America's Child-Care Crisis

Rethinking an Essential Business

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This book is dedicated to Andrea and all my colleagues at the Kentucky Division of Child Care. Thank you for all your hard work to take care of our Kentucky children and support our child-care providers. You are appreciated!

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Introduction

Child care is the industry that supports all other industries. At the same time, child care is an industry whose employees are significantly underpaid and do not receive the respect they deserve for supporting young children and families. This dichotomy is the reason that our child-care programs are frequently in danger of collapse.

One of the essential tasks of child-care programs is to provide care and education for young children. Because it has been established that the largest portion of brain development occurs before a child reaches five years of age (Center on the Developing Child, 2020), we know that children must be in a learning-rich environment starting at birth to reach their full developmental potential. Quality child-care programs promote the development of the whole child, including cognitive development, language skills, motor skills, social and emotional development, and self-help skills. A child who has benefited from a high-quality early childhood education program will be much more likely to enter kindergarten prepared and to be successful in elementary school than a child who has not had the benefit of a learning-rich environment.

A second crucial job of the child-care program is allowing family members to go to work consistently without constant worry about their children's safety. When parents find a child-care program they trust, they are more likely to attend work regularly and support their family to the best of their ability. When families do not have consistent and quality child care, they are more likely to miss work or lose a job, which could have devastating effects on their economic situation.

Specialists in the field of human services may state that the health and safety of the family is much more important than whether or not a parent loses a job due to lack of child care; however, the health and safety and the economic stability of the family are linked. When a family has a consistent income, the family members are more likely to have regular health care, proper nutrition, and safe housing (Blair and Raver, 2016). A consistent income significantly reduces the level of stress in the home. All family members are more likely to have healthy social and emotional development if the family experiences lower levels of stress, which potentially reduces the chances of abuse, domestic violence, and addiction (Blair and Raver, 2016).

It is difficult to link child care directly to a positive home life for young children; however, quality child care is definitely a contributing factor to positive family life. Despite the essential need for child care in our culture, the child-care industry is by far one of the most unstable businesses in the United States. The current business structure is not working, and without changes, the situation could lead to a catastrophic breakdown affecting millions of working families.

A FRAGILE ECOSYSTEM

The Prichard Committee for Academic Excellence, an education-advocacy organization based in Lexington, Kentucky, created a webinar series during the COVID-19 pandemic called "A Fragile Ecosystem: The Impact of COVID-19 on Kentucky's Child-Care Providers." This title is a perfect description of the balancing act that child care has been performing since its creation. Even before the pandemic began, the child-care industry maintained an extremely fragile ecosystem. It has been nearly impossible to balance the needs of the child-care business with the a vailable resources of the families it serves.

The parent perspective is that tuition is too high to maintain. When a family has its first child, instantly the parents must adjust their expenses and income to provide an additional $800 to $1,200 per month to pay for the care of their infant. In most cases, this is the largest expense that the family pays each month, exceeding the cost of their rent or mortgage. Once a family has two children in child care at one time, they often must reevaluate whether it is in their best interest for one adult to stay home to care for the children. Single-parent families must determine if there is a way to pay fixed expenses, such as food, housing, and utilities, while also paying for child care. Based on the burden that quality child care places on the family, the cost seems astronomical.

The Bureau of Labor Statistics (2018) shows that in almost two-thirds of married families both parents have jobs. America has more than 13.5 million single parents who must have an income to support their families (Bureau of Labor Statistics, 2018). Aside from simply needing to pay bills, there are other reasons for families to stay in the workforce when their children are young. Many adults are passionate about their careers and enjoy going to work. Other parents are scared that leaving the workforce, even for a couple of years, could cause them to be significantly demoted when they return to the workplace. There are also parents who utilize quality child care to prepare their children for elementary school and to take stress off of the home environment. Some families strongly believe they are better parents when they have the opportunity to have time away from their children each day. All of these reasons show why American families need access to child care.

The parent may feel that she is being financially manipulated by the child-care program; however, it is important for the family to understand all the expenses that the weekly fees cover. When a babysitter comes to a family's home, the entire fee goes directly to the individual caring for the child. The babysitter is not responsible for establishing routines, creating an attached relationship, assessing the child's development, or creating an environment filled with language opportunities. The babysitter is there to care for the child's basic needs, and she will use the family's resources (home, toys, food, and so on) to do so during the hours for which she is being paid.

A child-care program is significantly different. The number of teachers that a child interacts with during the day is based on the number of the children in the room and the required adult-to-child ratio. A child's tuition pays a small amount toward the cost of two to four teachers caring for her during the course of the day. Child-care programs pay additional expenses as well, such as rent, utilities, and insurance premiums. Also, many different consumable materials are used throughout the day, including cleaning supplies, art supplies, meals, and snacks. The administrative staff must be paid to supervise the teachers, process the finances, and make sure the facility is maintained. The toys and the playground must be kept clean and in good condition. There are always maintenance needs to consider, such as plumbing and electrical issues. Finally, the highest quality programs train their teachers on research-based practices and how to use a high-quality curriculum. All these expenses are factored into the child's weekly tuition, with the intended goal of the center's breaking even or building a reserve fund for unexpected expenses or emergencies. Truly, $200 to $250 per week is a reasonable cost to cover all these demands.

The teacher perspective is slightly different. Teachers have a high-demand job. They are not sitting at a desk resting all day. From the time they enter the classroom, their job requires their full attention; otherwise, a child could get hurt. Not only do teachers need to be diligent about meeting the basic needs of the children—changing diapers, serving meals and snacks, cleaning the classroom—but they must also plan activities that challenge the physical and cognitive development of each child in the classroom. To provide the best learning experiences, the teachers need to assess the development of each child they care for to determine if she is meeting all developmental milestones. Teachers need to establish their classrooms as a safe place where families feel loved and encouraged. The early childhood teacher is often a Renaissance person. Teachers who work with older students specialize in certain content, but early childhood educators must be special-education teachers, nurses, musicians, PE teachers, and scientists. While all of this in-depth learning is occurring, an early childhood educator will hold a two-year-old in her arms and gently rock her to sleep.

With this vast array of job requirements, it seems as though our early childhood specialists would deserve an outstanding salary; however, most make close to minimum wage. They have a daunting job, but most child-care programs cannot afford to increase their salaries and still pay all the program's bills. Most child-care providers do not have benefits such as health insurance. They spend their day with young children who can easily spread germs, but they do not have the financial assistance to pay their own medical bills when they get sick themselves. Many child-care providers take work home and even spend their own money on classroom materials because their programs may not have funding for individual classroom budgets. They easily work more than full-time hours with significantly low compensation. It is easy to see why so many child-care providers are leaving the field and not returning.

Compare the job of a child-care provider to that of a public school kindergarten teacher. Both care for a group of young students who need constant supervision. Both must help children learn about their letters and numbers. Both have to create specialized learning strategies for each child in the classroom. Both teach children how to be independent and how to play well with others. Yet, the kindergarten teacher typically makes at least double the salary of the child-care provider. Plus, the public school teacher has medical insurance, paid leave, and a retirement account. This discrepancy is huge!

Child-care programs must maintain a certain level of enrollment at all times in order to pay all of their necessary bills. This means that when enrollment dips, teachers may be laid off to compensate for the lack of income. When enrollment temporarily increases, new teachers must be found and trained in an efficient manner, because all states require a minimum adult-to-child ratio in child-care programs to maintain supervision and safety. This constant balancing act is difficult to maintain, and it is one of the greatest challenges for our centers. As this complicated dance continues and child-care programs teeter on the edge of closure, society must remember that we cannot have a successful economy without stable child care.

THE COVID-19 CRISIS

On March 11, 2020, the World Health Organization announced that the Novel Coronavirus Disease, COVID-19, was officially a pandemic, and on March 13, 2020, the United States was declared to be in a state of emergency. Although the most up-to-date information was constantly changing as the world learned more about this new illness, the Centers for Disease Control and Prevention (CDC) described a list of symptoms including fever, cough, shortness of breath, fatigue, muscle aches, headaches, loss of taste or smell, sore throat, congestion or runny nose, nausea or vomiting, and/or diarrhea (CDC, 2020c). Although many of the symptoms were similar to those of the influenza virus, the death rate for COVID-19 infections was higher than that of the flu (Johns Hopkins Medicine, 2020). Those most at risk to catch the coronavirus included individuals who were sixty years of age or older and individuals with pre-existing medical conditions, such as obesity, asthma, diabetes, and heart disease (CDC, 2020b). Despite the risk factors, people of all ages and backgrounds were contracting the illness. The virus was predominantly spread from person to person by coughing, sneezing, and even talking.

Due to the nature of the disease and the way it was spread, states began to close businesses and limit events where large numbers of people gathered in close spaces. Many states took an in-depth look at businesses such as nursing homes, schools, and child-care programs. Some states mandated that child-care programs close, with minimal sites allowed to stay open for emergency care. Other states limited the types of families who centers were allowed to serve to those of essential employees, medical staff, and first responders. This allowed the centers to choose whether they wanted to remain open. Regardless of which approach was taken, a significant number of the nation's child-care programs had to close, and very few centers had income.

The initial assumption of many Americans was that these closures would be for a minimal amount of time, perhaps two to three weeks. Some centers chose to continue charging families tuition, or a reduced amount of tuition, to cover their costs; however, as the closures continued, it was obvious that this was going to be a lengthy process. State administrators reached out to federal liaisons and asked permission to continue paying child-care programs the cost of tuition for the children who had received a child-care subsidy. This would at least allow programs to have some income to pay their fixed expenses. The federal Office of Child Care approved these requests; however, children on child-care subsidy represent only a small portion of the children in child care throughout the nation. The vast majority of child-care funding in the United States comes from American families, and as the impact of the pandemic set in across the country, many families were uncertain of their financial situations.

In March 2020, the National Association for the Education of Young Children (NAEYC) conducted a national survey of 6,000 child-care providers, asking them how these closures would affect their businesses. Thirty percent of programs surveyed responded that they believed their child-care program would not survive a closure of more than two to three weeks; an additional 16 percent said they could not survive a closure of longer than a month (NAEYC, 2020). Only 11 percent of programs nationwide were not afraid of having to close their businesses without additional federal assistance throughout the pandemic (NAEYC, 2020).

During the time period that most states closed down their child-care programs, child-care providers still had fixed expenses and salaries to consider. With the federal government's expansion of the unemployment system, many programs laid off their staff members with the hope that the employees would be able to support themselves on unemployment payments. The federal government released the Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020) and designated that $3.5 billion specifically go to support child care throughout the United States. Each state and territory was allowed to determine how the funding was distributed to child-care programs, but all funds were supposed to be spent by September 30, 2021, to make sure that child-care providers would have funding in hand to support center operations. In many states, grants were awarded to child-care programs to help them pay their fixed expenses for a short time; however, the federal funding was merely a short-term solution.

Child-care programs that remained open, both those in homes and those in centers, received a very small amount of revenue, because most businesses across the United States were closed and many families chose to keep their children at home during the pandemic. The CDC established health and safety guidelines for child-care programs that decided to remain open, and these guidelines were very challenging for centers to implement. Of course, all child-care programs were keeping the health of the children and staff as their top priority, but many were trying to find a way to both establish a healthy environment and receive enough income to prevent their centers from closing permanently. Some guidelines, such as additional cleaning and temperature checks throughout the day, were manageable, but some of the restrictions, such as reducing class sizes, had the potential to devastate a program financially.

Child-care programs that remained open also had to collaborate with the department of public health on what to do if a child or staff member tested positive for COVID-19. The individual with the illness had to be quarantined for fourteen days due to the incubation period of the illness, but the child-care programs also had to worry about all the other children and staff who had been exposed to the illness. Local health departments were requiring centers to close down classrooms or entire

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A System Too Critical to Fail

The child-care industry—essential to American families and to the American economy—is on the verge of collapse. Far beyond "babysitting," child care not only allows families the ability to work, but also serves as a crucial foundation for children's lifelong learning. We simply cannot survive without it.

Before COVID-19 struck, this already-fragile ecosystem faced crushing cyclical challenges. Child-care professionals suffered from issues related to funding, staffing, and meeting the high expectations set for them. Meanwhile, families struggled to find—or simply afford—quality child care. COVID-19 has only made these challenges worse and has created significant economic ripple effects.

In *America's Child-Care Crisis: Rethinking an Essential Business*, Sarah Taylor Vanover takes a hard look at the current situation and explores how to save this critical service by:

- Identifying the systemic changes needed
- Altering public opinion of the field
- Securing state and federal dollars for the private sector
- Prioritizing the growth of family child-care homes
- Educating parents on quality care
- Obtaining business support

Together, we can reimagine the child-care industry for all Americans whose livelihoods depend on it.

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Sarah Taylor Vanover, EdD, has been working in the field of early childhood for over twenty years. For the past several years, Dr. Vanover has focused her work and research on school-readiness skills and assessing quality early childhood programs for health and safety requirements. She is currently the director of the Division of Child Care for the Commonwealth of Kentucky and is an active member of several policy teams looking at ways to save the US child-care system.

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