

**The Issue:**

**EARLY CHILDHOOD CARE & DEVELOPMENT SERVICES**

**Children's Bureau, Inc. Position:**

We support initiatives to make safe, enriching, affordable, nurturing, flexible, and quality child care and development accessible to all families. We believe that quality early childhood care and development services ensure children's well-being and success socially, educationally and developmentally.

**We support the following  
Legislative and/or Policy Initiatives:**

- Adopt safety and quality regulations for all early childcare homes, centers, ministries, after school and preschool programs.
- Ensure that childcare staff and providers meet safety and educational requirements and are able to earn livable wages.
- Allocate of State and Federal funding specifically for the enhancement of quality childcare and early childhood education.
- Optimize Federal and State funding for the CCDF voucher program to alleviate childcare costs for working, low income parents.
- Maintain Federal jurisdiction and administration of Head Start program – do not offer block grants to States.
- Promote legislation, policies and funding that support the well-being of Indiana children by supporting and strengthening working families.
- Create fiscal incentives for companies who help employees access quality, affordable childcare.
- Provide adequate resources to insure every child has access to Pre-K – 16 educational experiences.
- Fund initiatives to provide quality and structured, before and after-school programs for school aged children.
- Create access to emergency childcare assistance for foster parents.

## Background Information:

Quality childcare is imperative in ensuring Hoosier children's success educationally, socially, and developmentally. Research shows that children who received quality childcare at a young age were better prepared for school had greater math ability, greater thinking and attention skills, and fewer behavioral challenges<sup>1</sup>. Since the late 1980's, childcare concerns have gained increased attention due to the cost associated with placing children in a childcare facility and quality of care concerns of parents. The National Association of Child Care Resource and Referral (NACCRR), along with the Indiana Association of Child Care Resource and Referral (IACCRR) are advocating for policies that explicitly state basic standards for safety, health or quality of all childcare providers including childcare facilities, ministries, and home providers.

As the demand for childcare increases, the number of regulated facilities slots is not adequate to meet needs. In state fiscal year 2009, Indiana reported 597 licensed child care centers; 3,040 licensed childcare homes and 714 registered childcare ministries who are registered and not required to be licensed<sup>2</sup>. In state fiscal year 2009, there were 22.5 openings in licensed child care centers and homes for every 100 children 4 and under<sup>2</sup>. This lack of sufficient licensed and accredited facilities results in parents leaving children in childcare situations that are unregulated and do not meet the standards to insure optimum development. Indiana is one of only four states that allow childcare to be provided to 5 or less unrelated children without obtaining state licensure<sup>3</sup>. It is estimated that 1 in 6 children in Indiana are receiving unregulated childcare<sup>4</sup>.

The State of Indiana has initiated a voluntary rating service to assist providers in obtaining quality levels of care and to provide parents with assurance that they are finding quality providers. Paths to Quality rates providers at four levels: Level 1 – Health and Safety needs of children met; Level 2 – Environment supports children's learning; Level 3 – Planned curriculum guides child development and school readiness; and Level 4 – National accreditation is achieved<sup>5</sup>. In September 2011, 472 Licensed Centers, 1450 Licensed homes, and 61 Regulated ministries had voluntarily entered the project. Supporting providers in achieving quality

standards is a positive direction that the state is taking<sup>6</sup>.

Another challenge to obtaining quality childcare is the costs associated with securing care in a licensed facility. It has been estimated that the average annual fee for full-time childcare for an infant in a licensed center is \$9,191<sup>7</sup>. This results in a two-parent family making the median income using 13 percent of income on childcare and for a single parent family at median income of it equals 44 percent of income on childcare<sup>7</sup>. The exorbitant cost of childcare creates many challenges to low-income families securing and maintaining employment.

The challenge of finding adequate childcare can impede a family's ability to accomplish the desired goal of self-sufficiency and permanency for their children. Due to the inability of many families to afford childcare to enter the workforce, federal and state funds have been provided through the Child Care Development Fund (CCDF). A family can get on the program if they make 127 percent or below of the poverty level (\$23,532 for a family of three) and can remain on the program until they make over 170 percent of the poverty level if they are working or enrolled in school<sup>8</sup>. CCDF served 55,360 children in 2009; however, the demand is growing when funding is decreasing with an average monthly waitlist of 8488<sup>2</sup>. Despite thousands of Hoosier children receiving assistance, income eligibility requirements and lack of sufficient income continue to leave thousands of Hoosier families without assistance and struggling to remain employed and fund childcare expenses. Investing in childcare assistance funding would assist Indiana in expanding economic and workforce development initiatives across the state. It is estimated that due to the availability of child care Hoosier parents are able to earn nearly \$4 billion in wages<sup>7</sup>.

For school year 2010-2011, the Indiana General Assembly appropriated \$58.5 million for full day kindergarten<sup>2</sup>. In school year 2008, 60.9 percent of eligible students were enrolled in full day kindergarten<sup>2</sup>. Continued investment in providing full day kindergarten will allow thousands more children to obtain the benefits of a full-day early

education program. It has been shown that full-day students receive better grades in literacy, math, general learning skills, and behavior. It has been estimated that for every \$1 spent on early childhood education, the cost savings is between \$7 to \$17 in public assistance, special education, and criminal justice costs<sup>1</sup>. Indiana initiated positive steps in making kindergarten education programs available to children. Research that document improved outcomes and cost-savings exemplify the need to ensure that every child in Indiana has the opportunity to enroll in a full-day kindergarten program.

Other early education programs that have positive results regarding a child's academic success are Early Head Start and Head Start. These programs focus on providing comprehensive child development services, engaging the parent in their child's education, and connecting families with community based services to address barriers to educational success<sup>1</sup>. In SFY 2009, 14,598 children were served through these programs in Indiana<sup>2</sup>. By providing these educational opportunities for Hoosier children at a young age, children are able to enter school ready to learn and have formed the basic skills to be successful in the classroom.

A recent study documented the impact of school based early childhood education programs on long term outcomes for children by examining specific indicators over the course of 25 years. The study found that participating in these programs led to the participants, as adults, having higher educational attainment, higher incomes, higher rates of health insurance coverage and reduced rates of incarceration<sup>9</sup>. These positive outcomes were strongest for those participating in the preschool program, especially male children and children with parents who dropped out of high school<sup>9</sup>.

The Afterschool Alliance estimates that in 2009, 10 percent of Indiana school children are currently enrolled in an after school program<sup>10</sup>. 30 percent of children are home by themselves after school and 15 percent are being cared for by a sibling<sup>10</sup>. 36 percent of parents who did not have students participating in after school programs stated they would be interested in enrolling their student if there were programs

available in their community<sup>10</sup>. After school programs, such as sports, lessons, or clubs, provide children with opportunities to enrich their social, emotional and academic skills. Lack of afterschool programs impacts low-income communities at a larger rate due to family incomes and school budgets not allowing for expenses on enrichment activities<sup>1</sup>.

This lack of structured activities and supervision for youth, results in an increase of negative activities between the critical hours of 3:00pm and 6:00pm. It has been found that youth ages 12 to 14 are most likely to experiment with drugs, alcohol, and tobacco during these hours<sup>2</sup>. Studies show that being unsupervised during after-school hours puts teens at a greater risk for truancy, poor grades, and depression<sup>2</sup>. Violence also peaks during the afterschool hours, and teens are twice as likely as adults to become victims of a violent crime and three times as likely to become victims of simple assault. Additionally, teens are more likely to engage in gang violence between 3:00 p.m. and 6:00 p.m.<sup>2</sup>.

The demand for foster parents who are able to meet the needs for children in Indiana is increasing. Quality families continue to come forth to take on the demanding responsibility; however more of these families are working in jobs outside of the home. Therefore, this directly affects the increasing need for childcare, which creates an added barrier for these families even when they have the knowledge, skill, and ability to meet the needs of children in out-of-home care.

To ensure that all Hoosier children are ready for school through early learning programs and are receiving quality supervision while parents are at work, Indiana needs to ensure that licensing regulations are enforced and model best practices in child development. Federal and state funds need to be maximized to ensure adequate financial supports are available for families that encourage them to utilize licensed facilities and enter the workforce by ensuring stable childcare. By investing in these programs and afterschool opportunities, children will become productive adults and economic goals of the state can be fully realized.

### **CBI Program Impact and Participation:**

Legislation and issues regarding quality childcare availability and licensing requirements directly impact all families with children who receive services through CBI programs, such as WISE, NACS, Community Partners, Adoption, etc. CBI administered the childcare voucher program in Marion, Hendricks, Hamilton and Madison Counties for 15,469 children in 2010. Foster families are not always able to arrange child care when children are placed on an emergency basis in their homes.

### **For More Information Contact:**

#### **Children's Bureau, Inc.**

**1575 Dr Martin Luther King Jr. St, Indianapolis, IN 46202, (317)264-2700**

<http://www.childrens-bureau.org/corp/adv/index.php>

<sup>1</sup> Children's Defense Fund. (2005). *Child care basics*. Retrieved from, <http://www.childrensdefense.org/child-research-data-publications/data/child-care-basics.pdf>

<sup>2</sup> Indiana Youth Institute. (2010). *Kids count in Indiana: 2010 databook*. Retrieved from, <http://iyi.org/resources/pdf/2010-Kids-Count-in-Indiana-Data-Book.pdf>

<sup>3</sup> Indiana Family & Social Services Administration. (2009). *Indiana Bureau of Childcare 2008 Annual Report*. Retrieved from, <http://www.in.gov/fssa/files/BCC>

<sup>4</sup> Indiana Youth Institute. 2006. *Childcare Fact Sheet*.

<sup>5</sup> Indiana Family & Social Services Administration. 2010. *Paths to Quality Childcare, Overview*. Retrieved from <http://www.in.gov/fssa/pathstoquality/3732>.

<sup>6</sup> Indiana Family & Social Services Administration. (2011, October). *Paths to quality program monthly management report, September 2011*, Retrieved from, [http://www.in.gov/fssa/files/PTQ\\_Grid\\_for\\_Sharepoint.pdf](http://www.in.gov/fssa/files/PTQ_Grid_for_Sharepoint.pdf)

<sup>7</sup> National Infant & Toddler Child Care Initiative. (2011). *Child care in the state of Indiana*. Retrieved from, <http://nitcci.nccic.acf.hhs.gov/states/IndianaFINAL.pdf>

<sup>8</sup> Indiana Family & Social Services Administration. (2011). *Child care income eligibility determination and fee schedule*. Retrieved from, [https://secure.in.gov/fssa/files/Fee\\_Sched\\_2011.pdf](https://secure.in.gov/fssa/files/Fee_Sched_2011.pdf)

<sup>9</sup> Reynolds, et.al. (2011). School-Based Early Childhood Education and Age-28 Well-Being: Effects by Timing, Dosage, and Subgroups. Retrieved from Science Magazine, <http://www.sciencemag.org/content/333/6040/360.abstract>

<sup>10</sup> Afterschool Alliance. (2011). *Indiana after 3pm*. Retrieved from, [http://www.afterschoolalliance.org/documents/AA3PM\\_2009/AA3\\_Factsheet\\_IN\\_2009.pdf](http://www.afterschoolalliance.org/documents/AA3PM_2009/AA3_Factsheet_IN_2009.pdf)