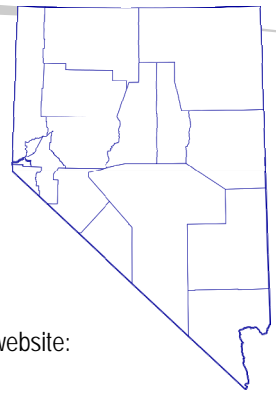


2009 Demographics Report

Child Care in the State of Nevada



Executive Summary

November 2009

Download the entire report by visiting our website:
www.childrencabinet.org

In 2007, we provided our state with the first child care demographics report that assessed the demand, supply, affordability, and quality of child care at the county level. As our state's child care solutions must be based on current, accurate data, it is imperative to assess the supply, demand, affordability and quality of child care every 2 to 3 years. We hope this report will assist in understanding the current state of child care in Nevada and our 17 counties, provide valuable information for child care advocates, and help policy makers and funders better support an industry that is the cornerstone of our workforce. Without child care, working parents cannot go to work. In addition, research has shown that the quality of care available to our children has a direct impact on children's school readiness as well as success in school and in life. Nevada cannot afford insufficient investments in early childhood and school-age programming.

Demand

Nevada's Demand for Child Care Continues to Increase

- Over 375,000 of Nevada's children birth through age 14, are in need of child care while their parents are at work.
- The number of children requiring care will continue to grow as Nevada's population is projected to increase 49% to 4,052,568 by year 2028.

Parents Look for Safe Child Care and Are Concerned About Quality

- Over half of parents report that quality child care is hard to find; furthermore, parents are almost twice as likely to report concerns about the quality of their children's care as opposed to cost.

Supply

Licensed Child Care & School-Age Programs Cannot Meet Nevada's Demand of Care Alone

- Licensed child care and school-age programs meet only 22.35% of Nevada's demand for care; therefore, over a quarter of a million (292,000) children are cared for by family, friend, and neighbor (FFN) care; self-care; non-residential parents; or parents working opposite shifts. Using national research and data we now know that:
 - Douglas County has the highest percentage of supply meeting demand at 33.23%, Carson City (consolidated municipality) is next at 32.08% and Washoe County is third at 30.82%.
 - Over 80% of Nevada's schools serving children in kindergarten through 6th grade and over half of schools educating children in grades 7-8 have out-of-school time programs.

A Large Majority of Nevada's Children are Cared for by Informal Child Care Arrangements

- Approximately 65,000 (48%) children ages 0-5 and 140,000 (58%) children ages 6-14 are in FFN care.
- Approximately 8,600 (7%) children ages 6-9, 18,500 (26%) children ages 10-12, and 11,700 (47%) children ages 13-14 are in self-care on a regular basis.



Affordability

Working Families Need Child Care Subsidy Assistance that is Based on Current Market Rates

- Nevada currently uses 2004 market rates to set child care subsidy reimbursement rates. Only 4 states have reimbursement rates that are based on older market rates (Table 1). Over 40 states (80.39%) updated their reimbursement rates in 2006 or more recently.
- In Clark County, the difference between the 75th percentile of the 2008 market rate and the state's current reimbursement rate for center-based infant care is \$195.66 a month. For 4-year-old care, the difference is \$250.00 a month. In Washoe County, the difference for the 4-year-old rate in centers as well as family child care is \$130.44 a month. In rural counties, the difference for 4-year-old family child care is \$108.70 a month. There are rate differences for every age level, provider type, and geographical area.

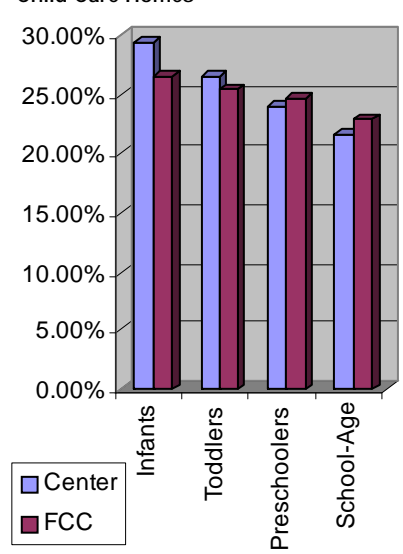
Table 1. Year that State Child Care Subsidy Programs Last Adjusted Subsidy Reimbursement Rates to Market Rates

Year	# States	% of States
2001	2	3.92%
2002	2	3.92%
2003	0	0.00%
2004	3	5.88%
2005	3	5.88%
2006	9	17.65%
2007	28	54.90%
2008	4	7.84%

Child Care is Unaffordable for Over Half of Nevada's Individual Wage Earners

- The average cost of center-based infant care is \$8,987 or 29.43% of median wage, center-based pre-school care is 24.04%, and school-age care is 21.6% of median wage (Figure 1). According to the U.S. Department of Health and Human Services, child care is considered affordable when it constitutes no more than 10% of a family's income. At the county level, infant care is most affordable in Nye County (10.72%) and least affordable in Washoe County (32.06%). For toddlers, Nye County is again the most affordable (10.72%) and Clark County is the least affordable (30.12%). Preschool care and school age care is most affordable in White Pine County (11.15% for both age levels) and least affordable in Clark County (27.74% and 25.24% respectively).
- Infant and toddler care is less expensive in family child care settings than licensed centers (26.60% and 25.44% of median wage respectively); however, preschool and school-age care are slightly more expensive (24.47% and 22.94% of median wage respectively). In the nine counties that provide licensed family child care, Churchill has the most affordable care at 14.16% of median wage for all age levels (infants through school-age) and Clark has the least affordable care at 28.23% for infant care, 27.39% for toddler care, 26.43% for preschool care, and 23.87% for school-age care.
- Nevada's licensed family child care is among the most expensive in the nation. Nevada ranks 6th for infant care costs and 5th for 4-year-old care costs. When looking at cost as a percentage of median wage, Nevada is the second least affordable state for infant care, and third for 4-year-old care.
- Of Nevada's school-based before and/or after school programs, 20.34% offer programming at no cost to families. Of the 3/4 that do charge a fee, the average cost of school-based care in Nevada is \$67.62 a week, or 11.56% of Nevada's median wage.

Figure 1. Cost of Care as a Percentage of Median Wage in Centers and Family Child Care Homes

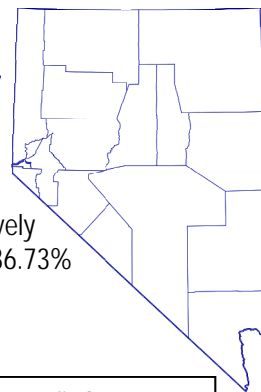


Workforce & Quality

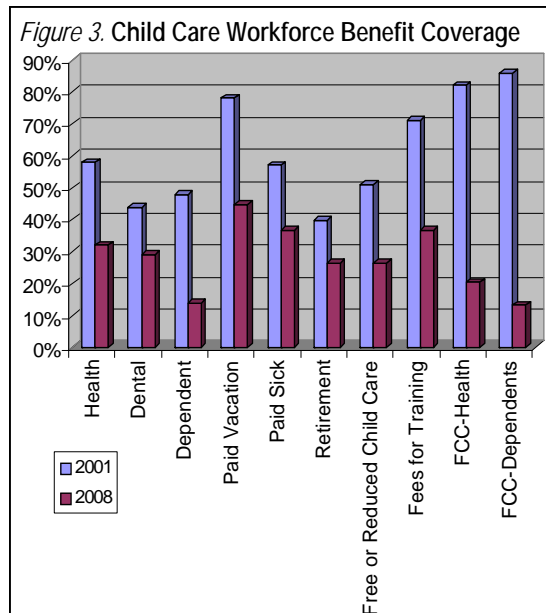
Recommended Training for Child Care Providers is not Equivalent to Compensation in Nevada

- The average starting wage for center teachers is \$378 a week, increasing to \$414 a week for seasoned teachers. Family child care providers make between \$306 to \$460 a week with five children enrolled, and between \$368 to \$550 with six children. Across all occupations, the national average weekly wage for those who have not graduated from high school is \$426, \$591 for those with a high school diploma, and \$736 for individuals with an associate degree. Nevada will continue to have trouble recruiting and retaining early childhood teachers when the pay is drastically less than other jobs requiring the same level of education and training.
- The average starting weekly wage for child care directors in Nevada is \$562 and \$642 for seasoned directors, whereas, the average wage for those with a bachelor's degree in the United States is \$978. Furthermore, kindergarten or elementary school teachers with the same recommended education make \$785 and \$883, respectively.

Executive Summary



- Only 30% of child care centers have health and dental insurance, which drops to 23.27% and 20.2% respectively when omitting Head Start or tribal centers. Furthermore, only 44.67% of centers offer paid vacations and 36.73% offer paid sick leave, which drop to 37.6% and 28.64% when excluding Head Start and tribal programs.
- The vast majority of family child care providers do not purchase benefits for themselves nor are they covered under their spouses' benefit plans. Only 20.41% of licensed family child care providers have health benefits, 15.31% have dental, 13.27% have dependent benefits, 15.31% give themselves paid vacations, 11.63% paid sick leave, and only 3.67% have retirement.
- From 2001 to 2008, the percentage of family child care providers with health benefits has decreased 62% and those with health care benefits for their dependents has decreased 73%. Child care centers have also experienced a decrease in the following benefits during the same period: health (-26%), dental (-15%), dependent care (-15%), paid vacation (-33%), paid sick leave (-20%), retirement (-13%), free or reduced child care (-24%), and fees for training (-34%).

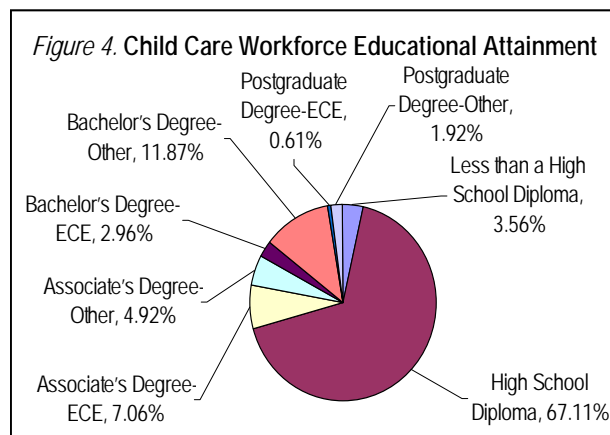


Turnover is Still Troublesome for Child Care in Nevada

- Over half (65.81%) of all child care workers (in centers and family child care) have been in their current location for three years or less, and close to 30% less than one year. Turnover for child care is especially concerning given the importance for children to develop strong attachments to primary caregivers in the early childhood years. This aspect of socio-emotional development has been deemed crucial for children's future success in school.

Child Care Workforce Educational Attainment is Low and Requirements for School-Age Workforce are Not Consistent

- Only 10.63% of the licensed child care workforce has an associate's degree in ECE or higher. The vast majority of child care providers have a high school diploma (67.11%) and less than 30% of the workforce has an associate's degree or higher, regardless of the field of study (Figure 4). Nevada's child care workforce's educational attainment is comparable to the rest of the nation where only 33% of child care center teachers, 12% of center assistants and 17% of family child care providers are college graduates.
- Because school-age programs are not regulated, staff education and training requirements vary from program to program. Some school-based programs follow district policy, while others follow the standards of the coordinating agency (e.g., City Parks & Recreation, Boys and Girls Club, After School All Stars). This creates uneven quality across the state, which will take a coordinated effort to address.

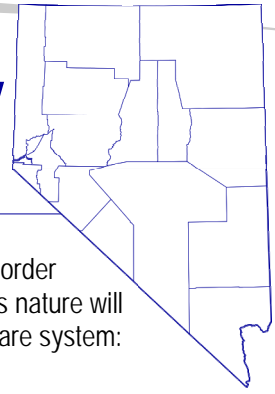


The Number of Accredited Providers in Nevada has Increased

- In 2002, only 12 programs were accredited in the state of Nevada. In 2008, the number of accredited programs has increased to 45, 42 of which are licensed child care programs; however, this represents only 4.69% of all licensed child care programs (9% of centers and 1% of family child care).

The Child Care & School-Age Program Workforce is Large

- Nevada's child care/school-age workforce is over 10,000 people strong (not counting FFN providers), which is comparative to the size of Nevada's mining industry.



Recommendations: Nevada's Call to Action

Investments must be made in early childhood to adequately prepare Nevada's children for school, work and life. In order for Nevada to benefit from early childhood investments, long-term funding must be sustained, as investments of this nature will take years for dividends to be paid to society. Investments are needed across four components of Nevada's child care system:

Demand

- Develop supports to assist community leaders in gaining a solid understanding of their communities' child care (including school-age program) needs. As a fundamental workforce support, communities must have adequate child care solutions so parents can go to work while their children are provided positive experiences that will prepare them for school, work, and life. Knowing the shifts and days that working parents need child care will help communities create a child care system that will meet their unique needs.
- Increase funding to expand CCR&R services in the rural areas. Improving CCR&R outreach will not only increase the availability of services to parents, but also help CCR&R gain a better understanding of our state's child care needs.

Supply

- Develop supports to work with individual communities to expand or enhance their current child care systems.
- Address city and county zoning regulations and licensing requirements that create barriers for starting or maintaining a child care business.
- Provide business support to those interested in becoming licensed as well as newly licensed providers to ensure solid business practices are in place, which are necessary to grow and sustain any successful business.

Affordability

- Legislatively mandate that child care subsidy maximum reimbursement rates are reset at least every two years based on the 75th percentile of current market rate data (no older than 2 years old) by provider type, care level and geographical area.
- Develop strategies to engage parents in advocating for legislation that supports early childhood and school-age programs. Our elected officials need to know that services and supports for early childhood and school-age programs play a critical role in ensuring that our children succeed in school, work, and life.

Workforce & Quality

- Re-address Nevada's early education and learning goals. The goals must be strategically planned and include objectives, benchmarks, short-term and long-term outcomes, as well as the resources necessary to meet identified goals. All programs funded to meet state goals need to provide outcome and service evaluation data, which are used to determine if objectives are being met, as well as the need for program improvement and/or the continuation of funding.
- Mandate legislative funding at an adequate level so that Nevada's early care and education goals can be realized. Solid legislative investments will ensure that children enter school with the skills necessary to succeed in school and in life.
- Implement a tiered Quality Rating Improvement System (QRIS) for licensed child care providers in Nevada. A QRIS system will assist parents in making informed choices about child care as well as offer support, tools, and incentives for child care professionals to increase their quality of care.
- Support a WAGES program in Nevada to link increases in child care professionals' pay and benefits to increases in education.
- Improve access to early education training and information to rural areas with a special emphasis on reaching FFN providers.
- Establish Nevada school-age standards that can assist programs in creating positive, quality settings for youth.

Although education and the acquisition of skills is a lifelong process, starting early in life is crucial. Recent research...has documented the high returns that early childhood programs can pay in terms of subsequent educational attainment and in lower rates of social programs, such as teenage pregnancy and welfare dependency.

~Ben Bernanke
Chairman of the Federal Reserve Board