



Who's Caring for Our Babies?

Early Care and Education in North Carolina EXECUTIVE SUMMARY

Introduction

The last 25 years have seen a revolution in the need for and usage of early care and education for infants and toddlers in North Carolina. As more women have re-entered the workforce with children under a year old, the need for child care has grown. Nationwide, it is estimated that 58% of babies under one live in a household where their mothers work.¹ With the work requirements for TANF requiring mothers to return to work as soon as possible after the birth of their child, babies living in both poor and middle income families are faced with spending their very earliest days in a child care setting.

With national and state attention focused on school readiness and helping four year olds come to school better prepared, we cannot forget our youngest citizens. Numerous studies have identified the first years of life as critical for setting the foundation for future learning. These studies have identified key elements in providing an environment that maximizes each young infant's chances to reach her potential. However, providing excellent infant/toddler early care and education is expensive because of the need and requirements for well-educated teachers and low teacher to child ratios. This study is designed to offer an understanding of the quality, supply and accessibility of infant and toddler early care and education in North Carolina and to determine if this care has changed since the last similar study.

Methodology

This study analyzes four data sets to examine early care and education usage by children from birth to three years old and to compare that to early care and education usage by children from three to five years old.

These data sets include:

- Regulatory data from the North Carolina Division of Child Development and Early Education. These data were used to examine the supply and quality of care for children ages birth to three and compares this to similar data for three- to five-year-olds. (April 2008 and October 2016)
- State child care subsidy data including NC Pre-K, 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 2008 and October 2016)
- 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 2008 and October 2016)
- Child Care workforce data from the North Carolina Early Care and Education Workforce Study show the demographics, education, compensation and experience for the early care and education workforce. (2003 and 2015 studies)



¹ Source: United States Department of Labor, Bureau of Labor Statistics, 2016.
<https://www.bls.gov/news.release/famee.nr0.htm>

Findings

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 eight 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. The full statewide and regional reports are located on CCSA's website ([2017 IT Statewide report](#) (PDF)).

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 2016 found that families were looking for care for 12,500 infants and toddlers (61% of children birth through five whose families sought referrals). Yet infants and toddlers only make up 37% of children birth through five in regulated child care.
- Between 2008 and 2016, the population of infants and toddlers in North Carolina decreased by 4.4%¹, yet enrollment in regulated child care decreased by 14%. On the other hand, though preschool growth dropped 1.5%, enrollment for preschoolers dropped only slightly more with a 2.0% decrease. Slots available for and used by preschoolers essentially kept up with population growth; slots for infants and toddlers did not.

93% of infants and toddlers enrolled in licensed early care and education are in centers and 7% are in homes, showing an increase in the percent of infants and toddlers in centers compared to homes since 2008 (87% in centers, 13% in homes).

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.

- 71% of centers enroll infants and toddlers compared to 98% enrolling preschoolers.
 - In 2008, 74% of centers enrolled infants and toddlers compared to 97% that enrolled preschoolers.

Fewer high-quality (4- and 5-star) early care and education centers and homes provide care for infants and toddlers than preschoolers, however, improvements have been made since 2008.

- Only 53% of 5-star centers enroll infants and toddlers, while 78% of 1-star centers do so. However, 99% of 5-star centers enroll children age three to five.
 - In 2008, 44% of 5-star centers enrolled infants and toddlers.

ACCESSING QUALITY

Significantly fewer infants and toddlers are enrolled in programs with a 4- or 5-star rated license compared to preschoolers, however, a much larger percentage of both age groups are in higher quality care and the disparity between the two groups has decreased since 2008.

- 70% of infants and toddlers are enrolled in 4- or 5-star centers as compared to 78% of children age three to five.
 - In 2008, 47% of infants and toddlers were enrolled in 4- or 5-star centers as compared to 59% of children age three to five.
- 75% of infants and toddlers receiving subsidy are enrolled in 4- or 5-star centers as compared to 76% of children age three to five years receiving a subsidy.
 - In 2008, 44% of infants and toddlers receiving subsidy were enrolled in 4- or 5-star centers as compared to 51% of children age three to five years receiving a subsidy.

Infants and toddlers do not have access to teachers with the same qualifications as preschoolers.

- 69% of the preschool teaching staff have earned an associate degree or higher. Forty-five percent (45%) of those teaching infants and toddlers have earned this level of education, a difference of 24 percentage points.

A lower percentage of programs serving infants and toddlers elect to have the Environment Rating Scale administered than centers serving preschool age children. Further, ITERS scores overall are lower than ECERS scores.

- The statewide average ITERS score (4.98) is lower than the statewide average ECERS score (5.51) with a lower percentage of programs electing to have the scales administered (53% vs. 65%).

¹ Office of State Budget and Management, *County/State Population Projections, State Single Age, 2008 and 2016*.

Infant and toddler teachers are similar to teachers of children ages 3 to 5 in age, gender, ethnicity and their status as parents. Despite having similar demographics, infant and toddler teachers are more likely than preschool teachers to live in families with lower incomes, be uninsured and have used public assistance in the past three years. Such economic challenges increase the probability of higher turnover rates. It is critical that very young children have consistent adults on whom they can count.

- Infant and toddler teachers tended to have less experience in their current child care programs (3.0 vs. 3.8 years) and nearly a year and a half less experience in the child care field overall than their counterparts teaching 3 to 5-year-olds.
- Infant and toddler teachers reported earning a lower hourly wage than preschool teachers. Infant and toddler teachers earned a median of \$10.00 per hour, while preschool teachers earned \$11.39 per hour.

ACCESS TO CHILD CARE SUBSIDY

While similar numbers of infants and toddlers receive 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.

TABLE 1:
NUMBER AND PERCENT OF EACH AGE GROUP RECEIVING AND WAITING FOR SUBSIDY BY YEAR

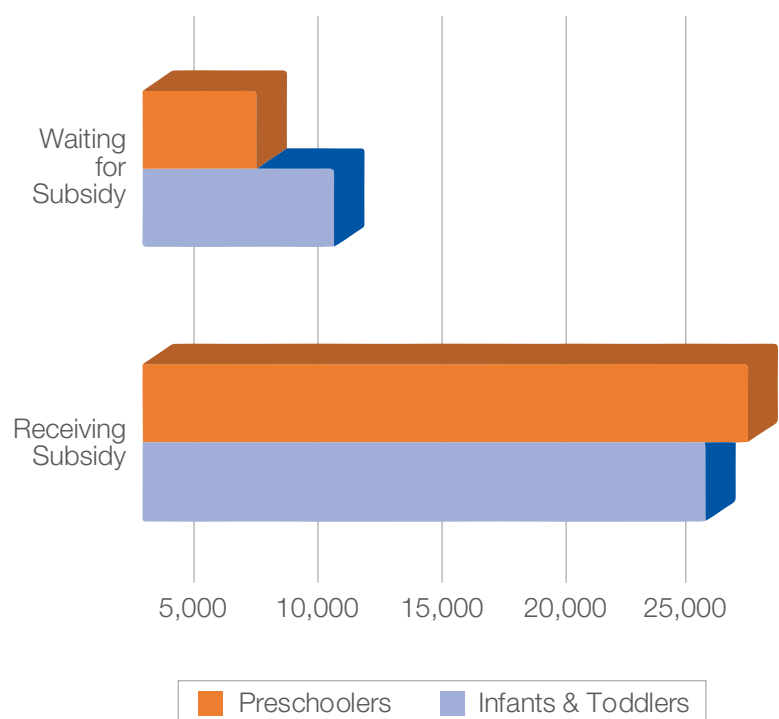
| | October 2016 | | | | April 2008 | | | |
|----------------------------------|--------------------|-----|--------------|-----|--------------------|-----|--------------|-----|
| | Infants & Toddlers | | Preschoolers | | Infants & Toddlers | | Preschoolers | |
| | # | % | # | % | # | % | # | % |
| Receiving Subsidy | 22,885 | 48% | 24,605 | 52% | 31,125 | 51% | 29,788 | 49% |
| Waiting For Subsidy ¹ | 7,794 | 63% | 4,642 | 37% | 10,963 | 63% | 6,539 | 37% |

¹ Missing data for 2016 from Washington, Greene, Martin, Anson, Cleveland, Gaston, Iredell, Wilkes, Granville, Wake and Wayne counties.

Not only are fewer infants and toddlers receiving subsidy than preschoolers, these numbers represent only those birth to five year olds receiving child care subsidy. An additional 26,635 four year olds receive subsidized care through the NC Pre-K program. Further, although these numbers do not include Head Start/Early Head Start numbers, far more three to five year olds receive Head Start services compared to infants and toddlers receiving Early Head Start services. Thus Chart 1 greatly underestimates the number of preschoolers actually receiving a subsidized early care and education experience. Not only are fewer infants and toddlers receiving subsidy, far more are waiting for child care subsidy compared to three to five year olds.



CHART 1:
ACCESS TO CHILD CARE SUBSIDY



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 and Early Education has divided the state’s 100 counties into fourteen child care resource and referral service delivery regions ([NC map with regions](#) (PDF)). Each region uses resources from the North Carolina Division of Child Development and Early Education, Smart Start and other funders to address the child care needs of children in their communities and each area faces its own challenges.

In October 2016, **66,353** children from birth to three were in regulated early care and education settings, a **14% decrease** from April 2008. This represents **37%** of children birth to five enrolled in licensed child care programs of all types (a decrease from 40% in April 2008).

ACCESSING QUALITY—ACROSS THE REGIONS AND COUNTIES

The percentage of infants and toddlers accessing quality (4- and 5-star) centers varies greatly across the regions. **However, in all fourteen regions the percent of preschoolers accessing this type of care is higher than the percent of infants and toddlers.**

- In only six of the fourteen regions, 70% or more of infants and toddlers are receiving care in 4- or 5-star early care and education centers, yet at least 70% of preschoolers in every region are in this level of care. Across the state the percent ranges from a high of 86% in Region 2 to a low of 54% in Region 1.

TABLE 2:
PERCENT OF CHILDREN IN CENTERS BY AGE ENROLLED WITH INDICATED LICENSE

| Region | Infants/Toddlers | | Preschoolers (3–5 YO) | |
|------------------|------------------|------------|-----------------------|------------|
| | 4- or 5-star | 5-star | 4- or 5 star | 5-star |
| 1 | 54% (L) | 22% (L) | 73% | 59% |
| 2 | 86% (H) | 64% (H) | 91% (H) | 79% (H) |
| 3 | 58% | 41% | 72% (L) | 59% |
| 4 | 67% | 41% | 81% | 60% |
| 5 | 59% | 25% | 75% | 50% (L) |
| 6 | 76% | 52% | 78% | 60% |
| 7 | 70% | 37% | 77% | 54% |
| 8 | 76% | 47% | 79% | 61% |
| 9 | 70% | 45% | 81% | 63% |
| 10 | 64% | 38% | 75% | 58% |
| 11 | 63% | 37% | 75% | 55% |
| 12 | 76% | 56% | 78% | 64% |
| 13 | 61% | 35% | 73% | 51% |
| 14 | 68% | 39% | 82% | 59% |
| Statewide | 70% | 45% | 78% | 59% |



- In 2016, at the state level the difference between preschoolers accessing 4- or 5-star center care and infants and toddlers accessing that level of care is eight percentage points. Across the regions the differences range from two percentage points in Regions 6 and 12, to nineteen percentage points in Region 1.
- In only three regions, 50% or more of infants and toddlers are enrolled in 5-star centers, yet at least 50% of preschoolers in all regions are enrolled in 5-star centers.
- Avery and Madison counties have the highest percentage (100% or more) of infants and toddlers enrolled in 4- or 5-star licensed centers while Camden and Tyrrell counties have 0% of their babies enrolled in 4- or 5-star licensed early care and education centers.
- Eight regions fall at or below the statewide average percentage of infants and toddlers receiving subsidy accessing 4- or 5-star center care.

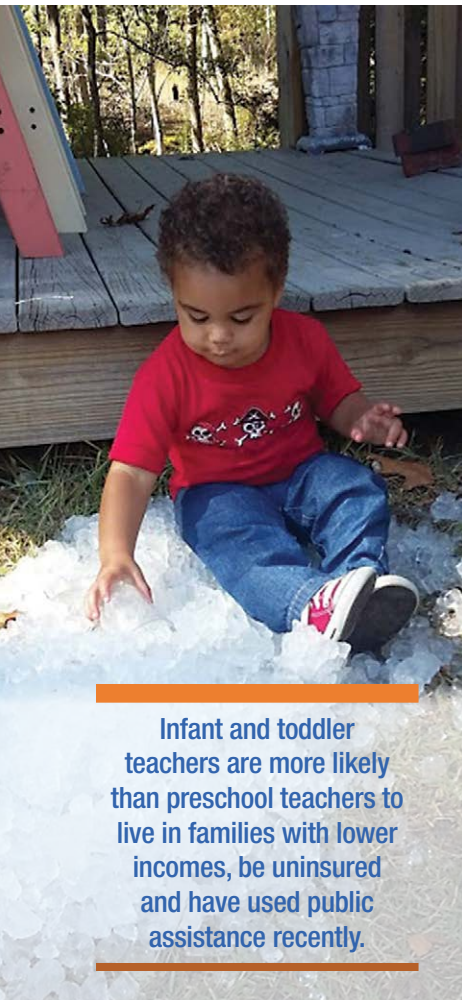
TABLE 3:
NUMBER AND PERCENT OF CHILDREN IN CENTERS RECEIVING
SUBSIDY BY AGE ENROLLED WITH INDICATED LICENSE

| Region | Infants/Toddlers | | | | Preschoolers (3–5 YO) | | | |
|------------------|------------------|------------|--------------|------------|-----------------------|------------|---------------|------------|
| | 4- or 5-star | | 5-star | | 4- or 5 star | | 5-star | |
| | # | % | # | % | # | % | # | % |
| 1 | 297 | 69% | 111 | 26% | 262 | 62% (L) | 116 | 27% |
| 2 | 346 | 84% | 220 | 53% | 433 | 84% | 288 | 56% |
| 3 | 1,050 | 77% | 781 | 57% | 1,145 | 76% | 858 | 57% |
| 4 | 727 | 66% | 402 | 37% | 903 | 73% | 499 | 40% |
| 5 | 1,132 | 62% (L) | 344 | 19% (L) | 1,371 | 63% | 443 | 20% (L) |
| 6 | 2,566 | 89% (H) | 1,715 | 59% (H) | 2,880 | 89% (H) | 1,932 | 60% (H) |
| 7 | 1,029 | 80% | 453 | 35% | 1,133 | 83% | 525 | 38% |
| 8 | 1,328 | 81% | 705 | 43% | 1,334 | 82% | 761 | 47% |
| 9 | 822 | 75% | 553 | 50% | 942 | 76% | 646 | 52% |
| 10 | 1,133 | 67% | 546 | 32% | 1,191 | 69% | 610 | 35% |
| 11 | 1,461 | 69% | 863 | 41% | 1,553 | 70% | 940 | 42% |
| 12 | 2,634 | 79% | 1,589 | 47% | 2,899 | 78% | 1,865 | 50% |
| 13 | 724 | 68% | 361 | 34% | 891 | 70% | 442 | 35% |
| 14 | 588 | 73% | 282 | 35% | 512 | 71% | 248 | 34% |
| Statewide | 15,837 | 75% | 8,925 | 42% | 17,449 | 76% | 10,173 | 44% |

- Region 5 has the lowest rate of access to 4- and 5-star center care for infants and toddlers receiving a subsidy (62%), however, Region 1 has the lowest rates of access to quality care for three- to five-year-olds receiving subsidy (62%).
- Region 6 has the highest rate of access to 4- and 5-star center care for infants and toddlers receiving subsidy (89%). Region 6 also has the highest rate of access to 4- and 5-star center care for three to five year olds receiving subsidy (89%).

The percentage of programs serving infants and toddlers that have had the Environment Rating Scale administered varies greatly across the regions as do the scores. However, in every region the percentage of programs serving preschoolers that have had the Environment Rating Scale is higher than those serving infants and toddlers as are the scores.

- Among the regions, Region 8 has the highest average ITERS score (5.14) with 64% of early care and education centers enrolling infants or toddlers having the assessment completed. Region 4 has the lowest average at 4.69, though nearly half (49%) of their centers with infants and toddlers being assessed.
- The highest regional average ITERS score (Region 8 at 5.14) is lower than the lowest regional ECERS score (Region 1 at 5.24).



Infant and toddler teachers are more likely than preschool teachers to live in families with lower incomes, be uninsured and have used public assistance recently.

Preschoolers have greater access to teachers with higher levels of education than infants and toddlers do. The difference in accessibility between these two groups varies across the regions. In every region the percent of infant and toddler teachers who have earned a degree in any field was lower than the percent of preschool teachers.

- Only four regions (2, 3, 8 & 12) have at least half (50%) or more of their infant and toddler teachers with two or four year degrees.

TABLE 4:
PERCENT OF 2015 INFANT/TODDLER TEACHERS WITH A DEGREE BY REGION

| Region | % | Region | % |
|--------|---------|------------------|------------|
| 1 | 49% | 8 | 53% |
| 2 | 50% | 9 | 39% |
| 3 | 57% (H) | 10 | 41% |
| 4 | 30% (L) | 11 | 45% |
| 5 | 42% | 12 | 52% |
| 6 | 49% | 13 | 34% |
| 7 | 30% (L) | 14 | 35% |
| | | Statewide | 45% |

- Across the regions the percent ranges from a high of 57% in Region 2 to a low of 30% in Region 4.

ACCESS TO CHILD CARE SUBSIDY—ACROSS THE REGIONS

In all reporting regions more than half of children ages birth to five waiting for child care subsidy are infants or toddlers.

TABLE 5:
NUMBER AND PERCENT OF CHILDREN WAITING FOR SUBSIDY BY REGION
OCTOBER 2016

| Region | Infants/Toddlers | | Preschoolers (3–5 YO) | |
|------------------|------------------|------------|-----------------------|------------|
| 1 | 190 | 59% | 130 | 41% |
| 2 ¹ | 286 | 63% | 169 | 37% |
| 3 ² | 720 | 58% | 532 | 42% |
| 4 | 788 | 63% | 453 | 37% |
| 5 ¹ | 962 | 59% | 662 | 41% |
| 6 | 2123 | 65% | 1139 | 35% |
| 7 ² | 0 | NA | 0 | NA |
| 8 | 218 | 60% | 144 | 40% |
| 9 ¹ | 13 | 57% | 10 | 43% |
| 10 ¹ | 285 | 62% | 176 | 38% |
| 11 | 440 | 59% | 311 | 41% |
| 12 ² | 987 | 71% | 413 | 30% |
| 13 ¹ | 520 | 59% | 362 | 41% |
| 14 | 262 | 65% | 141 | 35% |
| Statewide | 7794 | 63% | 4642 | 37% |

¹ Data missing from one county in the region

² Data missing from two 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 are too young to 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® (T.E.A.C.H.) scholarship program, 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.

In only six of the fourteen regions, 70% or more of infants and toddlers are receiving care in 4- or 5-star early care and education centers, yet at least 70% of preschoolers in every region are in this level of care.



Recommendations

Since 2008, 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 eight 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. Incentives for expansion of 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 5-star programs, and supplemental rates for high quality care for all children.
2. Reimbursement rates for center-based care at the 4 and 5 star levels should be raised, with a goal of reaching the 85th percentile of current market rates in all counties. Subsidized rates for infants and toddlers in particular need to be raised to reflect the real costs for providing high quality care. While market rate studies reflect the cost charged to parents, they often do not reflect the true cost of that care. Funding from NC Pre-K has helped increase the quality of spaces for preschoolers because the payment rate is tied to a modeled estimate of what it costs to deliver this high quality. 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 through our state's subsidy system. 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.
3. The Community Early Childhood Profile-Smart Start Measures of Impact (formerly the Performance Based Incentive System within the Smart Start system) needs to specifically address the needs of infants and toddlers for high quality infant and toddler care in all counties. Counties should be held accountable for meeting the same high standards for infant toddler care as for preschool care.
4. The Federal Child and Dependent Care Tax Credit needs to be raised to more accurately reflect the high cost of high quality infant/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 four- and five-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 a form of assistance for early care and education to access higher quality care. The similar North Carolina tax credit should also be reinstated.

22,885 infants and toddlers receive a child care subsidy. This represents about **34%** of all infants and toddlers receiving care in a licensed child care facility. Since 2008, both the number and percent of infants and toddlers receiving subsidy care have declined as has the number and percent of preschoolers receiving subsidy. • Of the **22,885** infants and toddlers receiving a subsidy, **19%** are infants, **36%** are one-year-olds and **45%** are two-year-olds. • **92%** of infants and toddlers receiving a child care subsidy are enrolled in licensed child care centers, an increase from **86%** in 2008.

5. The reinstatement of the Earned Income Tax Credit for North Carolina Families could really make a difference. This tax credit for low and moderate income families was eliminated in 2014 forcing families to fall further behind. Allowing families to increase their expendable income each month results in more tax dollars for the state. And the tax credit would benefit a large proportion of the infant toddler workforce.
6. Higher Education systems, both at the community college and four-year university level, provide the foundational knowledge for new and continuing early childhood professionals. These systems should examine their curricula to ensure that all early childhood degrees include sufficient coursework specifically addressing the unique needs of infants and toddlers. These systems should further consider providing concentrations for those students wishing to focus specifically on teaching infants and toddlers, going beyond the Infant Toddler Certificate within the NC Community College System.
7. Compensation for those directly working with infants and toddlers needs to be addressed. Statewide, infant toddler teachers make significantly less than their preschool counterparts. Our youngest citizens deserve the right to begin their school careers with the most qualified teachers in charge of their early education. In addition, incentives to encourage infant toddler teachers to go back to school on T.E.A.C.H. scholarships should be enhanced. These teachers have the lowest education levels and salaries, making accessing college both important and unaffordable.
8. The number of Infant Toddler Specialists available to help with technical assistance and training through the statewide Quality Enhancement Project should be expanded. These specialists work directly with infant toddler teachers and their directors to help improve quality in the classroom as measure by the rating scales, CLASS assessments and through the use of the Pyramid model for improved social-emotional health. Incentives to help programs improve their learning environments as they work with these Specialists used to be offered. These incentives should be reinstated.
9. The state subsidized child care system should maintain three separate waiting lists for infants and toddlers, for preschool and for schoolage children. Equity of access to child care subsidies should be required among these waiting lists.
10. Current, effective strategies that are being used by the Division of Child Development and Early Education, local child care resource and referral agencies, local Smart Start Partnerships and early childhood workforce development initiatives to address the accessibility, quality and affordability needs of infants and toddlers in regulated child care need to be continued.
11. Employers and consortia of employers should be encouraged to support the development and/or provision of high quality infant/toddler slots for their employees.
12. Further study is needed. While a statewide child care workforce study was conducted in 2015, a county by county analysis of the workforce has not been completed 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 at the county level. Additionally, data are needed to understand why some counties 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 are not.

Acknowledgments

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