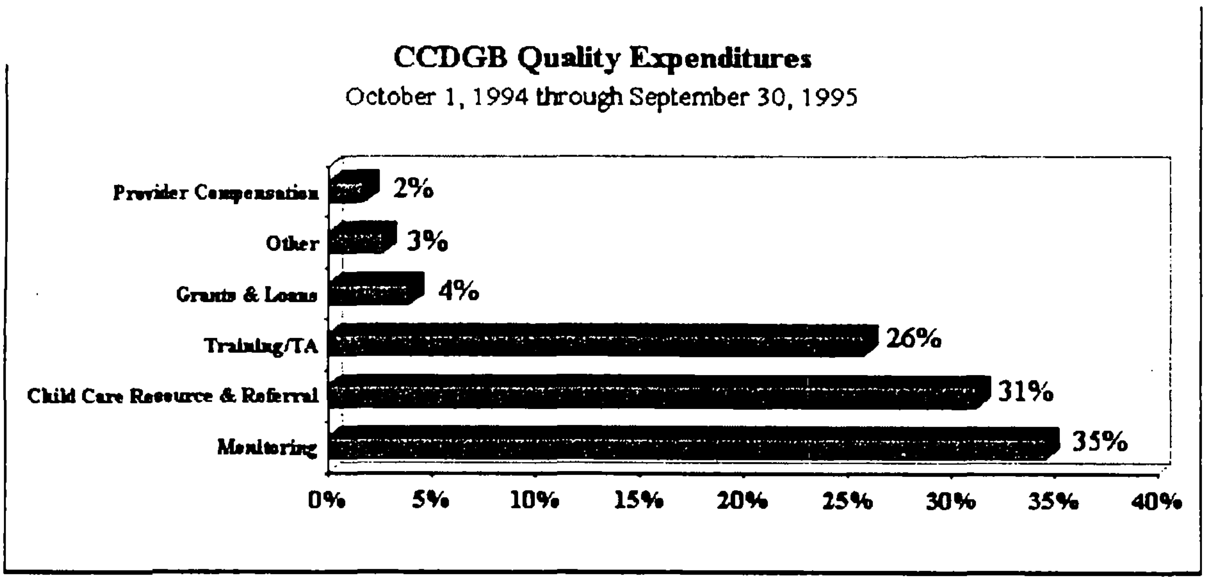
How did CCDBG expenditures increase the quality of child care?

While more than three-fourths of FY 1995 CCDBG expenditures were used for direct services, 7 percent of the funds were used to improve the quality of child care. These quality expenditures were used for resource and referral, monitoring, training and technical assistance, grants or loans to providers to improve standards, and projects to improve the compensation of child care workers.



Total CCDBG Expenditures: $573,870,811.

Direct services includes child care purchased with certificates, contracts, grants, or as part of before and after-school care and early childhood development programs.
Administration expenditures are capped under CCDBG regulations.
Percentages are based on FY 1994 grant allocations spent October 1, 1994 to September 30, 1995.



Total CCDBG Quality Expenditures: $36,647,413.

Other Authorized Activities includes expenses such as conducting a needs assessment or organizing a planning committee.
Percentages are based on FY 1994 grant allocations spent October 1, 1994 to September 30, 1995.

Training Requirements in Child Care Licensing Regulations

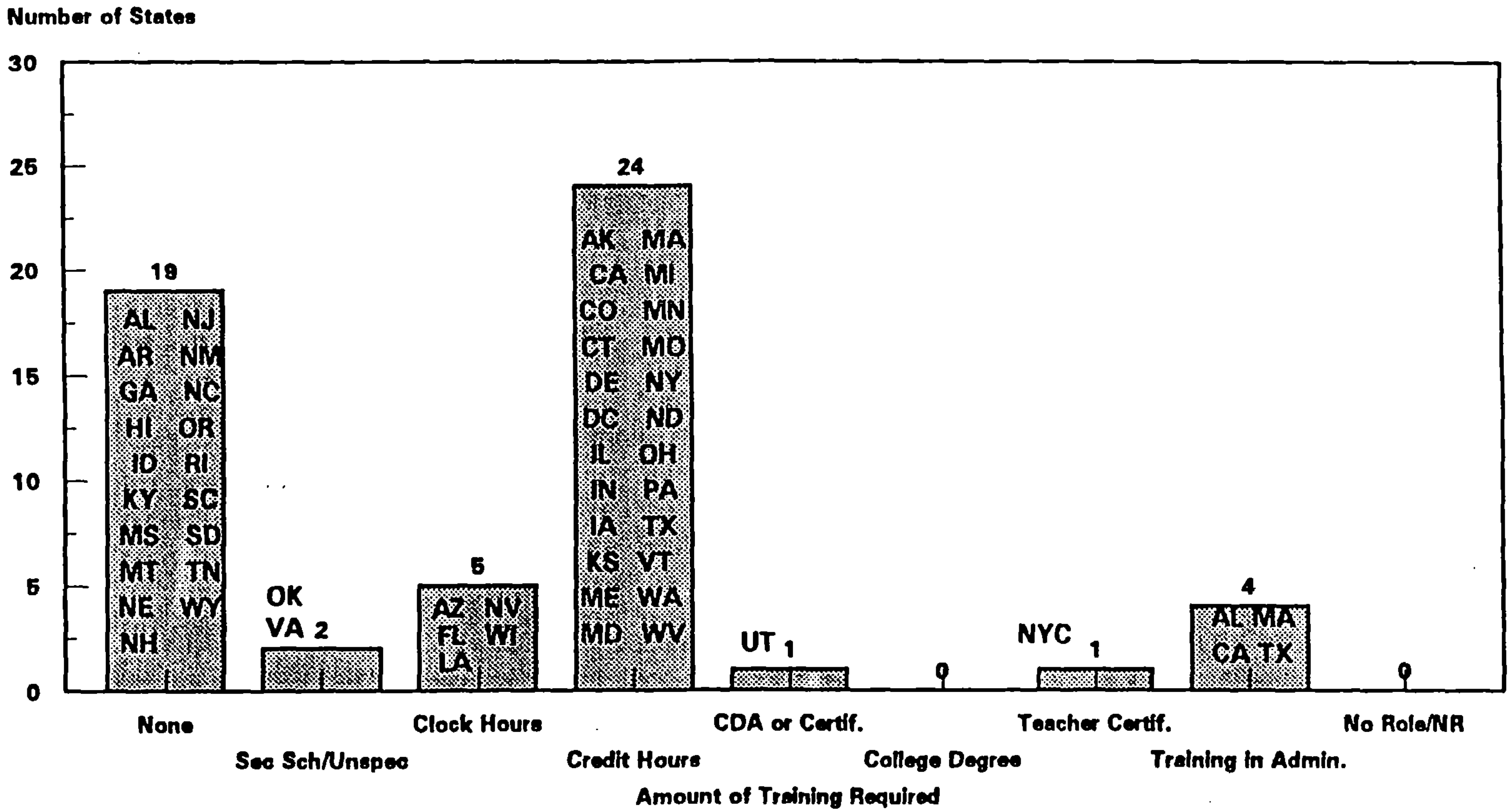
June 1997

By Sheri L. Azer and Darnae Eldred

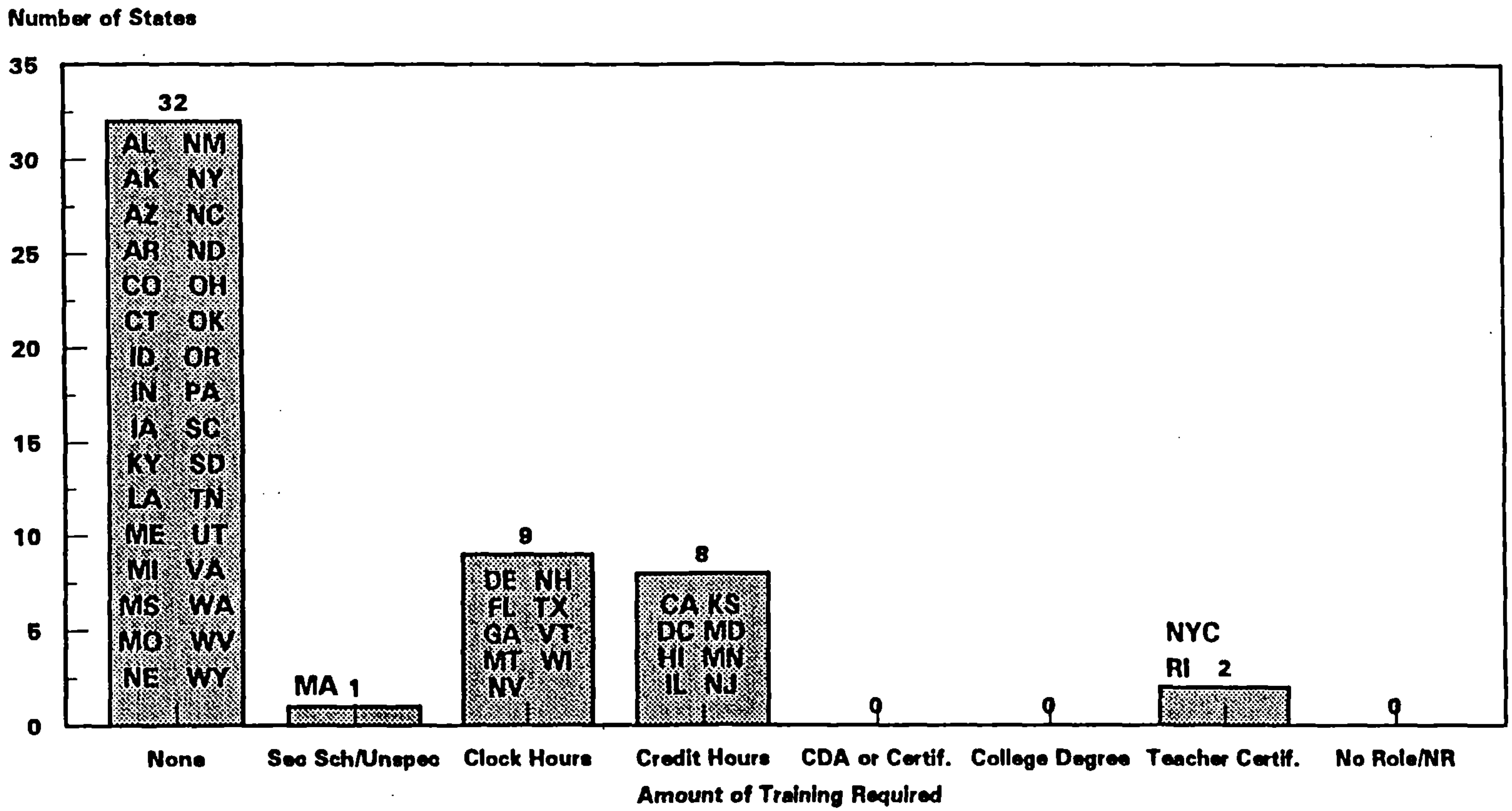
The Center
for Career Development
in Early Care and Education

Licensing Requirements: Minimum Pre-service Training in ECE

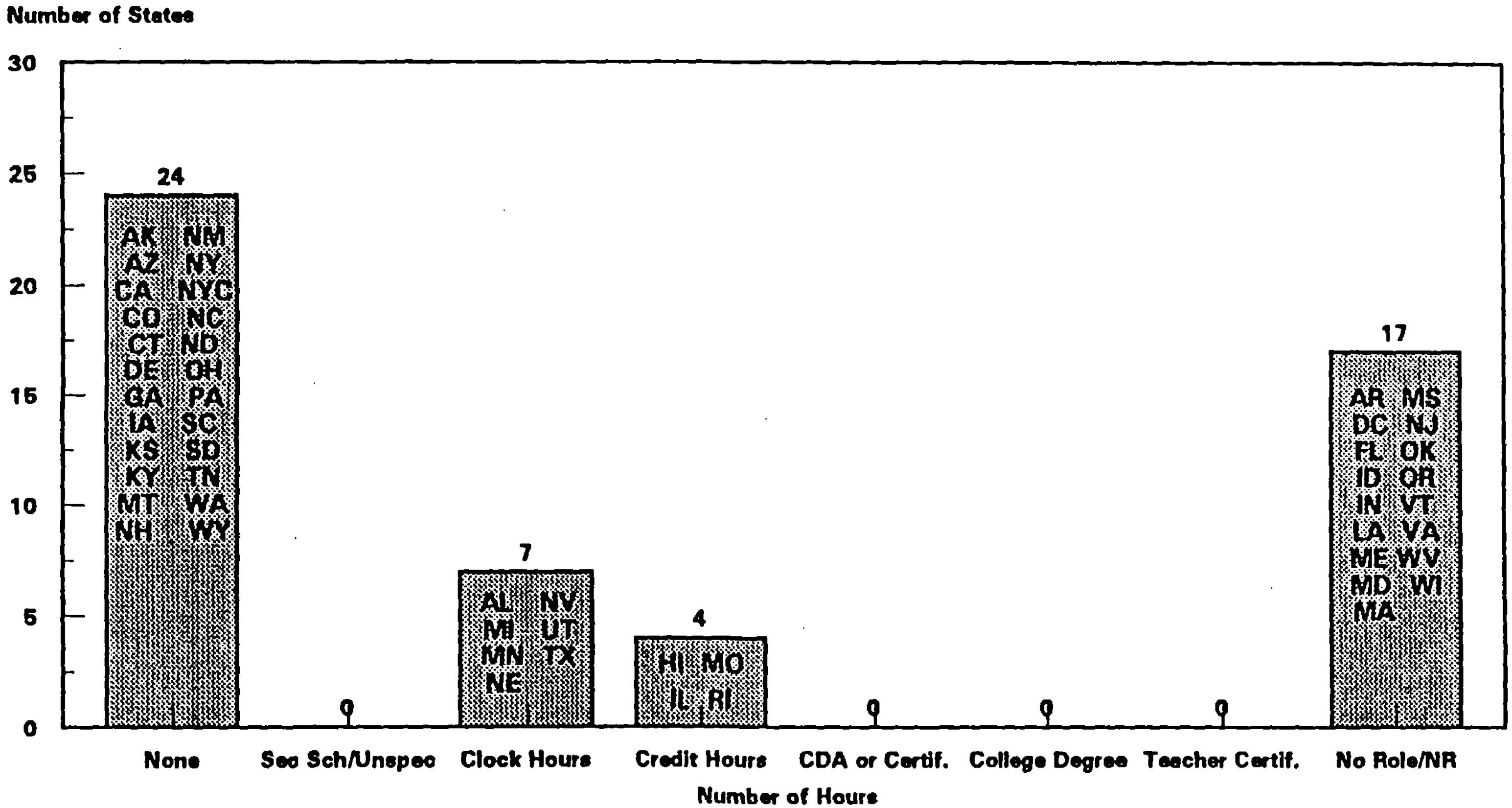
Directors of Child Care Centers



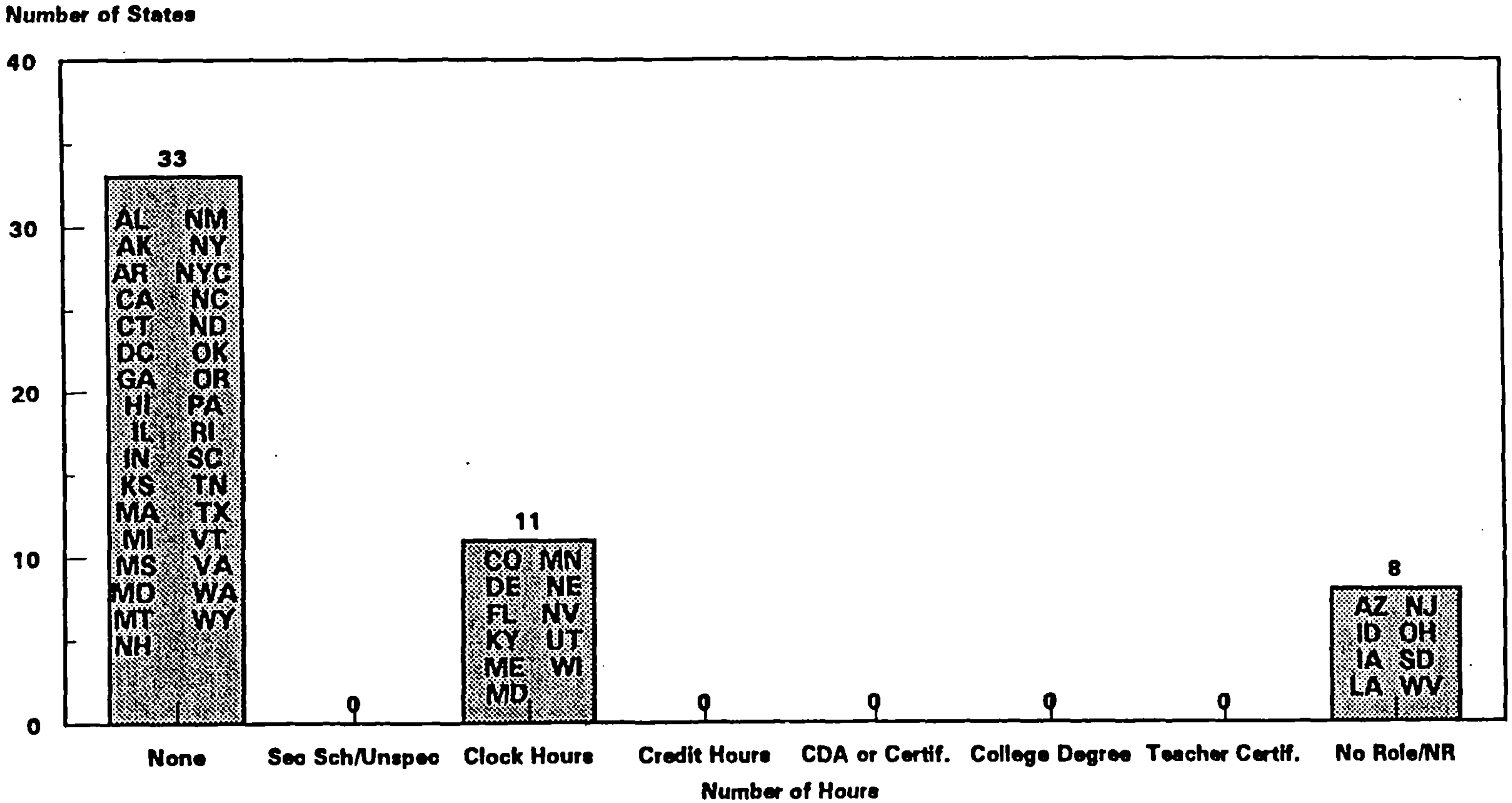
Licensing Requirements: Minimum Pre-service Training in ECE Teachers in Child Care Centers



Licensing Requirements: Minimum Pre-service Training in ECE Providers in Large Family Child Care Homes



Licensing Requirements: Minimum Pre-service Training in ECE Providers in Small Family Child Care Homes



WH CONFERENCE

Clinton Presidential Records
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9/12/97 Draft

White House Conference on Child Care
Outline for Discussion Purposes Only

Objectives for the Conference:

- Establish child care as a national priority and legitimize it as an issue in which all Americans have a stake, using both child development and workforce/economic arguments;

- Educate the nation -- particularly parents -- about the need for providing children of all ages with supportive, high quality care, and defining the components of quality child care (including school-age care programs);

- Illustrate tangible ways that all sectors of society (families, government, employers, military, religious community, philanthropy) contribute to the system, by highlighting model efforts nation-wide; and

- Launch policy that addresses key areas of challenge in child care -- quality, affordability, and school-age care.

Opening Session: Setting the Stage

Possible Components:

Remarks by The First Lady
Remarks by an Economist/Rubin (workforce/economic perspective)
Video (human/child development perspective)
Parent (introducing the President)
Remarks by The President

Panel One: What is Quality Child Care?

This panel would address a range of issues, including the effects of care on children, the effects of quality care on child development and school-readiness, and the various components of quality care for various age-groups.

Panel One, Continued

Possible Components:

The President
The First Lady
The Vice President
Mrs. Gore

Economist
Expert on impact of care to child development and school-readiness
Expert on quality measures of child care for various age groups
Expert on school-age care
Child Care Provider
Parent

Panel Two: How Do We Strengthen Child Care in the U.S. -- Investing in Child Care and Mobilizing the Pivotal Sectors to Promote Quality Child Care

This panel would address the status of child care from both state-by-state and national perspective, and examine model efforts nation-wide.

Possible Components:

The President
The First Lady
The Vice President
Mrs. Gore

Expert on "state of child care in the United States" -- state-by-state and national overview

Quality/Workforce Investments (North Carolina Smart Start and TEACH)
Military model representative
Business representative
School-age program representative
Health and Safety Standards representative
Parent

Closing Reception (T)

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VIDEO
ON
CHILD CARE

OBJECTIVE: Produce a ~~12-15~~ 5 minute video on child care intended to set the stage for the presentations and discussion at the White House Conference on Child Care, and for important application after the Conference. Community leaders have indicated a real need for a way to introduce audiences to the child care issues affecting our country. And indeed, there exists nothing else that takes an in-depth look at what child care means to this nation's people -- especially to children.

APPROACH: Create a compelling document that puts a human face on just how critical good child care is to working parents and their children --from infancy through the school age years -- as well as to businesses and to communities.

Not merely a recitation of the facts and statistics, the video presents first-hand evidence -- from typical American families and in their own words -- that child care impacts people's lives on a daily basis -- and at a very deep level. It includes recent research findings by Families and Work Institute that has led to revolutionary understanding of the issues.

The production features mini-documentaries about families who represent the varieties of work experience. It also includes individual interviews with parents, children, child care providers, supervisors, co-workers, business leaders, government representatives and noted figures. The stories run the gamut from the disruption of a whole community because of child care problems, to the positive effect of one caregiver on a single child.

Schedule permitting, eminent pediatrician Dr. T. Berry Brazelton has agreed to host. His role: to interview the families and children, and to provide the voice of the continuing narrator.

CONTENT: Demonstrate that only when child care works, can working families really work.

Featuring a representative cross-section of American families -- and the variety of child care situations typical in this country -- we tell stories both of success and of failure. The purpose: to understand what makes child care work, and what happens when it's not working.

We examine the effect of child care along several central parameters, including:

> Development - incorporating findings of the exciting new brain research;
>
> Attachment - the effect of child care on the parent/child bond, as well as critical factors in the child/caregiver relationship;
>
> Family Dynamics - such as how fragile the logistics of working families can be, and how child care problems can have completely unanticipated yet very serious repercussions for working parents and their children, bosses and co-workers;
>
> Economics - both the financial condition of the individual family and the larger economic health of business, community and country.

Overall, the program presents new and surprising insights into the real life of the American working family -- and the real story of how critical good child care is to us as a nation. It does not suggest specific policy, but rather makes a call for action from every sector of our society.

CREATIVE TEAM: FAMILIES AND WORK INSTITUTE is acting as coordinating consultant for the project, the content of which is based on its staff's 20-year leadership in research on families and the workplace. Families and Work Institute also partnered with Rob Reiner on the I AM YOUR CHILD project, developing the scientific basis for this nationwide campaign on the importance of early childhood, and the outreach effort in all fifty states.

In addition, the CARNEGIE CORPORATION OF NEW YORK is lending its expertise as special project advisor.

NEW SCREEN CONCEPTS is producing the program. New Screen is the Emmy-award winning team responsible for the documentary segments of I AM YOUR CHILD. They created Berry Brazelton's long-running parenting series WHAT EVERY BABY KNOWS. Their credits include many network specials and series, such as THE BODY HUMAN on CBS, KIDS THESE DAYS on Lifetime and WE'RE EXPECTING on ABC.

BUDGET: The video is budgeted at $85,000. This includes all costs for research, directing, script, studio production, field photography, post-production and consultants. For subsequent mass distribution, video dubs will be available at standard duplication costs. To meet the October 23rd Conference deadline, production must begin by September 1st.