

Kansas Action For Children

Quest for Excellence



**The Future of
Early Child Care
in Kansas**



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QUEST FOR EXCELLENCE: The future of early child care in Kansas

TABLE OF CONTENTS

EXECUTIVE SUMMARY	5
INTRODUCTION	6
I. THE NEED FOR QUALITY CARE	7
II. HOW IS KANSAS DOING?	10
Quality: ratios & wages	10
Other efforts to assess quality	10
State government and child care	12
III. EFFORTS TO IMPROVE QUALITY	14
Accreditation	14
Professional development	15
Compensation	19
IV. RECOMMENDATIONS	22
V. ENDNOTES	24
VI. RESOURCE & REFERENCE MATERIALS	26



EDITOR'S NOTE:

This report focuses on early child care and does not address the many facets of early childhood education and school readiness.

Early child care and education specialists know that every environment is potentially a learning environment for preschool-age children. A quality child care setting is one that educates and nurtures young children. Thus, “quality child care” and “early childhood education” are, in many ways, interchangeable terms.

Used in this sense, *quality* early child care:

- helps children enter school ready to succeed;
- provides an appropriate learning environment for all children, including those with disabilities;
- promotes positive child development;
- prevents violence;
- helps parents move from welfare to work;
- improves employee performance and productivity;
- aids economic development and growth.*

* Adapted from *Financing Child Care in the United States*. Anne Mitchell, Louise Stoney, Harriet Dichter. 2001. Sponsored by the Ewing Marion Kauffman Foundation.





EXECUTIVE SUMMARY

Many good things are happening in early child care in Kansas.

- Early child care professionals are implementing professional development initiatives that are improving the skills of child care providers throughout Kansas.
- A growing number of child care centers and family home care providers are seeking and receiving professional accreditation.
- New programs link the efforts of child care providers to upgrade their skills to increased compensation.

Meanwhile, early child care providers, prompted by all this activity, and parents are becoming more aware of the key role a young child's environment plays on their early development. Gradually, Kansans are becoming more aware of the importance of *quality* early child care.

Nevertheless, problems remain. Although Kansas appears headed in the right direction with respect to improving the quality of early child care, the dilemma on how to make child care more affordable and more available, particularly to families that need it the most, threatens to derail efforts to improve early child care. In particular, the amount of funds that are available for child care assistance falls far short of meeting the needs of eligible families.

Parents and child care providers cannot solve these problems by themselves.

Efforts to continue the ongoing improvements in the quality of early child care in Kansas and make it more affordable must involve early child care professionals, philanthropic groups, state and local government, business, parents and concerned citizens all working together. Toward this end, this report makes the following **recommendations**:

- Continue efforts to educate parents, policy-makers and all citizens about the importance of providing high quality child care.
- Increase funds for child care subsidies.
- Expand TEACH and related programs that upgrade the skills and education of early child care professionals.
- Facilitate access to the Child and Dependent Care Tax Credit for low-income families.
- Develop a tiered reimbursement plan that would provide financial incentives for providers.
- Expand the Smart Start grants program, allowing more communities to access funds that would enhance the quality of local early child care programs.
- Explore opportunities to expand Early Head Start and Head Start to additional Kansas counties.



INTRODUCTION

Quality is the key

A study financed by the National Institute of Child Health and Human Development generated national publicity in April 2001 with its finding that the longer young children spend in day care away from their mothers the more likely they are to be overly aggressive by the time they reach kindergarten.

The *quality* of care our youngest children receive, not the amount of time they spend in child care, is the key to helping them reach their potential.

During this ongoing 10-year study, researchers have found that 17 percent of children who were in child care for more than 30 hours per week were regarded by teachers, mothers and caregivers as being aggressive toward other children. That compared with 6 percent for children in child care for less than 10 hours a week.

The true significance of that report can best be appreciated within the context of an earlier report released in July 1999 from that same NICHD study, which found that “Children attending child care centers that meet professional standards for quality score higher on school readiness and language tests and have fewer behavioral problems than their peers in centers not meeting such standards....”¹

The stark contrast between these two findings of the same study highlights the impact child providers have on our children. If fewer behavioral problems and higher achievement scores are our goals for young children, the report that focuses on professional standards reveals how to reach those goals. The *quality* of care our youngest children receive, not the amount of time they spend in child care, is the key to helping them reach their potential.

Meanwhile, the continuing increase in the number of parents who work outside the home is not a passing phenomenon. In mid-January 2000, more than 85,500 Kansas children attended a licensed or registered child care facility in Kansas.²

The message is clear: public policy must catch up to the realities of the modern workplace; in the 21st century, securing *quality* child care for our children deserves to become one of our greatest imperatives.

The first part of this report provides a brief snapshot of the status of child care in Kansas and what is being done to improve it. We then attempt to explain why quality child care is important, what quality child care means and how to measure it. Finally, we make recommendations on how to grapple with one of the greatest challenges now facing child advocates: how to make affordable, quality child care available to all Kansas families.



THE NEED FOR QUALITY CARE

I.

INCREASE IN WORKING FAMILIES

Children today are growing up in a different world than the world of 1964, when only 5 percent of our nation's preschoolers were in child care. Thanks to a dramatic increase in the number of parents entering the work force, patterns had changed remarkably by the time the U.S. Census Bureau issued its 1995 report entitled *Who's Minding the Kids?: Child Care Arrangements*. The report revealed that by 1995:

- 50 percent of preschoolers were cared for by a grandparent or other relative
- 49 percent of children younger than 5 were cared for by non-relatives, 30 percent of which were in child care facilities, preschool programs, Head Start programs, kindergarten, etc.
- preschoolers spent an average of 28 hours per week in child care; that increased to 35 hours per week when the parent was working or in school.³

In Kansas, almost two-thirds (64 percent) of mothers of children under age 6 are in the labor force.⁴

IMPORTANCE OF EARLY YEARS

Early brain development studies have shown us how rapidly the brain develops in the first few years of a child's life. An

infant's brain contains more brain cells than that person will have at any other time in life. A stimulating environment strengthens the complex connections taking place so rapidly in a young child's brain. This enables that child to learn more easily, cope with stress and form relationships. By contrast, the absence of a stimulating early environment places a child at a disadvantage. It's a "use it or lose it" proposition.

The long-range National Institute of Child Health and Human Development Early Child Care study mentioned in the introduction is not the only clear evidence of the vital role quality makes in early child care.

1 The Journal of the American Medical Association in May 2001 published the findings of a long-term study of children who enrolled as 3- and 4-year-olds in Chicago Public School's Child-Parent Centers, which is part of a U.S. Department of Education program to help disadvantaged children. The study, which tracked low-income children from age 3 to age 20, found that children enrolled in the program were 33 percent less likely to be arrested, were 41 percent less likely to be arrested for a violent crime, were more likely to finish high school and were much less likely to be held back a grade or be placed in special education programs.⁵



2 In addition to citing the above study, a report from Fight Crime: Invest in Kids included the following findings:

- “A 22-year study of the High/Scope Perry Preschool program shows that denying at-risk children quality child development programs may multiply by five times the risk that they will be chronic lawbreakers as adults.
- “Children from centers improved by North Carolina’s Smart Start initiative were only about half as likely as comparison children to have serious behavior problems in kindergarten.
- “Large national studies show that at-risk kids who attend high-quality child care programs have no more behavior problems at age 8 than children of college-educated parents.”⁶

Unfortunately, few child care programs nationwide meet professional standards.⁷

QUALITY AND AFFORDABILITY

With the tremendous jump in the number of parents entering the work force and the accompanying increase in the number of children being cared for by someone other than their parents, it seems obvious that the demand for quality care would be great; however, economic realities dictate otherwise. Child care costs for two children can exceed \$10,700 annually, about what a full-time minimum wage earner makes in a year.⁸ Quality care for one infant in the Kansas City area can cost twice as much as tuition at a local state university.⁹

Economists who have studied the dynamics of child care characterize the profession’s economic problems as one of “effective demand.” In other words, a shortage of good child care that is *affordable* makes it *unavailable* to many families.¹⁰ Because of this, efforts to improve child care in Kansas must include ways to make it more affordable, such as providing more extensive subsidy programs and more generous tax credits for child care expenses.

Affordable, quality child care is particularly a problem for low-income families.





A 1997 survey showed that families with income below 200 percent of the federal poverty level spent an average of 16 percent of their earnings on child care.¹¹ The percentage was 19 percent for single-parent families. Even more telling is that families whose income was below the poverty line in 1995 spent 35 percent of their average earnings on child care, compared to 7 percent by nonpoor families.¹² The fact that only about 9.6 percent of the estimated 89,800 eligible Kansas families avail themselves of child care assistance¹³ is particularly disturbing.

Moreover, studies show that the very families who can least afford quality child care programs have the greatest need for quality care. According to the U.S. Department of Education, children in low-income families hear 10 million words by age 3, while middle-income families hear 20 million and high-income families hear 30 million.¹⁴ By contrast, as the Chicago Child-Parent Centers study shows, quality early child care and education programs can help at-risk children overcome deficits in their development.

CHILD CARE AGENCY DEFINITIONS*

A "Registered Family Day Care Home" is authorized to care for a maximum of six children in the registrant's own home. This is a self evaluation program in which the person applying attests to the safety of the home on an annual basis.... Staff/child ratio requirement is 1:6, with no more than three children under 18 months.

A "Licensed Day Care Home" is authorized to care for a maximum of 10 children. Care is usually provided in the licensee's own home but may be provided at another location. Staff/child ratio requirement is 1:10 with no more than one child under 18 months and no more than seven preschool children.

A "Group Day Care Home" is authorized to provide care for a maximum of 12 children with two adults present caring for the children. Staff/child ratio requirement is 1 or 2:12, with the number of caregivers needed determined by the ages of the children in care.

A "Child Care Center" is authorized to provide care and educational activities for 13 or more children. The center may be located in the licensee's home in an area that is exclusively set aside for child care. Many child care centers are located in non-residential buildings.

A "Preschool" is a part-day program that is authorized to provide learning experiences for children between the ages of 30 months to eligibility to enter kindergarten. Children attend a maximum of one preschool session a day. Sessions do not exceed three hours, and meals are not served.

* Definitions are from Kansas Department of Health and Environment, Bureau of Consumer Health. See <http://www.kdhe.state.ks.us/bch/descript.html> for requirements for each type of facility.



III.

HOW IS KANSAS DOING?

With about 85,500 Kansas children attending a licensed or registered child care facility, many of our children are learning, or failing to learn, the social and language skills they will need to begin school in child care centers or in family child care homes. It is thus increasingly important that we be able to gather good comparative data on quality and that we be able to share that data with parents. As the difference that quality child care has on child development becomes more widely known, parents' demand for such data will increase.

Providing parents with that information will better equip them to make decisions about what providers to use. That, in turn, will increase pressure on the providers to improve, spurring them on in their quest for excellence in child care.

Kansas Action for Children's annual children's report cards examine child care quality in terms of staff-to-child ratios and wages.¹⁵

QUALITY: RATIOS & WAGES

In 2000, the last two staff-to-child ratios shown in Table I represent improvements from 1999. The ratio for infants has remained at 1:3 since 1998. Early childhood specialists agree that the quality of care improves as the number of children cared for per adult provider decreases.

Professional guidelines established in 1992 by the American Public Health Association (APHA) and the American Academy of Pediatrics (AAP) recommend the following staff/child ratios—1:3 for infants, 1:4 for 2-year-olds, 1:7 for 3-year-olds. For comparison, Kansas Department of Health and Environment requirements are shown in Table II.

Entry-level wages for directors, \$9, has remained the same for the last three years. The \$7 median wage for teacher/directors is actually less than the \$7.50 entry-level wage in 1999. Assistant teacher wages remained the same as in 1999, while the median wage for assistants has improved steadily to \$5.80 from \$5.20 in 1998.

OTHER EFFORTS TO ASSESS QUALITY

Admittedly, wages and staff-to-child ratios are limited measures of quality child care. Better ways to assess quality are sorely needed in Kansas. Fortunately, Kansas Association of Child

TABLE I

QUALITY

Staff-to-Child Ratio	Median Staff Wages (hourly)
Infants = 1:3	Director = \$9
Toddlers = 1:4	Teacher/Director = \$7
Preschool = 1:6	Assistant Teacher = \$6
	Assistant = \$5.80



Care Resource and Referral Agencies has begun a more detailed effort to assess the quality of child care in Kansas. Funded primarily by the Kansas Department of Social and Rehabilitative Services, KACCRRRA is a statewide network of 16 Child Care Resource and Referral Agencies (R&Rs) that embrace all 105 Kansas counties.

Based on a system known as the Environmental Rating Scale, KACCRRRA has conducted about 250 on-site observations of child care centers and family care homes throughout Kansas as part of its first round of assessments.¹⁶ Observations, lasting four to six hours, assess the physical environment, the kinds of interactions that take place between children and child care workers, whether children have appropriate toys to play with, etc. Evaluators note whether children are immunized, whether they receive good nutrition and whether workers practice good health habits such as washing hands immediately after changing diapers. A United Methodist Health Ministries grant funds the study.

Meanwhile, child care specialists at the University of Nebraska have secured a federal grant to launch a similar regional study of child care in Nebraska, Iowa, Kansas and Missouri. As part of this Midwest Child Care Consortium, KACCRRRA's infant/toddler specialists will conduct an additional 100 observations in conjunction with that study. In addition, the Midwest Consortium will hire Gallup surveyors to do phone surveys across Kansas.

KACCRRRA's director, Leadell Ediger, expected the analysis of the KACCRRRA study to be completed by early 2002. She believes the combined results of

KACCRRRA and Midwest Consortium studies will provide the first clear picture of the quality of child care in Kansas. Unfortunately, if early indications are borne out it will not be a pretty picture.

"It's sad we're not doing a better job of

TABLE II

KDHE STAFF/CHILD RATIO REQUIREMENTS

AGE OF CHILDREN	STAFF:CHILD RATIO	GROUP SIZE
6 weeks-9 months	1 to 3	9
18 months	1 to 5	10
27 months	1 to 7	14
3-4 years	1 to 12	24

Data from the National Child Care Information Center (NCCIC), a project of the Child Care Bureau, Administration for Children and Families (ACF), U.S. Department of Health and Human Services. Online:<http://www.nccic.org/statepro/kansas.html>

caring for kids," Ediger says. "It reflects what's happening in our society. Young children are not valued; we're not putting much money into the system."

During the first year to 18 months after its study is completed, KACCRRRA will continue its efforts to provide services and programming for providers. A follow-up rating of the same child care sites then will determine whether the quality of care has improved, and if so, how much. In the interim, child care specialists at KACCRRRA's 16 regional agencies will continue their efforts to nurture a sense of professionalism among those who care for children.



STATE GOVERNMENT AND CHILD CARE

Current requirements

The Kansas Department of Health and Environment is the licensing agency for child care centers and family child care providers in Kansas. KDHE enforces sanitation, fire, safety and child health regulations pertaining to child care facilities as described in KDHE's Administration Regulations.¹⁷

KDHE requires family child care providers to receive 10 hours of in-service training each year. Child care center providers also must have a certain amount of training each year. Regulations require KDHE to make complaints about child care facilities available to the public on request.

Child care subsidies

In fiscal year 2001, an average of 8,662 Kansas families, or 15,313 children, received child care assistance each month. This compares to the estimated 89,800 families — 151,806 children below age 13 — who meet Kansas income eligibility guidelines. To receive

the exact reasons are unknown; however, limited funding is thought to be a factor. It should be noted that the state spends all available child care funding each year. In other words, the combined state and federal funds that are made available each year for child care assistance would not come close to meeting the needs of all potentially eligible children and families.

Area Kansas Department of Social and Rehabilitation Services offices use a combined program application at the community level to inform applicants for food stamps and cash assistance about child care and other support services for which they may be eligible. Child Care Resource and Referral Agencies, schools, newspapers, health departments, employers and child care providers all provide points of contact for outreach. If additional funding were available, SRS would make other efforts at the state level to alert eligible families that currently do not receive child care assistance.

To help offset the costs of child care, Kansas makes child care subsidies available to:

- Low-income, employed families below 185 percent of the federal poverty level
- Welfare recipients struggling to find and maintain employment
- Parents of children who are at risk of abuse and neglect, and children in out-of-home placement
- Employed, low income parents of children with disabilities
- Teen parents completing high school or GED
- Food stamp recipients engaged in employment, education and training

“When I hear the term ‘baby-sitter,’ to me it’s like fingernails on a blackboard.”

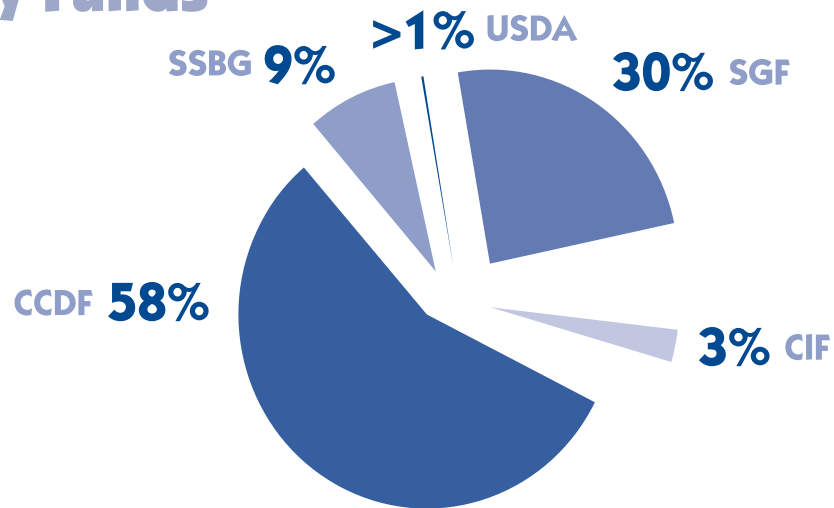
Leadell Ediger, director, KACCRRRA

assistance, these “potentially eligible” families also must have a personal need. For example, they must be employed, involved in a training or work program, etc.

Although logistics and the high costs of child care may be significant reasons why less than 10 percent of eligible families avail themselves of child care assistance,



Kansas Child Care Subsidy Funds



In fiscal year 2001, the total budget for Kansas child care subsidies, \$46,635,800, came from the following sources:

State General Funds (SGF):
\$13,934,648

Children's Initiatives Fund (CIF):
\$1,399,913

The Child Care and Development Fund/Temporary Assistance to Needy Families (CCDF/TANF): **\$27,118,141**

Social Service Block Grant Funds (SSBG): **\$4,181,407**

U.S. Dept. of Agriculture Food Stamp Employment & Training Funds (USDA): **\$1,691¹⁸**

The Child Care and Development Block Grants are federal funds awarded to each state. In Kansas, SRS uses much of the CCDF to fund grant requests from child care centers: to expand the number of slots available for children; to enhance the quality or safety of programs at existing centers (building renovations, fire detection systems, playground equipment, etc.); and to develop public/private partnerships via 50 percent matching funds to help provide employer-sponsored child care services within communities.



III.

EFFORTS TO IMPROVE QUALITY

Efforts to define or describe quality child care tend to be elusive. The Kansas Stakeholders Advisory Committee on Early Childhood Education in the mid-1990s developed a framework for understanding and striving for excellence in child care. Published in June 1996, *The Quality Standards for Early Childhood Education*¹⁹ offers child care providers nine guiding principles in each of nine topics, ranging from community to learning experiences to program evaluation. In addition, the National Association for the Education of Young Children Web site suggests six characteristics of high quality programs for parents to look for when choosing a provider.

But, perhaps the best way to understand the meaning and dimensions of quality child care and education is to examine the three primary strategies being used to develop this profession: **accreditation**, **professional development** and **compensation**. Increasingly, attempts to improve early child care and education focus on integrating these three strategic approaches.

ACCREDITATION

Several national organizations in recent decades have established the practice of “accrediting” child care providers that meet specified standards of care and education. The practice of accreditation

draws attention to the importance of quality child care, offers parents a benchmark for comparing providers and motivates these providers to improve.

The National Association for the Education of Young Children has accredited about 8,000 child care programs and currently is reviewing a similar number. “Health and safety, staffing, staff qualifications, physical environment and administration are all reviewed during accreditation, but primary consideration is given to the nature of the child's experience.”²⁰

The NAEYC lists 57 accredited pre-schools, kindergartens, child care centers, and school-age child care programs in Kansas.²¹ The NAEYC accreditation process begins when a child care program applies for accreditation.

Other accrediting organizations include the National Early Childhood Program Accreditation, the National School-Age Care Alliance, the Council on Accreditation of Services for Children and Families, the National Association of Family Child Care and the National Accreditation Commission for Early Care and Education Programs.

One study established a link between states’ differential reimbursement policies (*see page 20*) and increases in NAEYC accreditation application rates.²²



For example, after adoption of differential reimbursement policies, applications *increased* by 17 per year in Nebraska and 25.9 in Oklahoma. Before these states adopted differential reimbursement, Nebraska was averaging eight applications per year, while Oklahoma was averaging 11 annually. Increases were even more dramatic in larger states with differential reimbursement.

Although 60 percent of centers that seek NAEYC accreditation eventually fail in the attempt, the effects of such policies still are significant. Even a failure to meet NAEYC's high standards, or those of other accrediting organizations, suggests good-faith efforts by those providers to improve their quality and ultimately increases the number of children who receive better care.

Kansas City Accreditation Plan

The Kansas City Accreditation Plan helps child care centers in the Greater Kansas City area become accredited. Heart of America Family Services and Heart of America United Way guide this multi-pronged approach consisting of the Accreditation Project, which provides technical and professional assistance to centers seeking accreditation, and the Child Care Accreditation Fund, which helps offset the costs by providing grants for equipment and improvements.²³ The two programs are run in concert with Partners in Quality for Early Childhood Care and Education, the same consortium of community child care groups that sponsor the Fern Webster Fund. (*See below.*)

Private foundations primarily fund the effort, with some help from the public sector, local businesses and religious groups. The Accreditation Project has an

annual budget of \$572,000, and the Child Care Accreditation Fund is receiving \$1.7 million through 2002. The goal is to accredit 100 of the area's 500 child care centers by 2002.

PROFESSIONAL DEVELOPMENT

Programs designed to develop the child care profession generally will have several goals:

- To improve the quality of early childhood care and education in child care centers and family child care homes
- To increase the educational level of child caregivers
- To increase compensation of child caregivers
- To decrease the turnover rate of child care providers
- To promote individual professional development





This section on professional development provides a summary of what is being done in Kansas to enhance the skills of early child care and education professionals.

Qualifications of providers

In Kansas, the starting point is in developing the skills of a work force whose average education level includes some college. Nearly 50 percent of directors of child care centers in Kansas have a bachelor's degree, and another 20 percent have an associate's degree.²⁴ One-third of assistant directors have no more than a

"This research confirms what police officers have learned on the front lines in the fight against crime. Quality child care programs are among the most powerful weapons in the fight to reduce crime and violence."

—Gil Gallegos, president, Fraternal Order of Police, referring to studies that show the value of high-quality child care programs for at-risk children.

high school education, while 25 percent hold a bachelor's degree. By contrast, about 31 percent of center staff have a bachelor's degree. About 18 percent of family home providers have a bachelor's degree.

Professional Development Initiative *What does every person who works with children in Kansas need to know?*

This question lies behind the work of KACCRRRA's Professional Development Initiative for Early Care and Education in Kansas, a statewide career development initiative to improve the quality of early education programs for children and families in Kansas.

A primary focus of PDI is to build "an educated, stable and fairly compensated work force."²⁵ Components of the plan include education and training, information, quality and coordinated financing strategies.

PDI sponsors in-service trainings, two-hour to six-hour workshops where child care professionals can improve their knowledge and skills. A newly established continuing education unit takes providers beyond the level of training required for licensing. Through PDI, KACCRRRA encourages providers to seek training at community colleges. It also attempts to educate the public about the importance of quality child care.

Part of PDI's work has included collaboration on writing and distributing the eight **Bi-State Core Competencies**. Developed in concert with child care specialists in Missouri and designed for both Kansas and Missouri, the core competencies form the basis of PDI's entire professional development in Kansas.²⁶

Early childhood professionals organized the core competencies into eight content areas:

- Child Growth and Development
- Learning Environment and Curriculum
- Child Observation and Assessment
- Families and Communities
- Health, Safety and Nutrition
- Interactions with Children
- Program Planning and Development
- Professional Development and Leadership



PDI also links its training and education efforts to increased compensation through such programs as TEACH and WAGES. (See below.)

TEACH

KACCRRRA's Professional Development Initiative links child care providers' efforts to upgrade their skills and credentials to increased compensation. PDI's starting point is Teacher Education and Compensation Helps (TEACH). Pioneered in North Carolina, the program provides both child care center and family child care staff with financial incentives to take child development courses at community colleges and other institutions of higher learning.²⁷

Launched in January 2001, KACCRRRA's TEACH project currently sponsors 103 scholarships at Kansas community colleges for staff working in child care centers and family child care providers. Every TEACH scholarship recipient must work in a licensed or registered early childhood education program at least 30 hours each week. In their spare time, they study to earn early childhood associate degrees at a community college. The participating early childhood

program or family child care home sponsors the scholarship recipient by contributing a portion of the cost of tuition and books. In return, the student agrees to continue working for the sponsoring home or center for a period of time after completing a year of education.

TEACH also will give bonuses to those who have reached their education goals for each year, so that they move up the salary scale as they increase their education.

Fern Webster Professional Development Fund

The product of a series of community partnerships in the Kansas City area, the Fern Webster Professional Development Fund has four components: individual scholarships, Higher Education Consortium, Center Director's Institute and advocacy.²⁸ The Ewing Marion Kauffman Foundation supplies the primary funding,





with additional money provided by the Greater Kansas City Association for the Education of Young Children.

The Fund offers tuition and fees to child care employees for classes leading to a degree in early childhood education or a Child Development Associate (CDA) credential. This part of the Fund, which accounts for 85 percent of its expenditures, is similar to TEACH except that it does not link increased education with increased compensation.



The Consortium brings educators together to create a system of training and education, giving early child care workers access to courses. The Center Director's Institute provides management training to directors of child care facilities. The Advocacy component attempts to educate the public and policy-makers on the importance of qualified, well paid child care professionals.

This list is by no means exhaustive. Many other programs and initiatives in Kansas are steadily improving the skills and knowledge of our young children's professional caregivers, such as:

Infant/Toddler Project. Each of KACCRRRA's 16 local R&Rs has at least one infant/toddler specialist who provides training and technical assistance to centers, family child care providers and Head Start offices.

U.S. Department of Labor's apprenticeship program. Butler County Community College has been chosen as one of the pilot sites for this test program. During spring 2001, about 30 early childhood education students at the college were participating in the apprenticeship program, receiving on-the-job training at nearby child care sites while working on their associate degrees.

WAGES. This program, also pioneered in North Carolina, picks up where TEACH leaves off by providing education-based salary supplements to child care providers who already have earned associate degrees and who work with children ages 0-5. The salary supplements are tied to the educational level of the recipient—with an associate degree being the starting point—and the position the recipient



holds. As recipients receive and document increased education, KACCRRRA increases the size of the supplement.

COMPENSATION

Like child care providers nationwide, Kansas child caregivers receive low pay and few benefits. Nationally, family child care providers receive about \$10,500 annually, while child care workers in centers receive about \$15,000.²⁹ In Kansas, full-time child care center providers working at the hourly rates listed in Table I on page 8 would make about \$12,000 to \$14,500 annually.

Wages have not risen in real dollars during the last decade, despite the strong growth in our nation's economy. Meanwhile, few workers receive paid health benefits.

Such poor compensation results in high turnover and low quality. The labor shortage in this field, in fact, is most severe. Thus, any attempt to improve the quality of care our young children receive must involve improving compensation.

Child Care's Catch-22

“Research shows that teacher education and turnover rates affect children's development, and low wages are often what cause teachers to leave the field.”³⁰

Unfortunately, higher wages for child care providers mean increasing the costs of child care. For many low-income families—families already struggling to afford child care—increased costs effectively price many families out of quality child care.

As a result, we are stuck in early child care's Catch-22—on one hand, low wages and benefits work against efforts to improve the quality of child care providers and keep them in the profession; on the other hand, attempts to improve quality by increasing compensation also increases the cost, making it less likely that many of the families that can most benefit from quality child care will be able to afford it.

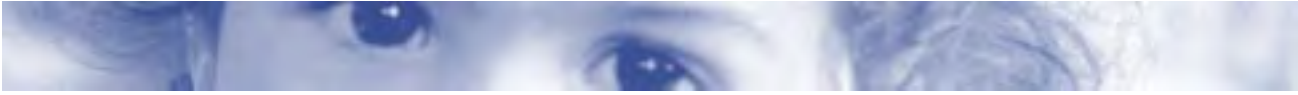
Clearly, strategies are needed that can encourage dedicated child care workers to improve their skills and stay in the child care and education profession without pricing families out of quality child care. To accomplish that task, funding strategies must address both ends of early childhood education, by helping to offset the costs of quality early child care and by giving relief to the parents who must pay for it.

Several funding strategies are linked to professional development efforts and have been described in that section of this report. Other efforts to make child care more affordable are listed below.

Attempts to improve affordability

Child and Dependent Care Tax Credit

The federal Child and Dependent Care Tax Credit allows all families to claim a tax credit for between 20 percent to 30 percent of employment-related child care expenses for children younger than 13. “Employment-related” includes time spent seeking employment. Cost of care claimed cannot exceed the earned income of the lower-earning spouse. The maximum allowable credit is \$720 for a family with one child, \$1,440 for families with two or more children.



All families with federal income tax liability and employment-related child care expenses can claim the credit, and all types of child care qualify. “While lower-income families can claim credits for a longer percentage of their child care

not to exceed \$30,000 total credit. Businesses may earn a credit of up to 50 percent, not to exceed \$45,000, during the first year on the costs of establishing a child day-care facility. Multiple taxpayers may work together to establish such a facility.³²

Some states, including Kansas neighbors Missouri, Nebraska and Oklahoma, reimburse child care facilities that receive state subsidies for serving low-income or at-risk children at a higher rate if they are accredited. In this way, states can induce these facilities to become accredited and/or to meet prescribed standards of quality.

expenses, in practice they are unlikely to be able to afford child care that would take full advantage of the credit.”³¹ Unlike the earned income tax credit, the CDCTC is not refundable, meaning families whose incomes are so low that they have no income tax liability will not receive a tax credit.

Kansas is one of 23 states that allows families to claim a child care tax credit on state income taxes. The Kansas credit, also nonrefundable, is 25 percent of the federal credit that a family actually receives. The maximum benefit is \$180 for a family with one child and \$360 for families with two or more children.

Child Day Care Tax Credit

Kansas businesses that pay for or provide child day-care services to their employees may apply for tax credits of 30 percent of the annual cost of providing the service,

DIFFERENTIAL REIMBURSEMENT

Many early childhood education specialists believe that improving quality can best be done through strategies that integrate professional development initiatives, campaigns to encourage accreditation, and efforts to increase compensation for child care professionals. “Differential Reimbursement” is one such approach.

A growing number of states, including Kansas neighbors Missouri, Nebraska and Oklahoma, during the past few years have begun to reimburse child care facilities that receive state subsidies for serving low-income or at-risk children at a higher rate if they are accredited by the National Association for the Education of Young Children (NAEYC), the National Association of Family Child Care (NAFCC) or similar accrediting organizations. This inducement policy is a way to improve the skills and knowledge of child care and education professionals. It also serves to compensate child care facilities for some of the additional costs that accompany efforts to meet accreditation standards that result in higher quality, such as more favorable child/staff ratios.³³

Although Kansas does not have a differential reimbursement policy, early child care advocates, Head Start administrators, officials with the Kansas Depart-



ment of Social and Rehabilitation Services, and Kansas Department of Health and Environment officials have discussed incorporating the concept into a “tiered reimbursement” plan. Under such a plan, the state would reimburse centers and family homes at different rates, depending on predetermined standards. Discussions have focused on key aspects such as how to determine the different levels of reimbursement as well as standards for each level, and at what point licensing would fit into the framework. Licensing, for example, might be part of the first tier in a three-tier system, while accreditation by NAEYC and NAFCC could be part of the third, or top, tier.

KACCRRRA and the Mid-America Regional Council (MARC) in Kansas City have been involved in those discussions, and both groups are studying what other states have done to ascertain what has worked, what has worked well and what has not worked. MARC’s Metropolitan Council on Child Care also is working with representatives from statewide agencies in exploring a possible tiered reimbursement/rated licensing system for Kansas. Because of the need for children’s advocates in the Kansas City area to reflect political and social realities in both Kansas and Missouri, advocates are trying to develop a

tiered licensing system that will be appropriate for both states.

The involvement and backing of state agencies is critical because funding for such a reimbursement program would come from those agencies. Funding, indeed, appears to be a formidable hurdle. Ediger believes that despite the keen interest demonstrated by SRS and KDHE officials, persuading them to adopt tiered reimbursement will be difficult, given the “grim” budgetary restraints the agencies currently face. Ediger believes it is more feasible in the short run that the state might raise reimbursement rates, something she says needs to be done.³⁴





IV. RECOMMENDATIONS

Recent and ongoing studies have established the link between quality early child care and improved behavior, better language skills and academic achievement. All Kansans—not just parents and educators—have as much of a vested interest in improving the quality of early child care as they do in supporting our state’s schools and colleges or building and maintaining roads and bridges. Efforts to improve the quality of early child care in Kansas must make citizens more aware of the importance of high quality child care; make child care more accessible and affordable, particularly for low-income families and families with children at risk; provide opportunities for professional growth; and encourage child care professionals to stay in their chosen field. These efforts must involve early child care professionals, philanthropic groups, state and local government, business, parents and concerned citizens all working together. With this in mind, we make the following recommendations.

Continue efforts to educate parents, policy-makers and all citizens about the importance of providing high quality child care.

One purpose of this report is to acknowledge, support and promote the efforts of state agencies, Mid-America Regional Council, Kansas Association of Child

Care Resource and Referral Agencies, Kansas Association for the Education of Young Children and other groups across Kansas to raise the public’s awareness of the importance of quality child care.

Increase funds for child care subsidies.

Some lawmakers point to the low percentage of eligible families that take advantage of child care subsidies to argue that the subsidies are not popular among low-income families because they are reluctant to accept state assistance. The reality is that all funds allocated for subsidies is spent each year. The state could increase the amount of money available for child care assistance each year for three years, thus allowing the real demand for child care assistance to gradually catch up to available funding.

Expand TEACH and related programs that upgrade the skills and education of early child care professionals.

Current money for TEACH comes from federal funds and Smart Start. Because TEACH is also tied to increased compensation, providing funds for that program can encourage caregivers to stay in the profession. This will increase the state’s pool of experienced, skilled early child care and education providers.



Facilitate access to the Child and Dependent Care Tax Credit for low-income families.

Because the poorest families have no tax liability, they cannot benefit from this tax credit under current state law. If, however the credit were refundable just as the state's earned income tax credit, they could receive a credit that would help offset the costs of child care. It also would be possible to increase the percent of Kansas' state tax credit from 25 percent to 50 percent of the federal credit. By making child care more affordable for low-income families, this tax credit increases the demand for caregivers, adding support to efforts aimed at improving the quality of child care.

Develop a tiered reimbursement plan that would provide financial incentives for providers.

As mentioned earlier, child care professionals and representatives from state agencies already are working to develop a tiered reimbursement plan that also would incorporate a rated licensing system. Budget realities may preclude the likelihood that such a system can be implemented within the next few years; nevertheless, as more Kansans become aware of the advantages of providing young children with the best care possible, public pressure to devote more funds to early child care will mount. A tiered system that rewards providers for becoming licensed, then accredited, can give providers an incentive to upgrade their facilities, help encourage employees to stay in the profession and support professional development initiatives to increase the knowledge and skill levels of early child care professionals in Kansas.

Expand the Smart Start grants framework, allowing more communities to access funds that would enhance the quality of local early child care programs.

Smart Start Kansas draws on money from the Children's Initiative Fund to provide matching grants to nonprofit, community-based partnerships for early child care and education programs. Smart Start has the potential for providing communities with a critical source of funds for high quality and affordable early childhood care and education programs. The requirements of the grant application process can have the effect of bringing all of a community's stakeholders in quality child care—parents, child care providers, educators, businesses—together in a collaborative effort. Such an approach increases the likelihood that resulting programs will help young children live up to their potential.

Explore opportunities to expand Early Head Start and Head Start to additional Kansas counties.

Although not addressed in this report, Head Start and Early Head Start play an integral role in providing low-income families with child care, while at the same time helping to overcome the disadvantages confronting many children from low-income families. These programs also provide caregivers with access to virtually free professional development that they would not otherwise have. Currently, 22 counties do not have Head Start programs.



V. ENDNOTES

- ¹ “Child Outcomes When Child Care Center Classes Meet Recommended Standards for Quality.” Page 1072. July 1999. American Journal of Public Health. NICHD Early Child Care Research Network.
- ² “The Child Care Census 2000.” Published by Kansas Association of Child Care Resource and Referral Agencies.
- ³ *Who’s Minding the Kids?: Child Care Arrangements* 1995. U.S. Census Bureau. Online: <http://www.census.gov/prod/2000pubs/p70-70.pdf>
- ⁴ *The Last Word* in the March/April 2001 ChildCare ActioNews. Child Care Action Campaign. Online: <http://www.childcareaction.org/>
- ⁵ “Long-term Effects of an Early Childhood Intervention on Educational Achievement and Juvenile Arrest.” May 9, 2001. Arthur Reynolds, Judy Temple, Dylan Robertson, Emily Mann. Journal of the American Medical Association, Vol. 285 No. 18.
- ⁶ “America’s Child Care Crisis: A Crime Prevention Tragedy.” Sanford Newman, T. Berry Brazelton, Edward Zigler, Lawrence Sherman, William Bratton, Jerry Sanders, William Christeson. Fight Crime: Invest in Kids.
- ⁷ National Institute of Child Health and Human Development. July 1, 1999. www.nichd.nih.gov/new/releases/DAYCR992.htm
- ⁸ “Kansas’ Child Care Crisis: A Crime Prevention Tragedy.” 2001. Fight Crime: Invest in Kids.
- ⁹ “Early education in Kansas City.” 2000. Mid-America Regional Council.
- ¹⁰ “New perspectives on compensation strategies.” Anne Mitchell and Gwen Morgan. 2001. Wheelock College Institute for Leadership and Career Initiatives.
- ¹¹ “Child Care Expenses of Working Families With Income Below 200 percent of the Federal Poverty Level, 1997.” The Brookings Institution. http://www.brookings.edu/wrb/resources/facts/010612_expenses.htm
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- ¹⁴ *The Last Word* in the March/April 2001 ChildCare ActioNews. Child Care Action Campaign. Online: <http://www.childcareaction.org/>
- ¹⁵ “2000 Kansas Children’s Report Card.” November 2000. Kansas Action for Children.
- ¹⁶ Most of the information in the section on efforts to measure quality were obtained during a May 2001 interview with KACCRRRA Director Leadell Ediger.
- ¹⁷ Regulations for licensed child care facilities as well as requirements for caregivers can be seen online at kdhe.state.ks.us/pdf/regs/28-4.pdf.
- ¹⁸ Kansas Department of Social and Rehabilitative Resources. Kansas Children’s Network. online: www.srskansas.org/kidsnet/CC-Subsidy.htm
- ¹⁹ *The Quality Standards for Early Childhood Education*. June 1996. Kansas Stakeholders Advisory Committee on Early Childhood Education. Copies can be obtained by calling KACCRRRA at (785) 823-3343.



²⁰ “Why choose an NAEYC-accredited program?” The National Association for the Education of Young Children. http://www.naeyc.org/accreditation/faq_0.htm

²¹ For listings, check on KAEYC’s Web site. http://www.naeyc.org/accreditation/center_search.asp

²² “Differential Reimbursement and Child Care Accreditation.” William T. Gormley Jr. 2000. Washington, DC. Public Policy Institute, Georgetown University.

²³ *Financing Child Care in the United States*. Anne Mitchell, Louise Stoney, Harriet Dichter. 2001. Sponsored by the Ewing Marion Kauffman Foundation.

²⁴ “Work Force Study.” 2001. Kansas Association of Child Care Resource and Referral Agencies.

²⁵ “Professional Development Initiative.” Fact sheet. Kansas Association of Child Care Resource & Referral Agencies.

²⁶ *Bi-State Core Competencies for Early Care and Education Professionals in Kansas and Missouri*. 2000. Copies are available at KACCRRRA, kaccrra@kaccrra.org or fax (785) 823-3385; or Mid-America Regional Council, (816) 474-4240.

²⁷ “Money, Accreditation, and Child Care Center Quality.” August 2000. William Gormley Jr., Jessica Lucas. The Foundation for Child Development.

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²⁹ “New perspectives on compensation strategies.” Page 2. Anne Mitchell and Gwen Morgan. Wheelock College Institute for Leadership and Career Initiatives.

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³⁴ Interview with KACCRRRA Director Leadell Ediger. May 2001.



VI. RESOURCE AND REFERENCE MATERIALS

The Quality Standards for Early Childhood Education. June 1996. Kansas Stakeholders Advisory Committee on Early Childhood Education. Copies can be obtained by calling KACCRRRA at (785) 823-3343.

Bi-State Core Competencies for Early Care and Education Professionals in Kansas and Missouri. 2000. Copies are available at KACCRRRA, kaccrra@kaccrra.org or fax (785) 823-3385; or Mid-America Regional Council, (816) 474-4240.

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Mid-America Regional Council Web site: <http://www.marc.org>

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“America’s Child Care Crisis: A Crime Prevention Tragedy.” Sandford Newman, T. Berry Brazelton, Edward Zigler, Lawrence Sherman, William Bratton, Jerry Sanders, William Christeson. Fight Crime: Invest in Kids. Washington, D.C. Online: www.fightcrime.org





KANSAS ACTION FOR CHILDREN

Our Work

Kansas Action for Children is an independent, nonpartisan, citizen-based corporation founded in 1979. We do not enter into contracts with, nor receive funding from, government agencies. We work on behalf of all children to ensure that their physical and emotional needs are met, and that they become healthy and contributing adults.

- We *paint the picture* of Kansas children by gathering and publicizing information on child well-being through the Kansas Children's Report Card, the *Kansas KIDS COUNT Data Book* and special reports.
- We *advance alternatives* by developing state policy that is family- and child-friendly. Over the years, programs related to early childhood development, teen pregnancy, preventive health care, citizen's review boards and services to children in troubled families have stemmed from our work.
- We *build the base* of citizen advocacy for children by working with citizens and organizations across the state. We believe that hundreds of citizens speaking out for children can help create communities that support families and children.



Visit the KAC Web site at www.kac.org

