



2021-2022 North Carolina Infant-Toddler Child Care Landscape Study

2022
State
Report

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Introduction

Our understanding of a young child’s developing mind has changed dramatically over the decades and centuries. In the 18th century, the “preformation view” was the accepted belief of the time. “Children were believed to possess all of their sensory capabilities, emotions and mental aptitude at birth.”¹ Following numerous other theories and speculations, 20th and 21st century research concludes that the first three years of life lay the foundation on which all other learning and development occur. With millions of neural connections happening each second, a young child’s brain undergoes an immense period of growth without which, future sequential development is stymied.² These neural pathways connect as babies and toddlers respond to human interactions and explore their world. Those children who have secure relationships with caregivers show more confidence exploring their environments. Further, those caregivers who offer intentional, developmentally appropriate verbal and cognitive stimulation provide the environment necessary for optimal development.³

Nationwide, an estimated 63% of infants and toddlers under three years old live in a household where their mothers work.⁴ As more and more women with young children enter the workforce and with the growth of nontraditional families, the need for child care has increased. Research time and again points to the pronounced effects that a high quality child care experience can have on a child’s school readiness and life-long success. As an equity strategy, high quality early care and education provides even greater benefits for young children living in poverty. Further, investments in high quality early care and education have a multi-generational effect, not only providing a safe and nurturing place for children, but also supporting families as they work or further their own education. With the ravaging worldwide effects of the COVID-19 pandemic also destroying the child care infrastructure that North Carolina has spent decades building, a specific, concerted effort at rebuilding this indispensable resource for working parents must emerge as priority one in our state.

Given these factors, the status of child care for our youngest children must be examined to better understand our state’s history and current situation to help inform our future goals. This study explores multiple major pieces of data to help us paint the landscape of children from birth to three years old and the North Carolina child care system in which many find care and early education. By combining census data with data from the North Carolina Resource and Referral System (CCR&R) through their WorkLife System database and licensing data from the Division of Child Development and Early Education (DCDEE), the stage is set to begin painting a picture of the infant-toddler early care and education landscape. Contributing to this panorama, subsidy data from DCDEE reveals the scene for our young children whose families are from lower incomes. Survey data from the field enhance the topography of the infant-toddler landscape by highlighting program and teacher characteristics that families and young children encounter each day. These surveys also add a

smattering of data about supports offered by DCDEE during the COVID-19 pandemic and information about possible expansion of infant and/or toddler care. Information from child care provider focus groups provide a more intimate portrait of the child care environment. Finally, a sample of promising practices complete the scene, cutting a path through the terrain.

As with any data, limitations exist with each of the datasets and because the datasets come from a variety of sources, each is slightly different from the other. While these factors do limit our ability to fully understand the child care landscape, these data provide a wealth of information to further our knowledge. An explanation of the data used in this report provides the boundaries, or the canvas, if you will, of this child care painting.

The first data come from census data from both the 2015-2019 American Community Survey 5-year estimates⁵ and the North Carolina Office of State Budget Management, population projections, September 2021.⁶ The percentage of families with children birth to five with all parents in the household working, though not an exact comparison for the infant and/or toddler population, provides a starting point. In fact, one nationwide study suggests that the percentage of infants and toddlers with all parents working while slightly lower, tracks similar to that of birth to five year olds.⁷ These data compare to the currently available spaces in licensed care, revealing the potential need for expansion of spaces for our youngest children. The data used to inform the currently available spaces in licensed care for infants and toddlers is derived from the NC Child Care Resource and Referral system’s WorkLife Systems database.⁸ In mid-2019, this database replaced an older system and is used, among other things, to assist families in finding care for their children. The database is largely populated by providers themselves, resulting in a system that is based on self-reported data with independent checks and corrections made to help shore up data integrity.

continued



This WorkLife Systems data also informs the “during COVID-19 pandemic” and the “late COVID-19 pandemic” program and enrollment numbers. Comparisons to “pre-COVID-19 pandemic” and historic program and enrollment numbers, however, were analyzed using data from the DCDEE licensing database.⁹ Population of the DCDEE licensing database details occurs through the DCDEE licensing consultants as they contact and visit programs each year. During the pandemic, licensing visits were suspended resulting in missed data updates. Though comparisons between the two data sources are not ideal, all efforts have been made to eradicate false assumptions.

Subsidy data contained within the report originate from the DCDEE subsidy system.¹⁰ Though most subsidy data was pulled from the current NC FAST system, historic figures (prior to 2016) presented in this report predate the NC FAST system and were a special request to DCDEE at the time. Current child care subsidy reimbursement rates were derived from a formula using data from a 2018 market rate study.¹¹ This study, conducted by NC State University, used data informed by asking child care providers what they charge for care and thus reflects what young families as a whole can afford as opposed to the actual cost of high quality care.

Program characteristic data combine information from the WorkLife System database and responses from an online and phone survey to early care and education center directors and family child care providers. Surveys were sent to all programs that serve children birth through five with the exception of Head Start/Early Head Start programs and public school programs (including both NC Pre-K and other preschool classrooms). The majority of the questions in this survey did not apply to those public programs, consequently, they were excluded from the population. Please note each data point's source citation to gain a clearer understanding of when these public programs were included and when they were excluded in the data presented in the program characteristic section. A total of 1,752 surveys from both centers and homes were returned resulting in a 42% response rate.

Evidence presented in the DCDEE program supports section and the barriers and supports for infant-toddler care sections stem from both the provider survey described above and five focus groups conducted via Zoom in February 2022. Participants in the focus groups were randomly selected following their indication of interest on the provider survey. These participants represented both early care and education center directors (39) and family child care providers (11) and they provide care for children in rural, suburban and urban areas of the state. Nearly all currently serve infants and toddlers and most said that they would or “maybe” would like to increase spaces. In exchange for their participation in a 90-minute session, providers received a gift card as a small token of appreciation for the gift of their valuable time.

Finally, general information on promising practices in the



state sprung from a variety of sources. A very short survey was sent to all local Smart Start Partnerships and Child Care Resource and Referral agencies across the state. This survey was also sent to various other partners and state leaders known to the authors of this report. The survey asked for leads on possible practices in local communities. These tips were then further investigated through phone calls, website searches and conversations with experts in the field. These practices are by no means meant to be construed as an all-inclusive list of the good things happening in our state. Rather, they serve as examples of some efforts currently being undertaken for our youngest children.

Like a physical landscape, the child care environment is fluid, constantly in motion and ever so slightly changing day by day. The data in this report, however, like a snapshot of a landscape, capture but a moment in time. Numbers from any given dataset reveal the situation on the day the data was gathered, not necessarily the day before nor the day after. Though the data reflect a moment in time, and though the child care environment changes day by day, changes tend to be small and tend to hover around a central point. In practice, this means that small differences in data points should not be taken as significant. Large differences and changes over time provide the most meaningful information.

Data in this report focus solely on licensed child care programs serving children birth through five years old and the children in these programs. Except where noted, data do not reflect total population numbers, but only those birth to five year old children using licensed child care programs in North Carolina. For purposes of this report, infants and toddlers are defined as young children birth up to age three (36 months). Throughout the report, data from various points in time are discussed. Data from the most current time period are presented in the present tense and data from all other points in time are presented in the past tense to aid in ease of reading.

North Carolina Infants and Toddlers and Their Parents

METHODOLOGY

This section analyzes the following research questions:

- ▶ How many infants and toddlers are there in North Carolina?
- ▶ What percentage of parents of young children work?
- ▶ How many spaces are available for infants in toddlers in licensed care?
- ▶ Are spaces for infants and toddlers sufficient to meet potential needs?
- ▶ Are these differences statewide or specific to certain geographic areas and/or counties?

This section contains the following: data source, summary of key findings, data tables showing statewide findings as well as geographic area (rural, suburban, urban) comparisons and county comparisons. (A list of each county and its corresponding geographic area can be found in Appendix A.)

DATA SOURCE

Census data from the American Community Survey was combined with data from the North Carolina Office of State Budget and Management. Additionally, licensing and enrollment data for October 2021 were obtained from the Child Care Resource and Referral (CCR&R) system through the WorkLife Systems database. All child care programs that currently enrolled children birth up to 36 months (infants and toddlers) or expressed a desired capacity to serve these children were included in the analysis.

SUMMARY OF KEY FINDINGS

- ▶ There are 351,277 infants and toddlers in North Carolina. Of these, 114,724 are infants, 117,209 are one-year-olds and 119,344 are two-year-olds (Figure 1).
- ▶ In North Carolina, 66% of parents of preschool age children work. While common belief dictates that parents of younger children are less likely to be in the workforce, one nationwide study suggests that the percentage is not significantly different for our youngest children.¹²
- ▶ Though an overestimate, based on the percentage of birth to five-year olds with all parents working, there are 231,633 infants and toddlers in North Carolina whose parents are employed. Broken down by age, there are 75,649 infants, 77,288 one year olds and 78,696 two year olds whose parents are in the workforce.
- ▶ Programs in North Carolina are licensed by the Division of Child Development and Early Education for a total number of children who can be served in the program. This number is not broken down by age. Often this number is more than the number of children that the program is *willing* to serve. The number of children a program is licensed and *willing* to serve is the desired capacity. The desired capacity of infants and toddlers in licensed programs is 63,125. This number represents 18% of all infants and toddlers in North Carolina and an estimated 27% of infants and toddlers with working parents (Figure 2).
- ▶ Not surprisingly, urban counties combine to yield the highest number of infants and toddlers across the state with 128,710. Infants and toddlers in rural communities number 116,899. Suburban counties have the fewest number of infant and toddler residents at 105,668 (Table 1).
- ▶ Urban areas have the highest ratio of spaces available (including both vacant and occupied) to the total population of infants and toddlers with 21% of all infants and toddlers and 31% of infants and toddlers with working parents. Rural and suburban communities are in similar situations with spaces available for 16% of all infants and toddlers and 24% and 25% respectively available for infants and toddlers with working parents (Table 1).
- ▶ Across the state, Polk County stands out as the county with the lowest percentage of spaces available (including both vacant and occupied) for infants and toddlers with no infant nor toddler spaces available. Alleghany has space for just 3% of all infants and toddlers and 5% of infants and toddlers with working parents. As the third county with the lowest percentage of spaces for young children, Yancey has space for 4% of all infants and toddlers and 6% of infants and toddlers with all parents working (Table 2).

North Carolina Infants and Toddlers and Their Parents *continued*

On the other end of the spectrum, Washington County has space for 30% of all infants and toddlers. Following close behind, Pitt County has seats for 28% and Greene County has space for 27% of all infants and toddlers. For those young children with working parents, Chowan has

spots for just over six in ten (62%) young children while Washington County has room for 47% of infants and toddlers with working parents and Robeson County has space for 41% of infants and toddlers with all parents working (Table 2).

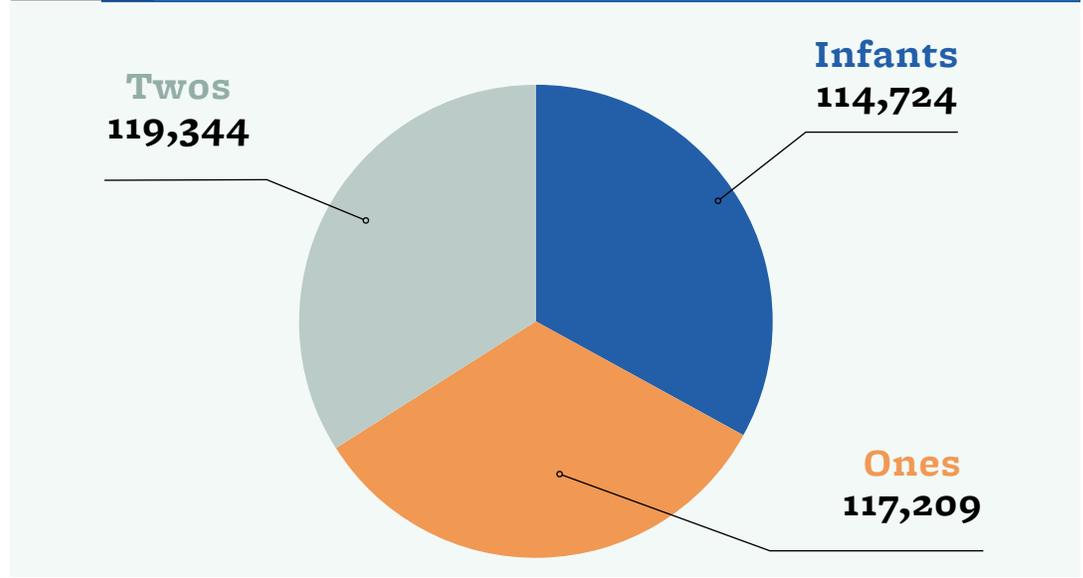


North Carolina Infants and Toddlers and Their Parents

TABLES + FIGURES

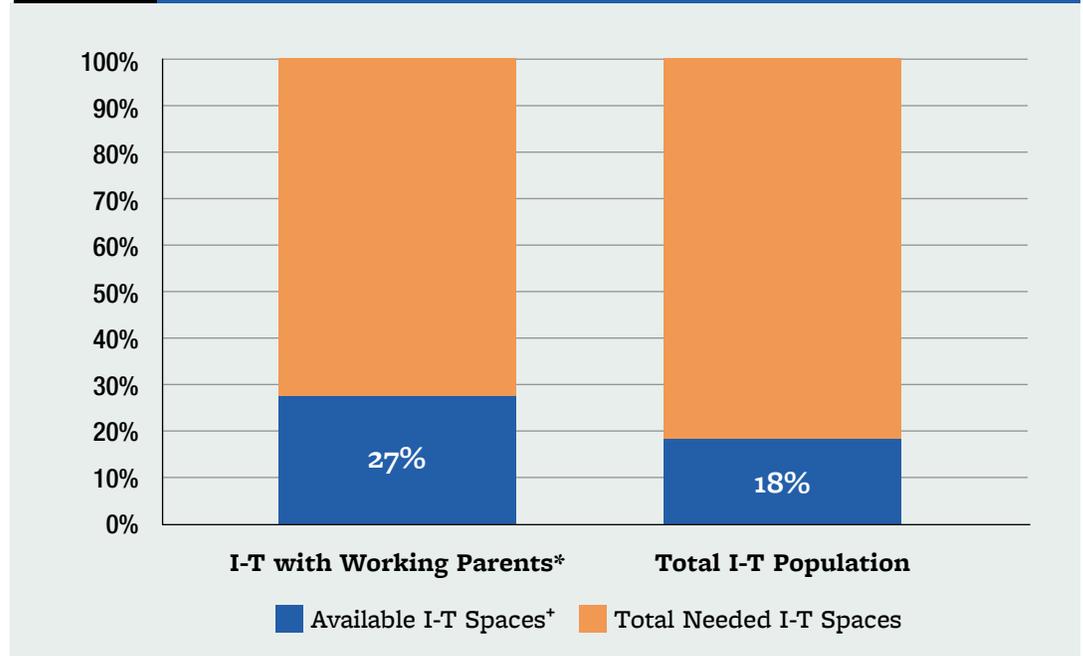
“My waiting list is so long ... I mean, I have 5 to 6 [parents] calling me all day long.”
 —Urban child care center director

FIGURE 1 North Carolina’s Birth to Three Year Olds



Source: North Carolina Office of State Budget Management, Population Projections 9/21

FIGURE 2 Available and Needed Infant-Toddler Spaces



*Working parent data based on parents of children under 6. Information on the percentage of infants and toddlers with working parents is unavailable.

*Available spaces include both current enrollment numbers and full/part time open spaces.

Source: WorkLife Systems, October 2021; NC Office of State Budget & Management, 9/30/21; 2015-2019 American Community Survey 5-Year Estimates.



North Carolina Infants and Toddlers and Their Parents

TABLES + FIGURES continued

TABLE 1 Number and Percentage of Needed Spaces for Infants and Toddlers

	Total Infants and Toddlers	Spaces for Total Infants & Toddlers	Spaces for Infants & Toddlers w/ Working Parents
Rural	116,899	16%	24%
Suburban	105,668	16%	25%
Urban	128,710	21%	31%
Total	351,277	18%	27%

*Working parent data based on parents of children under 6. Information on infants and toddlers with working parents is unavailable.

*Spaces include both current enrollment and full/part time open spaces.

Source: WorkLife Systems, 10/21; NC Office of State Budget & Management, 9/21; 2015-19 American Community Survey 5-Yr Estimates.

TABLE 2 Counties With the Highest and Lowest Percentage of Spaces Available for Infants and Toddlers Compared to Need

County	All Infants-Toddlers	County	Infants-Toddlers w/ Working Parents
Polk	0%	Polk	0%
Alleghany	3%	Alleghany	5%
Yancey	4%	Yancey	6%
Currituck	5%	Currituck	9%
Cherokee	6%	Cherokee	10%
Madison	7%	Madison	11%
Caswell	8%	Warren	11%
Macon	8%	Caswell	11%
Warren	8%	Macon	11%
Onslow	8%	Transylvania	12%
NC Total	18%	NC Total	27%
Robeson	23%	Guilford	35%
Beaufort	23%	Pasquotank	36%
Guilford	24%	Hoke	37%
Wilson	24%	Greene	37%
Wake	25%	Wake	38%
Edgecombe	26%	Edgecombe	38%
Clay	26%	Pitt	39%
Greene	27%	Robeson	41%
Pitt	28%	Washington	47%
Washington	30%	Chowan	62%

*Working parent data based on parents of children under 6. Information on the percentage of infants and toddlers with working parents is unavailable.

*Available spaces include both current enrollment numbers and full/part time open spaces.

Source: WorkLife Systems, October 2021; NC Office of State Budget & Management, 9/30/21; 2015-2019 American Community Survey 5-Year Estimates.

North Carolina Infants and Toddlers in Licensed Early Care and Education Programs

METHODOLOGY

This section analyzes the following research questions:

- ▶ What is the availability and usage of infant and toddler care?
- ▶ Are infants and toddlers in NC enrolled in high quality programs?
- ▶ Have enrollment numbers for infants and toddlers changed over time and since prior to the COVID-19 pandemic?
- ▶ Are these differences statewide or specific to certain geographic areas and/or counties?

This section contains the following: data source, summary of key findings, data tables showing statewide findings as well as geographic area (rural, suburban, urban) comparisons and county comparisons. (A list of each county and its corresponding geographic area can be found in Appendix A.)

DATA SOURCE

Licensing and enrollment data for February 2021 and October 2021 were obtained from the Child Care Resource and Referral (CCR&R) system through the WorkLife Systems database. All child care programs that currently enrolled children birth up to 36 months (infants and toddlers) or expressed a desired capacity to serve these children were included in the analysis. Comparison data was obtained from the Division of Child Development and Early Education (DCDEE) October 2016 licensing data and March 2020 licensing data.

SUMMARY OF KEY FINDINGS

General Availability and Usage...

- ▶ Statewide, 2,123 early care and education centers serve infants and toddlers while 1,015 homes serve infants and toddlers (Table 3).
- ▶ These centers and homes are distributed across the state with 779 rural centers, 553 suburban centers and 791 centers in urban areas serving infants and toddlers. Further, in rural communities there are 378 family child care homes serving infants and toddlers, 231 homes in suburban communities and 406 homes in urban areas of the state (Table 3).
- ▶ The number of child care centers that serve infants and toddlers has decreased since 2016 from 2,787 in 2016 to 2,123 in 2021 (Table 4). This decline in child care centers that serve infants and toddlers continues from 2008 when 3,093 child care centers served infants and toddlers.
- ▶ The number of family child care homes that serve infants and toddlers has decreased 41% since 2016 from 1,723 in 2016 to 1,015 in 2021 (Table 4). This decline in family child care homes that serve infants and toddlers continues from 2008, when 3,276 family child care homes served infants and toddlers.
- ▶ A similar study completed in 2016 found that there were 66,353 children from birth to three in regulated child care settings¹³ (down from 77,513 in 2008¹⁴). In October 2021, the number of children in this age group had dropped to 50,273 (Table 5). This number represents a 24% decrease from 2016 (and a 35% decrease since 2008). During this same period, the total number of birth to three years olds in the state fell by 3% (7% decline from 2008).¹⁵
- ▶ Of the 50,273 children under the age of three enrolled in regulated care settings in 2021, 22% are infants, 34% are one-year-olds and 43% are two-year-olds. These percentages are somewhat similar to those in 2016 (20% infants, 35% one-year-olds and 45% two-year-olds) with a slight shift towards a higher percentage of infants enrolled in 2021 (Figure 3).
- ▶ 95% of infants and toddlers enrolled in licensed care are in child care centers (93% in 2016); 5% of infants and toddlers enrolled in licensed care are in child care homes (7% in 2016) (Table 5). This decline in infants and toddlers cared for in family child care homes continues a downward trend from 2008 when 87% of infants and toddlers in licensed care were in child care centers and 13% were in family child care homes.
- ▶ The number of infants and toddlers in centers far exceeds the number of infants and toddlers in family child care homes. In 2021, nearly 48,000 infants and toddlers are enrolled in child care centers while just over 2,300 are enrolled in homes (Table 5).

North Carolina Infants and Toddlers in Licensed Early Care and Education Programs *continued*

- ▶ In rural counties, 14,850 infants and toddlers are enrolled in licensed care (centers and homes), while 13,975 infants and toddlers in suburban counties are in licensed care and 21,448 birth to three year olds are enrolled in urban licensed care (Table 6).
- ▶ The center and home enrollment split is similar in the geographic areas across the state with 94% of infants and toddlers in licensed care in rural counties enrolled in child care centers and 96% of infants and toddlers in both suburban and urban communities enrolled in this type of care (Table 6).
- ▶ When the number of infants and toddlers enrolled statewide in licensed care is compared to the overall number of infant and toddler spaces that programs are willing to serve statewide, there is a 20% vacancy rate. This percentage represents the total number of unoccupied spaces for infants and toddlers enrolled divided by the desired capacity for infants and toddlers. A higher vacancy rate exists for infants at 24%. For one year olds, this rate is 19% and for two year olds, the vacancy rate sits at 20% (Figure 4).
- ▶ County vacancy rates vary dramatically. In Hyde County, a 64% vacancy rate exists. However, in seven counties (Alleghany, Cherokee, Macon, Mitchell, Pamlico, Polk and Tyrrell), there are no spaces available for infants and toddlers with a vacancy rate of 0%.
- ▶ Not surprisingly, the COVID-19 pandemic has greatly impacted enrollment numbers for infants and toddlers. Prior to the pandemic (March 2020) 67,929 infants and toddlers were enrolled in licensed care. The number of infants and toddlers in licensed care dipped to 44,234 during the COVID-19 pandemic (February 2021). During the latter part of the pandemic (October 2021) 50,273 infants and toddlers are enrolled in licensed programs (Figure 5).
- ▶ Enrollment numbers for each age group have rebounded to pre-COVID levels at differing rates. Infant enrollment is at 88% of pre-pandemic levels. One year olds are at 72% and two year olds are enrolled at just 70% of pre-pandemic levels (Figure 5-raw numbers).
- ▶ Polk County has no licensed care for infants and/or toddlers.

Availability and Usage of Higher Quality Care...

- ▶ 36% of child care centers that enroll infants and/or toddlers have 5-stars. In addition, 12% of family child care homes that enroll infants and/or toddlers have 5-stars (Table 3).
- ▶ 44% of infants and toddlers across the state who are enrolled in child care centers are in 5-star centers while just 4% of infants and toddlers in centers are in 1-star centers. For those infants and toddlers enrolled in family child care homes, 12% are in 5-star homes with 10% in 1-star homes (Table 7).
- ▶ Combining center and home enrollment, 66% of infants and toddlers are enrolled in 4- or 5-star centers and homes across the state. A lower 42% of infants and toddlers are enrolled in 5-star care in the state (Figure 6).
- ▶ Enrollment in higher quality care for infants and toddlers varies by geographic area. In rural communities, 58% of infants and toddlers are enrolled in 4- or 5-star care compared to 63% in suburban communities and 73% in urban areas. In rural counties, one third (33%) are enrolled in the highest quality, 5-star care compared to 38% in suburban areas and over half (52%) in urban counties (Figure 6).
- ▶ Across the counties of North Carolina, the percentage of infants and toddlers enrolled in 4- or 5-star licensed programs varies widely. All (100%) infants and toddlers enrolled in programs in Ashe, Avery, Cherokee, Davie, Graham, Madison, Perquimans and Transylvania counties are in 4- or 5-star licensed programs. Additionally, Beaufort, Craven and Haywood counties have at least 90% of their infants and toddlers in this quality of care. On the other hand, Alleghany, Hyde, Polk, Tyrrell and Yancey counties have no (0%) infants or toddlers in 4- or 5- star programs (Table 8).
- ▶ Similar to infants and toddlers enrolled in 4- or 5-star care, the percentage of infants and toddlers enrolled in the highest quality, 5-star licensed care, fluctuates significantly from county to county. All (100%) infants and toddlers enrolled in programs in Ashe and Davie counties are in 5-star licensed programs. However, no (0%) infants or toddlers in 21 counties across the state are enrolled in 5-star care. These counties are: Alleghany, Anson, Camden, Caswell, Clay, Currituck, Dare, Gates, Graham, Hyde, Jones, Macon, Madison, Montgomery, Pamlico, Polk, Stokes, Surry, Tyrrell, Yadkin and Yancey (Table 8).
- ▶ Among the counties in North Carolina with the largest populations, Forsyth County has 56% of infants and toddlers in the highest quality, 5-star care. Wake County is next with 55% in 5-star programs. Mecklenburg County has just under half, 48%, of all infants and toddlers who are in licensed care in 5-star programs. Forty-six percent (46%) of Guilford County infants and toddlers are in 5-star care. Finally, Cumberland County has fewer than a fourth, 22%

continued

North Carolina Infants and Toddlers in Licensed Early Care and Education Programs continued

of infants and toddlers in 5-star programs (Table 8).

- ▶ Although the percentage of infants and toddlers in licensed care (centers and homes) who are enrolled in 5-star programs has remained consistent at 42% since 2016, the percentage who are enrolled in 4- or 5- star care has decreased slightly from 68% in 2016 to 66% in 2021. (Table 9).
- ▶ When program type is examined, infant and toddler enrollment in 5-star centers has decreased slightly from 45% to 44% from 2016 to 2021 and from 25% to 22% in 4-star centers. Infant and toddler enrollment in 5-star homes, similarly, has decreased from 13% to 12% from 2016 to 2021, but increased from 34% to 40% in 4-star homes (Table 9).
- ▶ Similar to enrollment numbers overall, the COVID-19 pandemic has greatly impacted the number of infants and toddlers in high quality, 5-star care. Prior to the pandemic (March 2020), 29,508 infants and toddlers were enrolled in 5-star licensed care. The number of infants and toddlers in high quality licensed care dipped to 18,752 during the COVID-19 pandemic (February 2021). During the latter

“I have parents call when they are trying to get pregnant and want to get on the waitlist, thinking they are planning ahead, only to find out they are not.”

—Suburban family child care provider

part of the pandemic (October 2021), 21,324 infants and toddlers are enrolled in the highest quality, 5-star licensed programs (Figure 7).

- ▶ Although the overall number of infants and toddlers in 5-star licensed care has dropped since prior to the COVID-19 pandemic, because enrollment overall has similarly dropped, the percentage of infants and toddlers in 5-star care compared to overall enrollment has remained fairly consistent. Prior to the pandemic, 43% of infants and toddlers were in high quality, 5-star care. During the latter part of the pandemic, 42% of infants and toddlers



Programs and Enrollment

TABLES + FIGURES

TABLE 3 Number and Percent of Each Program Type Serving Infants and/or Toddlers by Star Rating

LICENSE LEVEL	Statewide Programs Serving Infants and/or Toddlers		Rural Programs Serving Infants and/or Toddlers		Suburban Programs Serving Infants and/or Toddlers		Urban Programs Serving Infants and/or Toddlers	
	#	%	#	%	#	%	#	%
5-Star Centers	756	36%	232	30%	179	32%	345	44%
4-Star Centers	567	27%	213	27%	157	28%	197	25%
3-Star Centers	466	22%	209	27%	115	21%	142	18%
2-Star Centers	4	0%	2	0%	2	0%	0	0%
1-Star Centers	51	2%	13	2%	12	2%	26	3%
GS-110 Centers	168	8%	69	9%	55	10%	44	6%
Other* Centers	111	5%	41	5%	33	6%	37	5%
Total Centers	2,123	100%	779	100%	553	100%	791	100%

5-Star Homes	120	12%	35	9%	31	13%	54	13%
4-Star Homes	401	40%	170	45%	83	36%	148	36%
3-Star Homes	312	31%	112	30%	72	31%	128	32%
2-Star Homes	71	7%	29	8%	15	6%	27	7%
1-Star Homes	87	9%	26	7%	21	9%	40	10%
Other* Homes	24	2%	6	2%	9	4%	9	2%
Total Homes	1,015	100%	378	100%	231	100%	406	100%

The table above indicates the percentage of each type of program (center vs. home) with the given star level and enrollment age group. For example, of the 2,123 centers serving infants and toddlers, 756 of them, or 36% have 5-stars.

**Other* centers and homes include those with a temporary, provisional or probationary license.

Source: WorkLife Systems, October 2021.



Programs and Enrollment

TABLES + FIGURES *continued*

TABLE 4 Number and Percent of Each Program Type Serving Infants and/or Toddlers by Star Rating Over Time

LICENSE LEVEL	2016 Statewide Programs Serving Infants and/or Toddlers		2021 Statewide Programs Serving Infants and/or Toddlers	
	#	%	#	%
5-Star Centers	985	35%	756	36%
4-Star Centers	748	27%	567	27%
3-Star Centers	616	22%	466	22%
2-Star Centers	21	1%	4	0%
1-Star Centers	54	2%	51	2%
GS-110 Centers	269	10%	168	8%
Other* Centers	94	3%	111	5%
Total Centers	2,787	100%	2,123	100%
5-Star Homes	219	13%	120	12%
4-Star Homes	601	35%	401	40%
3-Star Homes	515	30%	312	31%
2-Star Homes	171	10%	71	7%
1-Star Homes	211	12%	87	9%
Other* Homes	6	0%	24	2%
Total Homes	1,723	100%	1,015	100%

The table above indicates the percentage of each type of program (center vs. home) with the given star level and enrollment age group. For example, of the 2,123 centers serving infants and toddlers in 2021, 756 of them, or 36% have 5-stars.

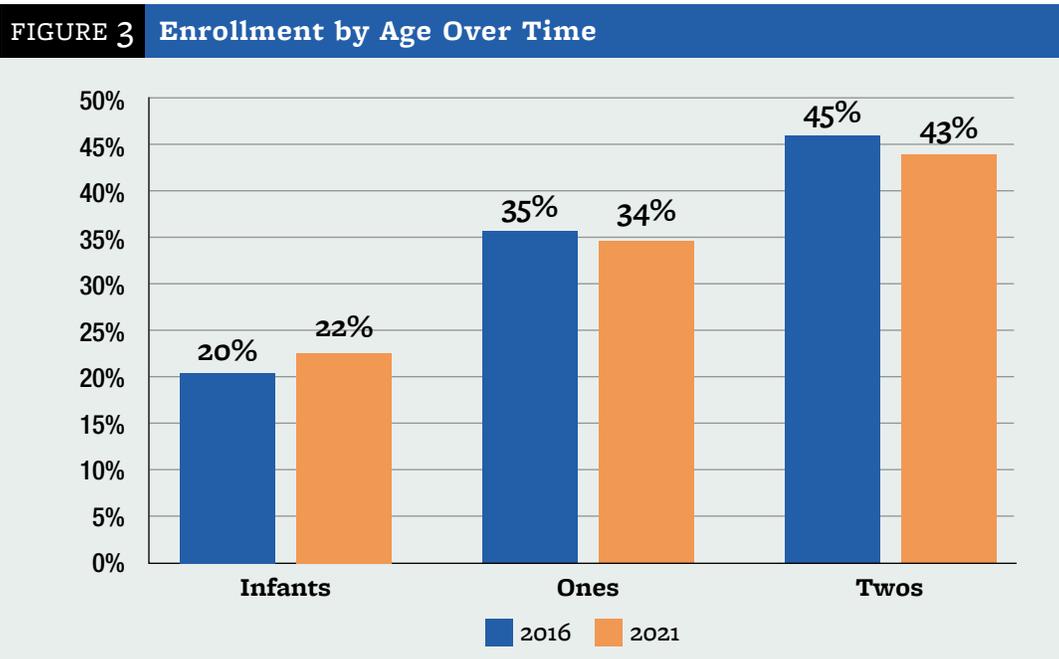
*"Other" centers and homes include those with a temporary, provisional or probationary license.

Source: Division of Child Development and Early Education Licensing Data, October 2016; WorkLife Systems, October 2021.

TABLE 5 Infant-Toddler Enrollment by Program Type Over Time

	2016 Statewide		2021 Statewide	
	#	%	#	%
Centers	61,804	93%	47,925	95%
Homes	4,549	7%	2,348	5%
Total	66,353	100%	50,273	100%

Source: Division of Child Development and Early Education Licensing Data, October 2016; WorkLife Systems, October 2021.

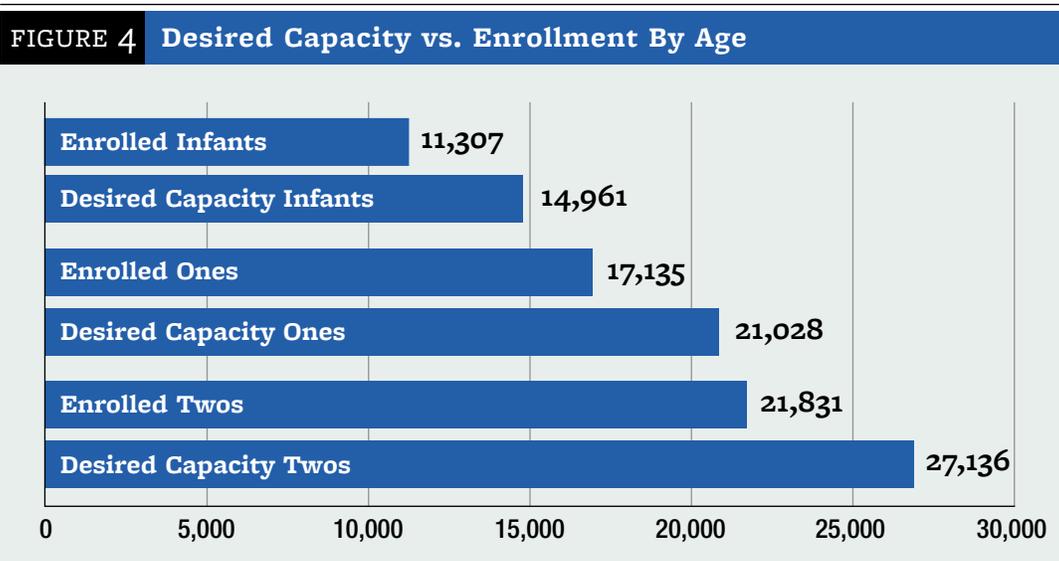


Source: Division of Child Development and Early Education Licensing Data, October 2016; WorkLife Systems, October 2021.

TABLE 6 Infant-Toddler Enrollment by Program Type

	Statewide		Rural		Suburban		Urban	
	#	%	#	%	#	%	#	%
Centers	47,925	95%	13,980	94%	13,432	96%	20,513	96%
Homes	2,348	5%	870	6%	543	4%	935	4%
Total	50,273	5%	14,850	6%	13,975	4%	21,448	4%

Source: WorkLife Systems, October 2021.

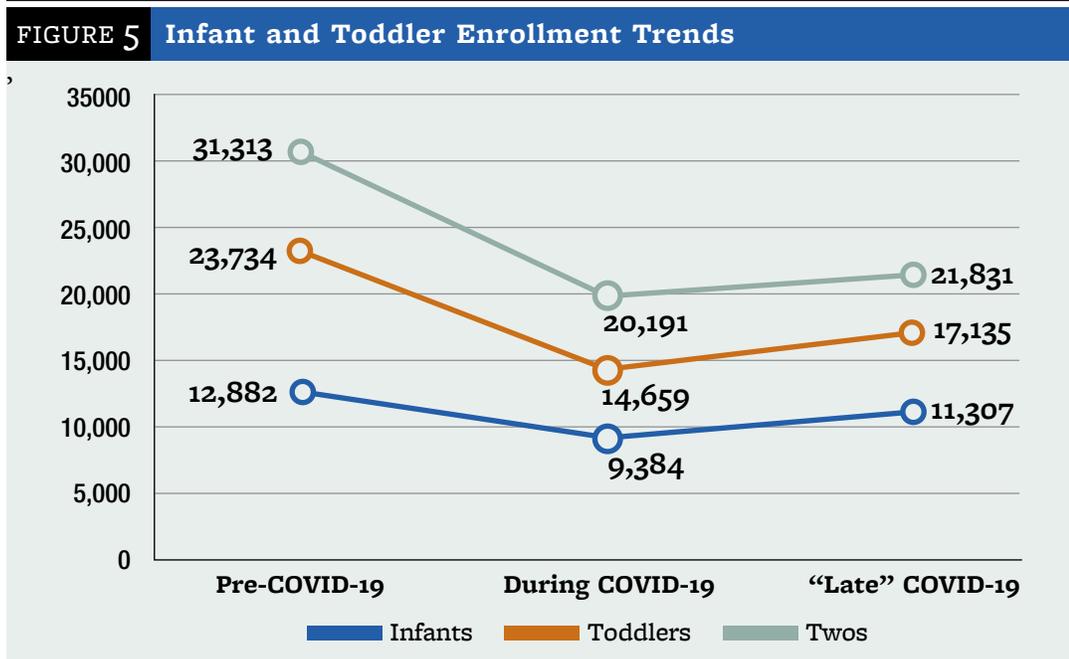


Source: WorkLife Systems, CCR&R data October 2021.



Programs and Enrollment

TABLES + FIGURES continued



Source: DCDEE licensing data, 3/20; WorkLife Systems data, 2/21; WorkLife Systems data, 10/21.

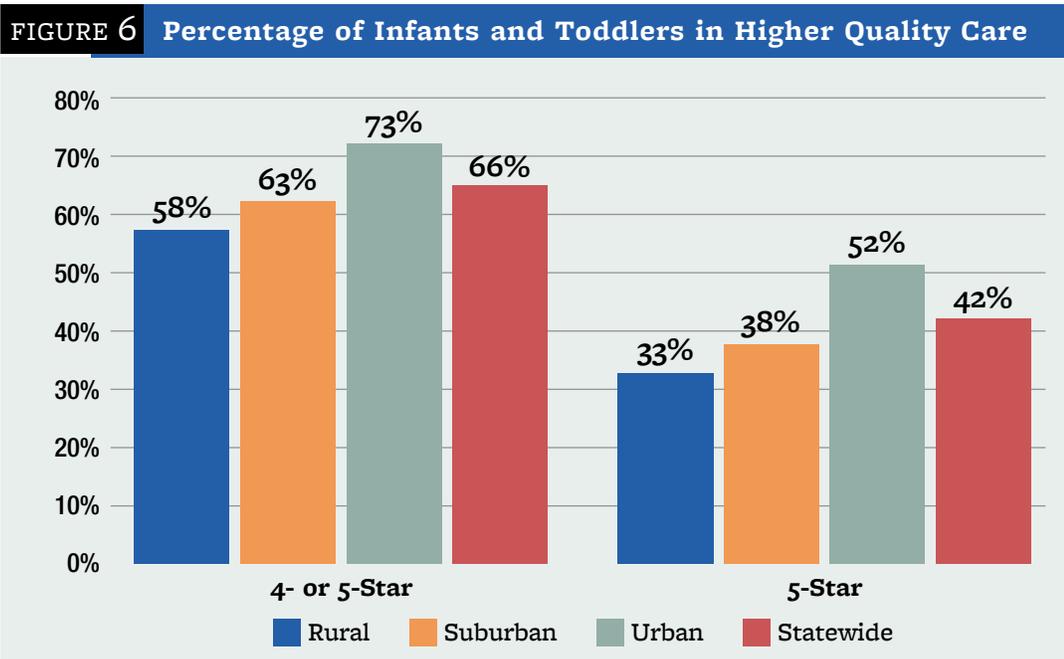
TABLE 7 Infant-Toddler Enrollment Numbers and Percentages by Star Level

LICENSE LEVEL	Statewide Infant-Toddler Enrollment		Rural Infant-Toddler Enrollment		Suburban Infant-Toddler Enrollment		Urban Infant-Toddler Enrollment	
	#	%	#	%	#	%	#	%
5-Star Centers	21,050	44%	4,855	35%	5,232	39%	10,963	53%
4-Star Centers	10,752	22%	3,308	24%	3,313	25%	4,131	20%
3-Star Centers	7,654	16%	3,382	24%	2,081	15%	2,191	11%
2-Star Centers	85	0%	41	0%	44	0%	0	0%
1-Star Centers	1,946	4%	263	2%	409	3%	1,274	6%
GS-110 Centers	4,663	10%	570	4%	1,772	13%	1,330	6%
Other* Centers	1,775	4%	570	4%	581	4%	624	3%
Total Centers	47,925	100%	779	100%	13,432	100%	21,513	100%
5-Star Homes	274	12%	71	8%	78	14%	125	13%
4-Star Homes	932	40%	400	46%	192	35%	340	36%
3-Star Homes	687	29%	237	27%	171	31%	279	30%
2-Star Homes	190	8%	84	10%	32	6%	74	8%
1-Star Homes	233	10%	72	8%	55	10%	106	11%
Other* Homes	32	1%	6	1%	15	3%	11	1%
Total Homes	2,348	100%	870	100%	543	100%	935	100%

The table above indicates the percentage enrolled in each type of program (center vs. home) with the given star level. For example, of the 47,925 infants and toddlers enrolled in centers, 21,050 of them, or 44% are in 5-star centers.

* “Other” centers and homes include those with a temporary, provisional or probationary license.

Source: WorkLife Systems, October 2021.



Source: WorkLife Systems, CCR&R data October 2021.

TABLE 8 Percentage of Infants & Toddlers in Licensed Care in Higher Quality Programs

5-Star rank	County	Percentage in 4- & 5-Star	Percentage in 5-Star
1	Ashe	100%	100%
1	Davie	100%	100%
3	Cherokee	100%	83%
4	Transylvania	100%	79%
5	Lincoln	87%	76%
6	Orange	85%	73%
7	Beaufort	95%	71%
8	Avery	100%	68%
9	Craven	90%	64%
9	Caldwell	87%	64%
9	Rowan	79%	64%
12	Brunswick	67%	61%
12	Durham	83%	61%
14	Jackson	87%	59%
15	Pender	68%	58%
16	McDowell	73%	57%
17	Forsyth	79%	56%
17	Haywood	93%	56%
17	Buncombe	77%	56%
20	Wake	76%	55%
50	Pitt	47%	28%
50	Vance	78%	28%
53	Person	40%	27%
54	Rockingham	48%	26%
54	Harnett	62%	26%
54	Bladen	53%	26%
57	Richmond	39%	24%
58	Lee	36%	22%
58	Swain	63%	22%
58	Cumberland	65%	22%
61	Chowan	49%	21%
62	Mitchell	20%	20%
62	Catawba	50%	20%
64	Sampson	38%	19%
65	Nash	45%	18%
66	Henderson	78%	17%
67	Hoke	31%	16%
67	Pasquotank	23%	16%
69	Alexander	43%	12%
70	Northampton	44%	11%

continued



Programs and Enrollment

TABLES + FIGURES *continued*

TABLE 8 Percentage of Infants & Toddlers in Licensed Care in Higher Quality Programs *continued*

5-Star rank	County	Percentage in 4- & 5-Star	Percentage in 5-Star
21	Perquimans	100%	51%
22	Watauga	69%	50%
23	Randolph	58%	49%
23	Burke	58%	49%
25	Mecklenburg	71%	48%
25	Cleveland	80%	48%
27	Rutherford	62%	47%
27	Columbus	68%	47%
29	Gaston	61%	46%
29	Guilford	66%	46%
31	Lenoir	45%	45%
31	Cabarrus	64%	45%
33	Wilson	64%	44%
33	Franklin	62%	44%
35	New Hanover	52%	43%
35	Stanly	78%	43%
	Statewide	66%	42%
37	Onslow	57%	42%
38	Iredell	67%	39%
39	Alamance	69%	38%
40	Moore	50%	36%
40	Davidson	65%	36%
40	Johnston	57%	36%
40	Edgecombe	68%	36%
44	Martin	50%	34%
45	Chatham	57%	33%
46	Wayne	52%	30%
46	Union	52%	30%
46	Wilkes	69%	30%
49	Bertie	76%	29%
50	Carteret	28%	28%

5-Star rank	County	Percentage in 4- & 5-Star	Percentage in 5-Star
70	Robeson	40%	11%
70	Warren	21%	11%
73	Duplin	73%	10%
73	Washington	12%	10%
75	Hertford	69%	5%
75	Granville	69%	5%
77	Halifax	39%	4%
78	Scotland	69%	2%
79	Greene	19%	1%
80	Graham	100%	0%
80	Madison	100%	0%
80	Pamlico	78%	0%
80	Gates	71%	0%
80	Stokes	68%	0%
80	Jones	67%	0%
80	Anson	59%	0%
80	Caswell	53%	0%
80	Clay	52%	0%
80	Montgomery	45%	0%
80	Macon	40%	0%
80	Camden	40%	0%
80	Currituck	26%	0%
80	Surry	17%	0%
80	Yadkin	16%	0%
80	Dare	16%	0%
80	Alleghany	0%	0%
80	Hyde	0%	0%
80	Polk	0%	0%
80	Tyrrell	0%	0%
80	Yancey	0%	0%

Source: WorkLife Systems, October 2021.

“We are working on opening a second building ... **the need in our town alone is so significant that parents can’t go to work** ... our waitlist is over 200 infants long.”

—Suburban child care center director



Programs and Enrollment

TABLES + FIGURES continued

TABLE 9 Infant-Toddler Enrollment Numbers and Percentages by Star Level

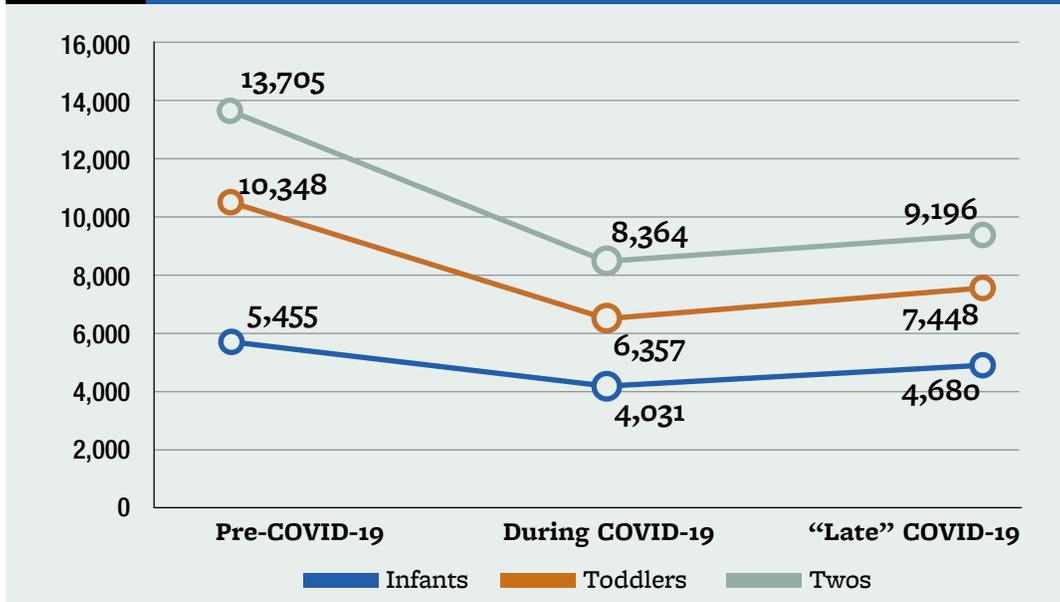
LICENSE LEVEL	2016 Statewide Infant-Toddler Enrollment		2021 Statewide Infant-Toddler Enrollment	
	#	%	#	%
5-Star Centers	27,545	45%	21,050	44%
4-Star Centers	15,550	25%	10,752	22%
3-Star Centers	9,220	15%	7,654	16%
2-Star Centers	272	0%	85	0%
1-Star Centers	1,376	2%	1,946	4%
GS-110 Centers	6,257	10%	4,663	10%
Other* Centers	1,584	3%	1,775	4%
Total Centers	61,804	100%	47,925	100%
5-Star Homes	605	13%	274	12%
4-Star Homes	1,553	35%	932	40%
3-Star Homes	1,306	30%	687	29%
2-Star Homes	465	10%	190	8%
1-Star Homes	605	12%	233	10%
Other* Homes	15	0%	32	1%
Total Homes	4,549	100%	2,348	100%

The table above indicates the percentage enrolled in each type of program (center vs. home) with the given star level. For example, of the 47,925 infants and toddlers enrolled in centers, 21,050 of them, or 44% are in 5-star centers.

* "Other" centers and homes include those with a temporary, provisional or probationary license.

Source: Division of Child Development and Early Education Licensing Data, October 2016; WorkLife Systems, October 2021.

FIGURE 7 Infant and Toddler 5-Star Enrollment Trends



Source: DCDEE licensing data, 3/20; WorkLife Systems data, 2/21; WorkLife Systems data, 10/21.

North Carolina Infants and Toddlers Receiving Child Care Subsidy

METHODOLOGY

This section analyzes the following research questions:

- ▶ What percentage of the birth to five subsidy vouchers are given to infants and toddlers?
- ▶ Has this percentage changed over time?
- ▶ Do infants and toddlers receiving child care assistance access high-quality care?
- ▶ How much are programs reimbursed for caring for children from lower income families?
- ▶ Are these differences statewide or specific to certain geographic areas and/or counties?
- ▶ Has the COVID-19 adversely impacted subsidy for infants and toddlers statewide and within communities?

This section contains the following: data source; summary of key findings; data tables showing the comparison statewide; tables providing comparisons for rural, suburban and urban areas and tables comparing counties across the state. (A list of each county and its corresponding geographic area can be found in Appendix A.). The data tables contain information on subsidized children enrolled in North Carolina licensed child care facilities only.

DATA SOURCE

All data in this section on children receiving child care subsidy are from the Division of Child Development and Early Education subsidy data for October 2021. Pre-COVID-19 comparison data are from the DCDEE subsidy data for February 2020 and historic data comes from the April 2008 and October 2016 DCDEE subsidy system. Data include the number of children receiving state and federal funds through DCDEE and state Smart Start funds provided for subsidy purposes and reported through the Smart Start Reimbursement System as having received a subsidy voucher. Data do not include information on children that received financial assistance through independent, non-government sources or children receiving other sources of funds not administered through the Division of Child Development and Early Education. Also omitted are children receiving Early Head Start funding and no wrap care through the state subsidy system. (Similarly, comparison data for three to five year olds receiving subsidy do not include Head Start nor NC Pre-K and no wrap care.) Subsidy reimbursement rates are based on information from the 2018 Market Rate Study for the Division of Child Development and Early Education.

SUMMARY OF KEY FINDINGS

- ▶ 11,716 infants and toddlers receive a child care subsidy. This represents 23% of all infants and toddlers receiving care in a licensed child care facility. In 2016, 22,859 infants and toddlers received a child care subsidy representing 34% of all infants and toddlers in licensed child care facilities. This decline in the number and percentage of infants and toddlers receiving subsidy continues a trajectory from 2008 when 30,932 infants and toddlers received a child care subsidy representing 40% of all infants and toddlers receiving care in a licensed child care facility (Table 10).
- ▶ 94% of infants and toddlers receiving child care subsidy are enrolled in licensed child care centers with the remaining 6% enrolled in licensed homes.
- ▶ Of these infants and toddlers receiving a subsidy, 12% are infants, 34% are one year olds, and 54% are two year olds (Figure 8). These percentages have shifted towards older infants and toddlers since 2016 when the breakdown of infants and toddlers receiving subsidy was 19% infants, 36% one year olds and 45% two year olds.
- ▶ 43% of children birth to five years of age receiving subsidy in licensed care are infants and toddlers (Figure 9). This percentage represents a lower percentage of the birth to five subsidy being given to infants and toddlers than in 2016 when 48% of birth to five subsidy went to infants and toddlers.
- ▶ Geographically, 45% of birth to five year olds who receive subsidy in rural communities are infants and toddlers. In suburban counties, infants and toddlers comprise 42% of the birth to five subsidy rolls. Likewise, in urban areas, 42% of the birth to five year olds receiving subsidy are infants and toddlers (Table 11).
- ▶ As with overall enrollment numbers, the COVID-19 pandemic has impacted subsidy for infants and toddlers. Just prior to the pandemic, in February 2020, 47% of the birth to five year olds who received subsidy were infants and toddlers (53% were three to five year olds). During the latter phase of the pandemic (October 2021), the percentage of birth to five year olds receiving subsidy who are infants and toddlers has dropped to 43% (Figure 10).
- ▶ 73% of infants and toddlers receiving child care subsidy in licensed centers are enrolled in 4- or 5-star centers and 72% of infants and toddlers receiving child care subsidy in licensed homes are in 4- or 5-star homes. Further, 43% of infants and toddlers receiving child care subsidy in licensed centers are

continued

North Carolina Infants and Toddlers Receiving Child Care Subsidy *continued*

enrolled in 5-star centers with 20% of infants and toddlers receiving child care subsidy in licensed homes in 5-star homes (Table 12).

- Variations on the percentage of infants and toddlers receiving subsidy in high quality care based on geographic area exist. In rural communities, 38% of infants and toddlers receiving subsidy in centers are in 5-star centers compared to 41% in suburban sections of the state and over half (52%) in urban areas. For those young children in homes, 14% of infants and toddlers receiving subsidy in rural counties are in 5-star homes with 20% in suburban counties and 28% in urban sections of the state receiving this level of care (Table 12).
- In some counties across the state, infants and toddlers comprise a smaller percentage of the birth to five subsidy pie. On the low end of the scale, 29% of the birth to five year old subsidy roles are infants and toddlers in Tyrrell County with Transylvania (32%), Harnett (33%), Madison (33%), Lincoln (34%) and Yancey counties rounding out the counties with the lowest percentage of infants and toddlers represented in the birth to five year old subsidy pool (Table 13).
- With 78% of the birth to five subsidy vouchers going to infants and toddlers, Camden County stands atop the list of highest percentage of infants and toddlers receiving subsidy. Swain County's two thirds (66%) of the subsidy voucher list being infants and toddlers comes next followed by Alleghany County at 65%. Rounding out the counties with more than 60% of the birth to five vouchers given to infants and toddlers are Jones (63%) and 62% for Clay County (Table 13).
- State subsidy reimbursement rates are set based on an independent market rate analysis. The market rate, however, represents the amount parents can pay and does not necessarily reflect the true cost of quality early care and education. Reimbursement rates are set in each county and differ for centers and homes, for each age group and for each star level. Current reimbursement rates are based on data gathered in 2017 and published in 2018.
- Subsidy reimbursement rates vary county by county. For infants and one year olds, the lowest 5-star reimbursement rate for centers can be found in Duplin County and is \$702 per month. The highest 5-star reimbursement rate for centers is \$1,376 in Wake County. Half of all counties have a 5-star center reimbursement rate for infants and one year olds below \$900 (Table 14).
- Similarly, for two year olds, the subsidy 5-star center reimbursement rate ranges from a low of \$641 in Ashe County to a high of \$1,275 in Vance County. Half of all counties have a 5-star center reimbursement rate for two year olds below \$800 (Table 14).
- Reimbursement rates for family child care providers are typically lower than for child care centers despite the inability for homes to take advantage of economies of scale. For infant care, Tyrrell and Alleghany counties are reimbursed \$462 per month while Johnston County is reimbursed \$1,211 per month. Subsidy reimbursement rates for one year olds run from a low of \$439 per month in Alleghany County to \$1,082 per month in Orange County. Finally, two year old subsidy reimbursement rates range from \$427 per month in Alleghany County to \$1,041 per month in Hoke County.



Child Care Subsidy

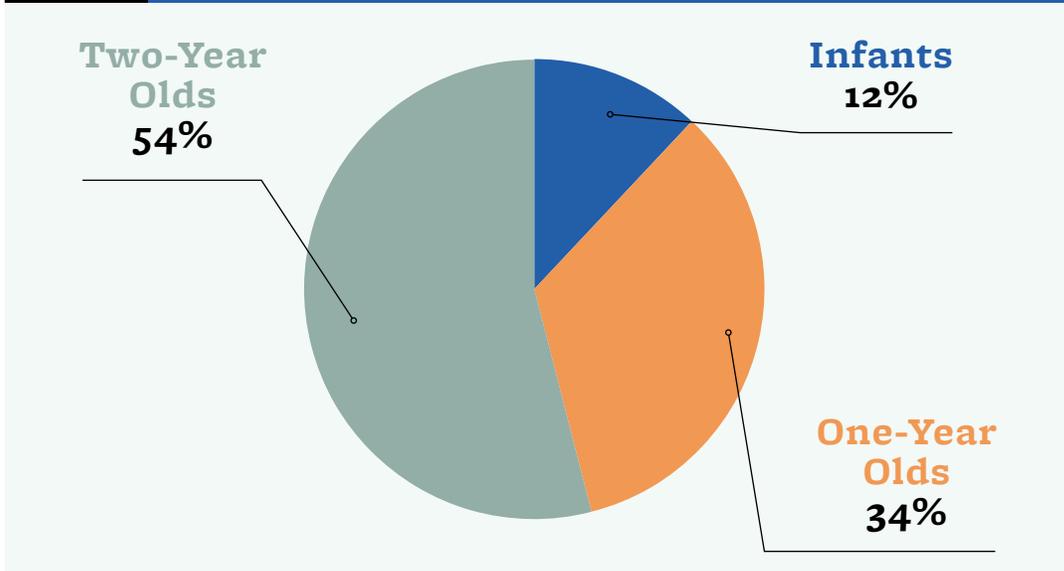
TABLES + FIGURES

TABLE 10 Number and Percentage of Infants and Toddlers Receiving Subsidy Over Time

	Infants-Toddlers Receiving Subsidy	Percentage of Total Receiving Subsidy
2008	30,932	40%
2016	22,859	34%
2021	11,716	23%

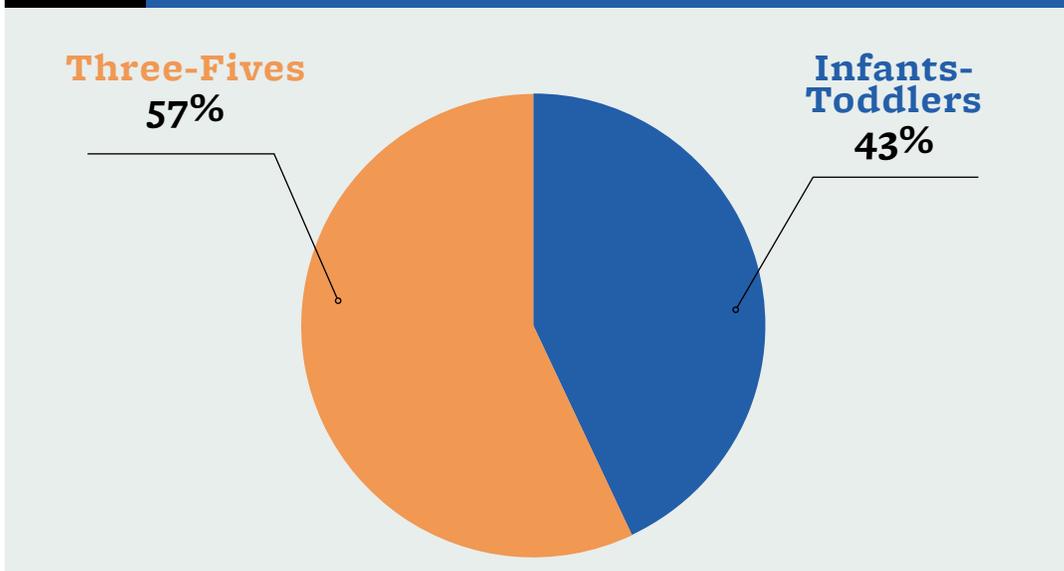
Source: DCDEE subsidy data April, 2008; October, 2016 and October 2021 (through NCFAST).

FIGURE 8 Infant and Toddler Subsidy by Age



Source: DCDEE Subsidy data-NCFAST, October 2021.

FIGURE 9 Birth to Five Subsidy by Age



Source: DCDEE Subsidy data-NCFAST, October 2021.

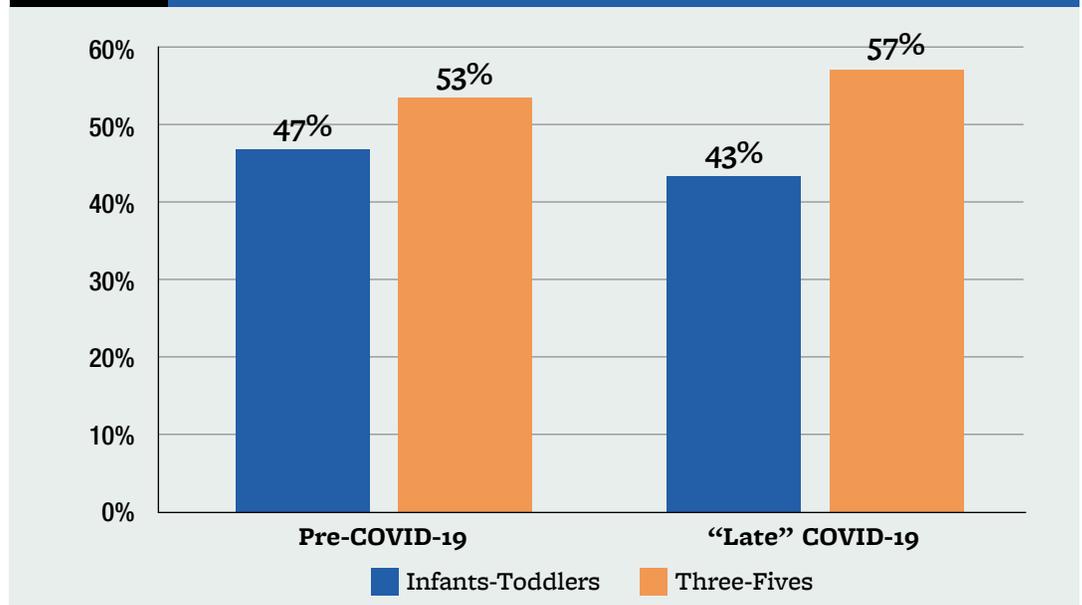


TABLE 11 Subsidy by Age by Geographic Region

	State	Rural	Suburban	Urban
Infants-Toddlers	43%	45%	42%	42%
3-5 Year Olds	57%	55%	58%	58%

Source: DCDEE Subsidy data-NCFAS, October 2021.

FIGURE 10 Birth To Five Subsidy by Age Group Pre and “Late” COVID



Source: DCDEE Subsidy data-NCFAS, October 2021; February 2020.



When you accept subsidy payments for families, you lose a good chunk of the tuition that you normally charge for other families. Being that [infant and toddler] classrooms hold lower ratios, it does take an effect on your revenue ... **depending on how many [subsidy families] you support, by the end of the year, you’re losing money** ... we haven’t had an increase in [the reimbursement rate], in years.”

—Urban child care center director



TABLE 12 Infants-Toddlers Receiving Subsidy by Star Level

LICENSE LEVEL	Statewide Infants-Toddler Subsidy		Rural Infants-Toddler Subsidy		Suburban Infants-Toddler Subsidy		Urban Infants-Toddler Subsidy	
	#	%	#	%	#	%	#	%
5-Star Centers	4,757	43%	1,596	38%	1,217	41%	1,944	52%
4-Star Centers	3,212	29%	1,218	29%	959	32%	1,035	28%
3-Star Centers	2,167	20%	994	24%	571	19%	602	16%
2-Star Centers	5	0%	5	0%	0	0%	0	0%
1-Star Centers	11	0%	0	0%	0	0%	1	0%
GS-110 Centers	240	2%	148	4%	58	2%	34	1%
Other* Centers	565	5%	241	6%	188	6%	136	4%
Total Centers	10,957	100%	4,202	100%	2,993	100%	3,752	100%
5-Star Homes	154	20%	45	14%	28	20%	81	28%
4-Star Homes	394	52%	216	64%	60	44%	118	41%
3-Star Homes	186	25%	60	18%	41	30%	85	29%
2-Star Homes	0	0%	0	0%	0	0%	0	0%
1-Star Homes	0	0%	0	0%	0	0%	0	0%
Other* Homes	25	3%	12	4%	8	6%	5	2%
Total Homes	759	100%	333	100%	137	100%	289	100%

* Ten infants-toddlers are receiving subsidy in out-of-state programs and are listed above at the 1-star center level statewide. These children are not included in the breakout by geographic area.

* "Other" centers and homes include those with a temporary, provisional or probationary license.

Source: DCDEE Subsidy data-NCFAS, October 2021.

TABLE 13 Select Counties' Percentage of Birth-Five Subsidy Received by Infants and Toddlers

Lowest Percentage of Infants-Toddlers		Highest Percentage of Infants-Toddlers	
Counties	Percentage	Counties	Percentage
Tyrrell	29%	Ashe	56%
Transylvania	32%	Currituck	56%
Harnett	33%	Perquimans	57%
Madison	33%	Rutherford	57%
Lincoln	34%	Wilkes	57%
Yancey	34%	Graham	59%
Richmond	35%	Clay	62%
Randolph	36%	Jones	63%
Stokes	36%	Alleghany	65%
Yadkin	36%	Swain	66%
		Camden	78%

Source: DCDEE Subsidy data-NCFAS, October 2021.



Child Care Subsidy

TABLES + FIGURES continued

TABLE 14 County 5-Star Center Subsidy Reimbursement Rates

County	Infant 5-Star	One Year Old 5-Star	Two Year Old 5-Star
Alamance	\$996	\$996	\$986
Alexander	\$713	\$713	\$741
Alleghany	\$762	\$762	\$737
Anson	\$929	\$929	\$912
Ashe	\$750	\$750	\$641
Avery	\$1,010	\$1,010	\$900
Beaufort	\$807	\$807	\$781
Bertie	\$835	\$835	\$739
Bladen	\$906	\$906	\$858
Brunswick	\$755	\$755	\$701
Buncombe	\$922	\$922	\$854
Burke	\$769	\$769	\$807
Cabarrus	\$1,031	\$1,031	\$1,019
Caldwell	\$714	\$714	\$706
Camden	\$981	\$981	\$888
Carteret	\$761	\$761	\$685
Caswell	\$957	\$957	\$909
Catawba	\$1,018	\$1,018	\$811
Chatham	\$1,069	\$1,069	\$952
Cherokee	\$897	\$897	\$751
Chowan	\$823	\$823	\$757
Clay	\$991	\$991	\$833
Cleveland	\$788	\$788	\$751
Columbus	\$809	\$809	\$798
Craven	\$776	\$776	\$715
Cumberland	\$971	\$971	\$814
Currituck	\$884	\$884	\$839
Dare	\$1,060	\$1,060	\$1,005
Davidson	\$1,236	\$1,236	\$752
Davie	\$862	\$862	\$823
Duplin	\$702	\$702	\$655
Durham	\$1,318	\$1,318	\$1,147
Edgecombe	\$907	\$907	\$1,025
Forsyth	\$861	\$861	\$811
Franklin	\$1,093	\$1,093	\$953
Gaston	\$1,026	\$1,026	\$945
Gates	\$996	\$996	\$873
Graham	\$822	\$822	\$767
Granville	\$885	\$885	\$808
Greene	\$791	\$791	\$739
Guilford	\$1,266	\$1,266	\$1,192
Halifax	\$838	\$838	\$718
Harnett	\$934	\$934	\$719
Haywood	\$897	\$897	\$743
Henderson	\$909	\$909	\$869
Hertford	\$887	\$887	\$736
Hoke	\$876	\$876	\$774
Hyde	\$1,223	\$1,223	\$1,085
Iredell	\$1,141	\$1,141	\$1,062
Jackson	\$943	\$943	\$808

County	Infant 5-Star	One Year Old 5-Star	Two Year Old 5-Star
Johnston	\$924	\$924	\$821
Jones	\$961	\$961	\$838
Lee	\$926	\$926	\$770
Lenoir	\$756	\$756	\$816
Lincoln	\$827	\$827	\$798
Macon	\$793	\$793	\$815
Madison	\$927	\$927	\$821
Martin	\$957	\$957	\$853
McDowell	\$797	\$797	\$793
Mecklenburg	\$1,194	\$1,194	\$1,120
Mitchell	\$925	\$925	\$827
Montgomery	\$936	\$936	\$829
Moore	\$736	\$736	\$853
Nash	\$801	\$801	\$752
New Hanover	\$849	\$849	\$800
Northampton	\$1,047	\$1,047	\$964
Onslow	\$809	\$809	\$801
Orange	\$1,329	\$1,329	\$1,248
Pamlico	\$894	\$894	\$794
Pasquotank	\$768	\$768	\$760
Pender	\$954	\$954	\$887
Perquimans	\$900	\$900	\$770
Person	\$885	\$885	\$788
Pitt	\$924	\$924	\$835
Polk	\$1,016	\$1,016	\$909
Randolph	\$736	\$736	\$699
Richmond	\$813	\$813	\$767
Robeson	\$1,111	\$1,111	\$968
Rockingham	\$813	\$813	\$757
Rowan	\$796	\$796	\$720
Rutherford	\$819	\$819	\$765
Sampson	\$1,154	\$1,154	\$885
Scotland	\$880	\$880	\$709
Stanly	\$845	\$845	\$738
Stokes	\$712	\$712	\$791
Surry	\$967	\$967	\$788
Swain	\$839	\$839	\$743
Transylvania	\$1,048	\$1,048	\$946
Tyrrell	\$828	\$828	\$727
Union	\$1,020	\$1,020	\$1,002
Vance	\$820	\$820	\$1,275
Wake	\$1,376	\$1,376	\$1,226
Warren	\$949	\$949	\$826
Washington	\$977	\$977	\$864
Watauga	\$762	\$762	\$737
Wayne	\$958	\$958	\$821
Wilkes	\$937	\$937	\$892
Wilson	\$806	\$806	\$760
Yadkin	\$737	\$737	\$789
Yancey	\$952	\$952	\$772

Source: Division of Child Development and Early Education
https://ncchildcare.ncdhhs.gov/Portals/0/documents/pdf/R/Revised-8-16-Market_Rate_Centers_Eff-10-1-18.pdf?ver=2018-08-28-105655-863

Characteristics of Programs Serving Infants and Toddlers in North Carolina

METHODOLOGY

This section analyzes the following research questions:

- ▶ How much does infant-toddler care cost in centers and in homes?
- ▶ What types of services are available to parents for their young children?
- ▶ How much does the starting infant-toddler teacher/assistant make?
- ▶ What are the minimal education levels needed to be an infant-toddler teacher/assistant?
- ▶ What education levels do family child care providers have?
- ▶ Are these differences statewide or specific to certain regions?

This section contains the following: data source, summary of key findings; data tables showing statewide data; and tables providing comparisons for each of the three geographic areas across the state. (A list of each county and its corresponding geographic area can be found in Appendix A.)

DATA SOURCE

Services provided and hours of operation re from October 2021 WorkLife Systems database from the Child Care Resource and Referral (CCR&R) system. All child care programs that currently enrolled children birth up to 36 months (infants and toddlers) or expressed a desired capacity to serve these children were included in the analysis. Additional services provided and workforce data are from a 2021-22 statewide survey of early care and education centers and family child care homes. Licensed programs serving birth to five year olds were included in the survey with the exception of Head Start/Early Head Start programs and public PK-12 school programs. Also excluded were programs that only serve the school age population. Unless otherwise noted, “teaching staff” refers to all teachers and assistants. “Teachers” refers only to teachers and lead teachers and excludes teacher assistants.

SUMMARY OF KEY FINDINGS

- ▶ Infant, toddler and two-year-old care is expensive. The median monthly cost for full-time care (30 hours or more) for each group in licensed centers is:
 - ◆ Infant \$883 with a range of \$368 to \$2,433,
 - ◆ Toddler \$866 with a range of \$368 to \$2,433,
 - ◆ Two-year-old \$808 with a range of \$346 to \$2,087 (Table 15).

Family child care providers typically charge less for care for young children. The median monthly cost for full-time care for each group in licensed family child care homes is:

- ◆ Infant \$775 with a range of \$238 to \$1,619,
 - ◆ Toddler \$758 with a range of \$238 to \$1,619,
 - ◆ Two-year-old \$693 with a range of \$95 to \$1,516 (Table 16).
- ▶ In exchange for those rates, parents can typically find care that is available Monday through Friday during daytime hours. Typically, programs are open for 11.5 hours each day with most open at or prior to 7:00 am and closing at or after 6:00 pm.
 - ▶ For parents needing care on the weekends, 8% of programs are open on Saturday and 6% are open on Sunday. Typically, programs that are serving children on the weekends are family child care providers who care for far fewer children.
 - ▶ Many parents need care when their children are sick, however, only 4% of programs provide this type of care statewide and only 2% of programs have a nurse on-site. Further, statewide, fewer than 1/5 of programs (17%) administer medications to young children (Table 17).
 - ▶ About a third of programs have staff with training and/or experience working with children with attention deficit disorder (ADD)/attention deficit hyperactivity disorder (ADHD-36%), Autism (31%), developmental delays (33%) and/or allergies (31%) (Table 17).
 - ▶ Fewer programs have staff with training and/or experience working with children with emotional/behavioral issues (22%), cerebral palsy (10%), Down Syndrome (17%) and/or seizures/Epilepsy (10%) (Table 17).
 - ▶ For children who have impaired mobility, 1 in 5 programs (20%) are equipped to provide care and education for them with a similar 19% who have training and/or experience working with young children with hearing impairments and 15% for children who are visually impaired (Table 17).
 - ▶ Just over a quarter (26%) of all programs have staff that speak a language other than English. Spanish is the language most often listed (90%) as a language spoken other than English. A total of 43 languages, in addition to English, are spoken in centers and homes and can further enhance the development of young minds (data from provider surveys).

Characteristics of Programs Serving Infants and Toddlers in North Carolina *continued*

- ▶ Transportation for infants and/or toddlers is limited across the state with only 9% of all programs indicating that they are willing to regularly transport these young children (data from provider surveys).
- ▶ 59% of family child care providers have at least an associate degree in some subject. This compares to 51% who had at least an associate degree in some subject in 2019.¹⁶ Though 44% do not have additional help, for those that do, 33% require a high school diploma/GED and 23% require the North Carolina Credential (Table 18).
- ▶ Early care and education centers (excluding public PK-12 school programs and Early Head Start programs) require varying levels of education for their infant and/or toddler assistant teachers with 44% requiring the North Carolina Credential and an additional 40% requiring a high school diploma/GED (Table 18).
- ▶ Similarly, early care and education centers (excluding public PK-12 school programs and Early Head Start programs) require varying levels of education for their infant and/or toddler teachers with 45% requiring the North Carolina Credential and an additional 21% requiring an associate degree in early childhood education (Table 18).
- ▶ Infant and/or toddler assistant teachers can expect a beginning median wage of \$10.00 per hour in child care programs other than public PK-12 school programs and Early Head Start programs (Figure 11).
- ▶ Infant and/or toddler teachers can expect a beginning median wage of \$12.00 per hour in child care programs other than public PK-12 school programs and Early Head Start programs (Figure 11).
- ▶ These salaries are an increase from the beginning median wages from the 2019 Early Care and Education Workforce Study. Data from that study reveal an assistant teacher beginning median wage of \$9.00 per hour and a teacher beginning median wage of \$10.00 per hour.¹⁷ Though these beginning wage levels reflect all birth to five teachers and assistant teachers in non-Head Start and non-public PK-12 schools, infant and/or toddler teachers tend to have lower wage levels. These increases may reflect higher salaries being offered as a result of teacher shortages due to the COVID-19 pandemic.
- ▶ Differences exist around the state in the median monthly cost for full-time center care (30 hours or more). Rural communities tend to be the least expensive with median infant care at \$721, median one year old care at \$714 and median two year old care at \$669. Suburban areas charge

“ [Teachers] still can get more money to go to Walmart or Target and where there’s not so much responsibility on the individual in the classroom. **We’re burning these people out just by giving them what they have to do in their eight hour day, and making sure that children are also safe at the same time.** It’s a full time job to do the regulations and a full time job to watch the children so why work in early childhood...when you can go to Hobby Lobby and make \$17 an hour ...”

—Urban child care center director

a median of \$866 for infant care, \$844 for one year old care and \$801 for the care of two year olds. Finally, urban counties tend to be the most expensive with median monthly care for infants at \$1,234, median care for one year olds at \$1,199 and median two year old care at \$1,121 (Table 15).

- ▶ Similarly, family child care providers charge differing amounts across the state. Rural communities tend to be the least expensive with median infant care at \$611, median one year old care at \$606 and median two year old care at \$563. Suburban areas charge a median of \$758 for infant care, \$736 for one year old care and \$693 for the care of two year olds. Finally, urban counties tend to be the most expensive with median monthly care for infants at \$866, median care for one year olds at \$866 and median two year old care at \$823 (Table 16).
- ▶ Parents in urban areas are more likely to have access to a program that administers medications (22% of programs) than parents in either suburban (16% of programs) or rural areas (13% of programs). Similarly, 5% of programs in urban areas care for children who are sick compared to 4% in rural communities and 2% in suburban counties (Table 17).
- ▶ 39% of programs in suburban communities have staff with training and/or experience working with children with attention deficit disorder/attention deficit hyperactivity disorder compared to 38% in urban counties and 33% in rural areas. A higher percentage of programs in urban (33%)

continued

Characteristics of Programs Serving Infants and Toddlers in North Carolina *continued*

and suburban (32%) areas have staff with training and/or experience working with children with autism than programs in rural communities (27%). Finally, 37% of programs in suburban areas have staff with training and/or experience working with children with developmental delays compared to 33% in urban counties and 29% in rural areas (Table 17).

- ▶ Regardless of whether programs are in rural, suburban or urban areas, 10% have staff with training and/or experience working with children with cerebral palsy. However, suburban communities have a higher percentage of programs with staff that have training and/or experience working with children with Down Syndrome (20% suburban, 18% urban and 14% rural), emotional/behavioral issues (26% suburban, 22% urban and 20% rural) and seizures/Epilepsy (13% suburban, 8% urban and 9% rural) (Table 17).
- ▶ For children who have impaired mobility, about 1 in 4 programs in rural and suburban counties are equipped to provide care and education for them with a smaller 14% of programs in urban areas prepared to work with children with impaired mobility. For those children with hearing impairments, 17% of programs in rural areas, 21% of programs in suburban counties and 19% of programs in urban areas have staff with training and/or experience in this area (Table 17).

- ▶ Infant and/or toddler assistant teachers can expect a beginning median wage that differs across the state. Rural assistant teachers make a starting median wage of \$9.00 per hour while their beginning suburban counterparts make a median \$10.00 per hour and those assistant teachers who live in urban areas make a starting median \$12.00 per hour in child care programs other than public PK-12 school programs and Early Head Start programs (Figure 11).
- ▶ Infant and/or toddler teachers in child care programs other than public PK-12 school programs and Early Head Start programs also make differing amounts depending on where they live. Starting teachers in rural counties make a median \$10.00 per hour compared to suburban teachers who make a median starting wage of \$12.00 per hour and teachers in urban communities who make a starting median \$14.00 per hour (Figure 11).

“We are **helping to shape these children** into who they’re going to become.”

—Suburban child care center director



Program Characteristics

TABLES + FIGURES

TABLE 15 Cost of Infant-Toddler Care in Child Care Centers

	Statewide	Rural	Suburban	Urban
Infant				
Median	\$883.00	\$721.00	\$866.00	\$1,234.00
Minimum	\$368.00	\$368.00	\$476.00	\$541.00
Maximum	\$2,433.00	\$1,595.00	\$1,858.00	\$2,433.00
One Year Old				
Median	\$866.00	\$714.00	\$844.00	\$1,199.00
Minimum	\$368.00	\$368.00	\$390.00	\$541.00
Maximum	\$2,433.00	\$1,577.00	\$1,838.00	\$2,433.00
Two Year Old				
Median	\$808.00	\$669.00	\$801.00	\$1,121.00
Minimum	\$346.00	\$346.00	\$346.00	\$475.00
Maximum	\$2,087.00	\$1,395.00	\$1,551.00	\$2,087.00

Source: 2021-22 Provider Survey.

TABLE 16 Cost of Infant-Toddler Care in Family Child Care Homes

	Statewide	Rural	Suburban	Urban
Infant				
Median	\$775.00	\$611.00	\$758.00	\$866.00
Minimum	\$238.00	\$238.00	\$281.00	\$346.00
Maximum	\$1,619.00	\$1,450.00	\$1,619.00	\$1,516.00
One Year Old				
Median	\$758.00	\$606.00	\$736.00	\$866.00
Minimum	\$238.00	\$238.00	\$281.00	\$346.00
Maximum	\$1,619.00	\$1,450.00	\$1,619.00	\$1,299.00
Two Year Old				
Median	\$693.00	\$563.00	\$693.00	\$823.00
Minimum	\$238.00	\$238.00	\$281.00	\$346.00
Maximum	\$1,516.00	\$1,450.00	\$1,516.00	\$1,299.00

Source: 2021-22 Provider Survey.



Program Characteristics

TABLES + FIGURES *continued*

TABLE 17 Percentage of Programs That Have Training and/or Experience in Each Area

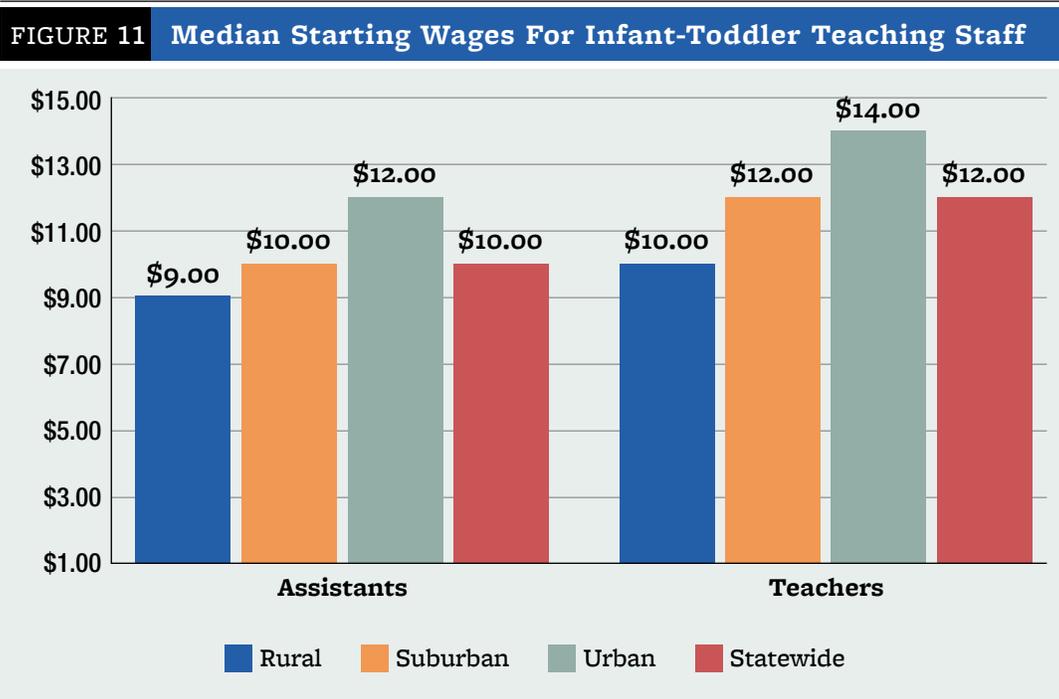
	Statewide	Rural	Suburban	Urban
ADD/ADHD	36%	33%	39%	38%
Autism	31%	27%	32%	33%
Developmental Delay	33%	29%	37%	33%
Emotional/Behavioral	22%	20%	26%	22%
Cerebral Palsy	10%	10%	10%	10%
Down Syndrome	17%	14%	20%	18%
Hearing Impairment	19%	17%	21%	19%
Visual Impairment	15%	15%	16%	15%
Wheelchair/Mobility Impaired	20%	23%	26%	14%
Allergies	31%	31%	35%	28%
Seizure/Epilepsy	10%	9%	13%	8%
Administer Medications	17%	13%	16%	22%
Care for Sick Children	4%	4%	2%	5%
On-Site Nurse	2%	1%	2%	2%

Source: WorkLife Systems, October 2021.

TABLE 18 Minimum Education Levels

	Teachers	Assistant Teachers	Home Providers (actual)	Home Providers' Assistance
Minimum Education Needed				
Bachelor's Degree or More in ECE/CD	3%	<1%	15%	0%
Bachelor's Degree or More in Other Field	1%	0%	12%	7%
Associate Degree in ECE/CD	21%	5%	27%	9%
Associate Degree in Other Field	6%	1%	5%	5%
Some College	8%	4%	22%	16%
Child Development Associate (CDA)	4%	3%	3%	4%
NC Credential	45%	44%	10%	23%
High School/GED	12%	40%	6%	33%
Some High School	<1%	3%	<1%	3%

Source: 2021-22 Provider Survey.



“What is **rewarding about working with infants and toddlers** is ... knowing they are getting the constant attention they need.”

—Rural child care center director

Division of Child Development and Early Education Program Supports

METHODOLOGY

This section analyzes the following research questions:

- ▶ What supports did the Division of Child Development and Early Education provide to programs during the COVID-19 pandemic?
- ▶ Were these supports helpful to programs?
- ▶ Which supports were the most helpful to programs?

This section contains the following: data source, summary of key findings; provider quotes; and data tables showing statewide data. A brief description of each of these supports can be found in Appendix B.

DATA SOURCE

Data about awareness and helpful of DCDEE program supports during the COVID-19 pandemic were obtained from surveys gathered from child care center directors and family child care providers from December 2021 through mid-February 2022. All licensed programs serving birth to five year olds were included in the survey with the exception of Head Start/Early Head Start programs and public school programs. Also excluded were programs that only serve the school-age population. Additional information was provided from five focus groups conducted via Zoom with 39 child care center directors and 11 family child care providers who were randomly selected after indicating on their survey that they would be interested in attending a focus group.

SUMMARY OF KEY FINDINGS

- ▶ Though the majority of center directors and family child care providers were aware of all of the different supports offered by DCDEE during the COVID-19 pandemic, nearly all (98%) were aware of the stabilization grants, 96% were aware of the operational grants and 95% were aware of the bonuses for teachers and staff (Table 19).
- ▶ Far fewer center directors and family child care providers were aware that NC Pre-K payments were being paid based on allocations (53%), that the Infant-Toddler Quality Enhancement Project provided virtual technical assistance (58%) and that the Hope 4 Healers hotline (65%) was available for child care professionals (Table 19).
- ▶ Further insight on these lesser used supports was gained from the provider focus groups. While feedback from those who used the virtual TA was positive, few providers took advantage of the support, and many providers did not know the service was available. One director reasoned this may have been because they were “bombed with information” at the beginning of the pandemic. The NC Pre-K payments based on allocation was a support not applicable to most in the focus groups, but when applicable, 100% said these payments were “extremely helpful.” No providers mentioned using the Hope 4 Healers hotline themselves, though some had shared this resource with their staff.
- ▶ In addition to being asked if providers were aware of the supports offered to help through the pandemic, providers were asked to indicate whether or not these supports were helpful. Both the stabilization grants and the bonuses to teachers and staff were rated by 92% of providers as being helpful. The operational grants were rated by 91% of providers as being helpful (Table 19).
- ▶ Finally, providers were asked to narrow down the supports that were helpful to just one that was the most helpful. Regardless of the instructions to pick just one, 58% of providers picked more than one with 13% of providers saying that all were the most helpful. Not including the providers who said that all of the supports were the most helpful, 58% said that the stabilization grants were the most helpful, 44% said that the operational grants were the most helpful and 17% said that the bonuses for teachers and staff were the most helpful (Table 19).
- ▶ In focus groups, consistent with the provider surveys, operational and stabilization grants were rated by far the most helpful of the DCDEE supports. Nearly all directors who shared a comment about the stabilization grants used the funds to pay for staff raises or bonuses.
- ▶ The main feedback from the focus groups about the

continued

Division of Child Development and Early Education Program Supports *continued*

grants was sustainability. Some providers described making the difficult decision to have their staff sign an agreement acknowledging their pay increase may be rescinded. One provider said, “We did not want to give...a raise, and then in 18 months have to take it back when this grant is over.”

- ▶ In focus groups, directors had positive feedback about the virtual training options. One director from a rural area said, “It’s hard [to attend trainings] in the evenings for teachers...when they can come home and be home after they’re done...that’s a lot more enticing.”
- ▶ Focus group participants shared particularly mixed feedback regarding the ChildCareStrongNC Public Health Toolkit, the flexibility in regulatory policies, and the distribution of PPE.
 - ◆ While nearly all providers rated the toolkit at least somewhat helpful, some directors expressed frustrations with ambiguity and inconsistency, saying “I’ve never had an optional health and safety rule in preschool before” and “The toolkit was distributed by the state...however, at the county level...the

information was extremely conflicting.” On the other hand, some providers described how the information eased tensions with parents who were frustrated or confused by public health guidelines. One director said, “I made a copy of our toolkit and gave it to each parent.”

- ▶ For some providers, the flexibility in regulatory policies and training, in particular the loosening of criminal background checks, were extremely helpful. Some providers described weeks-long backlogs in their counties, so the lifting of this requirement helped them greatly. Other providers voiced that the premise of waiving background checks was “unnerving.”
- ▶ While all providers found the distribution of PPE at least somewhat helpful, and for the majority it was extremely helpful, a few providers wished they would have been asked what they needed before receiving the supplies. For example, repeatedly providers mentioned having received large amounts of bleach they did not know how to use or store. One provider said, “They sent so much that we had to store it outside, behind the shed.”





DCDEE Program Supports

TABLES + FIGURES

TABLE 19 DCDEE Program Supports			
	Aware of Program Support	Indicated Support was “Helpful”	Indicated Support was “Most Helpful”
ChildCareStrongNC Public Health Toolkit	92%	87%	6%
Training on the Health Toolkit	82%	72%	<1%
Flexibility in Policy and Regulatory Requirements	87%	82%	3%
Flexibility in Training Requirements	85%	81%	2%
Information about COVID Vaccines	84%	70%	<1%
Distribution of PPE (Personal Protective Equipment)	92%	90%	8%
Infant-Toddler Quality Enhancement Project Virtual TA	58%	36%	<1%
Payment of Subsidy During Program Closure	90%	69%	7%
Payment of Parent Subsidy Co-Pays	94%	80%	8%
Payment for NC Pre-K Based on Allocations	53%	29%	3%
Bonus Payments to Teachers and Staff	95%	92%	17%
Operational Grants	96%	91%	44%
Stabilization Grants	98%	92%	58%
Subsidy Payments for Essential Workers	89%	71%	2%
Emergency School-Age Family Support	71%	44%	2%
Hope 4 Healers Helpline	65%	18%	<1%
All Programs Were “Most Helpful”	na	na	13%

Source: 2021-22 Provider Survey.

Barriers to and Support for Infant and Toddler Care in North Carolina

METHODOLOGY

This section analyzes the following research questions:

- ▶ Are child care center directors and/or family child care providers interested in expanding infant and/or toddler care in their programs?
- ▶ What barriers exist that hamper programs' ability to expand care for young children?
- ▶ How has the pandemic impacted the nature of these barriers?
- ▶ What supports have been effective for providers in the past and what future supports would enable them to increase space for young children?

This section contains the following: data source, summary of key findings, provider quotes, and data tables showing statewide data.

DATA SOURCE

Data about programs' willingness and ability to expand care for infants and toddlers were obtained from surveys gathered from child care center directors and family child care providers from December 2021 through mid-February 2022. All licensed programs serving birth to five year olds were included in the survey with the exception of Head Start/Early Head Start programs and public school programs. Also excluded were programs that only serve the school age population. Additional information was provided from five focus groups conducted via Zoom with 39 child care center directors and 11 family child care providers who were randomly selected after indicating on their survey that they would be interested in attending a focus group.

SUMMARY OF KEY FINDINGS

- ▶ Child care center directors were asked about their interest in expanding care for infants and/or toddlers. Just over a third (36%) said that they were interested in adding spaces for infants and/or toddlers with an additional 20% saying that they were possibly interested.
- ▶ Center directors who indicated that they were possibly interested in adding spaces for infants and/or toddlers were asked to rate, on a scale of one to five with one being not at all interested and five being definitely interested, their interest in expanding care for each age. Seventy-six percent (76%) responded with a three or higher their interest in expanding infant care. Directors were more interested in expanding care for one and two year olds with 85% and 88% respectively indicating an interest level of three or higher (Table 20).
- ▶ Center directors who indicated that they were possibly interested in adding infant and/or toddler care were asked if they had the capacity to add this type of care with 55% indicating that they did have the capacity and 45% saying that they did not have capacity at this time.
- ▶ Center directors were further asked how many spaces they thought they could add for infants and/or toddlers. The 1,198 directors who responded to the survey indicated that with minimal support, they could add, approximately 2,036 spaces. Further these same directors indicated that with greater support, they could add approximately 3,170 spaces. While these numbers do not represent the total amount that could possibly be added from all programs (42% response rate), the numbers do give some indication of the limits for expansion.
- ▶ Family child care providers were asked if they were interested in serving more infants and/or toddlers. While 78% said that they were interested in serving more infants and/or toddlers, because the age structure in family child care homes is fluid, this percentage likely simply reflects the percentage of providers who would be happy to serve a higher ratio of young children within the limited constraints of their license.
- ▶ Child care center directors and family child care providers were asked for any additional information they wanted to share about expanding infant and/or toddler care in their communities. While the answers varied greatly, several main themes emerged. Chief among the issues limiting the expansion of infant and/or toddler care was the inability to find staff (43%). Responses also indicated that in order to expand care, programs would need additional funding (19%). Similarly, 19% of responses explained that licensing related issues hampered their ability to expand care with most center directors pointing to facility related issues (exit doors, space requirements, etc.) and most family child care providers wishing to be able to do less paperwork and/or serve more children than currently is allowed (Table 21).

continued

Barriers to and Support for Infant and Toddler Care in North Carolina continued

- ▶ The results from the survey were reflected and expanded in the focus groups. Staffing concerns were by far the largest barrier providers shared, mentioned repeatedly throughout each focus group. Classroom space and classroom equipment were also discussed as major hurdles for expansion. Staff to child ratios, either too high or too low, depending on the provider asked, were also a significant challenge. For family child care providers, regulatory and licensing requirements kept them from increasing spots, and in some cases, created confusion. Finally, providers shared a litany of COVID-related issues that impacted their ability to serve infants and/or toddlers.
- ▶ Nearly every director who wished to expand spaces said that finding and retaining quality, consistent staff would be a challenge. A few providers remarked that they had the classroom(s), funds and equipment, but finding quality staff was the sole factor holding them back.
 - ◆ *“Like everyone else, [we are] having a problem with staffing ... we’ve been trying to recruit teachers, but it isn’t happening. [With the] stabilization grant we have up our rates for our staff, and we’re willing to give bonuses as well. I’m sure the word is out, but we cannot find staff that will come, show up, and stay.”*
—Rural center director
 - ◆ *“We’ll post [a position] and my assistant director will interview them and offer them a position ... they’ll message me and say ‘I want the job, I’m accepting the position’ ... and then we hear nothing from them ... we’re ghosted.”*
—Rural center director
 - ◆ *“We have found that even if the person has the degree and sometimes the experience, it’s also the want to do it as well...Finding the right person with the right heart to fit into that role is not always the easiest thing.”*
—Urban center director
- ▶ Providers frequently spoke of the reality that “dis-incentivized” working with infants and toddlers. In some counties, programs to support teachers of older age children were in place which further (if unintentionally) discouraged infant and toddler teachers. Though teacher bonuses during the pandemic were helpful, one provider described them as a “band-aid on a broken system.”
- ▶ Several providers discussed how the smaller staff-to-child ratios required in infant and/or toddler classrooms financially dis-incentivized expansion.

“I’m getting the chance to instill something in them at such a young age. Because it comes first with us as providers ... I’m a part of those children’s lives. So then when I see them some years from now and they say ‘Hey’ and I ask ‘Who are you?’ they say ‘You kept me when I was a baby.’”

—Rural child care center director

- ◆ *“Just from a business standpoint [adding more spaces] doesn’t make much sense ... we need too many teachers to too little children for it to be relevant enough to want to take on more infant and toddler rooms. Square footage wise we make much more money off our pre-K rooms ... there’s no way to really get around that.”*
—Urban center director
- ◆ *“[What would] be beneficial to the staff as well as ... to the children, is if the staff to child ratio was decreased. But, the only way to get that implemented is tuition will have to increase, and the [parents] who can’t afford it are really the ones who need it the most. You can’t charge your private pay parents lesser than what you do your subsidy parents, so you increase your rates for subsidy, and that cuts out the private pay parents.”*
—Rural center director
- ▶ Center directors and family child care providers often discussed lack of physical space and/or equipment for their classrooms as something that would prevent them from increasing seats. They described how infant and toddler classrooms, particularly infant rooms, require more square footage and equipment than older age classrooms.
 - ◆ *“The cribs take up a lot of space and you want to get those babies on the floor so they can crawl around and move around as freely as possible ...”*
—Rural center director
 - ◆ *“[The infant classroom] is an equipment heavy class room ... the supply chain...I’ve ordered a lot of things that haven’t come in yet.”*
—Urban center director

continued

Barriers to and Support for Infant and Toddler Care in North Carolina continued

- ▶ According to North Carolina licensing regulations, family child care providers can serve up to five preschool age children in their home. Many family child care providers in the focus groups were already serving the maximum number of infants and toddlers allowed by their license. Others were serving below that number, but would not feel comfortable serving more, primarily due to the chaos of mixed age care in such a confined space.
- ◆ *“To meet quality point I can’t have more than two infants under the age of one ... I find it harder to keep infants because if I have a five year old or even school agers, it’s just very hectic.”*
—Rural family child care provider
- ◆ *“If I take two babies that can take away from [older children] that really need my attention ... I’m only one person ... I have to hold the baby, feed the baby, change the baby. Although I’m still potty training the other kids, they are able to walk and move, and that makes a difference.”*
—Rural family child care provider
- ▶ Several family child care providers reported being told by their licensing consultant or someone else that they could only serve a certain number (smaller than five) of infants and toddlers, and seemed confused about the number of children they were allowed to serve. Those who felt this confusion expressed a desire for better communication on the part of the state about licensing regulations.
- ▶ Many family child care providers expressed feeling undervalued and under-supported, especially so during the pandemic. For some, this lack of appreciation and support made them feel hesitant to take on more infants and toddlers.
- ◆ *“I just wish we as [family] child care providers would have received, in addition to what all programs received, something saying ‘thank you all for standing in the gap.’ When the centers shut down and still received compensation for every child that they served, while we continued to work sunup to sun-down to serve emergency children and our regular children, that was a bit much...Still to this day, I feel like family child care providers [are not] appreciated as much as they say we are.”*
—Urban family child care provider
- ▶ Providers were asked to share whether and how the COVID-19 pandemic impacted their ability to serve infants and toddlers. A variety of responses were given with “staff shortage,” “loss of connection/trust with

“**The enjoyment of them coming in the door and running up to you and grabbing you by the leg, loving on you.”**

—Rural family child care provider

parent” and “difficulty understanding/following quarantine requirements” being listed most often. (Table 22 outlines additional COVID-19 impacts.) As one director profoundly said, “COVID has permeated every aspect of our lives.”

- ▶ Polled responses during the focus groups signal that financial support is vital to increasing spaces. Of the focus group participants, 79% said they would need some sort of financial support in order to increase spaces for infants and toddlers (Figure 12).
- ▶ In addition to financial supports, focus group participants had logistical (47%) and informational (23%) needs as well. When discussing the DCDEE supports provided during the pandemic, few providers had taken advantage of virtual technical assistance. However, the few providers who had taken advantage of this TA found it to be “extremely helpful” and wished for more of such opportunities. Both family child care providers and center directors expressed that they were waiting on a response from a licensing or other state child care consultant and desired that information be more readily available (Figure 12).
- ▶ Providers mentioned ideas for other support they would like to see in the future as well. Most notable was a desire for more infant-toddler specific curriculum, trainings and higher education for infant-toddler teachers. One director believed teachers would be more invested if they had acknowledgment that their work is a “specialized craft.” Another provider lamented the difficulty of keeping qualified staff because more training is needed for this age group.
- ◆ *“We’ve designed some of our own [training material], but it’s taken me 15 years in the business to piece together some of my own material, which I would have expected the division to come out with a little more strongly thus far.”*

—Urban center director

Barriers and Supports for Expansion

TABLES + FIGURES

TABLE 20 Interest in Expanding Infant-Toddler Care By Age

	Not At All Interested (1)	Probably Not Interested (2)	Possibly Interested (3)	Probably Interested (4)	Definitely Interested (5)
Adding Infants	19%	5%	30%	9%	37%
Adding One Year Olds	13%	3%	28%	14%	43%
Adding Two Year Olds	8%	4%	30%	11%	47%

Source: 2021-22 Provider Survey.

TABLE 21 Additional Comments About Expansion

Inability to Find Staff	43%
Licensing Issues	19%
Need More Funding	19%
Need Additional Space	7%
Building requirements/Zoning	5%
No Need for Additional Spaces	3%
Not Financially Worth It	3%
Need to Increase Subsidy Rates	2%

Source: 2021-22 Provider Survey.

TABLE 22 COVID-Related Barriers to Infant and Toddler Care

Mentioned Most Often	<ul style="list-style-type: none"> • Staff shortage/can't find reliable staff • Loss of connection/trust with parents due to social distancing • Difficult to understand and follow quarantine requirements
Mentioned More Often	<ul style="list-style-type: none"> • Infants and toddlers are incapable of social distancing • Loss of revenue during closures due to COVID cases • Health guidelines, sanitation requirements, and keeping up with the toolkit • Children born during COVID can have developmental delays and greater emotional needs
Mentioned Often	<ul style="list-style-type: none"> • Staff burnout • Parent frustration and/or noncompliance with health guidelines and quarantine • Parent concerns about the spread of COVID • Parents changing their minds about enrolling their children • Supply chain issues • Reduced capacity due to COVID

Source: 2022 Provider Focus Groups.



Barriers and Supports for Expansion

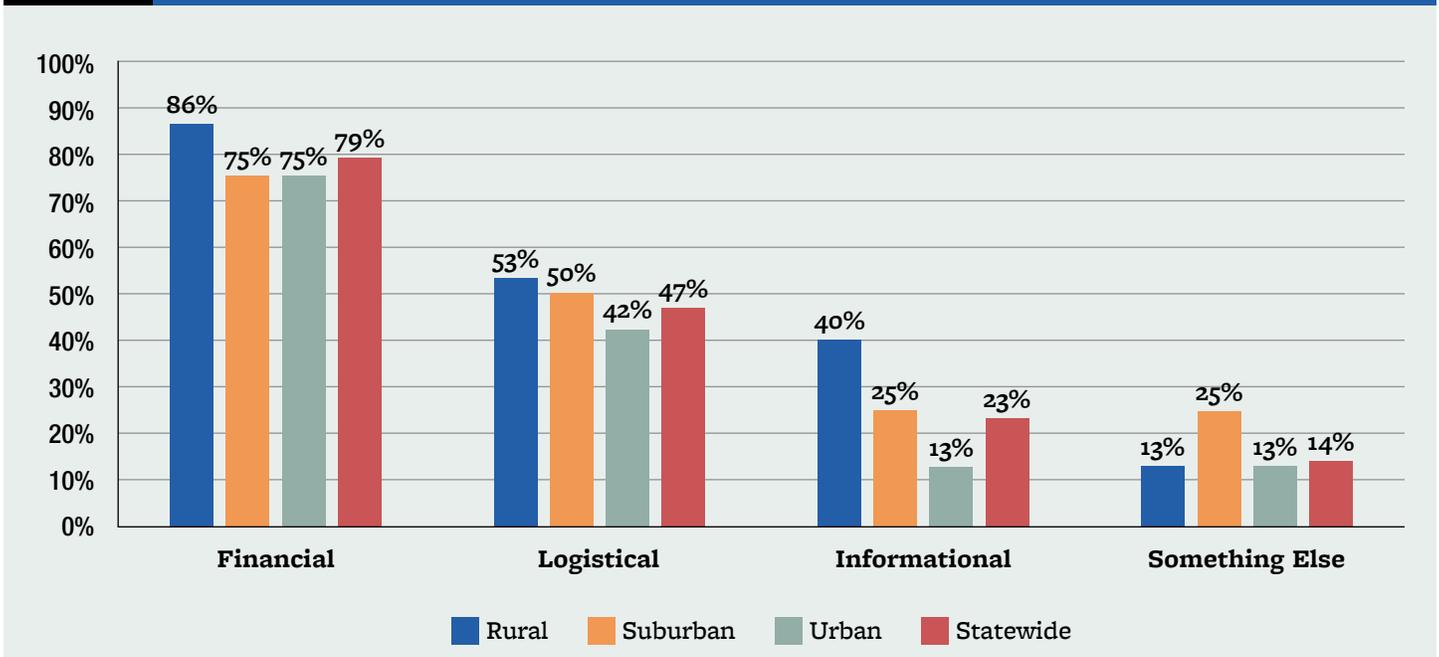
TABLES + FIGURES *continued*

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Source: 2021-22 Provider Survey.

FIGURE 12 Supports Needed to Increase Infant and Toddler Capacity



Source: 2022 Provider Focus Groups.



This child has to have this formula, this child is on breastmilk, this child sleeps from this time to this time. **Individualization ... is a beautiful thing, but it can also be frustrating.**

—Rural child care center director

Promising Practices for Programs Serving Infants and Toddlers in North Carolina

METHODOLOGY

This section analyzes the following research question:

- ▶ What promising practices, special projects or other strategies are being developed or employed to support and expand high-quality infant-toddler care in North Carolina?

This section contains the following: data source and summary of key findings.

DATA SOURCE

Promising practices, special projects and other strategies are from February 2022 statewide promising practices survey administered by Child Care Services Association. A variety of organizations including local Partnerships for Children, Child Care Resource and Referral agencies, and other early childhood organizations were included in the survey. Other key state leaders in the infant-toddler child care field were also tapped to provide insight into promising practices, special projects and other strategies occurring across the state. The list contained in this report should not be considered a complete list of all of the promising practices in the state.

SUMMARY OF KEY FINDINGS

- ▶ **Infant-Toddler Trauma-Informed Care (ITTI Care) Project**
 - ◆ Led by Duke Center for Child & Family Policy
 - ◆ Offers training, consultation and coaching at all levels of the early childhood education system including teachers and administrators
 - ◆ Seeks to expand and strengthen trauma-informed knowledge and practice, and promote culturally responsive, relationship-based practices in early childhood education settings
 - ◆ Visit <https://childandfamilypolicy.duke.edu/research-item/itti-care/> for more information
- ▶ **Partnership of Ashe Childcare Taskforce**
 - ◆ Includes representatives from Smart Start, as well as business, education and ministerial industries
 - ◆ Recently conducted a county-wide survey of both parents and businesses, and results are being used to develop marketing materials to raise awareness and seek solutions to the childcare crisis in Ashe County
 - ◆ Visit <https://ashechildren.org/> for more information
- ▶ **Education in Action Program**
 - ◆ Offered by Smart Start Rowan
 - ◆ Supports teachers through skill building, education in the early care and education field, development of career goals and connection to additional resources
 - ◆ Visit <https://www.rowan-smartstart.org/early-care-and-education/> for more information
- ▶ **Infant-Toddler Educator AWARDS®**
 - ◆ Administered by Child Care Services Association
 - ◆ Provides education-based salary supplements to eligible early educators working full-time with children age birth through two in any North Carolina county
 - ◆ Seeks to increase the compensation and retention of well-educated infant-toddler teachers thus leading to higher quality care
 - ◆ Visit <https://www.childcareservices.org/programs/awards/> for more information
- ▶ **T.E.A.C.H. Early Childhood® North Carolina Scholarship Program's Early Childhood (Infant Toddler) Certificate**
 - ◆ Administered by Child Care Services Association
 - ◆ Provides financial support for tuition, books and travel costs to eligible family home providers, and child care center teachers and directors to enroll in up to 18 credit hours per year in pursuit of an early childhood certificate
 - ◆ Upon contract completion, recipients receive a bonus and agree to remain employed in their sponsoring program or continue to operate their home-based program for at least one year

continued

Promising Practices for Programs Serving Infants and Toddlers in North Carolina *continued*

- ◆ Supports early educators in pursuing higher education leading to higher quality care
 - ◆ Visit <https://www.childcareservices.org/programs/teach-north-carolina/> for more information
- ▶ **Early Head Start Expansion to Rockingham County**
- ◆ Led by Guilford Child Development
 - ◆ Includes center-based preschool and home visiting that will serve children age birth to three
 - ◆ Aims to provide access to early childhood services to underserved households and generate jobs for early education professionals
 - ◆ Visit <https://www.guilfordchilddev.org/> for more information
- ▶ **Infant & Toddler Intensive Technical Assistance Model Pilot Project**
- ◆ Completed pilot project administered by Child Care Services Association 2018-2021
 - ◆ Involved a master technical assistance (TA) leader providing intensive, long-term and frequent coaching and mentoring to other TA practitioners
 - ◆ In turn, the TA practitioners provided enhanced TA to infant-toddler teachers and program directors
 - ◆ Pilot project findings suggest this model improves infant-toddler care experiences
 - ◆ Visit https://www.childcareservices.org/wp-content/uploads/CCSA_2021_InfantToddler_TA_Pilot_Report-FINAL-1.pdf for more information
- ▶ **NC Infant Toddler Quality Enhancement Project (NC ITQEP)**
- ◆ Operated by Child Care Services Association
 - ◆ Provides Infant Toddler Specialist support in all 100 North Carolina counties
 - ◆ Infant Toddler Specialists offer individualized technical assistance to infant-toddler teachers and administrators
 - ◆ Aims to build positive relationships and implement best practices to support social emotional development and improve the quality of infant-toddler care
 - ◆ Visit <https://www.childcareservices.org/programs/itqep/> for more information
- ▶ **New Infant Toddler Teacher Orientation (NITTO)**
- ◆ Developed by NC ITQEP and operated by Child Care Services Association
 - ◆ Offers a free, self-paced, online course for new infant-toddler teachers
 - ◆ Topics include: child care resources available in NC, brain development, routine care, classroom environment and behavior guidance
 - ◆ Upon completion participants receive a certificate for



- ◆ 14 DCDEE-approved contact hours
 - ◆ Promotes high quality infant-toddler care
 - ◆ Visit <https://www.childcareservices.org/programs/itqep/nitto/> for more information
- ▶ **NC ITQEP New Infant Classroom Information Package**
- ◆ Developed by the NC ITQEP team
 - ◆ Compiling resources and creating a step-by-step guide on how to open a new infant classroom
 - ◆ Information package offered to providers across the state
 - ◆ Clarifies and eases the process of creating new infant classrooms
 - ◆ Visit <https://www.childcareservices.org/programs/itqep/> for more information
- ▶ **Babies First North Carolina**
- ◆ Developed by Child Care Services Association
 - ◆ Piloted in center-based, 5-star early care and education settings in selected counties with the greatest need for high-quality infant-toddler care
 - ◆ Requires centers to provide many quality enhancements such as reduced staff to child ratios, minimum required teacher education and scheduled teacher planning time
 - ◆ In return, centers receive monthly stipends for each enrolled classroom, ongoing intensive technical assistance and monitoring of progress toward best practices

continued

Promising Practices for Programs Serving Infants and Toddlers in North Carolina *continued*

- ◆ Seeks to increase the quality of infant-toddler care
- ◆ Visit <https://www.childcareservices.org/programs/itqep/babies-first-north-carolina/> for more information
- ▶ **Model Salary Scale for Early Education Teachers**
 - ◆ Developed by a coalition of organizations and agencies across North Carolina
 - ◆ Recommends minimum standards for education and compensation of early education teachers
 - ◆ Use is voluntary
 - ◆ Aims to attract and retain qualified early education teachers and help professionalize the early education workforce
 - ◆ Visit <http://www.smartstart.org/model-salary-scale-for-early-education-teachers/> for more information
- ▶ **Infant Toddler Early Literacy Program**
 - ◆ Led by Craven County Smart Start
 - ◆ Piloted in infant-toddler classrooms in 2019
 - ◆ Provided book bags for each child with five board books, a notebook for parents to share their observations and successes, and learning and reading strategies for teachers and parents
 - ◆ Each participating program also received a free training and a variety of books for classroom use
 - ◆ Aims to promote early literacy skills
 - ◆ Visit <https://www.cravensmartstart.org/> for more information
- ▶ **Infant Toddler Science Project**
 - ◆ Administered by Craven County Smart Start
 - ◆ Select programs receive science kits with materials and activities for children age birth through two
 - ◆ Science Training, as well as ITERS-R training are provided at no cost to participating teachers
 - ◆ Provides developmentally appropriate activities that encourage outdoor learning and nature exploration
 - ◆ Visit <https://www.cravensmartstart.org/> for more information
- ▶ **Family Child Care Home Project**
 - ◆ Administered by Southwestern Child Development Commission through the CCR&R Council
 - ◆ Initial goal to examine the significant loss of family child care homes by gathering data and information from community stakeholders, current and former family child care home operators and others
 - ◆ Leading a FCCH Advisory Council to provide growth and sustainability of a statewide FCCH model, including specific guidance on infant and toddler care expansion
 - ◆ Visit <https://www.swcdcinc.org/> for more information
- ▶ **North Carolina Infant-Toddler Program (NC ITP)**
 - ◆ Led by North Carolina Division of Public Health's Early Intervention Branch
 - ◆ Offered by sixteen Children's Developmental Services Agencies (CDSAs) across the state
 - ◆ Provides various supports and services to eligible families and their children age birth to three who have special needs
 - ◆ Seeks to help children be successful and reach their maximum potential
 - ◆ Visit <https://beearly.nc.gov/> for more information
- ▶ **Think Babies™ NC Alliance**
 - ◆ Led by the NC Early Education Coalition
 - ◆ Works in the public policy, programs and funding area ensuring that prenatal to three year old children access what they need to thrive: healthy beginnings, supported families and quality early care and learning experiences
 - ◆ Partner with the national Zero to Three Think Babies campaign and the National Collaborative for Infants and Toddlers, funded, in part by the Pritzker Children's Initiative
 - ◆ Visit <https://nearlyeducationcoalition.org/about/> for more information
- ▶ **Stakeholder Coalition**
 - ◆ Led by North Carolina Early Education Coalition
 - ◆ Comprised of early education professionals from across the state including Early Head Start and Head Start directors, early education program directors and owners, as well as representatives from the Department of Social Services, and Child Care Resource and Referral agencies
 - ◆ Working to develop policy recommendations to support the expansion of Early Head Start services statewide
 - ◆ Visit <https://nearlyeducationcoalition.org/about/> for more information
- ▶ **Parent Leadership Team**
 - ◆ Led by North Carolina Early Education Coalition
 - ◆ Comprised of parents from across the state who have accessed or are accessing Early Head Start or Head Start services, as well as parents who wanted to access Early Head Start or Head Start services, but could not
 - ◆ Utilizing families' lived experiences to develop short and long term policy recommendations to support the expansion of Early Head Start services statewide
 - ◆ Visit <https://nearlyeducationcoalition.org/about/> for more information

Conclusion

In North Carolina, a continual, significant decrease has occurred in the numbers of infants and toddlers in regulated child care settings over the past decade plus. While the COVID-19 crisis certainly exacerbated this decline, the pandemic is not the sole culprit as the trajectory began long before even the first case of the virus surfaced. In 2008, data from the NC Division of Child Development indicated that there were 77,513 children enrolled in child care settings under the age of three. In 2016, the number of children under the age of three had declined to 66,353, a 14% decrease. While a slight uptick occurred by early 2020, the number of infants and toddlers currently in care is down to 50,273, a 35% decrease since 2008. Regardless of the number of infants and toddlers currently served in licensed programs, fewer than one in five spaces (18%) exist for all infants and toddlers. While not all parents want or need for their young children to receive early care and education, for those infants and toddlers whose parents or sole parent work outside the home, just 27% have a possible seat in a licensed facility.

According to the American FactFinder, in 2019, more than one in five (22%) children under six in North Carolina lived below the federal poverty level.¹⁸ Though the Coronavirus Aid, Relief and Economic Security (CARES) Act has relieved some of the effects on poverty levels¹⁹ due to the coronavirus, indicators point to an overall increase in poverty levels. Research shows that children from low-income households are more likely to experience poor health outcomes²⁰ and are more likely to be involved in the child welfare and criminal justice systems.²¹ However, negative consequences of childhood poverty do not stop with the individual. The aggregate cost of child poverty hovers around \$1.03 trillion per year representing 5.4% of the gross domestic product. While this figure may sound daunting, the good news is that access to high quality, affordable child care can be a transformative public health intervention for young children and families in poverty providing a solid footing for young children starting life with an adverse life situation and at the same time can save economic costs by a one to seven ratio.²²

However, in addition to a reduction in the overall number of infants and toddlers in regulated care, a decline also has occurred in the number of infants and toddlers receiving subsidy. In 2008, 31,125 infants and toddlers received subsidy (40% of the infants and toddlers in licensed care). By 2016, that number had decreased to 22,885 (34% of the infants and toddlers in licensed care) and by late 2021, 11,716 infants and toddlers received a child care subsidy voucher (23% of the infants and toddlers in licensed care), a drop of 62% of the number of infants and toddlers receiving subsidy since 2008. Further, the percentage of the birth to five subsidy vouchers accessed by infants and toddlers has decreased from 47% pre-pandemic to 43% “late” pandemic.



ACCESSIBILITY OF INFANT TODDLER CARE

In North Carolina, most infants and toddlers enrolled in regulated care are in child care centers (95%). This percentage has increased over the years, up from 93% in 2016. Yet at the same time, fewer centers are enrolling infants and toddlers. In 2016, 71% of centers serving birth to five year olds enrolled infants and toddlers; five years later, in 2021, this percentage had decreased to 61% making it more difficult for parents to find child care for their babies. Further, the number of family child care homes serving infants and toddlers, has dwindled dramatically during this time period, from 1,723 to 1,015, a 41% drop. Though family child care providers are limited in the numbers of infants and toddlers for whom they can provide care, this child care arrangement provides a much-needed degree of flexibility for many parents.

Supply of infant and toddler care and parental choice of type of care is not keeping pace with the need. Overall, the high demand for infant/toddler care coupled with the sizeable decline of programs serving infants and toddlers and seats in the remaining programs for these same children has left many young parents struggling to find sufficient care for their babies.

QUALITY OF INFANT TODDLER CARE

A 2012 study by Child Trends found that 62% of infants and toddlers are cared for by someone other than their parents.²³ While this does not mean that all parents choose to have their children cared for in licensed programs, this statistic does point to the need for high quality early care and education programs as an option for young families. Applying the old adage, “If you build it, they will come,” were high-quality child

continued



care spaces affordable and available to meet parents' needs, perhaps this form of care would be more highly utilized.

Despite the COVID-19 pandemic, the number of high quality programs serving infants and toddlers and enrollment in those programs has remained fairly consistent over time. In 2016, 35% of centers that served infants and toddlers and 13% of homes boasted a 5-star license. In October 2021, late in the pandemic, 36% of centers and 12% of homes sport a 5-star license. Enrollment in these programs likewise mirror 2016 numbers with 42% of the infants and toddlers in licensed programs being in 5-star programs both in 2016 and in 2021.

As with enrollment in general, high quality enrollment of infants and toddlers decreased during the height of the pandemic yet has rebounded somewhat. The rate of recovery differs by age with 5-star enrollment for two year olds at 70% of pre-pandemic levels, ones at 72% and infants at 88% of pre-pandemic levels.

AFFORDABILITY

Early Care and Education for young children is expensive. In more than a quarter (28%) of the centers and homes across the state, care for one infant exceeds \$1,000 per month. Families with infants tend to be younger overall, thus are early in their careers and their wage-earning trajectories, making this high cost a heavy burden. Where funds are available and families qualify, child care subsidy vouchers can help lessen the burden. However, limited funds result in a long waitlist leaving families to piece together care for their children so they can work. During the pandemic, the wait list dropped to around 15,000 children, however, prior to the pandemic, in February 2019, the wait list for child care subsidy in the state was more than 29,000 children.²⁴



For those families who either languish on the wait list in the hopes of receiving a voucher or those families who make just over the income cap to receive subsidy (\$34,837 for a two-person household), child care costs can be crippling. With the median cost for full-time infant care in the state at \$844 (inclusive of both homes and centers), a young two-person family that makes just over the cap to receive a subsidy voucher would be required to pay 29% of their salary for care. Should this young parent want to ensure that their baby is in a 5-star program, a third (33%) of their income would need to be earmarked to foot the child care bill. Of course, this situation is first contingent on being able to find an available child care seat.

In 2016, just over a third (34%) of infants and toddlers in regulated child care were supported with a child care subsidy through the state's subsidized child care program. In 2021, this percentage had fallen to less than a quarter (23%). In addition to a smaller percentage of the infant-toddler population in regulated care having a child care voucher, a declining percentage of the total birth to five vouchers are given to infants and toddlers. In 2016, nearly half (48%) of all birth to five child care vouchers were given to infants and toddlers. By 2021, this percentage had fallen to 43%. The remaining 57% are given to three to five year olds despite the fact that this age group has access to NC Pre-K dollars (four year olds) and a larger number of Head Start spaces (versus Early Head Start spaces).

EXPANSION AND PROMISING PRACTICES

Providers agreed profusely that the support offered by DCDEE during the COVID-19 pandemic were (and continue to be) instrumental in sustaining the viability of their programs. While the operational and stabilization grants were listed as the most helpful, many expressed serious concern about the longevity of funding for these grants.

Despite the herculean tasks that face early care and education directors every day, many expressed a desire to increase the number of spaces they have available for infants and toddlers in their communities. Expansion, however, would prove difficult for these directors without additional support and funding. By far the chief concern communicated by directors revolve around staffing issues. While finding and retaining qualified teachers required enormous effort prior to the pandemic, the effects of the COVID-19 virus exacerbated the struggle exponentially. Directors also voiced barriers due to their facilities and licensing/zoning requirements.

DISPARITY ACROSS NORTH CAROLINA

Parents of very young children experience finding care more or less difficult depending on their location, though regardless of where a family lives, no location has child care available for all infants and toddlers. While Chowan

continued



County has spaces available for 62% of infants and toddlers with working parents and Washington County has space for 30% of all infants and toddlers (regardless of parents' work situation), Allegheny County has space for just 5% of infants and toddlers with working parents and 3% of all in this age group. Further, Polk County currently has no infant or toddler spaces for any of its young children. Having a space, however, proves meaningless to a parent if those spaces are already filled. Though vacancy rates fluctuate, Hyde County has a 64% vacancy rate, while seven counties (Allegheny, Cherokee, Macon, Mitchell, Pamlico, Polk and Tyrrell) have no vacant child care seats.

Like most services, the cost of providing child care, and specifically, high-quality child care, varies across the state. These higher market rates, coupled with reimbursement rates that have not been adjusted in years and the increasing cost of attracting and retaining qualified staff can have a dramatic impact on the ability to serve large numbers of children receiving subsidy. Consequently, these differences result in great disparity across the state in the availability of high-quality care for all infants and toddlers. In twenty-one counties in our state, no infants and toddlers (0%) in regulated child care are in 5-star programs; yet in two counties, 100% of infants and toddlers in regulated child care are in 5-star programs.

The discrepancy of care for infants and toddlers receiving child care subsidies among counties and geographic regions is also considerable. In rural communities, a low of 38% of infants and toddlers receive care in 5-star centers. Forty-one percent (41%) of infants and toddlers in low-income families in suburban localities find high quality, 5-star care in centers, while 52% of young children from low-income families in

urban counties obtain high quality center care.

Access to subsidy for infants and toddlers varies substantially. In some counties, the percentage of infants and toddlers receiving a child care voucher mirrors the percentage of three to five year olds receiving subsidy (despite three to five year olds having greater access to other forms of subsidized care). In other communities, infants and toddlers access vouchers at a greater or lesser rate than their preschool age counterparts. For instance, in Tyrrell County, 29% of the birth to five year old vouchers go to infants and toddlers with 32% of Transylvania County vouchers and 33% of Harnett County and Madison County vouchers following the same pattern. Yet Camden County, allots nearly 8 of 10 birth five year old vouchers to infants and toddlers. Swain County at 66% and Allegheny County at 65% round out the top three counties for infants and toddlers gaining access to birth to five year old vouchers.

Workforce issues remain a critical concern with staffing shortage seen nationwide and throughout the state. However, increasing salaries for qualified staff (typically 65-80% of a program's budget) significantly impact already tight early care and education center budgets and vary across the state. Rural communities generally start their infant-toddler assistant teachers at \$9.00 per hour, while the median starting salary in suburban centers is \$10.00 per hour and assistant teachers in urban counties typically start at \$12.00 per hour. Infant-toddler teacher starting salaries follow the same pattern with the median starting salary in rural centers being \$10.00, median starting infant-toddler teacher salaries in suburbia being \$12.00 per hour and \$14.00 per hour being the median starting salary in urban areas of the state.



Recommendations

North Carolina has been a leader in the nation in the early care and education field. Other states look to our system for an understanding of the possibilities and guidance on building a high quality early care and education structure. While the COVID-19 crisis has necessarily allowed for flexibility in regulations and policies, this liberalization must not become permanent. North Carolina is at a critical crossroad. The time is now to set our course on rebuilding and surpassing the early care and education system that was the pre-pandemic North Carolina. Each one of our youngest children deserve the right to begin their school careers with the most high quality, affordable, accessible early care and education experience possible to set them on a path of lifelong learning and success. These recommendations provide a solid foundation for shoring up and increasing the quality of care for all of North Carolina's young children.

1. 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. For tax year 2021, the maximum amount of credit for one child was \$4,000. This amount is far below the cost for high quality infant and toddler care. The credit should be raised for families using 4- and 5-star care to at least \$8,000. This increase would assist low and middle income families who are not able and/or eligible to access assistance for child care to afford higher quality care. Further, the \$2,000 refundable child tax credit available to all parents similarly should be increased. Under the American Rescue Plan Act of 2021, this credit was increased to \$3,600 and is estimated to have cut in half the number of children in poverty. This tax credit expired at the end of 2021, but should be reinstated. Similarly, the Earned Income Tax Credit for North Carolina families could make a real difference. Eliminated in 2014, this credit contributed to families falling further behind and should be reenacted.
2. Subsidized rates for infants and toddlers need to be raised to reflect the true costs for providing high-quality care in both centers and family child care homes. While market rate studies reflect the cost charged to parents, they often do not reflect the actual cost of that care. Original funding formulas for NC Pre-K helped increase the quality of spaces for preschoolers because the payment rate was tied to a modeled estimated 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. Additionally, 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. Also, staffing is the greatest expense for centers and an extreme

staffing shortage has necessitated an increase in salaries. Further, infants and toddlers have lower child to staff ratios so more staff are needed to take care of the same number of children. While reimbursement rates for younger children is higher, it does not make up the difference in cost for lower ratios.

3. The state subsidized child care system should maintain three separate waiting lists, one for infants and toddlers, one for preschoolers and one for school age children. Equity of access to child care subsidies should be required among these waiting lists with procedures in place to fund children on the list not on an overall first on, first served model which tends to serve more older children who, because of their age, have been on the list longer, but in proportion to the number of children in each age group.
4. 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. Enhancing T.E.A.C.H. Early Childhood® Program scholarships would provide the financial and logistical support necessary for our undercompensated workforce to successfully further their education in the field.
5. Center directors repeatedly expressed that the staffing crisis has severely hampered their ability to serve infants and toddlers and expand this service. The low pay pervasive in the field limits recruitment of any staff, let alone those who are well educated in early care and education. Increased compensation for those directly working with infants and toddlers needs to be addressed. Statewide, infant toddler teachers make significantly less than their preschool counterparts and staffing concerns was listed as the largest barrier to expansion of infant and/or toddler spaces. While the Infant-Toddler Educator AWARD\$® program was designed with coupling education and compensation in mind, broadening the qualifying education levels would allow more infant-toddler educators to have the opportunity to participate and move up the scale, earning more money as they do so.
6. Survey responses, as well as focus group participants, point to the need for additional funding in order to expand high quality care for infants and/or toddlers.

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Incentives for expansion could 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. The nation currently spends less than 0.5% of the GDP on early care and education, far less than other industrialized countries.²⁵ Yet voters overwhelmingly prioritize support for infants and toddlers. Further, 70% are willing to have their taxes increased by \$25 per year and 64% are willing to pay \$150 more per year in taxes to increase funding for early childhood opportunities in their communities.²⁶

7. The Promising Practices section of this report outlines some of the amazing projects and programs working to rebuild and shore up our early care and education system for infants and toddlers. These and other effective strategies to address the accessibility, quality and affordability needs of infants and toddlers in regulated child care need to be continued and expanded. While some of the programs are statewide, for those with a more local service area, leaders in the field should investigate the feasibility of taking the projects to a statewide scale.
8. Babies First NC provides direct coaching support and compensation to infant-toddler teachers and administrators in exchange for an increase in quality classroom practices. This pilot project was designed with the potential to expand over time. With the initial funding set to expire, it is critical that Babies First receive funding to continue and expand to support the workforce and provide increased quality practices in additional classrooms across the state.
9. Family child care providers provide an indispensable service to families needing flexibility with their child care arrangements. Yet the number of family child care providers across the state has significantly declined over the past decade. To help fortify this essential option for families, resources statewide should be expanded to provide consistency between family child care homes and center-based care. Further, greater support for family child care providers should be apportioned through technical assistance and professional development, creation and implementation of a substitute pool and training/opportunities for self-care. Finally, a statewide business model-framework specifically supporting family child care providers should be developed to address the unique needs of these essential early care and education professionals.
10. Further study is needed. This infant-toddler landscape study, while helpful, was conducted while the COVID-19 pandemic raged on. As the world and the early care and education field begin to stabilize, additional information should be gathered to broaden the complete picture of the infant-toddler landscape “post” pandemic. Additionally, while a statewide child care workforce study was conducted in 2019, this was prior to the COVID-19 pandemic. The timing of this study provides a baseline to know the possibilities for rebuilding our early care and education workforce, but no longer provides an accurate accounting of the directors, teaching staff and family child care providers currently teaching our young children. A county-level “post” pandemic study should be undertaken to provide an updated account of the early care and education workforce. 



Appendix A: NC Counties by Geographic Area

County Name	Geographic Area	County Name	Geographic Area	County Name	Geographic Area
Alamance	Suburban	Franklin	Rural	Orange	Suburban
Alexander	Rural	Gaston	Suburban	Pamlico	Rural
Alleghany	Rural	Gates	Rural	Pasquotank	Rural
Anson	Rural	Graham	Rural	Pender	Rural
Ashe	Rural	Granville	Rural	Perquimans	Rural
Avery	Rural	Greene	Rural	Person	Rural
Beaufort	Rural	Guilford	Urban	Pitt	Suburban
Bertie	Rural	Halifax	Rural	Polk	Rural
Bladen	Rural	Harnett	Rural	Randolph	Rural
Brunswick	Rural	Haywood	Rural	Richmond	Rural
Buncombe	Suburban	Henderson	Suburban	Robeson	Rural
Burke	Rural	Hertford	Rural	Rockingham	Rural
Cabarrus	Suburban	Hoke	Rural	Rowan	Suburban
Caldwell	Rural	Hyde	Rural	Rutherford	Rural
Camden	Rural	Iredell	Suburban	Sampson	Rural
Carteret	Rural	Jackson	Rural	Scotland	Rural
Caswell	Rural	Johnston	Suburban	Stanly	Rural
Catawba	Suburban	Jones	Rural	Stokes	Rural
Chatham	Rural	Lee	Rural	Surry	Rural
Cherokee	Rural	Lenoir	Rural	Swain	Rural
Chowan	Rural	Lincoln	Suburban	Transylvania	Rural
Clay	Rural	Macon	Rural	Tyrrell	Rural
Cleveland	Rural	Madison	Rural	Union	Suburban
Columbus	Rural	Martin	Rural	Vance	Rural
Craven	Rural	McDowell	Rural	Wake	Urban
Cumberland	Suburban	Mecklenburg	Urban	Warren	Rural
Currituck	Rural	Mitchell	Rural	Washington	Rural
Dare	Rural	Montgomery	Rural	Watauga	Rural
Davidson	Suburban	Moore	Rural	Wayne	Rural
Davie	Rural	Nash	Rural	Wilkes	Rural
Duplin	Rural	New Hanover	Urban	Wilson	Rural
Durham	Urban	Northampton	Rural	Yadkin	Rural
Edgecombe	Rural	Onslow	Suburban	Yancey	Rural
Forsyth	Urban				

Source: NC Rural Center; <https://www.ncruralcenter.org/>

Appendix B: Division of Child Development and Early Education Supports During COVID-19 Pandemic

ChildCareStrongNC Public Health Toolkit

Document outlining current public health guidance, safety procedures and prevention strategies to keep providers informed of frequently changing guidelines. First published in March 2020 and updated several times throughout the pandemic. Available in both English and Spanish.

Training on the Toolkit

August 2021 webinar through Moodle and later posted on YouTube. Offers providers clarification about toolkit, strategies, procedures, as well as a Q&A session.

Flexibility in Policy and Regulatory Requirements

Provided numerous flexibilities at various time points in order to reduce burdens on providers. Began in March 2020 and ended in October 2021. Included flexibility in: training requirements/formats/timeframes, inspections, staff qualifications and orientation, nutritional requirements, child/staff ratios and group size, record retention, activity schedules and plans, activity areas and screen time, indoor and outdoor space requirements, as well as NC Pre-K attendance and child health assessments.

Flexibility in Training Requirements

Training in CPR, FA, Playground Safety, ITS-SIDS and Emergency Preparedness Response (EPR) were temporarily offered in a virtual format to enable participation.

Information about vaccines from the child care resource and referral (CCR&R) system and Smart Start

CCR&Rs contacted all centers to determine the number of staff who were vaccinated or planning to be vaccinated and assisted with providing information about vaccine events and locations. Smart Start agencies found vaccination locations and appointments for providers, and set up vaccination clinics for providers if needed. These agencies also supported DCDEE and the Department of Health and Human Services' "Get Your Shot" marketing through social media posts and emails. This campaign helped make vaccines more accessible to providers.

Distribution of Personal Protective Equipment (PPE)

Starting in August 2020, DCDEE provided a 4 to 8 week supply of PPE and cleaning supplies, including touchless thermometers with batteries, cloth face coverings, disposable masks, bleach solution, paper towels, disinfectant wipes and hand sanitizer to open providers. This enabled providers to follow safety procedures and prevention strategies at a time when many of these supplies were difficult to obtain. (A second round of distribution occurred following the



conclusion of data collection for this report.)

Infant Toddler Project Virtual Technical Assistance

Technical assistance (TA) was offered virtually in both individual and group formats in order to meet the needs of staff and administrators while following executive orders and maintaining safety. Additionally, resources were provided via email, trainings were offered virtually, and weekly self-care check-ins were conducted via email, Zoom and phone calls. This provided flexibility, reduced travel time, and allowed TA, training and connection to continue throughout the pandemic.

Subsidized Child Care Program Payments and Co-Payments

March 2020 through May 2020 payments were made to all subsidized providers regardless of whether the facility was open or closed. Payments for March 2020 were based on all subsidy children present for all service days in March. June, July and August 2020 payments were only paid to providers that were open in June. Beginning in September 2020, payments were calculated based on attendance thus closed facilities did not receive payment for any subsidized children. Parent co-payments began being covered in April 2020 and continued to be covered in April 2021. These changes stabilized both funding and attendance. Payments and co-payments were also made on a modified schedule March through July 2020 in order to support child care programs.

continued

Subsidized Child Care Program Payments Based on Previous Enrollment

April and May 2020 payments were consistent with March 2020 payments for February 2020 services for all providers. This helped stabilize funding while many programs were closed or had extremely low attendance.

NC Pre-K Program Payments

For the 2020-2021 school year, payments were based on the contracted number of slots for the year rather than attendance. This ensured providers were not penalized for low attendance.

Bonus Payments to Child Care Teachers and Staff

All employees working on-site at center and family home facilities approved to provide care in November and December 2020 were eligible for bonus payments. This included teaching and non-teaching staff, as well as full and part time staff. Bonus payments were made in mid and late December 2020. This promoted staff well-being and retention.

Operational Grants

For all open, private, licensed, center and family home facilities to help cover losses due to low attendance. No application was required. Amounts varied based on several factors including pre-pandemic enrollment, current star rating, number of infants and toddlers served, and subsidy density. First payments were made in May 2020 and final payments were made in October 2021.

Stabilization Grants

Applications opened in October 2021. Private community-based programs, family homes and faith-based programs were eligible to apply online. The grants allowed for funds to be used in eight categories: rent/mortgage/utilities, payroll benefits, health and safety training, facility maintenance or improvement, PPE/cleaning/sanitizing supplies, equipment related to COVID-19, goods to continue child care and

mental health support for staff and children. Amounts were based on a variety of factors including star rating, licensed capacity, percentage of infants and toddlers served, subsidy density and community demographics. First payments for eligible providers were distributed in mid-November 2021 and payments will be issued quarterly for up to 18 months.

Emergency Child Care Subsidy Program Payments

Provided parents/caregivers who were essential workers with financial assistance for child care. Began April 2020 and ended May 2020. All licensed or regulated facilities regardless of star rating and current participation in subsidy were eligible to accept families for this program. Providers were paid the full reimbursement rate for each month a child was enrolled unless they were absent more than 10 days in the month, then payment was based on attendance. These parents/caregivers did not have copayments. Payments for this program were made in May and June 2020. This program helped increase both funding and attendance.

Emergency School-Age Family Support Program

For October and November 2020, providers who registered received payment based on attendance for school-age children attending due to remote learning. All licensed or regulated providers were eligible regardless of star rating and current participation in subsidy. Only families who did not already receive child care assistance could participate. Providers were paid the full reimbursement rate for each month a child was enrolled if they attended at least one day during the month. These parents/caregivers did not have co-payments. This program helped increase both funding and attendance.

Hope for Healers

Hope for Healers is a free, confidential hotline that is available 24 hours a day, seven days a week. The hotline connects front line workers, including child care providers, to mental health professionals.

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For more information about this report, please contact the Research Department at Child Care Services Association at 919-967-3272.



CHILD CARE SERVICES ASSOCIATION

PO Box 901
Chapel Hill, NC 27514

 (919) 967-3272

 (919) 967-7683

www.childcareservices.org





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Chapel Hill, NC 27514

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 (919) 967-7683

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