

## Supporting Documents

The documents in this packet provide background and supplemental information related to MMF's Call to Action for Early Care and Education (ECE).

- ▶ Selected Sources
- ▶ ECE Trends and Key Factors
- ▶ Demographic Snapshot – Montgomery County, MD
- ▶ Glossary of ECE Terms
- ▶ ECE Landscape of Funding and Supports in Montgomery County:
  - ECE Supports Flow Chart
  - Types of Regulated Child Care in Montgomery County
  - Services and Funding for Children with Disabilities
  - Services and Funding for Low-Income Families
  - Services and Funding for Child Care Providers and Families
  - Licensed Child Care Providers Paid by Parent Tuition
  - Definitions of ECE Programs
- ▶ Surveys and Focus Groups
  - Summary of Findings: Westat ECE Surveys of Employers and Employees
  - Executive Summary: ECE Parent Speak Outs and Employer Focus Groups
- ▶ MMF Guiding Principles

These documents also available for individual download  
at [nonprofitmoco.org/mmf](http://nonprofitmoco.org/mmf)

# MMF Call to Action: Early Care and Education

## Selected Sources

Montgomery Moving Forward consulted hundreds of research studies, resources, and national experts in developing its Call to Action for Early Care and Education. This is a selected list of key sources.

### ECE Systems Building

**Build Initiative** [buildinitiative.org](http://buildinitiative.org)

***Building Our Future: Supporting Community-Based Early Childhood Initiatives***, Kelly Maxwell, Lauren LaMonte, and Tamara Halle (February 2017) [www.childtrends.org/wp-content/uploads/2017/02/2017-15BuildingOurFuture.pdf](http://www.childtrends.org/wp-content/uploads/2017/02/2017-15BuildingOurFuture.pdf)

***New America Care Report***, Brigid Schulte and Alieza Durana (September 2016) [newamerica.org/in-depth/care-report](http://newamerica.org/in-depth/care-report)

***The School Readiness Playbook***, Dana E. Friedman and Nina Sazer O'Donnell [nassauboces.org/schoolreadinessplaybook](http://nassauboces.org/schoolreadinessplaybook)

### Investing in ECE: Short- and Long-Term ROI for Employers, Workers and Communities

**Harvard University Center on the Developing Child** [developingchild.harvard.edu](http://developingchild.harvard.edu)

**National Association for the Education of Young Children** [www.naeyc.org](http://www.naeyc.org)

**ReadyNation International** [readynationinternational.org](http://readynationinternational.org)

**The Heckman Equation** [heckmanequation.org](http://heckmanequation.org)

***Transforming the Workforce for Children Birth Through Age 8: A Unifying Foundation***, Institute of Medicine and National Research Council (2015) [doi.org/10.17226/19401](https://doi.org/10.17226/19401)

***Workforce of Today, Workforce of Tomorrow: The Business Case for High-Quality Child Care***, U.S. Chamber of Commerce Foundation (June 2017) [uschamberfoundation.org/reports/workforce-today-workforce-tomorrow](http://uschamberfoundation.org/reports/workforce-today-workforce-tomorrow)

### ECE in Montgomery County

***Child Care in Montgomery County***, Natalia Carrizosa, Office of Legislative Oversight (December 2015) [montgomerycountymd.gov/OLO/Reports/CurrentOLOReports.html](http://montgomerycountymd.gov/OLO/Reports/CurrentOLOReports.html)

***The Impact of Infant and Toddler Childcare Programs***, Elaine Bonner-Tompkins, Office of Legislative Oversight (November 2017) [montgomerycountymd.gov/OLO/Reports/CurrentOLOReports.html](http://montgomerycountymd.gov/OLO/Reports/CurrentOLOReports.html)

**Maryland Family Network** [www.marylandfamilynetwork.org](http://www.marylandfamilynetwork.org)

***Montgomery County Early Care and Education Strategic Plan 2017***, Montgomery County Department of Health and Human Services (December 2016) [montgomerycountymd.gov/HHS/Resources/Files/Reports/ECStrategicPlanfinal.pdf](http://montgomerycountymd.gov/HHS/Resources/Files/Reports/ECStrategicPlanfinal.pdf)

***Pre-K in Montgomery County and Other Jurisdictions***, Elaine Bonner-Tompkins, Office of Legislative Oversight (February 2017) [montgomerycountymd.gov/OLO/Reports/CurrentOLOReports.html](http://montgomerycountymd.gov/OLO/Reports/CurrentOLOReports.html)

***Readiness Matters 2017: Informing the Future***, Ready at Five (January 2017) *Kindergarten Readiness Assessment (KRA) data for Montgomery County on page 27 of full report* [readyatfive.org/school-readiness-data/readiness-matters-2017](http://readyatfive.org/school-readiness-data/readiness-matters-2017)



# early care and education

montgomery county, maryland

## trends and key factors

### affordability & availability

Child care is expensive, taking a huge bite out of household budgets for low- and middle-income families. For most, the cost greatly exceeds the 10% of household income recommended by the U.S. Dept. of Health and Human Services. According to Montgomery County's Office of Legislative Oversight, median **full-time child care for two children exceeds 20% of income for the majority of families in the county.**

#### Cost of Child Care in Montgomery County Annual median cost for 1 child (0-23 months)

Child Care Center: \$17,420  
Family Child Care Home: \$13,000  
**2 children (infant & 3- or 4-year-old)**  
Child Care Center: \$30,000  
Family Child Care Home: \$23,400

Nearly 18% of families with children in the county earn less than \$50,000 per year.



A single mother making \$58,000 would spend 50% of her income on care for an infant and 4-year-old.



Many families pay more for child care than housing. A 2-bedroom apartment averages \$21,000 per year.



A year of child care for a young child costs more than in-state tuition at a public university.

### Low wages and high turnover plague the Early Care and Education workforce.

The 2016 mean wage for child care workers in the Montgomery County Workforce Region was \$30,420. The median entry wage was \$21,966. Even those with advanced training and degrees are underpaid. In 2015, preschool teachers in Maryland earned a median wage of \$27,980 (compared to \$55,900 for kindergarten teachers) and Head Start teachers earned \$34,074. Not surprisingly, turnover is very high, at around 30% nationwide.

One of the central challenges in creating an equitable, high-quality system of Early Care and Education is making child care affordable while also providing fair compensation, training, and viable career paths for the caregivers and teachers who nurture young minds.



Child care is also in limited supply, with many parents scrambling to piece together reliable care – especially during the early years when children require more individualized care.



There are 2.3 children age 2-4 and 5.5 children age 0-23 months for each available slot offered by regulated child care providers in the county.



In some locations, child care is even harder to find. For instance, in Silver Spring and Wheaton, there are 8 children age 0-23 months per available slot.



Work schedules are often incompatible with the hours when child care providers operate. Parents pursuing degrees or career training face the same challenge.

### short-term impact on workers & employers

When parents don't have access to affordable child care, it directly affects their ability to participate in the workforce, and that, in turn, affects employers. Some parents who would like to work are simply unable to do so. The desire to pursue career paths and higher education can be curtailed because child care is too expensive and/or not available. The quality and availability of early care also impact workplace productivity and absenteeism.

Americans who work reduced hours or can't work due to a lack of affordable child care experience **\$8.3 billion** in lost wages each year.

Absenteeism and lost productivity due to parents dealing with child care crises cost U.S. businesses about **\$4 billion** each year.

Especially for **working women**, child care difficulties can be an obstacle to working full time and the ability to earn higher wages.

The *quality* of Early Care and Education matters, too – to allow parents to stay focused when they are on the job, and because today's children are tomorrow's workforce.

[learn more](#)



## quality of care & school readiness

A 15-year-long study by the National Institutes of Health rated the quality of fewer than 10 percent of child care arrangements in the U.S. as "very high." Most were rated "fair." Yet a recent poll conducted by NPR (in partnership with the Robert Wood Johnson Foundation and Harvard School of Public Health) found that 88% of parents rate their child care as "very good" or "excellent." Clearly there is a disconnect about what quality really means. **School readiness is one way to shine a light on the educational quality of early care.**

Achievement gaps start early, and children who enter kindergarten behind their peers are unlikely to catch up.

- 51%** of children entering public kindergarten in Montgomery County in 2015 were **NOT** kindergarten ready.
- 37%** of MCPS kindergarteners were from low-income families. Only 30% of this group were kindergarten ready.
- 34%** of kindergartners were English Language Learners (ELL). Only 26% of this group were kindergarten ready.

Unregulated care of unknown quality represents a large portion of child care supply in the county. According to IRS tax filings, there were 2,595 non-employer establishments in the child care services industry in 2013. That's nearly triple the number of regulated Family Child Care Homes (947 in 2015).

Only 23% of Child Care Centers and 5% of Family Child Care Homes in Montgomery County are accredited by a state or national organization.



## Young children's brains form 700 to 1,000 new synapses every second.

The first few years of life are a critical time for brain development. By age 3, the brain has produced twice as many neural connections, and at a faster rate, than at any other time in life, and has reached 85% of its adult weight.

According to Harvard University's Center on the Developing Child, "the basic architecture of the brain is constructed through an ongoing process that begins before birth and continues into adulthood. Early experiences affect the quality of that architecture by establishing either a sturdy or a fragile foundation for all of the learning, health and behavior that follow."

## long-term impact for our community

Today's infants, toddlers and preschoolers are tomorrow's workers, taxpayers, and parents. A growing body of research, including rigorously studied early education programs, points to significant personal, social, and economic benefits over time when children experience high quality early learning. The potential ROI for investing in Early Care and Education is threefold: decreased costs to government; increased educational achievement (and therefore greater earning power); and increased productivity in adulthood.



- ▶▶ Childhood development programs are estimated to save between \$2.88 and \$17.07 per dollar invested, depending on the program and length of follow-up.
- ▶▶ High-quality pre-K education, especially for disadvantaged children, has been shown to decrease special education placement by 49%, reduce grade retention by 50%, reduce juvenile arrests by 33%, increase high school graduation by 31%, and increase college attendance by more than 80%.
- ▶▶ When at-risk children in three high-quality early learning programs were followed into adulthood, outcomes included higher graduation rates (by as much as 44%) and increased median earnings (by as much as 36%).
- ▶▶ Recent research by Dr. James Heckman and his colleagues found that high-quality 0-to-5 programs for disadvantaged children delivered a 13% per-year return on investment.

There are 67,000 children under age 5 in Montgomery County. Early Care and Education experiences influence our children's potential, in school and beyond, and directly impact the county's future.

“ A good early care and learning system should support the healthy development of children, particularly at a time when their brains are rapidly growing and laying the foundation for future learning. A functioning system should sustain the financial stability and health of families, promote opportunity and equity, support and sustain businesses, and help the economy thrive. And an effective system should be built on three pillars: affordable cost, high quality, and easy availability. This is not happening in the current fragmented, patchwork system.



### → population trends

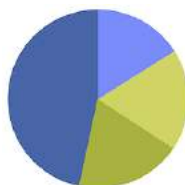


**2016 population: 1,043,863**  
1990 population: 873,000  
2030 projected population: 1.15 million  
2040 projected population: 1.2 million

#### Majority-minority county (since 2010)

2016 race and ethnicity:

Non-Hispanic White - 44.7%  
Black or African American - 19.5%  
Hispanic or Latino - 19.1%  
Asian - 15.5% Other - .8%



**66,800 children under age 5 in 2016**  
More than 13,500 babies born each year  
**1 in 4 residents is age zero to 19**  
This % projected to remain steady



**1/3 of residents are foreign born**  
Net gains from international migration  
2013-2014: 10,000 migrants



**40% of residents age 5+ speak a language other than English at home**  
135,000 residents are LEP (*Limited English Proficient*)  
14% of MCPS students receive ESOL services (*English for Speakers of Other Languages*)  
34% of kindergarteners are English Language Learners



**Median household income: \$100,352**  
15% of households earn less than \$35,000  
and more than 69,800 residents live below the Federal Poverty Level, including more than 20,800 children under age 18

### → cost of living and financial health

#### Cost of living in the county is the highest in Maryland and among the highest in the nation

According to the Self-Sufficiency Standard, households with two children must earn well over \$85,000 to afford basic necessities, which is the equivalent of more than 3.5 full-time jobs paying the county's minimum wage (\$10.75/hour)

A family with 2 adults, 1 preschooler and 1 school-age child needs to bring home \$91,000 a year to achieve self-sufficiency



**Average annual cost of child care for an infant & 4-year-old: \$30,000**  
at a licensed Child Care Center, or \$23,400 at a Family Child Care Home



**1 in 4 households do not have a financial safety net**  
28% of households lack sufficient liquid assets to subsist at poverty level for 3 months in the absence of income

**More than 1/3 of MCPS students participate in FARMS**  
(*Free and Reduced Meals*)



**33% of households have children**  
24% of children live in a single-parent household



**26.6% of Hispanic residents lack health insurance** (compared to 3.3% of non-Hispanic whites) as do 14.9% of African Americans; 13.2% of Asians; 24.5% of foreign-born residents; and 36.9% of unemployed residents



**Cost of housing in the county increased 62% between 2001 and 2014**  
During the same time, wages increased by only 17%  
Average monthly rent for a 2-bedroom apartment in 2016: \$1,683



## education

### 11,309 students started public kindergarten in 2016

51% did NOT demonstrate kindergarten readiness  
 Readiness rate even lower for children from low-income households (70% not ready), English Language Learners (74% not ready) and children with disabilities (79% not ready)



**In 2016, 31.5% of entering MCPS kindergarteners were Latino/Hispanic**  
 28.3% were white  
 20.0% were Black or African American  
 14.5% were Asian  
 5.5% were two or more races



### Enrollment at MCPS schools increased by more than 21,000 from 2007 to 2016

Current enrollment is more than 161,000, with continued growth expected. During the same time frame:  
 Free and reduced-price meals (FARMS) increased from 33,580 to 54,542 students  
 English for Speakers of Other Languages (ESOL) grew from 16,072 to 22,250 students



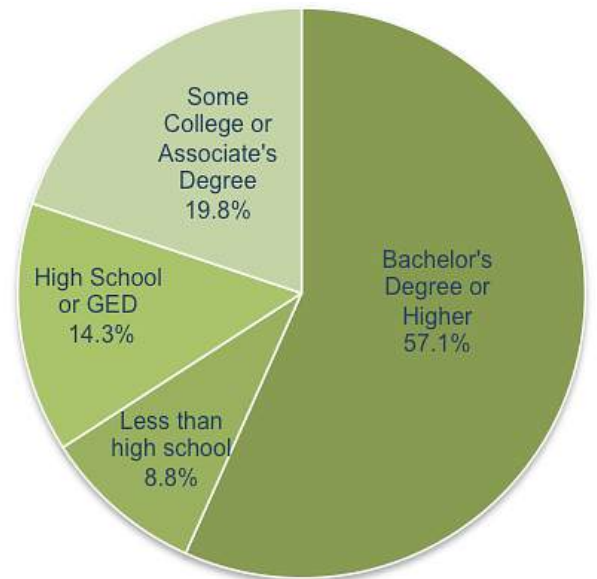
### MCPS has a 4-year cohort graduation rate of 87.4%

Dropout rate for MCPS students hovers around 7%  
 (700-800 students each year)

### 74% of MCPS graduates enrolled in college within one year of high school (2000-2009)

College enrollment rates within one year of high school varied by race, ethnicity and income:

- 82% of white graduates
- 82% of Asian graduates
- 63% of Black / African American graduates
- 55% of Hispanic graduates
- 57% of all low-income graduates



**Montgomery County Educational Attainment Age 25+**



### 57.1% of residents age 25+ have a college degree

30.7% of residents have a graduate or professional degree, while 8.8% have not finished high school

## workforce trends



### 2030 projected labor force in Montgomery County: 632,000

2015 labor force: 553,075  
 2000 labor force: 477,000

### In the county, 73% of women with children under 6 participate in the labor force

This is lower than all women age 20 to 64 (80%) and of all men age 20 to 64 (91%)



### By 2025, 65% of jobs in the U.S. will require education and training beyond high school

In Montgomery County, 78% of new jobs of the future will require postsecondary training or education

### On average, workers with a bachelor's degree earn 66% more during a 40-year working life than high-school graduates

Median annual earnings in Montgomery County by education level:

- Graduate / professional degree: \$94,501
- Bachelor's degree: \$62,364
- Associate's degree / some college: \$40,574
- High school only: \$30,870
- Less than high school: \$24,466

### 70% of families with children under age 6 have both parents in the labor force

77% of families with children age 6 to 17 have both parents in the labor force

# montgomery moving forward

mobilizing leaders to solve our biggest problems together  
nonprofits / business / philanthropy / government / education / community

## Working Definition of Early Care and Education

**Early Care and Education focuses on the care and education of young children from birth through age 5. It includes all activities that nurture children's development and prepares them to be ready for school and later life. A system of high quality Early Care and Education enables employees to be ready to work today, and prepares a well-educated and trained workforce of tomorrow.**

Early childhood, beginning in infancy, is a period of profound advances in reasoning, language acquisition and problem solving. A child's environment can dramatically influence development and learning. By supporting development when children are very young, early childhood education programs can complement parental investments and can produce large benefits to children, parents and society. In total, existing research suggests expanding early learning initiatives could provide benefits to society of roughly \$8.60 for every \$1 spent, about half of which comes from increased earnings for children when they are working adults.\*

*\*Executive Office of the President of the United States, 2015*

## GLOSSARY of Early Care and Education Terms

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### **Accessibility**

In Early Care and Education, the term refers to the availability of child care programs when and where a family needs it.

### **Accreditation**

A process through which child care programs voluntarily meet specific standards to receive endorsement from a professional agency. The National Association for the Education of Young Children (NAEYC) and the National Accreditation Commission for Early Care and Education Programs (NAC) are among the organizations that offer accreditation programs for child care centers. The Family Child Care Association offers accreditation for family child care homes.

### **Affordability**

The degree to which the price of Early Care and Education is a feasible family expense. High-quality care may be available but it may not be affordable for a family with a low or moderate income.

**Before/After-School Care**

School-Age child care offers care to children enrolled in Kindergarten or above before and/or after school and during school holidays/vacations. Programs are licensed by the MSDE Office of Child Care. Programs may operate from a school building or other licensed facility.

**Best Practices**

A term used to denote the ways of delivering services that have been found through research or experience as the "best" ways to achieve desired outcomes.

**Child Care**

The care or supervision of a child when the child's parent has given the child's care over to another for some portion of a 24-hour-day as a supplement to the parent's primary care of the child.

**Child Care Center**

Child care provided in a facility that, for part or all of the day, provides care to children in the absence of the parent. Centers are licensed by the Maryland State Department of Education (MSDE) Office of Child Care (OCC). Programs that are licensed or otherwise authorized to provide child care services in a non-residential setting.

**Child Care Tax Credit**

A federal or state credit for the costs of care for a qualifying individual to allow you to work or look for work.

**Child Development**

The process by which a child acquires skills in the areas of social, emotional, intellectual, speech and language, and physical development, including fine and gross motor skills. Developmental stages refer to the expected, sequential order of acquiring skills that children typically go through. For example, most children crawl before they walk, or use their fingers to feed themselves before they use utensils.

**Child Development Associate Credential (CDA)**

A credential earned by an early childhood educator who has demonstrated skills in working with young children and their families by successfully completing an established credentialing process. The CDA process is administered by the Council for Professional Recognition.

**Curriculum**

A planned sequence of instruction incorporating the planned interaction of students with instructional content, materials, resources, and processes for evaluating the attainment of educational objectives. Curricula may be tightly standardized, or may include a high level of instructor or learner autonomy.

**Developmental Milestone**

A memorable accomplishment on the part of a baby or young child; for example, rolling over, sitting up without support, crawling, pointing to get an adult's attention, or walking.

**Developmentally Appropriate**

A way of describing practices that are adapted to match the age, characteristics and developmental progress of a specific age group of children.



**Early Childhood Education**

A branch of educational theory which relates to the teaching of young children up until the age of about eight, with a particular focus on education, notable in the period before the start of compulsory education

**Employer-Sponsored Centers**

A child care center located on-site or off-site which is sponsored by a corporation, business, or other employer. Slots are often reserved for employee children.

**Family Child Care**

The care given to a child younger than 13 years old or to a developmentally disabled person younger than 21 years old, in place of parental care for less than 24 hours a day, in a residence other than the child's residence and for which the provider is paid. Family child care is regulated by the Maryland State Department of Education (MSDE)/Office of Child Care.

**Household Income**

Household income consists of a family unit of one or more persons living in the same household who are related to a householder by birth, marriage, or adoption PLUS all those living in the household that earn an income and contribute to the monthly expenses of the household.

**In-Home Child Care/Informal Care**

Child care provided in the child's home by relatives or non-relatives during the hours when parents are working. Non-relative caregivers are sometimes called nannies, babysitters and au pairs.

**Infant/Toddler**

In the State of Maryland, "infant" means a child under 18 months old. "Toddler" means a child 18 months old or older but younger than 2 years old.

**Kindergarten**

An instructional program for children who are 5 years old by September 1st of each academic year. Programs may be operated by a private or public school. Kindergarten is the year of school which precedes entrance to first grade.

**Letter of Compliance (LOC)/License-Exempt Child Care**

Legally operating child care that is exempt from the regulatory system of the state or community. Per state code 13A.17, A letter of compliance is a form of licensure that exempts the facility from having to meet certain staff qualification and program requirements. To be eligible for a Letter of Compliance (LOC) the program must be operated by a tax-exempt religious organization in school buildings exclusively for children who are enrolled in those schools, by whatever name known.

**Licensed Child Care**

Child care programs operated in homes or in facilities that fall within the regulatory system of a state or community and comply with those regulations. States have different levels of regulatory requirements and use different terms (e.g., licensing, certification, registration).

**Parent Choice**

Accessibility by parents to a range of types of child care and types of providers. The term often is used to refer to the CCDBG stipulation that parents receiving subsidies should be able to use all legal forms of care, even if a form of child care would be otherwise unregulated by the state.

**Pre-Kindergarten**

Publicly funded pre-kindergarten programs for eligible 4-year-old children administered by local boards of education or qualified vendors with the goal of providing learning experiences to help children develop and maintain school readiness skill. Local school systems shall enroll all 4-year-old applicants from economically disadvantaged or homeless families. Administered by local boards of education and regulated by the Maryland State Department of Education (MSDE).

**Prior Care**

The categories of Early Care and Education are considered as they impact on school readiness. Prior care reflects kindergarten students' enrollment within 12 months prior to starting kindergarten.

**Quality**

Quality child care commonly refers to early childhood settings in which children are safe, healthy, and receive appropriate stimulation. Care settings are responsive, allowing children to form secure attachments to nurturing adults. Quality programs or providers offer engaging, appropriate activities in settings that facilitate healthy growth and development, and prepare children for or promote their success in school.

**Regulated Child Care**

Child care centers and family child care homes that comply with either a state's regulatory system or another system of regulation. A related term is "licensed child care," which often refers to a particular level or standard of regulation.

**School Readiness**

School readiness is often defined as children possessing the skills, knowledge, and attitudes necessary for success in school and for later learning and life. School readiness starts with health and physical development, social and emotional development and cognitive development. School readiness includes children being ready for school, families being ready to support their children's learning, and schools being ready for children.

**School-Based Child Care**

Child care programs that occur in school facilities.

**Sliding Fee Scale**

A formula for determining the amount of child care fees to be paid by parents, usually based on income.

**Standards (Learning)**

Learning standards are concise, clearly articulated descriptions of what students should know and be able to do at a specific stage of their educational journey.

**Subsidized Child Care**

Child care that is at least partially funded by public or charitable funds to decrease its cost for parents.

**Two-generation Approach**

A two-generation approach provides opportunities for and to meet the needs of vulnerable children and their families together. The programs build education, economic supports, social capital, and health and well-being to create a legacy of economic security that passes from one generation to the next.

**Unlicensed Child Care**

Child care programs that have not been licensed and regulated by the state. The term often refers to informal family child care.

**Vouchers**

In the child care field, refers to a form of payment for subsidized child care. States often have different definitions regarding the exact nature of vouchers, and sometimes refer to them as certificates/subsidies.

**Wrap Around Child Care Programs**

Child care designed to extend hours of service between another early childhood program's hours and the hours that parents work.

**Special thanks to the staff and organizations that provided information for the completion of this glossary:**

Maryland Family Network (MFN)

Maryland State Department of Education (MSDE)

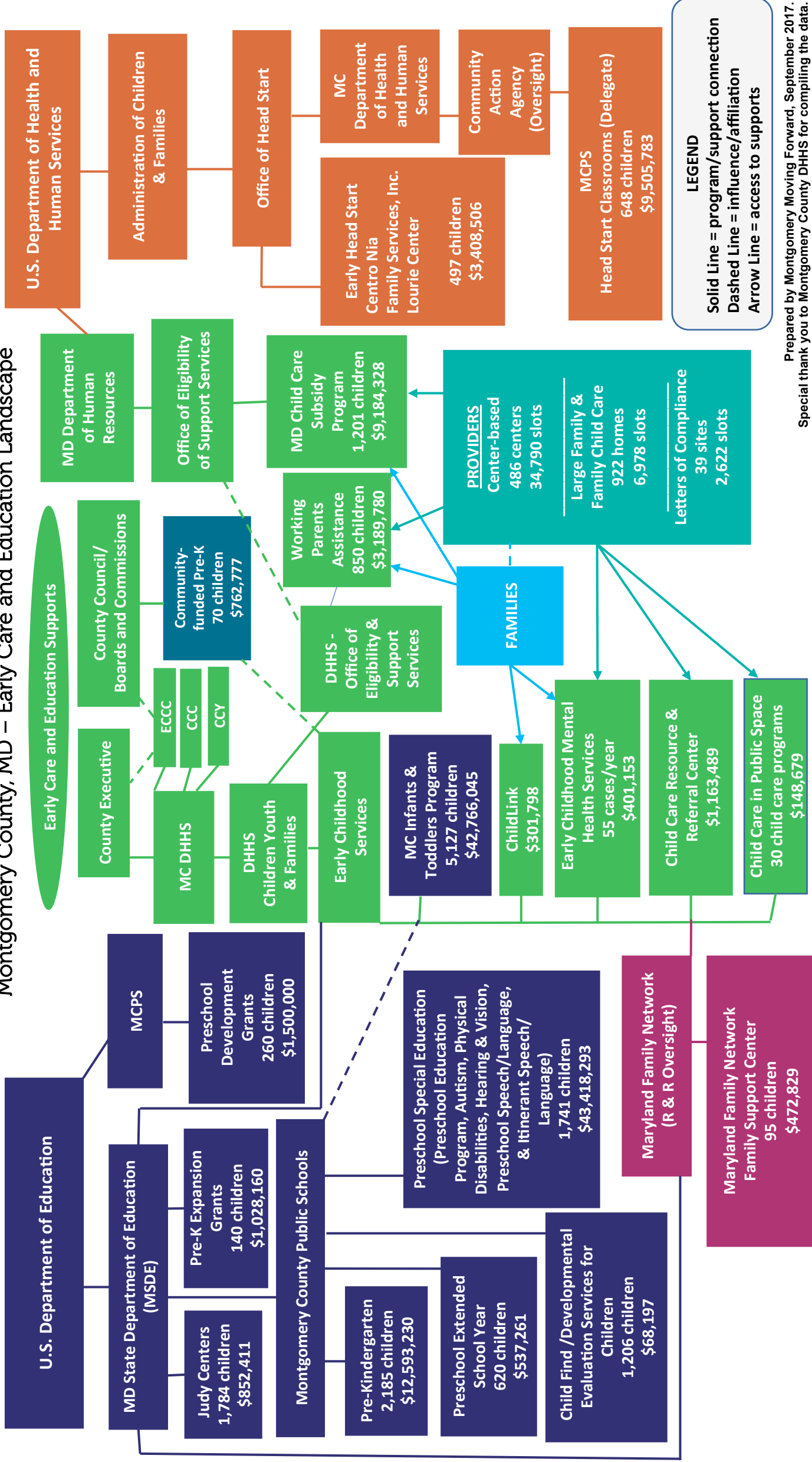
Montgomery County Department of Health and Human Services (MCDHHS)

Montgomery County Public Schools (MCPS)

Rock Spring Children's Center

Wonders Early Learning and Extended Day Centers

# Montgomery County, MD – Early Care and Education Landscape



# Regulated Child Care Options in Montgomery County, MD



**1**

## Child Care Centers

486 centers  
34,790 slots

**2**

## Large Family Child Care Centers & Family Child Care Centers

922 homes  
6,978 slots

**3**

## Letters of Compliance (LOC) Religious Organizations

39 sites  
2,622 slots

### Unregulated Child Care Options

Unlicensed  
Care

Informal Care  
(care by a family member)

Hired Nannies  
& Au Pairs

*Child Care is defined as the care or supervision of a child when the child's parent has given the child's care over to another for some portion of a 24-hour day as a supplement to the parent's primary care of the child.*

- 1 Child Care Centers** - Child care provided in a facility that, for part or all of the day, provides care to children in the absence of the parent. Centers are licensed by the Maryland State Department of Education (MSDE) Office of Child Care (OCC). Programs that are licensed or otherwise authorized to provide child care services in a non-residential setting.
- 2 Large Family Child Care Centers & Family Child Care Centers** - Care given to a child younger than 13 years old or to a developmentally disabled person younger than 21 years old, in place of parental care for less than 24 hours a day, in a residence other than the child's residence and for which the provider is paid. Family child care is regulated by the Maryland State Department of Education (MSDE)/Office of Child Care.
- 3 Letters of Compliance** - Legally operating child care that is exempt from the regulatory system of the state or community. Per state code 13A.17, a letter of compliance is a form of licensure that exempts the facility from having to meet certain staff qualification and program requirements. To be eligible for a Letter of Compliance (LOC) the program must be operated by a tax-exempt religious organization in school buildings exclusively for children who are enrolled in those schools.

### Children Under Age 5 in Montgomery County

2010	63,732	2025	69,572
2015	66,557	2030	71,887
2020	65,948	2035	73,598

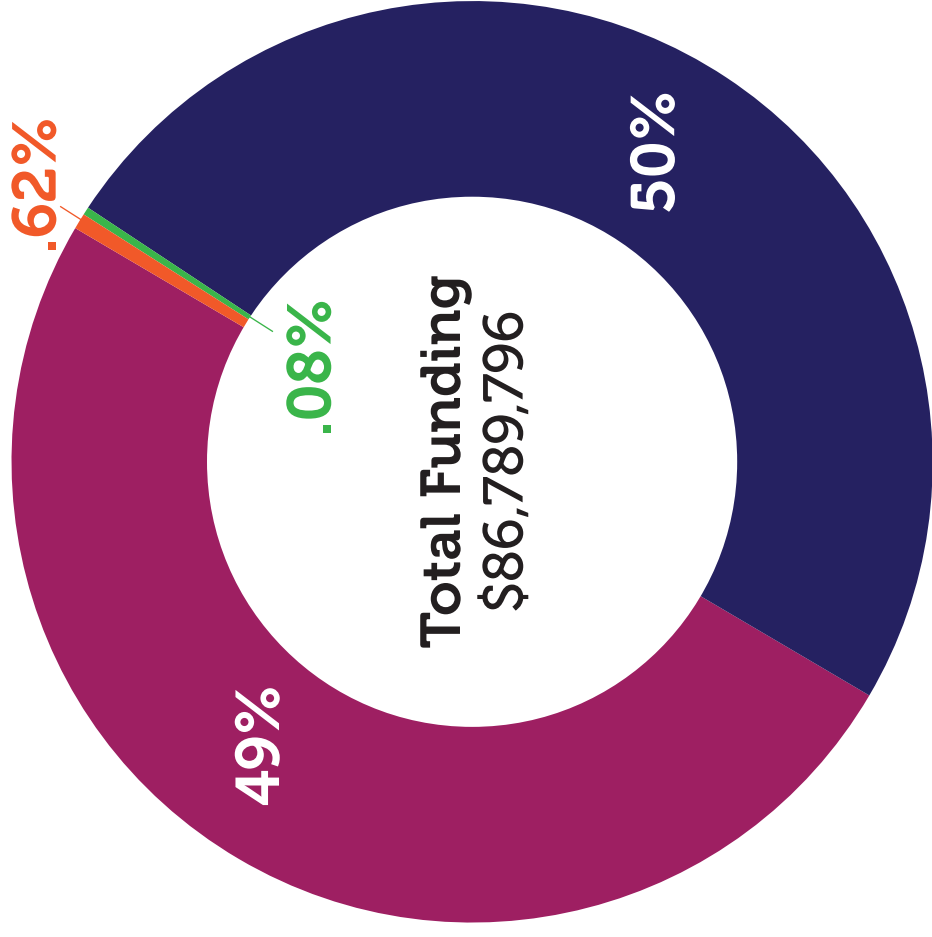
2010: U.S. Census; 2015: U.S. Census American Community Survey  
2020 to 2035 projections: Maryland Department of Planning



# Services and Funding for Children with Disabilities

- MCPS Preschool Special Education** (1,741 Children)  
 Federal: \$982,052 / Local: \$42,436,241  
 Total: \$43,418,293 – 49%
- DHHS Infants & Toddlers Program** (5,127 Children)  
 Federal: \$5,803,709 / Local: \$34,741,455 / State: \$2,220,881  
 Total: \$47,766,045 – 50%
- MCPS Extended School Year** (620 Children)  
 Local: \$537,261 – .62%
- MCPS Child Find** (1,206 Children)  
 Local: \$68,197 – .08%

**Total Served: 8,694**



# Services and Funding for Low Income Families

## Child care subsidies to help parents pay for care

- **Child Care Subsidy Program\*** (1201 Children)  
State/HDR: \$9,184,328 - 22%
- **Working Parent Assistance Program\*** (850 Children)  
Local: \$3,189,780 - 8%

## Programs for four year olds

- **DHHS Head Start** (648 Children)  
Federal: \$7,379,246 / State: \$42,436,241 / Local: \$1,899,465  
Total: \$9,505,783 - 22%

- **County-funded PreKindergarten (CentroNia)** (70 Children)  
Local: \$762,777 - 2%

- **MCPS PreKindergarten** (2,185 Children)  
State/MSDE: \$12,593,230 - 30%

- **MCPS PreKindergarten Expansion** (140 Children)  
Federal/USDE - \$1,028,160 - 2%

- **Preschool Development Grants** (260 Children)  
Federal/USDE: \$1,500,000 - 22%

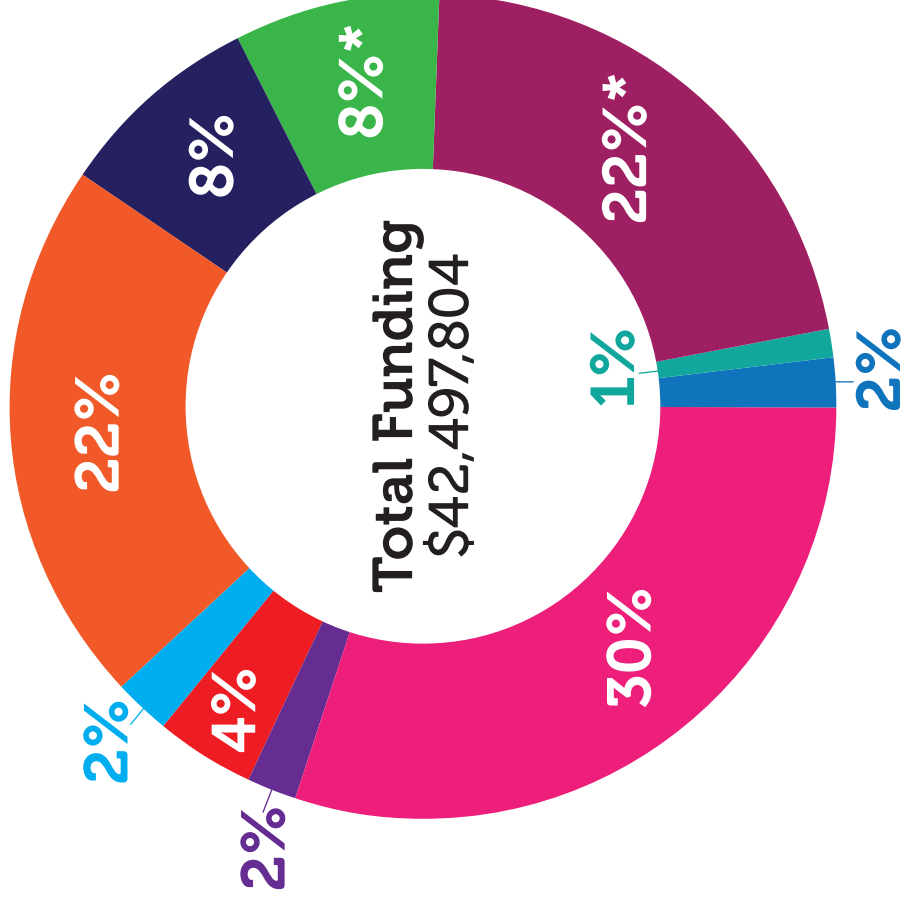
## Two generation support programs

- **Early Head Start** (497 Children)  
Federal/USDHHS: \$3,408,506 - 8%

- **Judy Centers** (1784 Children)  
State: \$644,000 / Local: \$125,917 / Other (in-kind): \$82,494  
Total: \$852,411 - 2%

- **Maryland Family Network / Family Support Center** (95 Children)  
Federal: \$27,000 / State: \$250,000 / Local: \$195,829  
Total: \$472,829 - 1%

**Total Served: 7,730**



\*These funds used by families to pay for child care.

# Services and Funding for Child Care Providers and Families

- **DHHS Child Care Resource and Referral Center**

State/MSDE: \$199,692 / Local: \$963,797  
Total: \$1,163,489 – 58%

- **DHHS Early Childhood Mental Health Consultation Services**

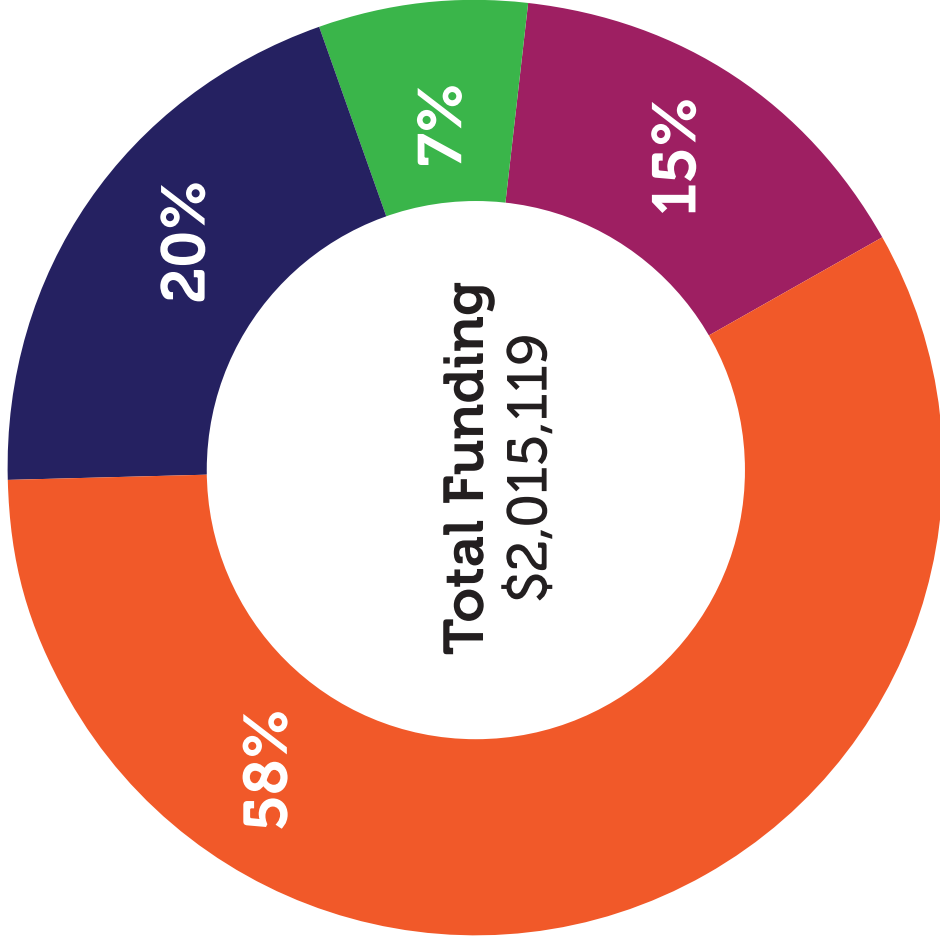
State: \$148,500 / Local: \$252,653  
Total: \$401,153 – 20%

- **DHHS Child Care in Public Space**

Local: \$148,679 – 7%

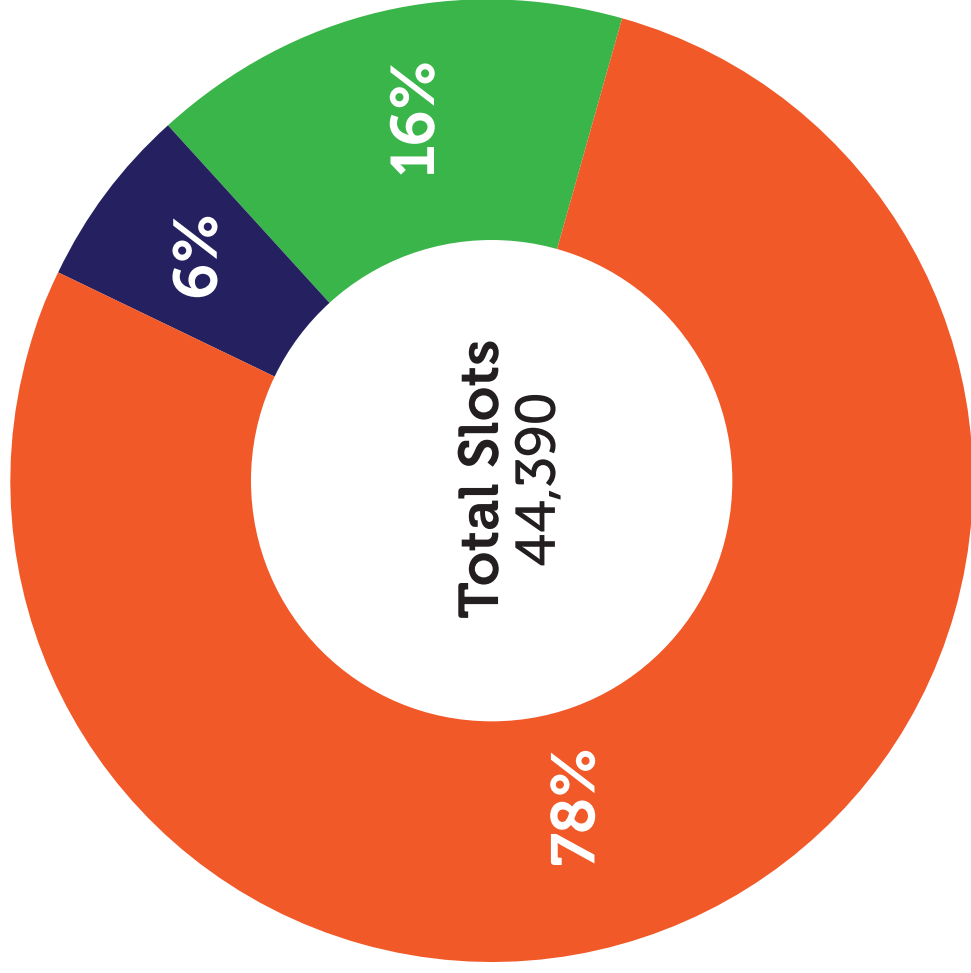
- **DHHS ChildLink**

Local: \$301,798 – 15%



# Licensed Child Care Providers Paid by Parent Tuition

- **Child Care Centers**  
486 Centers – 34,790 Slots – 78%
- **Letters of Compliance (LOC) Religious Organizations**  
39 Sites – 2,622 Slots – 6%
- **Large Family and Family Child Care Providers**  
922 Homes – 6,978 Slots – 16%



# Early Care and Education Services and Funding – Key Definitions

## Children with Disabilities

### **MCPs Preschool Special Education**

Provides preschool special education services for children ages 3 to 5 with identified disabilities in Montgomery County. All children have an Individualized Education Program (IEP) with learning goals and objectives based on needs identified through formal evaluation.

### **MCPs Child Find**

Provides free developmental screenings for children from age 3 until kindergarten. It is also the single point of entry for families moving into Montgomery County whose preschool-age child was previously identified with a disability.

### **DHHS Montgomery County Infants & Toddlers Program**

A collaborative effort between HHS, MCPs, private community agencies and Maryland Infants and Toddlers to provide assessment and ongoing early intervention services when there is a 25% delay in at least one area of a child's development, atypical development, or a high probability of delay due to a medical condition.

### **MCPs Preschool Extended School Year**

Individualized extension of specific services beyond the regular school year, designed to meet the specific goals included in a student's Individualized Education Program (IEP).

## Low-Income Families

### **DHHS Head Start**

Federal program that provides comprehensive developmental services for low-income preschool children ages 3 to 5 and social services for their families. Head Start provides services in four areas: education, health, parent involvement and social services. Grants are awarded to local public or private non-profit agencies.

### **Early Head Start**

Serves low-income pregnant women and families with infants and toddlers. This family-centered, community-based program is designed to enhance children's physical, social, emotional and intellectual development. Early Head Start supports parents in fulfilling their parental roles and helps them move toward economic independence. Participation is determined based on referrals by local entities and conducted at three sites: CentroNia, Lourie Center, and Family Services Inc.

### **Working Parent Assistance Program**

Locally funded, needs-based subsidy for child care support administered by DHHS.

### **Child Care Subsidy Program**

Child Care Subsidy Program (CCSP) offers assistance in paying for child care costs to eligible families. CCSP consists of two child care subsidy programs: the State Child Care Subsidy Program and the County Working Parents Assistance Program. Parents submit one application that is assessed for eligibility for both programs. This program is administered by DHHS.

## Maryland Family Network (MFN) / Family Support Center

MFN's mission is to ensure that young children and their families have the resources to learn and succeed. The agency leads two statewide networks: Family Support Centers and Child Care Resource Centers.

### **Judy Centers**

State grant funded Judy Centers provide early childhood education and support services for children birth through kindergarten who reside in specific Title I school districts. There are two centers in Montgomery County.

### **MCPs PreKindergarten**

Offers a high-quality educational experience to income-eligible children in order to prepare them with the foundational knowledge and skills necessary for school success in kindergarten and beyond. There are 109 Pre-K classes throughout Montgomery County.

### **County-funded PreKindergarten (CentroNia)**

Montgomery County provides direct support to one early childhood education provider for Pre-K services to low-income children. The program operates eight hours/day to serve 70 children (20 3-year-olds and 50 4-year olds).

### **Preschool Development Grants**

These Federal grants support states to build, develop, and expand voluntary, high-quality preschool programs at a local level for children from low- and moderate-income families. Development grants are for states that currently serve less than 10% of 4-year-olds and have not received a Race to the Top – Early Learning Challenge (RTT-ELC) grant.

### **MCPs PreKindergarten Expansion Grants**

Grants for states/local areas that currently serve 10% or more of 4-year-olds or have received a RTT-ELC grant to provide additional prekindergarten services.

## Child Care Providers & Families

### **DHHS Child Care Resource and Referral Center**

Assists parents in locating licensed child care; provides technical assistance (information and expert advice) and resources for current and prospective child care providers in both family child care homes and child care centers; provides training for child care professionals to expand their knowledge of early childhood and best practices; collects data that documents the child care needs of families and employers as well as the child care delivery system.

### **DHHS Early Childhood Mental Health Consultation Services**

Part of the full services provided through DHHS ChildLink. This program teams mental health professionals with licensed Early Care and Education (ECE) providers and families. The program builds the capacity of ECE providers to understand the influence of relationships and interactions on young children's social and emotional development and develops individualized strategies to create positive environments and foster nurturing interactions to reduce challenging behaviors.

### **DHHS Child Care in Public Space**

The County is responsible for making available public facilities for child care and encouraging planned child care facilities in new public buildings. Note: DHHS and MCPs both have their own processes for bidding on use of school spaces (in addition to Community Use of Public Facilities).

### **DHHS ChildLink**

ChildLink serves Montgomery County as a single point of entry to help parents and caregivers, including child care providers, reach the services and resources they need for their young children, birth to age 5.



# Employer and Employee Surveys: Summary of Findings

Between April 18, 2017, and July 15, 2017, Westat, on behalf of Montgomery Moving Forward (MMF) administered two surveys – one to employers in Montgomery County and one to employees – on the types of supports that working parents of young children need and want.

The first survey asked employers about their perceptions of how certain challenges affect their employees' productivity, how various supports would improve the productivity or retention of working parents and if their company offered those supports, and the types of supports they would like to be able to offer and the challenges to providing those supports. Seventeen employers responded to the survey; three of the responses were partial responses.

The second survey asked employees about current child care arrangements and monthly costs, concerns related to child care, perceptions about how various supports would improve their productivity or ability to work and whether their companies offered those supports, satisfaction with supports currently provided by their employer, and their desired additional supports. A total of 140 individuals responded to the survey; 32 of the responses were partially complete.

## Characteristics of Survey Respondents

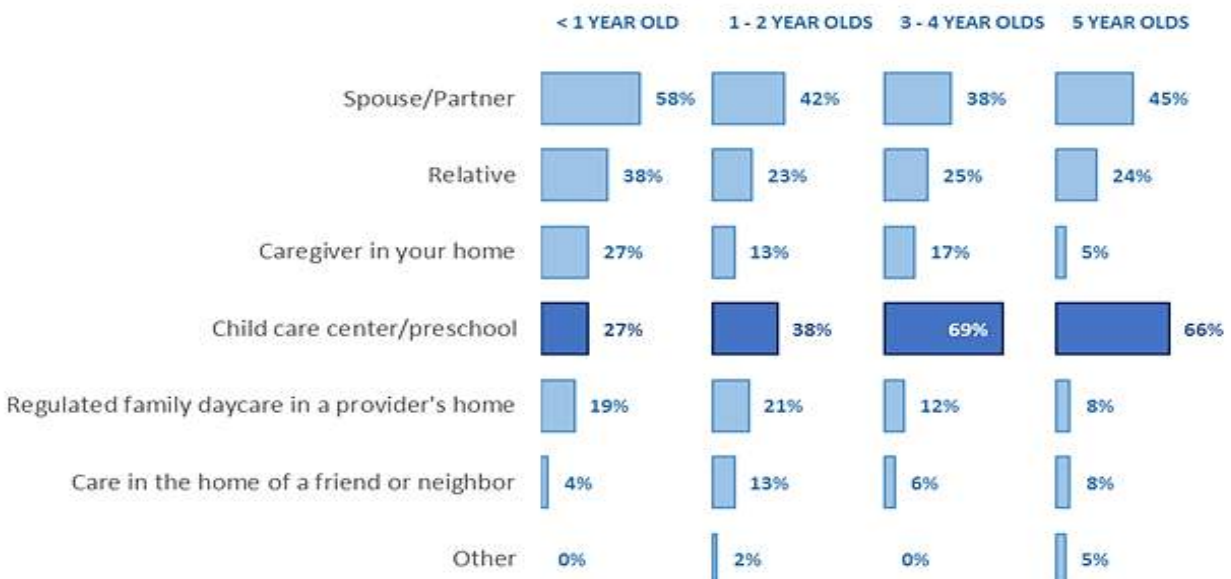
Forty-seven percent of the employer survey responses were nonprofit organizations, while 41 percent were for-profit businesses. Nearly half (47 percent) of employers were large organizations, with over 500 full-time employees. Just over a third (36 percent) had between 51 and 500 full-time employees, while 18 percent were small organization, with 50 or fewer.

The vast majority of the employee survey respondents (80 percent) were from nonprofit organizations, and 12 percent were from for-profit businesses. Nearly all of the respondents to the employee survey (86 percent) indicated they were full-time employees. Employees also reported having between one and three children younger than six years old, with an average of 1.3 children in that age range.

## Current Child Care Arrangements

Employees were asked to indicate what types of child care arrangements they utilized for their children. Infants (less than one year old) were most commonly cared for by either their spouse/partner, or another a relative (86 percent), while parents of children one year or older most commonly indicated that their children were cared for by their spouse or partner. Beginning at age three, more than 60 percent of parents reported that their children were in child care centers or preschool.

*More than 60 percent of parents with children ages three and older report using child care centers or preschools for their primary child care arrangement.*



Ninety-three respondents to the employee survey also provided data on how they found their current child care arrangements for children not cared for by their spouse or partner.

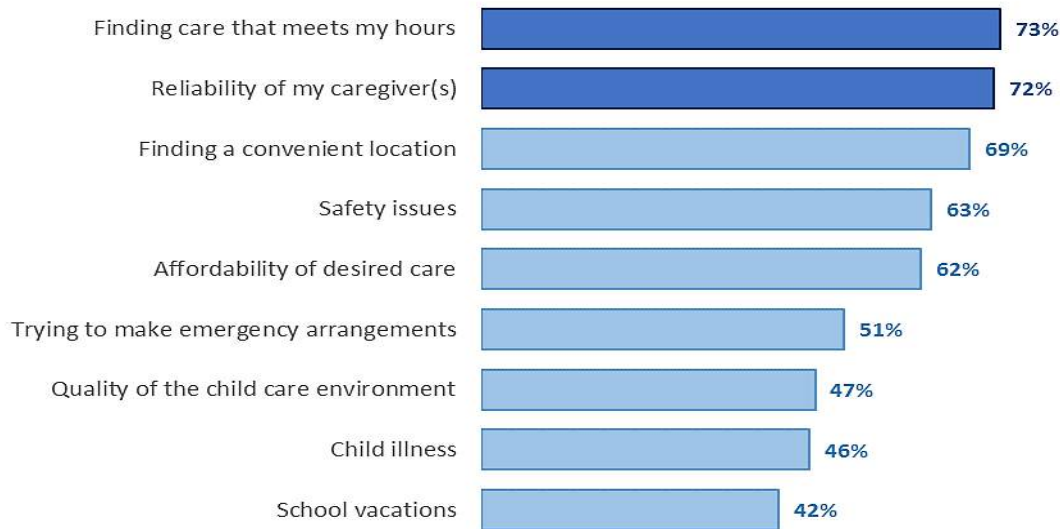
Nearly half (48 percent) indicated that they found their current child care arrangements via referrals from a trusted friend or relative (see Figure 5). More than a third (38 percent), meanwhile, found their existing arrangements using Internet searches, and more than a quarter (28 percent) were informed by word of mouth. Ten percent of respondents indicated using *LOCATE: Child Care*, a service provided by the Maryland Family Network.

In addition to providing information on their child care arrangements, employees were also asked about the amount spent on child care per month. The data collected indicate that child care costs, as expected, decrease as children age; post infancy, the average monthly cost for child care for children a year old was \$1,181 compared to \$847 for children who were five years old.

### Challenges Related to Child Care

Employees were also asked about how much various challenges about their current child care situation concern them. The challenges of most concern were “finding child care that meets my hour” (73 percent), and “reliability of caregiver” (72 percent).

*The two main concerns for employees were finding care that matched their work hours and finding reliable care.*



Respondents also provided data on the number of days taken off work in the last six months due to problems with child care. Nearly everyone (92 percent) indicated they had taken at least one full day off work, and more than three-quarters (77 percent) took between one and 10 days off. Less than 10 percent indicated they had not taken any time off work due to child care in the past six months. On average, employees took 6.6 days off work in the past six months for reasons related to their child.

Nearly three-quarters (74 percent) indicated they had taken at least one full day off work due to child illness, while about two-thirds responded that they had taken at least one full day off work due to child care not being available (68 percent) or for doctor or dentist visits for their children (66 percent) (see Figure 9).

Employers understand that difficulty in finding child care can impact the productivity of their staff – 60 percent acknowledged that the lack of child care impacted staff productivity either “moderately” or “a lot” while 73 percent indicated child illness impacted staff productivity.

In contrast with the findings from the employee survey, however, 67 percent of employers believed that unaffordable child care at least moderately impacted staff productivity, compared to 11 percent of employees who indicated they missed work due to affordability of child care.

## Child Care Supports

Employees also provided insight into which types of supports would improve their productivity or ability to work. More than half of the respondents indicated that the following would improve their productivity or ability to work “moderately” or “a lot”:<sup>1</sup>

- Flexible work hours (83 percent)
- Employer-subsidized offsite child care (82 percent)
- Work-at-home options (81 percent)
- Paid maternity leave (81 percent)
- Onsite child care (75 percent)
- Emergency child care (71 percent)
- Paid paternity leave (70 percent)
- Disability leave (60 percent)

Employers agreed. More than half of the responding employers believed that the following supports would improve productivity or retention of working parents “moderately” or “a lot”:<sup>2</sup>

- Flexible work hours (93 percent)
- Work-at-home options (86 percent)
- Paid maternity leave (85 percent)
- Disability leave (79 percent)
- Onsite child care (71 percent)
- Paid paternity leave (69 percent)
- Emergency child care (64 percent)
- Dependent Care Flexible Spending Accounts (64 percent)
- Offsite child care (64 percent)

While employers and employees generally agreed, there were a few areas where disagreements exist. With a 22 percent difference, 82 percent of employees stated that employer-subsidized offsite child care would at least moderately improve their productivity, whereas only 64 percent of employers agreed. More than half of the employee survey respondents to this question also indicated that their company or organization provided the following supports:<sup>3</sup>

- Disability leave (77 percent),
- DCFsAs (72 percent), and
- Flexible work hours (65 percent).

Similarly, more than half of the employers reported offering the following supports:<sup>4</sup>

- Disability leave (100 percent),
- Flexible work hours (92 percent),
- DCFsAs (83 percent), and
- Work-at-home options (54 percent).

A lower percentage of employees (44 percent) reported that their organization offered work-at-home options than the percentage of employers that reported doing so; the difference was approximately 10 percentage points. However, a similar percentage of employees (48 percent) and employers (46 percent) indicated that their company or organization offered paid maternity leave.

Meanwhile, about a third or more of employees were not aware of whether their company offered the following supports:

- Job sharing (40 percent),
- Paid paternity leave (31 percent), and
- Information on local child care options (29 percent).

Less than 40 percent of employers reported providing those supports:

- Job sharing (15 percent),
- Paid paternity leave (38 percent), and
- Information on local child care options (23 percent).

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<sup>1</sup> The number of responses to each of these items varied. The minimum number of responses was 103.

<sup>2</sup> The number of responses to each of these items varied. The minimum number of responses was 13.

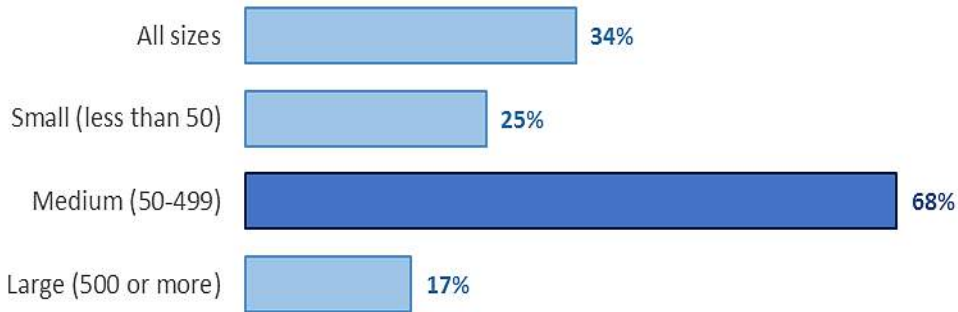
<sup>3</sup> The number of responses to each of these items varied. The minimum number of responses was 95.

<sup>4</sup> The number of responses to each of these items varied. The minimum number of responses was 12.

## Satisfaction with Family Support benefits Offered by Employers

A total of 102 employees provided data on their satisfaction with the family support benefits offered their employers. Satisfaction was about evenly split across whether employees felt dissatisfied, neutral, or satisfied about those supports; 31 percent were dissatisfied, 35 percent were neither satisfied nor dissatisfied, and 34 percent were satisfied. When disaggregated by company size, the distribution of satisfaction does differ.

*Employees in medium sized organizations reported greater levels of satisfaction with the supports offered by their employer.*



# **Executive Summary: Early Care and Education Parent Speak Outs & Employer Focus Groups 2017**

In the spring of 2017, Montgomery Moving Forward (MMF) and WorkSource Montgomery (WSM) partnered to gather authentic voices from the community to inform their respective Early Care and Education (ECE) and Two-Generation Poverty research. The following report summarizes the findings of community speak outs held between April and June 2017 to collect input from both parents and employers.

## **Executive Summary**

In general, parents raised concerns about affordability, flexibility, and convenience surrounding their ECE decisions. In general, employers and business leaders focused on the importance of recruiting and retaining employees and that the high cost of living in Montgomery County, included ECE costs, would jeopardize their ability to attract and retain good employees.

The finding of this report will be submitted to both WSM and MMF. WSM intends to use these findings to support the development of a Two-Generation model for aligning ECE and Workforce Development in Montgomery County. MMF intends to use these findings in its Call to Action in early 2018 for a system of ECE in Montgomery County.

## **Parent Speak Outs**

Parent speak outs were designed to be less structured than focus groups. The goal was to give voice to and gain input from a diverse cross-section of parents of young children in Montgomery County. In collaboration with existing community groups, six speak outs were held with parents of young children between April and June 2017.

### *Parent Concerns: Affordability, Flexibility, Quality*

The parents attending the speak outs expressed frustration with a lack of affordable, flexible options for ECE in Montgomery County.



- Several indicated that they left the workforce because the cost of childcare was either more than their paycheck or too large of a portion of it.
- Several left the workforce when they experienced a problem with the quality of the care their children received and were unable to secure alternative affordable and quality care.
- Several parents indicated using a complicated combination of center-based care, parents, friends, and relatives to care for their children when they were at work. This was especially true for parents who worked irregular or erratic shifts.
- Several parents experienced disruption in care when they lost fulltime employment and either they no longer had access to subsidized care or could no longer afford or find part-time care.

Overall, those parents who had access to Head Start and home visiting ECE programs were the most satisfied with their ECE arrangements and knowledgeable about their options. The few parents who were familiar with the concept of kindergarten readiness had older children who were already enrolled in the K-12 in the school system.

### *Considerations*

In order to develop a system of affordable, flexible, quality ECE, parents stressed the need for incorporation of these considerations:

- The high cost of transportation, housing, and ECE and the need to address these challenges simultaneously
- Better information about how and where to find ECE
- Opportunities for affordable care for part-time work and during job search and training periods
- Flexible ECE options for early morning and late evening (and other nontraditional shifts)
- Easier and earlier access to subsidies for ECE
- ECE outreach during pregnancy and infancy

### **Employer Focus Groups**

In May 2017, MMF and WSM facilitated three discussions among business leaders in Montgomery County. Participants were invited by members of the MMF Leadership Group or their contacts. The goal of the employer focus groups was to provide an opportunity for employers and business leaders to discuss the interplay of

workforce issues, including recruitment, retention, and workforce development within a successful ECE system. Participants were provided read ahead materials, resource links, and case study examples to foster a robust roundtable-style conversation.

### *Employer Concerns: Recruitment, Retention, Productivity*

The employers and business leaders attending the focus group sessions were primarily concerned with employee recruitment, retention, and productivity both for the current workforce, and to a lesser degree, the future workforce.

The business leaders participating in the sessions were a self-selected group who had a better understanding of the Return on Investment for employers over time than the general employer pool. Therefore, the participants suggested a robust education and awareness campaign targeting the broader business community would be a vital first step. In particular, employers need to understand the ramifications of not investing in an ECE system.

The participants stressed the need to include all stakeholders in the development and financing of an ECE system. Business leaders recognized the inherent tension between quality, affordability, and availability.

### *Considerations*

In order to incorporate all three characteristics into a proposed system, it must include:

- Strategies and incentives to propel more workers into the ECE system and keep them there.
- Strategies and incentives to provide high quality care.
- Strategies to incorporate ECE incentives as a part of a benefits and/or wellness package among larger employers.
- Strategies to encourage small businesses to take advantage of ECE friendly policies, like Dependent Care Assistance Programs (DCAP) and cooperative arrangements with other small businesses.

# montgomery moving forward

mobilizing leaders to solve our biggest problems together  
nonprofits / business / philanthropy / government / education / community

## Guiding Principles

### Early learning – from zero to 5 – is vital.

We expect to come together to advance our short-term goal: issuing a common and measurable Call to Action for system change to improve Early Care and Education in Montgomery County. The MMF Call to Action will include policy recommendations and suggested roles for different sectors, as well as indicators to measure success.

It will take many community partners to advance our long-term goal: to assure that all Montgomery County children will be ready for kindergarten and school success through a well-resourced and coordinated system of birth-to-age-five Early Care and Education – a system that is integrated into the broader continuum of education within the community.

As the recent *2016 Care Report* by New America states, a high functioning Early Care and Education system “should sustain the financial stability and health of families, promote opportunity and equity, support and sustain businesses, and help the economy thrive. And an effective system should be built on three pillars: affordable cost, high quality, and easy availability.”

With those key pillars in mind, as we think about our Early Care and Education Call to Action in the weeks and months to come, we hope you will join with us in consideration of the following guiding principles. They reflect the goals noted above that are embraced by MMF’s cross-sector collective impact Leadership Group. Crafting a true system of Early Care and Education for all, not just the few, is paramount to our thinking.

MMF stands ready to work with you in consideration  
of the following guiding principles:

### Fuel the economy with ready workers.

- Act to ensure that the families of today can work liberated from child care concerns, even as we help to prepare the children of tomorrow to succeed in the workplace.
- Act in consideration of the child care workforce, including the need to increase the number of qualified child care workers and increase wages to retain employees and assure a living wage.

### Utilize the data and research to ensure transparency and accountability.

- Act with a complete understanding of current pre-K policies, services, and programs, and with consideration for the effect of decision-making on existing Early Care and Education providers.
- Act in consideration of the breadth of research indicating that high-quality Early Care and Education has a positive impact on school performance.

51%

of children entering  
MCPS kindergarten  
are NOT  
kindergarten ready

## Break down silos and act to build a system.

- Act to determine how multiple systems of Early Care and Education are aligned, and if they are not, how might they be?
- Act to articulate the ways in which all community stakeholders are affected by and might be engaged to offer creative solutions – including revenue solutions – to addressing Early Care and Education.
- Act in cooperation with community partners to define a revenue strategy, as all efforts at innovating pre-K initiatives will fall short otherwise.
- Act to innovate policies to emulate identified best practices, with a complete understanding of how these practices are/or are not best suited to our Montgomery County community.
- Act to assure that decision-making around Early Care and Education fits with other policies that affect families.
- Act with the knowledge that a County Early Care and Education system must align with the larger construct of State and Federal Requirements.

## Stand on the side of equity.

- Act within an equity and social justice framework to ensure that children currently without access to affordable and high-quality child care will have access to both and reap the benefits of any intentional shift in policy.
- Act with a commitment to the principle that the cost of quality child care should not exceed 10% of a family's income.
- Act to develop a strategy that recognizes that some families will continue to use informal care. How might we support these providers towards creating a high-quality early care and learning environment?
- Act to ensure that decision-making supports economic opportunity for all County residents and is responsive to the demographic and economic trends of our community.

The Montgomery County Department of Health and Human Services [Early Care and Education Strategic Plan](#) speaks to goals and strategies that will help Montgomery County create an integrated continuum of policies, services, and programs backed by a cohesive financing structure for its Early Care and Education system.

The Guiding Principles outlined above, in combination with the important goals articulated in the DHHS Strategic Plan, should serve as a roadmap towards creating a coordinated system of Early Care and Education.