Early Childhood Care: Seaside and Marina

UNITED WAY MONTEREY COUNTY LITERATURE REVIEW

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The Value of Quality Child Care:

Early childhood education and care are critical to increasing kindergarten readiness and the development of children during key formative stages. Much of this early development and learning is dependent on the quality early care and early education.[1] The impact of investing in early child care stretches far beyond the child and ripples throughout the community and will follow the child throughout the stages of their development. The effects do not end with the child; early childhood education has had significant effects on the workforce availability

Figure 1

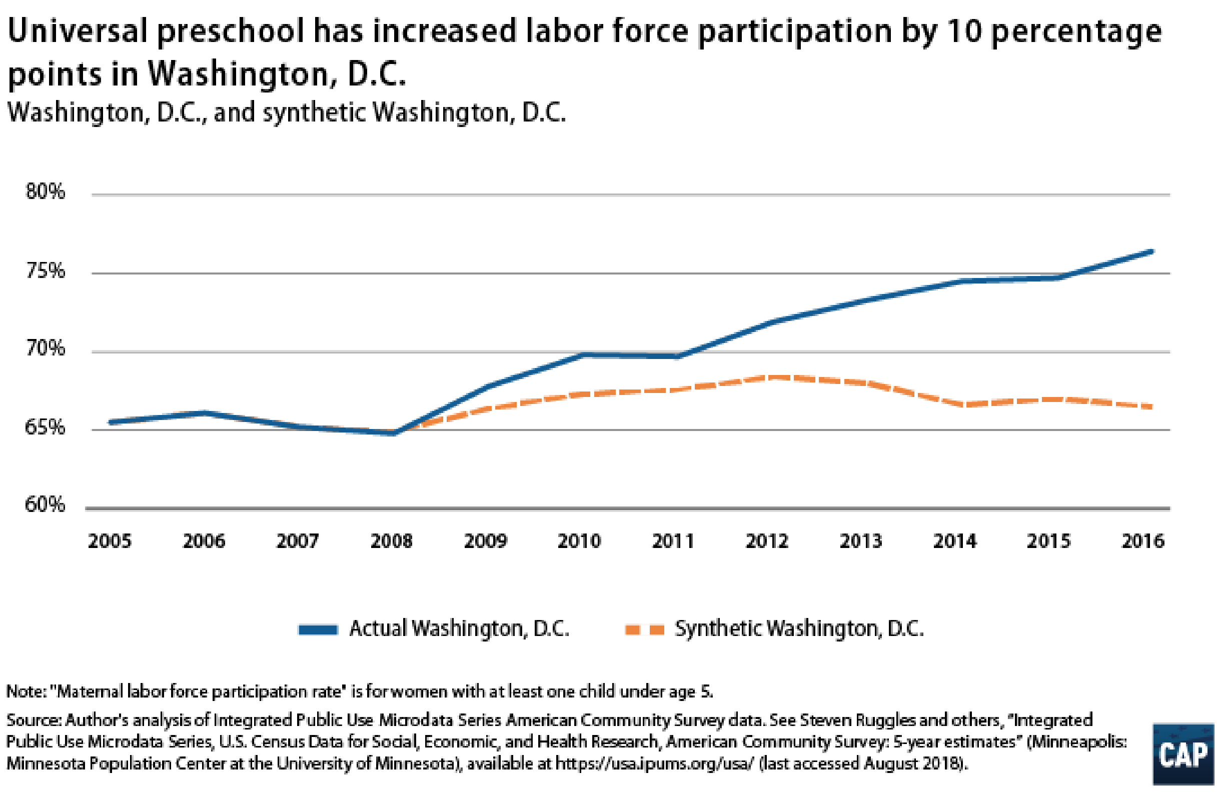
Figure 1: Image courtesy of Bright Beginnings

A study by the Brookings Institution compared that kids who attended pre-school programs like Head Start to those who did not and found "long-term effects on graduation rates, college attendance, and adulthood self-control and self-esteem." The study found that early childhood education programs had more significant impact on Hispanic children and children of mothers who did not have a high school diploma. The long-term effects of early childhood education

[1] P. Drake, B. Greenspoon, L. Unti, K, Fawcett, & S. Neville-Morgan. 2006. Family Friend and Neighbor Childgivers: Results of Statewide Study to Determine Needs and Desires for Support.
http://www.youngadultcarers.eu/docs/4_YC.pdf

also send ripples through the economy by increasing the available workforce and expanding the work hours of employees.[2] Washington D.C. recently established universal child care and found a 15% increase in “the city’s baseline maternal labor force participation rate”[3]

Figure 2



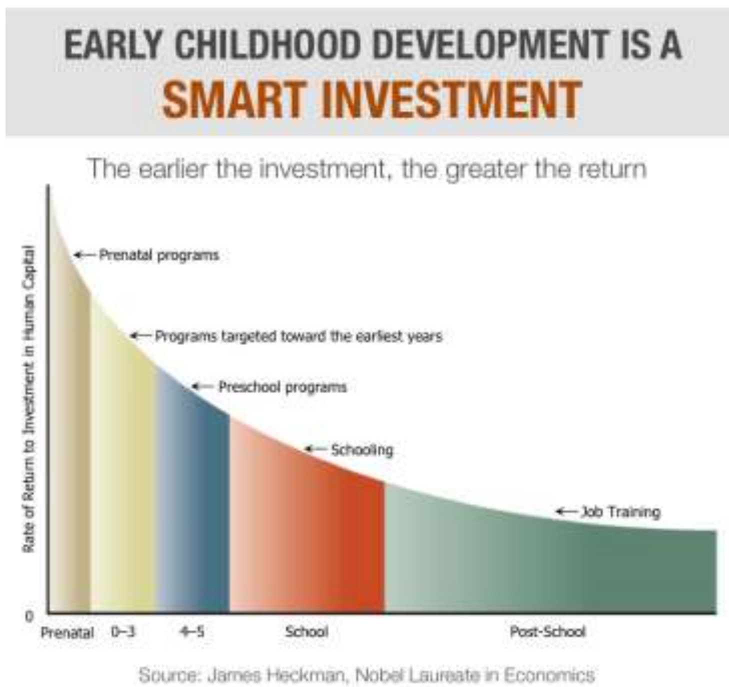
According the Heckman Model, investing in child care between birth and 5 years old has a significant impact on the return on human capital and is highly cost effective. Heckman states

[2] https://www.brookings.edu/research/the-long-term-impact-of-the-head-start-program/
[3] https://www.americanprogress.org/issues/early-childhood/reports/2018/09/26/458208/effects-universal-preschool-washington-d-c/

that quality childcare programs at this age rage have a more significant return on investment than pre-school programs, 13% return on investment compared to approximately 7%.[4]

> Every dollar spent on high-quality, birth-to-five programs for disadvantaged children delivers a 13% per annum return on investment. These economically significant returns account for the welfare costs of taxation to finance the program and survive a battery of sensitivity analyses…. The average cost of childcare alone in the United States ranges from $9,589 to a high of $23,354 with few assurances of the quality necessary to generate quality life outcomes for children.
>
> James Heckman, 2016

Figure 3



Kern County's First 5 reported "Public investment is crucial, and there is a strong public interest in improving quality child care that cannot be accomplished through free market competition, particularly for children in the first five years that account for 90% of the brain development." (2018). The notion that child care is a familial issue or even a matter left to the Department of

[4] https://heckmanequation.org/www/assets/2017/01/F_Heckman_CBAOnePager_120516.pdf

Education fails to recognize the impact of poor education and quality of care on all areas of society.

According to the California Children's 2018 Report, only 49% of children ages 3-4 attend preschool. The majority of those not enrolled are eligible for publicly funded care. Quality of care is a significant indicator of the development of the child. It is important to discuss the significance of both program characteristics and classroom or home characteristics that impact the quality of care the child receives. Socialization of the children during the first three years of life is critical to cognitive, social-emotional, and physical development.[5]

Child Care Centers and Providers:

With the emphasis on birth to 5 child care, a look at the local needs in Marina and Seaside show an increasing need developing. Many of the already limited child care centers only provide for ages 5 and up. There is only one licensed center serving the local community that provides care for 18 infants (0-18months) and 60 children (18-36months) with a current waiting list for 36 months and under of 187 children.[6] In multiple conversations with providers with was emphasized that there is a need for more child care in these two cities, but an emergency need for infant and toddler care. (Boyce, Jessica and Watkins, Shannan. Personal Interview. April 8th 2019). Boyle also agreed, the available night care slots to be far below the need.

Another unmet need for the providers is the already over-burdened teachers and care givers and unmatched pay. Both Boyle and Watkins noted that their staff are over worked and underpaid. They are forced to handle situations demanding professional special needs assistance without the resources to do so. Many of their staff cite the challenging work load and schedule as their reason for seeking other employment.

Fueling the burn out of teachers, and the barrier to success for children is the unmet special needs of certain behaviors in children. Conversations with several local providers highlighted the gap between the cognitive development needs and behavioral development needs.

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[5] F. Lopez Boo, M. Araujo, R. Tomé. 2016. How is Child Care Measured? A Toolkit. Inter-American Development Bank

[6] Shannan Watkins, Early Development Services, 2019

Students presenting cognitive development needs are referred out to the services and assessments they need. However, behavioral needs are expected to be resolved by the under-qualified teachers and assistants. In Boyle's opinion these behavioral needs, when unmet, lead the child to have cognitive development setbacks. If assessed and treated within the early stages, many of the special needs in school age children could be minimized or mitigated all together.

Family, friend, and neighbor (FFN) care, otherwise known as kith and kin care, is widely used as an alternative to parent care for children under the age of 5, "families from diverse socioeconomic strata use FFN care, families with low incomes may be more likely to rely upon FFN care than licensed care"[7] this is often because of high cost of care, limited availability of care within regions of low-income families, variable work hours of parents demanding flexible child care shifts (especially in the case of migrant workers). In a qualitative study done by Kruse and College some FFN care givers saw their "purpose as being provision of basic needs only" the limited perceived purpose has limited their scope of care, neglecting academics entirely. These same care givers acknowledged the need to connect to childcare "coaches" if they feel there is a trusted and qualified coach available to provide childcare support. [8]

The majority of FFN providers are related is some way to the children in their care, most commonly grandparents of the child. Familial childcare providers also have the least formal education "Fewer than half reported any other type of child development training". Many of them have the same needs and desires as the parents.

Potential improvements to FFN care – "The caregivers requested various types of formal and informal ''support'' groups to provide networking and end isolation. They particularly would like to get ideas from other caregivers like themselves. Other ideas discussed were networks for toy and material exchanges or back-up help for when they were sick or had important appointments."

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[7] P. Drake, B. Greenspoon, L. Unti, K, Fawcett, & S. Neville-Morgan. 2006. Family Friend and Neighbor Childgivers: Results of Statewide Study to Determine Needs and Desires for Support.
http://www.youngadultcarers.eu/docs/4_YC.pdf
[8] ibid

Needs of FFN “licensing and professionalism, materials and equipment, education and training, and support systems” “Grandparents often said that they felt as if they were on call 24 hours a day, and it often was unclear when they were in the role of caretaker versus the role of grandparent.” 40% of Californian FFN providers are licensed. Non-family caretakers expressed a desire to get licensed. [9]

Data for Local Child Care

Child care in Monterey County has been a persistent problem for low- and medium-income families. The average cost of childcare in Monterey County is $14,135 for infant childcare and $9,614 for pre-school age children at a licensed facility. [10] The medium family income for Monterey County families is $69,706 and for 2016, 24.3% of families were low-income working families.[11] These families do not have the disposable budgets to allocate up to 20% of their income towards childcare.[12] For many of these families getting their child into one of the 9,687[13] slots becomes not only a competition for space but a battle of budgeting. In Monterey County, only 19% of children of working parents have a child care slot available to them[14].

In Marina there are very fewer available child care centers, and even fewer low-income options for families. There are 1016 children 0-6 compared to 757 licensed slots. In Seaside there are 1,517 children ages 3-5 compared to the 958 licensed slots 38% of Marina and Seaside children are income eligible for early childhood subsidy programs. More than half of the children in Marina and Seaside have working parents (64%) and 22% of these households are low-income[15] Marina and Seaside parents often resort to leaving their child in an unlicensed or licensed-

[9] Family, Friend, and Neighbor Child Caregivers: Results of a Statewide Study to Determine Needs and Desires for Support. (2006). P. Drake et al. http://www.youngadultcarers.eu/docs/4_YC.pdf

[10] “2018-2019 Community Action Plan.” Monterey County Community Action Partnership. California Department of Community Services and Development. (2017)

[11] Kids Data https://www.kidsdata.org/region/320/monterey-county/results#ind=&say=&cat=6,37

[12] Resource and Referral Network Monterey 2017 Portfolio https://rrnetwork.org/assets/general-files/Monterey_06-18.pdf

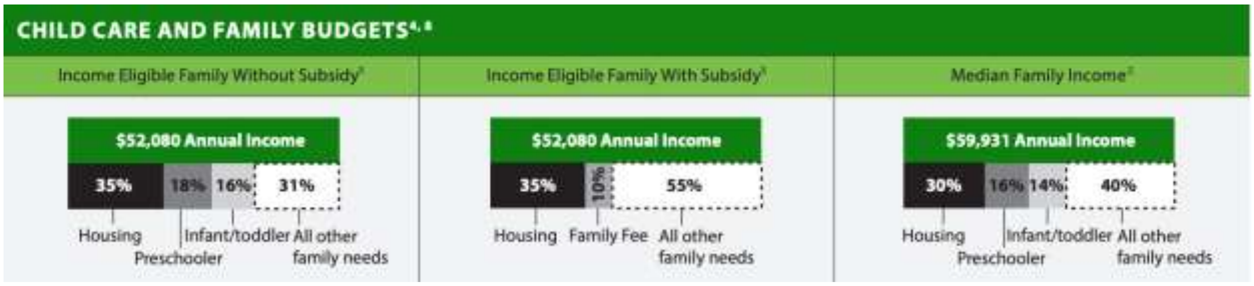
[13] https://www.kidsdata.org/topic/101/childcare-slots-facilities/table#fmt=261&loc=320&tf=95&ch=222,223,224&sortColumnId=0&sortType=asc

[14] https://www.kidsdata.org/topic/99/childcare-availability/table#fmt=262&loc=320&tf=95&ch=1247,1248&sortColumnId=0&sortType=asc

[15] AIRS research

exempt home. For Marina's 1,016 children and Seaside's 1,517, only 1 child is enrolled in Alternative Payment Programs and there are no children enrolled for the city of Seaside.

Figure 4



The Child Care and Development Services Act, AB300, expanded subsidy plans for Monterey County "in an effort to provide access to affordable, high-quality services supported by adequate rates, integrated data systems, and a strong infrastructure that supports children and the educators who serve them"[16]. With the passing of AB-300 in 2017, families received help addressing some of the burden of childcare costs. However, there is still a supply issue with availability of facilities.

For some of the providers the discrepancy between capacity and available slots is due to the fees required for increasing slots. Each family child care provider is required to pay California Department of Social Services a $25 fee for each change in capacity, in addition to orientation fees, application fees, and annual fees[17].

[16] California Legislation Information AB-300 https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB300

[17] California Department of Social Services http://www.cdss.ca.gov/inforesources/Community-Care/Licensing-Fees

Figure 5

Fee Increase Effective 1/1/15

Description	Capacity	Application $	Annual $	Late $	Location Change $	Probation $
Family Child Care Homes	1-8	73	73	36	36	73
	9-14	140	140	70	70	140
Child Care Centers	1-30	484	242	121	242	242
	31-60	968	484	242	484	484
	61-75	1210	605	302	605	605
	76-90	1452	726	363	726	726
	91-120	1936	968	484	968	968
	121+	2420	1210	605	1210	1210

Barriers to Quality Care

Additionally, facility closures have reduced the available slots for child care, brought in part by turnover rates of providers. For central California the estimated turnover rates among teachers at licensed child care centers is 22.1%, for assistant teachers it increases to 32.1%[18]. Child care facilities in the area report high turnover rates due to employees' dissatisfaction with salary and wages. For some facilities the vast expenses and difficulty getting paid through subsidies result in parents having to pay premiums for child care, or facilities having very narrow profit margins.

In an interview with Great Beginnings Early Learning Center's owner and director, Andrea, the most significant barrier to expanding slots and capacity is space. Andrea stated her agency's staffing and waitlist show the capacity and need for expansion; however, acquiring a location and space for expansion presents a significant barrier for them (Andrea. Phone Interview. March 15, 2019). In several interviews with local, in-home, licensed child care providers the same sentiments of staffing were expressed. Some of the providers interviewed have been providing care for up to 30 years and are struggling to afford paying additional staff. One provider reported not being able to expand care due to limited funding to pay staffing. She

[18] California Early Care and Education Study: Licensed Child Care Centers, 2006. http://cscce.berkeley.edu/files/2006/statewide_centers.pdf

receives insufficient funds from Mexican American Opportunity Foundation, MAOF, and can barely afford to pay her current staff and self.

Through several key informant interviews with child care providers, it was revealed that some of the barriers to providing quality care are: fees, ever-changing requirements, paperwork to receive subsidies, payouts from county do not match the hours worked, and long-standing providers being treated like first time providers. One interview with a provider revealed that the requirements for equipment are constantly fluctuating. Equipment is a main cost burden for the in-home service providers. As requirements change, providers cannot afford to keep purchasing new equipment to keep up with the unpredictable regulations.

Another key informant reported that county payouts through MAOF and CalWORKs are miscalculated and often under pay the child care providers. Some of the in-home providers are frustrated with the work required to become eligible for subsidies or expansion and would "rather work more hours or on the weekend than deal with the county" to receive subsidies and support (Rose G. Phone Interview. March 28, 2019). There are too few local child care slots, however many of the child care providers interviewed are not interested in expanding or meeting their capacity due to the burden of paperwork and reporting necessary.

When these child care providers were posed with an opportunity to share the burden and develop a shared network, they responded with cynicisms and preferred to keep out of another "requirement" to file paperwork. All of the child care providers interviewed stated working with the children is not the difficult part of their job, and the subsidies and county requirements get in the way of them doing their job well.

Another barrier to providing child care service to low income families has to do with the difficulty for providers to get paid through subsidies. One child care center director reported getting "burned" by subsidies and no longer accepts third party payments (Anonymous. Phone Interview. March 15, 2019). Many of the families in the most need of child care rely on these subsidies and are then denied access by facilities refusing to accept their children. In Monterey County there are approximately 77% of children without access to child care. With these in-home child care providers and child care centers operating below capacity the demand is increasing, and the supply is not reflecting this trend.[19]

Profits of Providing Quality Care

Subsidies intended to offset the cost of child care are not reaching the families or service providers. Here is a 2018 expense report from one child care center serving 42 children and employing up to 10 staff members. This expense report shows the limited revenue left over after expenses are paid, limiting the centers from considering expansion or improving services (Anonymous. Phone Interview. March 15, 2019).

Figure 6

2018 Child Care Facility Budget Item	**Dollar Amount**
Rent	$34,000
Payroll	$268,000
Benefits	$2,300
Phone	$1,500
State and Federal tax	$875
Workers Comp.	$12,000
Food	$12,000
Facility Supplies	$11,000
Janitorial	$4,000
Advertisements	$5,000
Application and fees	$1,000
Total Expenses	$349,375
Total Revenue	$400,000
Total Profit	**$50,625**

[19] California Child Care Resource & Referral Network, California Child Care Portfolio (Nov. 2015)

For the child care centers rent and payroll are the most significant expenses for providing care. However, for both the centers and in-home providers another significant burden is the cost of supplies and equipment required to provide quality care.

Child Care Policy

Monterey Peninsula College and California State Monterey Bay have been equipping child care providers to enter the work force. However, there is a gap between the graduating workforce and the employment of those individuals. In an effort to better align CA Community College programs with labor market demands AB 23 would establish a Deputy of Business and Workforce Coordination. This would build a stronger pipeline of employable professionals and ensure their qualifications for providing quality child care. This bill requires collaboration between the Deputy of Business and Workforce Coordination and the California Department of Education.[20]

[20] https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB23