

Who's Caring for Our Babies Now?



**Revisiting the 2005
Profile of Early Care and
Education for Children
Birth to Three in
North Carolina**

Executive Summary 2008



Introduction

The last 20 years have seen a revolution in the need for and usage of child care for children under the age of three years old. In North Carolina there has been a significant increase in the number of infants and toddlers in regulated child care settings over the last twelve years.

The North Carolina Division of Child Development estimated in January 1996, that there were 59,402

children who were under the age of three enrolled in child care settings. In 2005, the number of children under three in child care had risen to 76,461, and in 2008 that number had increased to 77,513. The number of children under three in formal, licensed child care increased by 1.4% in those three years and in twelve years by fully 30.5%. With so much national and state attention focused on school readiness and on helping four-year-olds come to school better prepared, it is important to assess what is happening for our youngest citizens. This study is designed to offer an understanding of the quality, supply and accessibility of infant and toddler child care in North Carolina and to determine if this care has changed over the past three years.

Who's Caring for Our Babies Now?





> *It's time to raise the bar even more for infants and toddlers in North Carolina.*

Results of this study indicate that all infants and toddlers, including those receiving child care subsidies, have significantly less access to quality child care than three- to five-year-olds. Though quality of care has improved for infants and toddlers over the past three years, it has not improved as much as care for three- to five-year-olds thus creating a greater divide between the two age groups.

Supply

Overall, supply of infant and toddler care is not keeping pace with demand, leaving many parents struggling to find sufficient care for their babies.

- Data from child care resource and referral agencies across the state for FY 2008 found that families were looking for care for 23,784 infants and toddlers (64% of children birth through five whose families sought referrals). Yet infants and toddlers only make up 40% of children birth through five in regulated child care. Slots for preschoolers kept up with population growth; slots for infants and toddlers did not.

Despite the fact that infants and toddlers comprise fully half (50%) of children age five and under in the state of North Carolina¹, they have fewer options for licensed care than preschoolers.

- 74% of centers enroll infants and toddlers compared to 97% enrolling preschoolers.
 - > In 2005, 78% of centers enrolled infants and toddlers compared to 98% that enrolled preschoolers.

Fewer high-quality (4- and 5-star) child care centers and homes provide care for infants and toddlers than preschoolers.

- Only 44% of 5-star centers enroll infants and toddlers, while 83% of 1-star centers do so. However, 98% of 5-star centers enroll children age three to five.
 - > In 2005, 51% of 5-star centers enrolled infants and toddlers.

Data indicate infants and toddlers have had declining access to care in general and high-quality care in particular over the last three years.

¹ North Carolina Office of State Budget & Management. July 2008 population estimates by age.

* Unless otherwise noted, all citations can be found in the Methodology section.

Accessing Quality

Significantly fewer infants and toddlers are enrolled in programs with a 4- or 5-star rated license compared to preschoolers, and the disparity has increased since 2005.

- 46% of infants and toddlers are enrolled in 4- or 5-star centers or homes as compared to 58% of children age three to five.
 - > In 2005, 40% of infants and toddlers were enrolled in 4- or 5-star centers or homes as compared to 49% of children age three to five.
- 43% of infants and toddlers receiving subsidy are enrolled in 4- or 5-star centers or homes as compared to 50% of children age three to five years receiving a subsidy.
 - > In 2005, 37% of infants and toddlers receiving subsidy were enrolled in 4- or 5-star centers or homes as compared to 43% of children age three to five years receiving a subsidy.

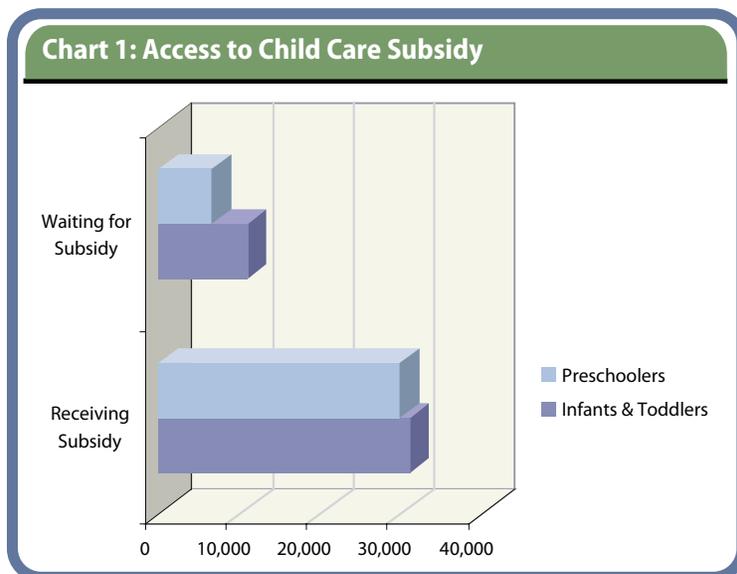
Access to Child Care Subsidy

While infants and toddlers have similar access to state child care subsidy money as a whole, more of them are waiting for subsidy. Well over half (63%) of children birth to five waiting for a child care subsidy are infants or toddlers (see Table 1).

Table 1

Accessibility to Child Care Subsidy				
	Infants & Toddlers		Preschoolers	
	#	%	#	%
Receiving Subsidy	31,125	51%	29,788	49%
Waiting For Subsidy*	10,963	63%	6,539	37%

While there are slightly more infants and toddlers receiving subsidy than preschoolers, it is important to remember that the infants and toddlers represent three age cohorts, while preschoolers represent only two age groups. In addition, many four-year-olds and some three-year-olds are



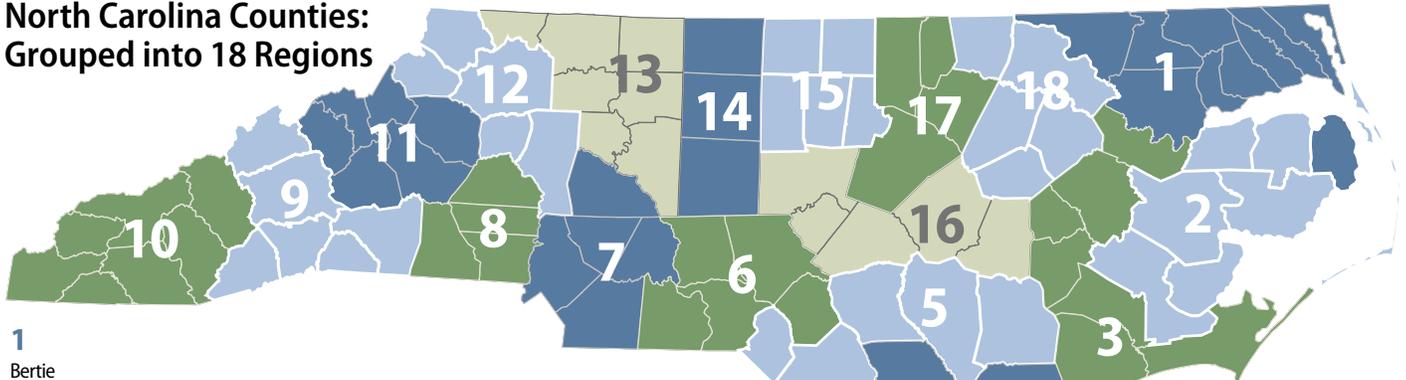
served by two very large subsidy programs, Head Start and More at Four, and of these children served, many are not receiving child care subsidy. Thus Chart 1 (left) greatly underestimates the number of preschoolers actually receiving a subsidized early care and education experience.

> *There is no “one” North Carolina.*

Availability of quality care to infants and toddlers varies dramatically between regions and counties across the state.

The North Carolina Division of Child Development has divided the state’s 100 counties into eighteen child care resource and referral service delivery regions. Each region uses resources from the North Carolina Division of Child Development, Smart Start and other funders to address the child care needs of children in their communities, and each area faces its own challenges.

North Carolina Counties: Grouped into 18 Regions



- | | | | | | | | | | |
|---|---|---|--|---|--|---|---|---|---|
| 1
Bertie
Camden
Chowan
Currituck
Dare
Gates
Hertford
Northampton
Pasquotank
Perquimans | 2
Beaufort
Craven
Hyde
Pamlico
Tyrrell
Washington | 3
Carteret
Greene
Jones
Lenoir
Martin
Onslow
Pitt | 4
Bladen
Brunswick
Columbus
New Hanover
Pender | 5
Cumberland
Duplin
Robeson
Sampson
Scotland | 6
Anson
Hoke
Montgomery
Moore
Richmond | 7
Cabarrus
Mecklenburg
Rowan
Stanly
Union | 8
Catawba
Cleveland
Gaston
Lincoln | | |
| 9
Buncombe
Henderson
Madison
Polk
Rutherford
Transylvania | 10
Cherokee
Clay
Graham
Haywood
Jackson
Macon
Swain | 11
Avery
Burke
Caldwell
McDowell
Mitchell
Yancey | 12
Alexander
Ashe
Iredell
Watauga
Wilkes | 13
Alleghany
Davidson
Davie
Forsyth
Stokes
Surry
Yadkin | 14
Guilford
Randolph
Rockingham | 15
Alamance
Caswell
Durham
Orange
Person | 16
Chatham
Harnett
Johnston
Lee
Wayne | 17
Franklin
Granville
Vance
Wake | 18
Edgecombe
Halifax
Nash
Warren
Wilson |

Key Definitions

Infants and Toddlers: children from birth to three years of age

Preschoolers: children from three to five years of age



51% of children birth to five receiving a child care subsidy are infants or toddlers, representing a six percentage point increase from 2005.

Accessing Quality—Across the Regions and Counties

Like 2005, in 2008 the percent of infants and toddlers accessing quality (4- and 5-star) programs varies greatly across the regions. However, in all eighteen regions the percent of preschoolers accessing this type of care is higher than the percent of infants and toddlers. This is also true in 88% of the counties in North Carolina.

- In only six regions, 50% or more of infants and toddlers are receiving care in 4- or 5-star child care programs. In four regions, 30% or less of infants and toddlers are enrolled in 4- or 5-star programs. Across the state the percent ranges from a high of 66% in Region 7 to a low of 13% in Region 1 (see Table 2).
 - In 2008, at the state level the difference between preschoolers accessing 4- or 5-star care and infants and toddlers accessing that level of care is twelve percentage points (up from nine in 2005). Across the regions the differences range from one percentage point in Region 7 to twenty-nine percentage points in Region 1. (In 2005, this range was four to eighteen percentage points.)
 - In fifteen regions, 50% or more of preschoolers are enrolled in 4- or 5-star programs. This is true of only six regions for infants and toddlers.
 - Ashe, Hyde, Avery and Jackson counties have the highest percent (75% or more) of infants and toddlers enrolled in 4- or 5-star licensed centers while Bertie, Camden, Pasquotank and Tyrrell counties have 0% of their babies enrolled in 4- or 5-star licensed centers. Both the top performing and the lowest ranking counties are defined as rural by the North Carolina Rural Economic Development Center.
- > Since 2005, these high- and low-performing counties have largely changed, with Davie, Camden, Jackson and Graham counties having the highest percent (80% or more) of infants and toddlers enrolled in 4- or 5-star licensed programs in 2005 while Perquimans, Alleghany, Richmond and Tyrrell counties had the lowest (<5%). Only Jackson and Tyrrell counties maintained their 2005 status.

In April 2008, 77,513 children from birth to three were in regulated child care settings. This represents 40% of children birth to five enrolled in licensed child care programs of all types and a 1.4% increase from April 2005.

Table 2

Percent of Children by Age Enrolled in 4- or 5-Star Programs (Centers & Homes)

Region	Infants/Toddlers		Preschoolers	
	2005	2008	2005	2008
1	22%	13%	34%	42%
2	34%	36%	40%	56%
3	27%	34%	36%	49%
4	38%	44%	45%	63%
5	23%	23%	42%	44%
6	21%	27%	39%	53%
7	49%	66%	53%	67%
8	46%	49%	52%	64%
9	44%	51%	55%	61%
10	60%	59%	71%	67%
11	62%	64%	72%	80%
12	41%	56%	58%	71%
13	35%	40%	40%	50%
14	41%	44%	48%	57%
15	41%	53%	49%	60%
16	26%	29%	40%	48%
17	49%	49%	58%	57%
18	51%	45%	60%	59%
NC State	40%	46%	49%	58%



- In all but one region, three- to five-year-olds receiving subsidy access 4- or 5-star care at a greater rate than infants and toddlers (in Region 6 the percents are the same). In seven regions, 50% or more of infants and toddlers on subsidy access 4- or 5-star licensed programs (see Table 3), compared to nine regions for three- to five-year-olds.
- > The number of regions where 50% or more of infants and toddlers on subsidy access 4- or 5-star licensed programs in 2008 has increased from only three in 2005 to seven regions in 2008.

Table 3

Percent of of Subsidized Children by Age Enrolled in 4- or 5-Star Programs (Centers and Homes)								
Region	Infant/Toddler				Preschoolers			
	2005		2008		2005		2008	
	#	%	#	%	#	%	#	%
1	201	21%	123	13%	288	31%	105	14%
2	248	30%	193	31%	296	32%	218	41%
3	570	28%	711	36%	619	28%	699	40%
4	651	39%	670	45%	879	43%	727	52%
5	623	20%	615	20%	819	24%	584	23%
6	145	16%	274	31%	267	25%	231	31%
7	1,691	44%	2,542	69%	2,729	51%	2,469	70%
8	827	49%	886	57%	1,253	53%	922	61%
9	569	39%	722	49%	926	48%	848	59%
10	529	64%	510	73%	662	71%	561	74%
11	533	57%	478	59%	721	62%	670	70%
12	397	41%	565	56%	583	48%	1,201	76%
13	864	32%	847	37%	1,093	36%	851	40%
14	992	37%	994	42%	1,480	42%	1,014	45%
15	817	36%	1,166	50%	1,181	45%	1,425	61%
16	481	26%	527	55%	815	35%	649	62%
17	1,045	46%	1,110	38%	1,390	51%	1,172	46%
18	829	56%	442	42%	970	61%	456	49%
NC State	12,012	37%	13,375	43%	16,971	43%	14,802	50%

Of the 30,932 infants and toddlers receiving a subsidy, 22% are infants, 37% are one-year-olds, and 41% are two-year-olds.

- Region 1 has the lowest rate of access to 4- and 5-star care for infants and toddlers receiving a subsidy (13%), however, this region also has the lowest rates of access to quality care for three- to five-year-olds receiving subsidy (14%).
 - > The low 13% access in Region 1 is also lower than any region in 2005. (Region 6 had 16% in 2005.)
- Region 10 has the highest rate of access to 4 and 5-star care for infants and toddlers receiving subsidy (73%), however, Region 12 has the highest rate of access for three to five-year-olds receiving subsidy (76%).
 - > Similarly in 2005, Region 10 had the highest rate of access for both age groups, 64% for infants and toddlers and 71% for three- to five-year-olds.

Access to Child Care Subsidy — Across the Regions

While infants and toddlers have similar access to child care subsidies as three- to five-year-olds, more are waiting for subsidy. In all eighteen regions more than half of children ages birth to five waiting for child care subsidy are infants or toddlers (see Table 4).

30,932 infants and toddlers receive a child care subsidy. This represents about 40% of all infants and toddlers receiving care in a licensed child care facility. Since 2005, both the number and percent of infants and toddlers receiving subsidy have declined as has the number and percent of preschoolers receiving subsidy.

Table 4

Number of Children 0-5 and Percent of Children who are Infants and Toddlers Waiting for Subsidy

Region	2005		2008	
	Birth-5	Infants/Toddlers	Birth-5	Infants/Toddlers
***1	490	61%	222	64%
*2	291	64%	505	58%
*3	590	61%	1,141	60%
**4	275	60%	412	68%
5	1,972	45%	2,164	60%
*6	231	59%	375	71%
7	4,134	69%	4,150	66%
*8	368	36%	700	59%
*9	371	67%	683	59%
10	0	0%	219	53%
*11	183	61%	491	56%
12	300	46%	479	51%
13	1,815	78%	1,834	69%
*14	1,518	58%	699	63%
15	1,524	66%	318	57%
*16	114	56%	493	54%
17	1,913	60%	2,305	64%
*18	361	72%	312	63%
NC State	16,450	63%	17,502	63%

* Data missing from one county in the region

** Data missing from two counties in the region

*** Data missing from three counties in the region



Conclusion

Infants and toddlers are the most vulnerable of our children – they are the most dependent on their teachers to provide them with a safe, nurturing, developmental experience. Many of them cannot talk, walk or eat on their own. Research shows that learning begins at birth. Infants and toddlers need the very best teachers to ensure that their needs are met and that they receive every opportunity to develop to their full potential. They need well-educated staff, low child to teacher ratios and stable, caring relationships. They are much more likely to get their needs met in a 4- or 5-star program, but their access to such programs is limited.

North Carolina has recognized the critical need to improve child care supply, quality and access for its youngest citizens. Through the use of federal block grant dollars and the state's investment in Smart Start and the T.E.A.C.H. Early Childhood® Project, strategic efforts are under way to improve the system of care for infants and toddlers.

North Carolina is currently supporting regional infant and toddler specialists, grants to expand high-quality infant and toddler care, higher subsidy reimbursement rates for infants and toddlers, and special T.E.A.C.H. scholarships for infant and toddler teachers. While these efforts are helping, more is needed. The significant and dramatic differences that exist in access to quality at the county and regional levels mirror the same differences seen in school performance in later years. Raising the bar on access to quality for all infants and toddlers would move North Carolina toward eliminating the achievement gap we see for so many children. Our babies and toddlers need us to act now on their behalf. Their futures will be brighter and more successful, and so will ours.



Methodology

This study analyzes four data sets to examine child care usage by children from birth until they become 3 years old. These data include:

- Regulatory data from the North Carolina Division of Child Development. These data were used to examine the supply and quality of the care for children ages birth to three to make comparisons with similar data for three- to five-year-olds. (April 2005 and April 2008)
- State child care subsidy data including both Smart Start and federal subsidy funds were used to examine the access by our poorest children to high-quality child care in North Carolina. (April 2005 and April 2008)
- Child care subsidy waiting list data supplied by each local purchasing agency in North Carolina were used to examine the distribution of children waiting by age. (April 2005 and April 2008)

Recommendations



Since 2005, the state of North Carolina has made great strides in improving the quality of care for children birth to five years of age. Preschoolers have seen a great increase in the quality and availability of care in the last three years. However, the improvement in quality and availability of care for infants and toddlers has not been as great. The development of children is at its most critical point during the ages of birth to three years, and though the quality of care for this age group has increased in the last three years, there is much room for improvement. These recommendations provide a solid foundation for increasing the quality of care for all of North Carolina's young children.

1. Further study is needed. In 2005, data were available on the early childhood workforce. A workforce study has not been done since 2003. Consequently, this reexamination was unable to fully explore the characteristics of child care providers in relation to age of children in care and those who did and did not receive subsidy. In addition, because all sites had not transitioned to the two-component license system, data on education and program quality points could not be compared. Finally, data is needed on the discrepancy of some counties that are able to serve a high proportion of all children and/or children receiving a child care subsidy in higher quality care and other counties with similar demographics that are not.
2. Incentives for expansion of 4- and 5-star slots for infants and toddlers are needed to meet the needs for high-quality care. Such incentives may include sufficiently funded grants for expansion or development of high-quality infant and toddler slots, higher subsidy rates for infants and toddler slots in 4- and 5-star programs, and supplemental rates for high-quality care for all children.
3. Employers and consortia of employers should be encouraged to support the development and/or provision of high-quality infant and toddler slots for their employees.
4. Subsidized rates for infants and toddlers in 4- and 5-star programs need to be raised to reflect the real rates being charged for that type of care. Funding from More at Four has helped increase the quality of spaces for preschoolers. A similar infusion of dollars needs to be available to ensure that infants and toddlers living in low-income families have access to the very best care. Additional federal Head Start dollars to support the expansion of Early Head Start could help increase the development of and access to higher quality child care for infants and toddlers.
5. The Performance Based Incentive System within the Smart Start system needs to specifically address the needs of infants and toddlers for high-quality care in all counties.
6. North Carolina's Child and Dependent Care Tax Credit needs to be raised to more accurately reflect the high cost of high-quality infant and toddler child care. Currently the maximum amount on which the credit is based for child care expenditures for one child is \$3,000 a year. This is far below what it costs in every county for high-quality infant and toddler care. The Credit should be raised for families of infants and toddlers using 4- and 5-star care to at least \$6,000 a year. This will help low- and middle-income families who are not able and/or eligible to access child care subsidy to access higher quality care.
7. Current state efforts to address the accessibility, quality and affordability needs of infants and toddlers in regulated child care need to be continued and strengthened.



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