
Child Care Quality in North Carolina:

Determining the Impact of Smart Start and

Child Care Subsidy

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Prepared by:

Amy Meigs-Dellinger Kirk

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Approved by:

James R. Tudusick 8-31-01

Thesis Advisor Date

M. Baker 8-31-01

Thesis Committee Member Date

Daniel G. Barbree 8-31-01

Thesis Committee Member Date

Director of Graduate Studies Date

ABSTRACT

This study attempted to determine whether the length of Smart Start involvement and the spending coefficient for subsidized child care services across the 100 counties in North Carolina are accurate predictors of level of state licensure in child care center programs.

Through the Smart Start initiative, Local Partnerships receive funding through the North Carolina Partnership for Children (NCPC). The funds are used to address the needs of families with children ages 0 to 5 within a community. A Local Purchasing Agency (county-level) administers federal funds for child care subsidy. In addition, the North Carolina Division of Child Development (state-level) regulates all legally-operating child care programs.

The intent of the study was to seek support for or against the following hypotheses:

H₁: SSY 1 and 2 counties will have the highest mean (among SSY 1-5) of child care centers with above average licensure.

H₂: SSY1 and 2 counties will have the highest mean for spending coefficients and above-average licensure.

H₃: Increasing spending coefficients will increase the quality of care in each Smart Start Year.

The dependent variable is the level of licensure of child care centers in North Carolina. The independent variables are the spending coefficient for child care subsidy and length of participation in Smart Start. The complex task of analyzing child care simultaneously across 100 counties relied solely upon a modified cluster sampling method. Every county was assigned a SSY and identified by the percent of above average child care centers.

Within each county, Smart Start and subsidy services are highly connected. The results of the study support the need for future efforts at collaboration between Local Partnerships (Smart Start) and Local Purchasing Agencies (Subsidy).

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INTRODUCTION

This study attempted to determine whether the length of Smart Start involvement and the spending coefficient for subsidized child care services across the 100 counties in North Carolina are accurate predictors of level of state licensure in child care center programs.

According to "Children in the States," a report by the Children's Defense Fund, child care for a four-year old in an urban North Carolina center is \$3,227 more expensive than the cost of tuition at a public college (<http://www.childrensdefense.org/states/data-nc.html>, 1998). In addition, more than 66% of North Carolina mothers with children under 6 are working, whereas the national percentage is only 59.7%. North Carolina's single parent and dual-income families must have child care but to qualify for state child care assistance, their income cannot exceed \$32,628 while the federal cut-off is \$35,180. This results in fewer families served because their income is "too high." With the state 30th in the nation regarding the percent of children in poverty, child care has significant potential to drastically impact the future of North Carolina's children (<http://www.childrensdefense.org/states/data-nc.html>, 1998).

High quality child care plays an integral role in the future of North Carolina's economy. Many children are growing up in poverty as their families receive minimal assistance. In a recent federal Government Account Report, child care administrators identified cost of care, availability, and accessibility as

the barriers to child care for low-income families (Fagnoni, 1999). The children of the working poor in mediocre to poor quality child care will likely become tomorrow's burden through reliance upon financial aid through food stamps, Medicaid, etc. Without the necessary skills to earn a livable wage, the future is bleak for these children.

North Carolina addresses the needs of these families through Smart Start, child care subsidies (administered by local purchasing agencies), and state child care licensing. Within each program/agency, they serve a specific population. For example, Smart Start focuses on children between the ages of 0 and 5, while state licensing regulates care for children from birth to age 12. Child care subsidies target families that are enduring financial hardships.

Local Partnerships & Smart Start

In "Education and Care-Early Childhood Programs and Services for Low-Income Families", Cynthia Fagnoni cited North Carolina as one of only four states identified by the National Governors Association as a leader in "...collaborative efforts for early childhood care and education..." (Fagnoni, 1999). The method for achieving North Carolina's collaborative effort is through the early childhood initiative, Smart Start, which was established in 1993.

The program originally served twelve partnerships, which included eleven counties and 1 regional group of 7 counties (Maxwell, 1996). The primary goal of the Smart Start initiative was to "...ensure all children enter school healthy and prepared to succeed" (Bryant, 1997). There is no actual place,

building, or group called Smart Start. Smart Start simply represents a state initiative that communities use to aid the families of 0-5 year olds.

The actual conduit for Smart Start communication and funding for early childhood programs is the North Carolina Partnership for Children (NCPC). They are a state organization that coordinates the distribution of Smart Start funds to each county. To adequately serve each county and provide local control, local partnerships for children and families carry out NCPC directives and coordinate services.

The local partnership (LP) serves as a funnel through which Smart Start funding enters the county. In turn, they monitor the effectiveness of efforts to increase child care quality through direct service providers (DSP). DSPs can vary from child care resource referral agencies to public health educators to child care scholarships. Their efforts must be in response to the LPs directives for using the funds from NCPC. State money serves the children within that county administered by a LP.

Local Purchasing Agencies & Child Care Subsidies

Another entity that serves on a county level with federal funds is the local purchasing agencies that administer child care subsidy. The subsidies enter a county through the local Department of Social Services (DSS) or a LPA. A LPA is any organization within the community that is recognized by the state as authorized to receive and distribute funds to help pay for child care. Out of 100 counties only a few choose to use a LPA other than the local DSS. The

responsibility of the DSS or LPA is to efficiently distribute child care subsidy funds while monitoring program participants and moneys.

The LPA has a monthly spending coefficient that provides valuable information about local fund use. The state uses the spending coefficient in decisions involving future allotments and reversion of current funds. For example, if a county has a spending coefficient under 95%, then the county is considered to be under-spending and is subject to having a portion of its funds reverted for distribution to counties with higher spending coefficients. Dividing the current expenditures by the number of months to-date and then multiplying by 12, and dividing by the amount of allocation create the spending coefficient. A relevant example is as follows:

Annual Allocation = \$1,300,000	Expenditures for October = \$98,000
Year-to-date Expenditures = \$414,000	
$\$414,000 / 5 \text{ months} = \$82,800$	
$\$82,800 \times 12 = \$993,600$	
$\$993,600 / \$1,300,000 = 0.764307692$	
76.43 % Spending Coefficient = Under 95%, assumed to be under-spending	

It is important to remember that there is a one-month delay for all subsidized care payments. In the example above, children actually received services in September, but the services are paid in October. In addition, the annual allocation by definition includes services from June through May (<http://info.dhhs.state.nc.us/olm/manuals/dcd/ccs/man/CCSc2.htm>).

Subsidies have a direct impact on child care because without assistance families would resort to family care or unlicensed arrangements. With the use of

subsidies, these families are given the opportunity to select high quality licensed and regulated child care programs. This affects the quality of care through the family's ability to afford higher quality services, which normally is not available to them or results in "daycare hopping" and delinquent payments. In turn, the participating child care providers have a more consistent payment schedule for services, resulting in payments to staff and ability to purchase equipment, etc.

In regard to the use of child care subsidy, "only one out of ten children who is eligible for child care assistance under federal law receives any help" (<http://www.acf.dhhs.gov/programs/ccb/reports/ccreport.htm>, 1999). At the present time, no state serves all eligible families. The original intent of the child care subsidy and related programs was to reach poverty-level families. As the preceding information illustrates, the child care subsidy, without additional local programs, struggles to meet its goal.

Furthermore, in the "Access to Child Care for Low-Income Working Families" study by the US Department of Health and Human Services, federal law recognizes 85% of state median income (SMI) as the maximum limit for eligibility and unfortunately only nine states actually operate under the SMI percentage suggested by the federal government. In practical terms, the states are setting the limit so low that only a small portion of those in need of services will actually receive assistance. In 1998, it was estimated that if all states used the federal guideline of 85%, over 14.7 million children would have been eligible (<http://www.acf.dhhs.gov/programs/ccb/reports/ccreport.htm>, 1999). To the

detriment of children in need, the states reduce their costs through serving fewer families.

Another difficulty within the subsidy program is the waiting lists that occur frequently. Waiting families may rely upon three or more sources of public assistance to survive until subsidy is available (<http://www.acf.dhhs.gov/programs/ccb/reports/ccreport.htm>, 1999). During this period, a family frequently uses more funding to survive than if they immediately received subsidy. Only after the subsidy is available will parents finally begin earning money on which to support their family. Subsidy cannot operate in isolation to serve children. Local programs and agencies can work cooperatively to serve.

Division of Child Development & Licensing

In regard to child care regulation, North Carolina child care programs were not under any form of licensing until January 1, 1972. At that point, all regulatory duties were covered by the Department of Administration in the Office of Child Day Care Licensing. Following implementation of licensing, child care programs became eligible for subsidies for providing child care for low-income families in 1975 through Title XX of the Social Security Act. The most recent change took place in 1992 when the Division of Child Development (DCD) was created and mandated to perform all regulatory functions (<http://info.dhhs.state.nc.us/olm>, Part E).

As of September 1, 2000, all licensed child care programs received a one star license if they had not submitted their application for additional stars. DCD ensures that all state licensed child care centers have at least a 1 star license or are recognized as a church program through a Notice of Compliance. Beyond this minimal licensure, each child care program throughout the state volunteers for additional stars. Please note that a child care center must be in operation for at least six months before they may apply for additional stars. During that time, the program has a temporary license and after six months is given one star.

Point values are given in the areas of Program Standards, Education Standards, and Compliance History. Each set of standards contains between zero and five points. The goal is to achieve five points in all three categories for a perfect score of fifteen, five stars. Child care centers may receive stars based upon point totals as shown in the diagram below:

★	0-4 points
★ ★	5 - 7 points
★ ★ ★	8 - 10 points
★ ★ ★ ★	11 - 13 points
★ ★ ★ ★ ★	14 - 15 points

Within Program Standards, a child care center must score well on the appropriate Environment Rating Scales (ITERS for classrooms serving 0-30 month olds and ECERS for 2 ½-5 year olds). Dr. Richard Clifford, Thelma Harms, and Debbie Cryer created these scales as an innovative approach to use in assessing child care quality. The foundation for the scales was years of on-site research in child care programs. They used the data from the "high quality"

programs to create over thirty indicators and utilized a modified Likert-scale quantify the qualitative measures.

The Environment Rating Scales are provided through independent evaluators, not regulatory personnel of the state. To receive the maximum points within Education Standards, the child care center must have staff with lengthy experience in child care or an associate's degree or higher. In Compliance History, child care centers receive maximum points if they have no violations within the past three years involving abuse, neglect, or regulatory issues.

The entire process is administered through DCD. The process for pursuing an above average license begins with the child care center submitting their application to the county's DCD consultant who must affirm the integrity of the application prior to any further action. If the consultant's review indicates that additional points are needed in Program Standards, then independent and highly trained private assessors complete an Environment Rating Scale assessment.

REVIEW OF RELATED LITERATURE

Within my analysis, I have carefully linked the year in Smart Start with the spending coefficient, and level of licensure. The implications for linking these issues as a method of analysis have yet to be accomplished. To date, I have been unable to uncover any prior research that ventures into this combination of variables. A major problem with available research regarding the level of quality in child care is generated through Frank Porter Graham Institute, which serves as

the official contracted evaluators for Smart Start. With Smart Start's presence since 1993, their reports focus on the 12 original partnerships. They use the original partnerships as a baseline for data as they seek longitudinal results. I have searched for why the first 12 were selected. I can only locate information stating that the twelve original partnerships (18 counties) were "competitively selected" (Effects of Smart Start, 1997).

A critical factor involving child care subsidy is that a program must be operating legally to receive funds. This stipulation encourages the program to pursue legal status and not operate without any regulation or awareness by the state (Hofferth, 1999). As stated in "Market Constraints on Child Care Quality", North Carolina is dealing with reimbursement rates that vary across the quality level of child care (Morris, 1999).

In identifying the standards and evaluation of child care quality, Debby Cryer emerges as an expert in the field. As one of the authors of the environment rating scales, she adds a great deal of validity to the research. A bone of contention for researchers has been the definition of quality child care. She asserts, "Any definition is likely to be challenged by those with differing priorities or perspectives" and is often left in the "eye of the beholder (Cryer, 1999). Through her analysis, she has theorized that quality child care must contain the following:

- Safe Care—proper supervision based upon needs of children
- Safe Toys—appropriate for age and ability of children in care
- Safe Equipment & Furnishings—maintained and kept free of dangers
- Healthful Care—self-help skills are encouraged and "nutritional needs are met"

- Developmentally Appropriate Stimulation – variety of materials, activities, etc.
- Positive Interaction with Adults – children can “trust, learn from, and enjoy the adults who care for and educate them”
- Promoting Individual Emotional Growth – learn independence and cooperation
- Promoting Positive Relationships with Other Children – interacting with others

Due to my extensive use of the rating scales, I agree that these elements are essential for high quality child care. In addition, each of the areas is included within the rating scales used for the star-rated license.

The rating scales are used throughout several studies included in my research. The fact that the rating scales are used repeatedly to quantify quality is support of my reason to recognize the star system as an effective tool. In Galinsky and Taylor's "Cost and Quality in Child Care" and "Cost, Quality, and Outcomes", ECERS is utilized to determine quality for analytical purposes.

In addition, Rebecca Maynard states that high quality child care “...promotes the physical, emotional, social, and cognitive development of children” (Maynard, 1990). Her theory incorporates all areas addressed by Cryer with the exception of stability and continuity. Maynard carries the definition to another level by asserting that children must have a stable environment with few changes in personnel and basic routines. In addition, I fully support her assertion that our nation has a provider-oriented policy in relation to child care subsidy. The initial purpose for the subsidy was to “...get providers to lower their fees while maintaining the same quality of care” (Maynard, 1990). North Carolina pays a “...higher rate to providers who meet national accreditation

standards or meet(s) stringent state standards"

(<http://www.acf.dhhs.gov/programs/ccb/programs/plan/part3.htm>).

In "Market Constraints on Child Care Quality," John Morris refers to North Carolina's implementation of "...a differential licensing system based on quality level" in which centers with higher scores will receive greater reimbursement by the state for subsidized children" (Morris, 1999). He adds, "our knowledge of how to produce high quality (child care) is imperfect and especially hard to quantify" (Morris, 1999).

One researcher was brave to enough to ask if the nation is targeting too narrowly in welfare reform involving child care. I agree with her use of "categorical" to describe the existing child care subsidies. The subsidies focus upon certain groups or categories of society. She asserts that the subsidies are failing due to: 1) inadequate funding, 2) underutilized state incentives for rationing subsidies, 3) "narrow categorical targeting of benefits, and 4) lack of seamless services (Meyers, 1995). After Meyers analysis of California child care data, she concluded that "highly targeted, categorical child day care subsidies may be more effective at excluding ineligible clients than at providing benefits to those in need" (Meyers, 1995).

RESEARCH QUESTIONS

The following hypotheses form the basis for analysis of the variables and their potential relationships:

H₁: SSY 1 and 2 counties will have the highest mean (among SSY 1-5) of child care centers with above average licensure.

H₂: SSY1 and 2 counties will have the highest mean for spending coefficients and above-average licensure.

H₃: Increasing spending coefficients will increase the quality of care in each Smart Start Year.

The dependent variable is the level of licensure of child care centers in North Carolina. The independent variables are the spending coefficient for child care subsidy and length of participation in Smart Start. The 100 counties in North Carolina serve as the population from which the unit of analysis for my research is the county.

With the right political voice, the results could have policy implications on the county and state level. Smart Start funding is so intertwined in the distribution of the Child Care Development Block Grant funds including subsidy. Since DCD is the single distribution point, the state blends TANF, Social Services, Smart Start, CCDBG and several others to provide subsidized child care and other related services.

RESEARCH DESIGN

The impetus for this research is to bridge the gap between three critical parties in the circle of child care: the federal government, state government, and the child care providers. With a productive relationship between these parties, the families will benefit. Changes within the three levels have been monitored separately during the last ten years. Unfortunately, little research has sought to bring the three into one frame of reference and truly examine their connectivity.

Quantifying the Variables

A child care provider's level of state licensure provides a quantitative measure of the quality of child care. It embodies items such as child to staff ratios, developmentally appropriate equipment, properly trained staff, and a nurturing atmosphere. Through the use of a point-value system, each child care program is given a number of stars representing the point total.

In addition to making quality operational, the Smart Start component had to be addressed in a similar manner. Every county may be classified as a Year 1, 2, 3, 4, or 5 Smart Start County. This indicates the year of initial participation in the Smart Start funding initiative. A Year 1 County received funding during the first year of Smart Start, 1993-1994. Year 5 would denote entrance during 1997-1998, etc. All 100 counties were given a corresponding label of SSY1-5 (Smart Start Year 1-5).

The final step in quantifying the variables involved the spending coefficients pertaining to child care subsidy. JMPIn, the statistical package utilized, required that the percentage form be converted to decimals. Every center was given the spending coefficient of the county in which they were located. This increased the population and allowed for a wider range of data variability using JMPIn.

The complex task of analyzing child care simultaneously across 100 counties relied solely upon a modified cluster sampling method. All 100 counties and their respective child care centers were included; therefore, the

entire population of data was used and not an actual sample. All counties had to be clustered regarding Smart Start Year and level of licensure. Every county was assigned a SSY and identified by the percent of above average child care centers. Next, each county was assigned the appropriate spending coefficient as based upon the December 2000 Expenditure Reports.

NC Division of Child Development hosts a daily-updated website of all licensed child care programs. Since there are 100 counties, all downloads took place on the same date so that the integrity of the data would not be compromised. Downloading half on one day and the other half a day later would result in the data being different due to daily updates. On November 17, 2000, all 100 counties were downloaded. Within each county, the state lists family child care homes and child care centers. Due to manageability of the data, I selected only child care centers, which denotes serving more than 12 children.

Since Smart Start only serves 0-5 year olds, I could not include any programs that appeared to serve only school-age children. This resulted the omission of all programs that contained any references to school, school age, and before/after-school. The remaining programs were licensed child care centers that focus on child care for 0-5 year olds. From this point, it was crucial to determine criteria for creating clusters within each county. Two categories (average and above-average) were created within each county. Average care means a child care center with one star and above-average refers to two or more stars and/or accredited; therefore, all programs would be included in a category.

In addition, the spending coefficients had to be included for every county; however, in SSY1, Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain counties did not report individual spending coefficients. They are members of Southwestern Child Development, which had a 103% spending coefficient. As a result, I gave all 7 counties a spending coefficient of 103% so that they would be treated like the other 93 counties.

There were 3,841 centers included in the original data set and after school-age exclusion, a population of 3,688 was accepted for analysis. After separation based upon level of licensure, 1,698 child care centers were identified as offering above-average quality care.

After categorization, I tabulated the number of centers within each category in each county. At this point, I used Microsoft Excel to create worksheets for SSY1-5 and entered the totals for each county.

Smart Start Year	# of Counties	Total # of Centers	Total # for Analysis	# Above Average	% Above Average	Spending Coefficient
1	18	994	967	565	59.48	101.67
2	14	582	572	296	54.67	104
3	11	624	585	269	49.71	113
4	12	481	472	158	35.02	105
5	45	1160	1092	410	37.38	98
	100	3841	3688	1698		

To isolate the relationships between the variables, I used JMPIn to perform the Fit Model test, which performs a logistic regression and determines the probability and level of relationship between the variables. In order to use a logistic regression, I had to have a yes/no variable. Yes equaled above average

and no, average. A complication arose because JMPIn “determines which response will be ‘success’ by which comes first in the ASCII collating sequence” and can be corrected by using the term “Hit’ for success and ‘Miss’ for failure, since H comes before M”

(<http://www.uncp.edu/home/Frederick/MBA510JMPIN>, 2001).

Results with county totals failed to indicate a relationship between the variables; however, with a data set of over 3,000, it was necessary to go from the county level down to each center within a county. For example, assume Smith County (SSY4) has 400 child care centers and 290 are above average. A table was created with 290 Hits and 110 misses along with similar results from all other counties in SSY4. By creating a large data set that included each center, a relationship was detected.

RESULTS

According to Agresti and Finlay, the odds ratio, as a measure of association, is the most important for use in categorical data analysis (Agresti & Finlay, 1997). With the importance of a success/failure relationship among the variables, this measure proved invaluable as I sought support for my hypotheses. By using the odds ratio, a probability could be determined.

$$\begin{aligned} \text{Log-odds} = & -0.8180039 + 0.5897402(\text{Spending Coefficient}) + 0.56737918(\text{SSY1}) \\ & + 0.25143841(\text{SSY2}) + -0.0394318(\text{SSY3}) + -0.4800708(\text{SSY4}) \end{aligned}$$

Parameter Estimates	Wald Chi-square	Prob>ChiSq
-0.8180039	6.69	0.0097
0.5897402(Spending Coefficient)	4.00	0.0454
0.56737918(SSY1)	76.97	<0.0001
0.25143841(SSY2)	11.54	0.0007
-0.0394318(SSY3)	0.24	0.6230
-0.4800708(SSY4)	32.71	<0.0001

I applied the following procedure for SSY 1-5. I wanted to see the impact of changing the spending coefficient on the level of licensure at each year. All counties were manipulated by using 0.5-1.3 increases in their spending coefficient.

The probability of a child care center having more than 2 stars with an increase in spending coefficient is as follows:

		Spending Coefficient								
Smart Start Year		0.5	0.6	0.7	0.8	0.9	1	1.1	1.2	1.3
	SSY1	51.11%	52.58%	54.05%	55.51%	56.96%	58.40%	59.82%	61.23%	62.62%
	SSY2	43.25%	44.70%	46.16%	47.63%	49.11%	50.58%	52.05%	53.52%	54.99%
	SSY3	36.30%	37.67%	39.06%	40.48%	41.91%	43.35%	44.80%	46.26%	47.73%
	SSY4	26.83%	28.00%	29.21%	30.44%	31.71%	33.00%	34.31%	35.65%	37.02%
	SSY5	30.52%	31.79%	33.08%	34.40%	35.74%	37.11%	38.49%	39.90%	41.32%

The peak probability for more than two stars would be in a child care center located in a Smart Start Year One County. The spending coefficient is driven by more effective spending patterns and greater use of the subsidy and related services. In SSY1, as the spending coefficient increases, the probability for higher quality care increases. It is more likely that a SSY1 county will have above-average licensed child care centers than a SSY5 county.

Note the consistent increase throughout SSY1-5. Regardless of the year, there is a marked increase in the probability of higher licensed centers as the spending coefficients increase. One conclusion could be that increase the spending coefficients will result in higher quality care. Statistically, this conclusion is reasonable but is impossible to support realistically. Within each county, Smart Start and subsidy services are highly connected. The length of involvement with Smart Start (SSY5 to SSY1) and the spending coefficient cannot work independently of each other.

Implications for Future Research

Future research should include examination of the collaborative county networks that include counties from several SSY1-SSY5 counties. The networks act as a LPA for the participating counties. First, Southwestern Child Development includes Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain counties, which are SSY1. Blue Ridge also contains the SSY1 counties of Burke and Caldwell.

The largest of all collaborations in regard to size, not number, is United Cerebral Palsy which includes Cumberland and Mecklenburg (SSY1), Ashe (SSY2), New Hanover and Wake (SSY3), Lee (SSY4) and Pitt (SSY5). Region D spans SSY2, Avery, and two SSY5 counties, Mitchell and Yancey. In addition, Northwestern Child Development includes Forsyth (SSY2), Stokes (SSY3), and Davie and Yadkin (SSY5).

There are no financial rewards for this collaboration; however, the unity can benefit participants in regard to administration and evaluation of programs. The research should include the level of quality within the networked counties and the spending coefficients for the networks.

CONCLUSIONS & DISCUSSION

Hypotheses 1 and 3 were supported by evidence resulting from the logistic regressions and descriptive statistics. SSY1 and 2 had the highest mean percentage of above-average child care centers, 59.48% and 54.67%. The length of time that they have been involved with Smart Start did have an impact on the quality of child care. In addition, the probability of having more above-average child care centers consistently increased within in each Smart Start Year as the spending coefficient increased.

In regard to Hypothesis 2, SSY3 and 4 had the highest mean spending coefficient, which results in rejection of this hypothesis. This concludes that SSY1 and 2 are not spending their funding as efficiently as 3 and 4. Ironically, SSY 3 and 4 are less "mature" than SSY1 and 2.

As this study has illustrated, Smart Start did not solely change the quality of child care in North Carolina. A combined effort between funding, evaluation, and planning impacts child care quality. A natural by-product of Smart Start within a county is the focus and concentrated examination of existing services and agencies. This time of reflection and annual analysis provides each county with valuable information. By bringing the LPA into this arena, a system of

checks and balances is created. The LPA focuses on the number of children served while the LP finds DSPs to enhance services in addition to subsidy.

For many of North Carolina's men and women, low-wage jobs in plants, factories, fields, and assembly lines are the only source of income. These men and women must work to support their growing families. In addition, with divorce rates increasing steadily, the number of single parent families will rise dramatically. Currently, the average single parent cannot stay at home for five years until their child begins school.

Dual-income families face a similar problem because if both parents are working, then no one will be with their child. Child care is the only viable option for both families. High quality child care is the ideal. Brain research has proven that ages zero to five are the most crucial to development; therefore, children cannot thrive after care in a substandard arrangement. Working North Carolina deserves the right to quality care regardless of financial status.

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December 21, 2000

Memorandum to: Directors of Department of Social Services, Day Care Coordinators and Other Local Purchasing Agencies

Memorandum from: Cathy E. Gurganious, Policy Consultant, Program Operations Section

Memorandum regarding: Expenditure Reports (October Services) and the Amended Minutes of the November 8, 2000 Day Care Committee Meeting

Memorandum cc: Services Consultants, Local Smart Start Partnerships

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NAME OF COUNTY	Total Number of Licensed Centers	Unrated	School-age	Total of Unrated & School-age	Total for Analysis	Number above average	Percent above average	Spending Coefficient
Burke	30	0	0	0	30	12	40.00%	97%
Caldwell	39	1	1	2	37	13	35.14%	96%
Cleveland	47	1	1	2	45	21	46.67%	118%
Cumberland	179	0	3	3	176	70	39.77%	98%
Davidson	57	1	3	4	53	28	52.83%	100%
Halifax	30	0	0	0	30	13	43.33%	76%
Hertford	17	0	0	0	17	5	29.41%	114%
Jones	5	0	0	0	5	3	60.00%	137%
Mecklenburg	381	0	0	0	381	270	70.87%	104%
Orange	65	1	9	10	55	36	65.45%	77%
Cherokee	16	0	0	0	16	9	56.25%	103%
Clay	4	0	0	0	4	4	100.00%	103%
Graham	7	0	0	0	7	7	100.00%	103%
Haywood	28	0	0	0	28	23	82.14%	103%
Jackson	21	0	3	3	18	14	77.78%	103%
Macon	16	0	0	0	16	8	50.00%	103%
Swain	20	0	3	3	17	11	64.71%	103%
Stanly	32	0	0	0	32	18	56.25%	92%
TOTALS	994	4	23	27	967	565		
AVERAGES	55.22	0.22	1.28	1.50	53.72	31.39	59.48%	101.67%

NOTE:

SOUTHWESTERN CHILD DEVELOPMENT serves Manages Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain

103%

Spending Coefficient

Northwestern Child Development serves Davie, Forsyth, Stokes, and Yadkin counties

Buncombe CDC serves Buncombe county

Blue Ridge serves Burke and Caldwell counties

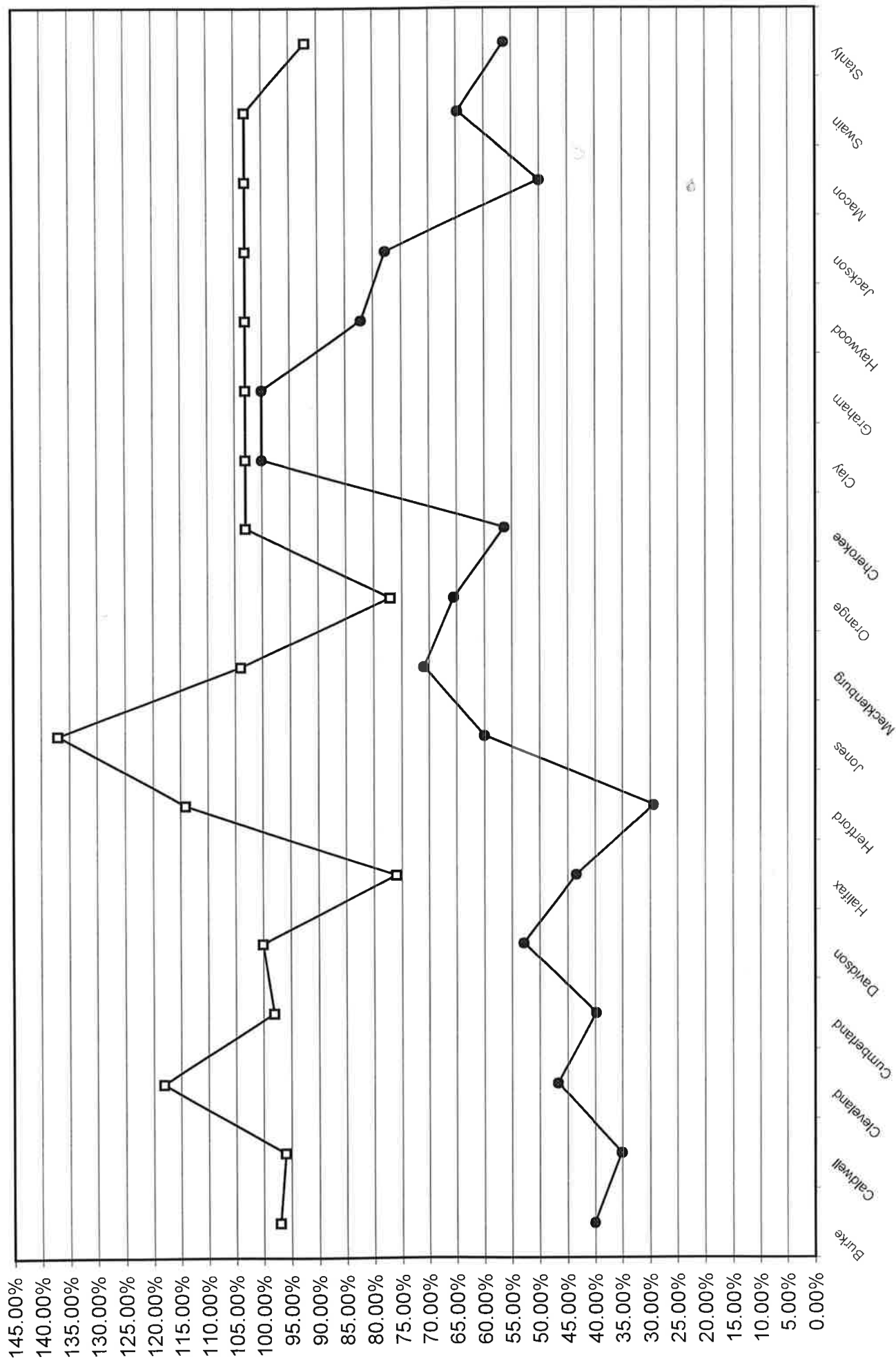
United Cerebral Palsy serves Ashe, Cumberland, Lee, Mecklenburg, New Hanover, Pitt, and Wake counties

REGION D serves Avery, Mitchell, and Yancey counties

Patterns Among the SSY1 Counties

Percent above average

 Spending Coefficient



NAME OF COUNTY	Total Number of Licensed Centers	Unrated	School-age	Total of Unrated & School-age	Total for Analysis	Number above average	Percent above average	Spending Coefficient
Ashe	15	0	1	1	14	11	78.57%	97%
Avery	13	0	1	1	12	9	75.00%	112%
Catawba	61	0	0	0	61	45	73.77%	101%
Chatham	20	0	0	0	20	11	55.00%	118%
Duplin	28	0	0	0	28	3	10.71%	103%
Durham	144	0	0	0	144	75	52.08%	114%
Forsyth	129	0	2	2	127	53	41.73%	112%
Lenoir	35	1	0	1	34	13	38.24%	102%
Greene	12	1	0	1	11	3	27.27%	87%
Nash	35	1	0	1	34	23	67.65%	90%
Edgecombe	40	0	2	2	38	21	55.26%	119%
Pasquotank	21	0	0	0	21	7	33.33%	109%
Person	9	0	0	0	9	7	77.78%	95%
Wilkes	20	1	0	1	19	15	78.95%	97%
TOTALS	582	4	6	10	572	296		
AVERAGES	41.57	0.29	0.43	0.71	40.86	21.14	54.67%	104%

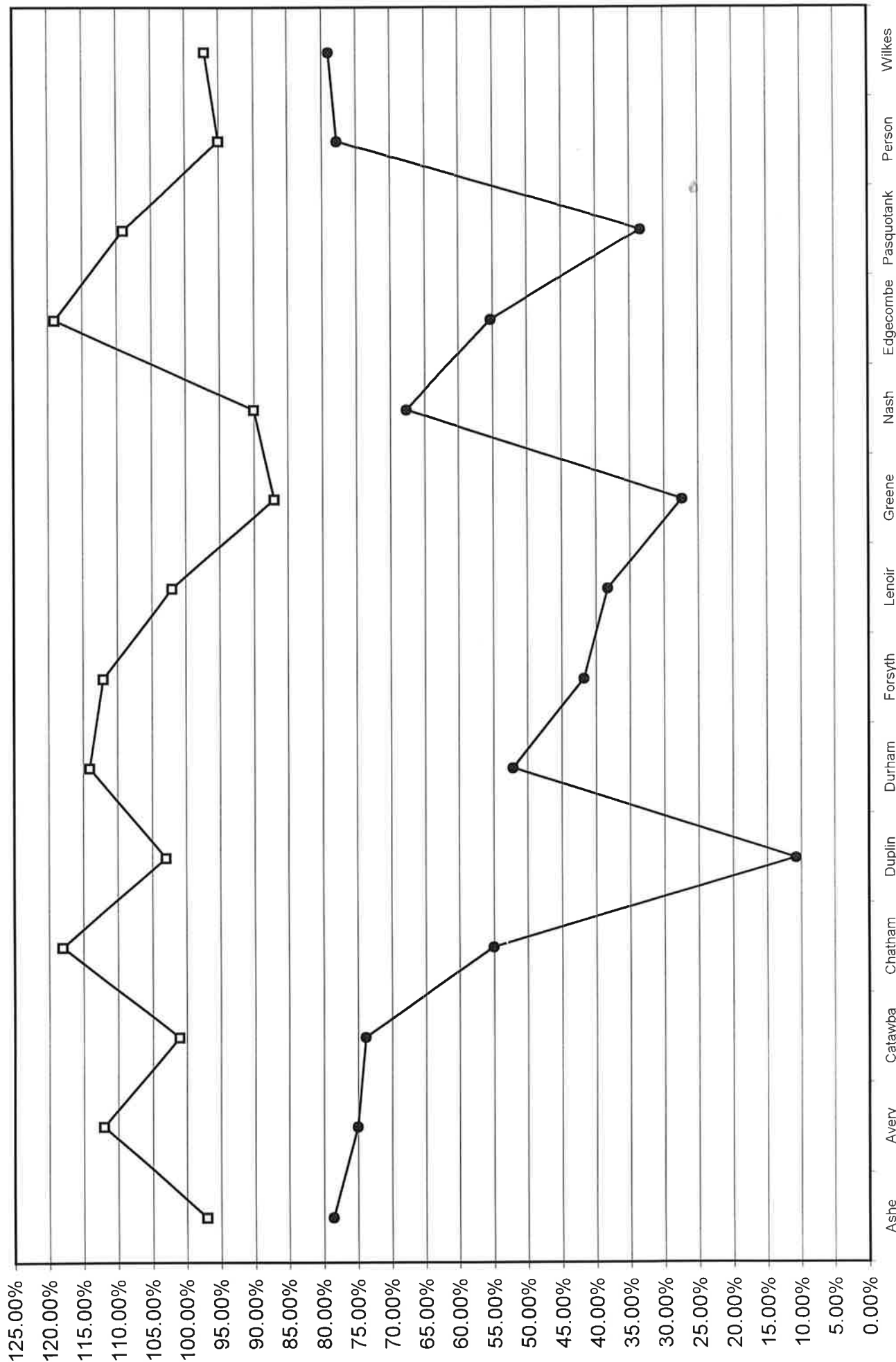
NOTE:

SOUTHWESTERN CHILD DEVELOPMENT serves Manages Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain	Spending Coefficient 103%
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Northwestern Child Development serves Davie, Forsyth, Stokes, and Yadkin counties	Buncombe CDC serves Buncombe county	Blue Ridge serves Burke and Caldwell counties	United Cerebral Palsy serves Ashe, Cumberland, Lee, Mecklenburg, New Hanover, Pitt, and Wake counties	REGION D serves Avery, Mitchell, and Yancey counties
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Patterns Among the SSY2 Counties

● Percent above average ■ Spending Coefficient



NAME OF COUNTY	Total Number of Licensed Centers	Unrated	School-age	Total of Unrated & School-age	Total for Analysis	Number above average	Percent above average	Spending Coefficient
Alleghany	9	0	1	1	8	4	50.00%	107%
Buncombe	114	0	25	25	89	33	37.08%	106%
New Hanover	73	0	2	2	71	16	22.54%	114%
Pamlico	6	0	0	0	6	3	50.00%	115%
Robeson	74	3	0	3	71	44	61.97%	113%
Rutherford	27	2	0	2	25	10	40.00%	94%
Stokes	14	0	0	0	14	3	21.43%	100%
Surry	28	0	0	0	28	17	60.71%	143%
Wake	240	1	5	6	234	110	47.01%	127%
Washington	6	0	0	0	6	5	83.33%	111%
Wilson	33	0	0	0	33	24	72.73%	109%
TOTALS	624	6	33	39	585	269		
AVERAGES	56.73	0.55	3.00	3.55	53.18	24.45	49.71%	113%

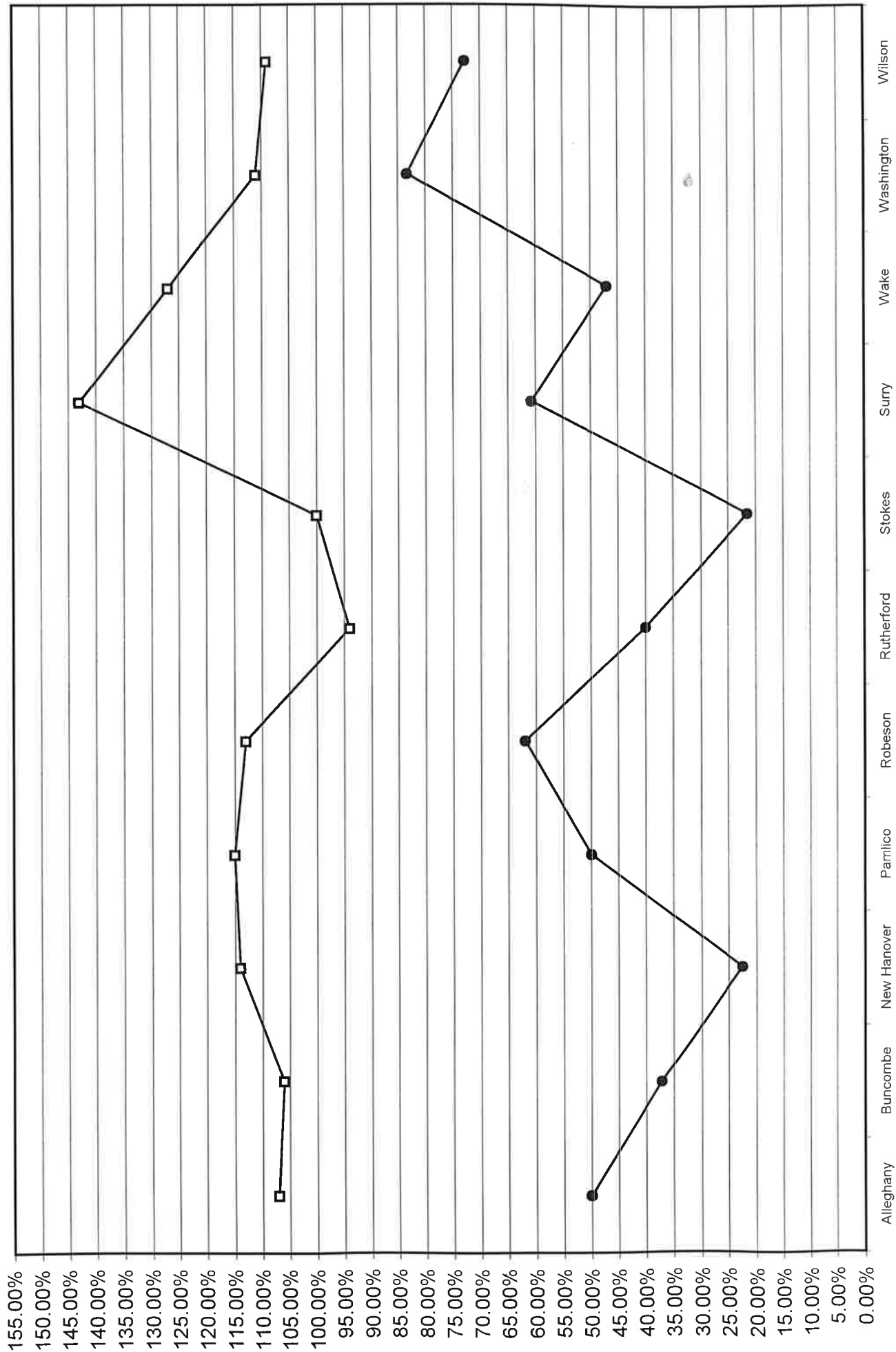
NOTE:

SOUTHWESTERN CHILD DEVELOPMENT serves Manages Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain	103%
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Northwestern Child Development serves Davie, Forsyth, Stokes, and Yadkin counties	Buncombe CDC serves Buncombe county	Blue Ridge serves Burke and Caldwell counties	United Cerebral Palsy serves Ashe, Cumberland, Lee, Mecklenburg, New Hanover, Pitt, and Wake counties	REGION D serves Avery, Mitchell, and Yancey counties
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Patterns Among the SSY3 Counties

● Percent above average ■ Spending Coefficient



NAME OF COUNTY	Total Number of Licensed Centers	Unrated	School-age	Total of Unrated & School-age	Total for Analysis	Number above average	Percent above average	Spending Coefficient
Anson	17	0	0	0	17	10	58.82%	131%
Bertie	14	0	0	0	14	5	35.71%	92%
Brunswick	24	0	1	1	23	11	47.83%	103%
Columbus	27	0	0	0	27	7	25.93%	101%
Dare	11	0	0	0	11	4	36.36%	121%
Guilford	182	0	4	4	178	57	32.02%	109%
Hoke	14	0	1	1	13	1	7.69%	81%
Iredell	46	0	0	0	46	7	15.22%	113%
Lee	35	0	2	2	33	11	33.33%	90%
McDowell	17	0	0	0	17	8	47.06%	141%
Moore	41	0	1	1	40	17	42.50%	96%
Rowan	53	0	0	0	53	20	37.74%	76%
TOTALS	481	0	9	9	472	158		
AVERAGES	40.08	0.00	0.75	0.75	39.33	13.17	35.02%	105%

NOTE:

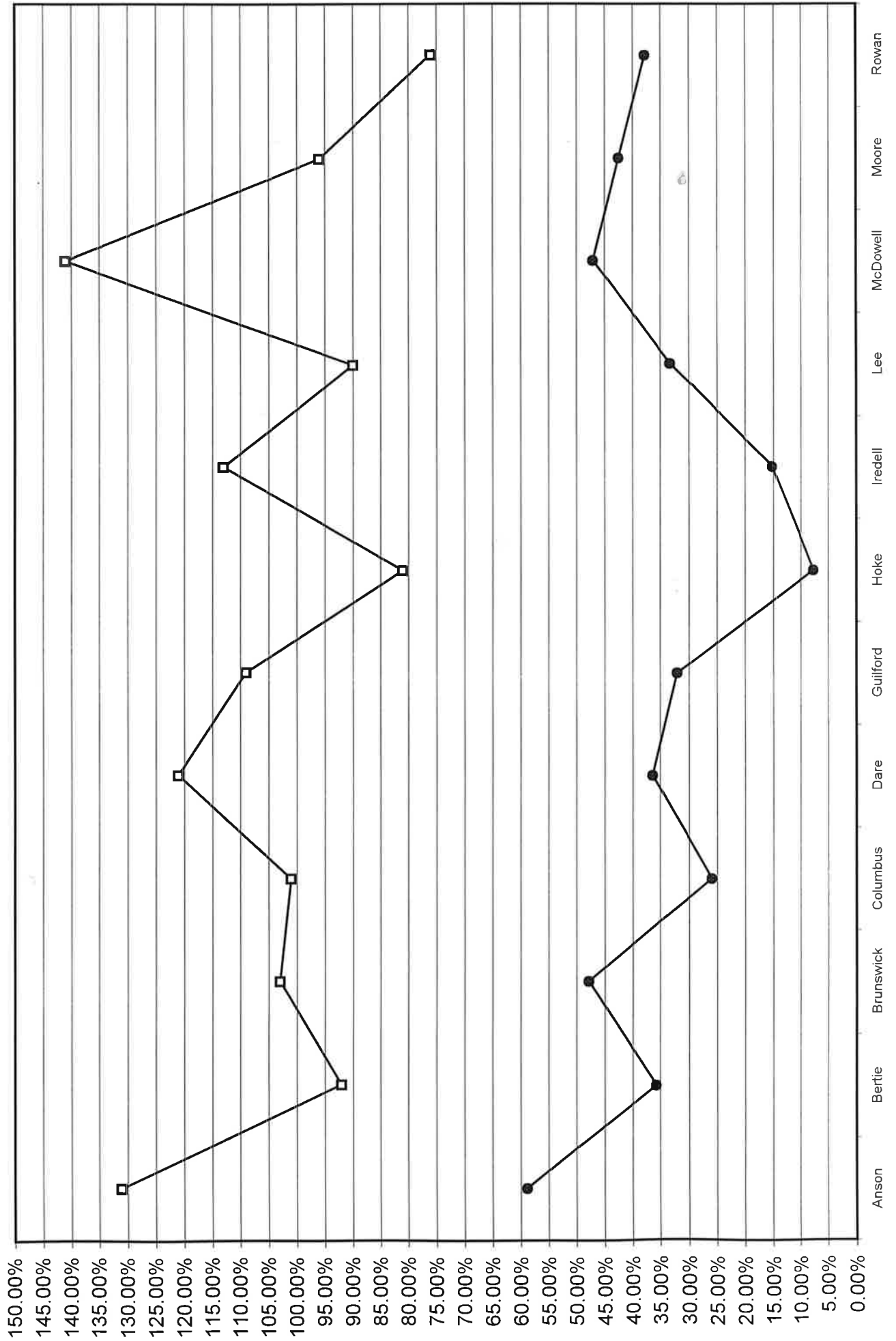
SOUTHWESTERN CHILD DEVELOPMENT serves Manages Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain	Spending Coefficient 103%
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Northwestern Child Development serves Davie, Forsyth, Stokes, and Yadkin counties	Buncombe CDC serves Buncombe county	Blue Ridge serves Burke and Caldwell counties	United Cerebral Palsy serves Ashe, Cumberland, Lee, Mecklenburg, New Hanover, Pitt, and Wake counties	REGION D serves Avery, Mitchell, and Yancey counties
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Patterns Among the SSY4 Counties

Percent above average

 Spending Coefficient



NAME OF COUNTY	Total Number of Licensed Centers	Unrated	School-age	Total of Unrated & School-age	Total for Analysis	Number above average	Percent above average	Spending Coefficient
Alamance	62	0	2	2	60	14	23.33%	97%
Alexander	12	0	0	0	12	4	33.33%	87%
Beaufort	19	0	0	0	19	10	52.63%	101%
Bladen	20	0	0	0	20	4	20.00%	108%
Cabarrus	60	0	0	0	60	31	51.67%	93%
Camden	1	0	0	0	1	0	0.00%	91%
Carteret	16	0	0	0	16	4	25.00%	97%
Caswell	7	0	0	0	7	2	28.57%	104%
Chowan	8	0	0	0	8	2	25.00%	90%
Craven	29	0	2	2	27	16	59.26%	91%
Currituck	12	0	2	2	10	0	0.00%	100%
Davie	16	0	4	4	12	2	16.67%	126%
Franklin	19	0	0	0	19	4	21.05%	83%
Gaston	93	0	2	2	91	23	25.27%	99%
Gates	5	0	0	0	5	2	40.00%	71%
Granville	17	2	0	2	15	2	13.33%	115%
Harnett	50	2	0	2	48	12	25.00%	116%
Henderson	36	1	6	7	29	12	41.38%	104%
Hyde	2	0	0	0	2	2	100.00%	37%
Johnston	64	0	1	1	63	45	71.43%	133%
Lincoln	24	0	0	0	24	12	50.00%	116%
Madison	11	0	4	4	7	4	57.14%	93%
Martin	11	0	0	0	11	3	27.27%	102%
Mitchell	9	0	1	1	8	6	75.00%	118%
Montgomery	12	0	0	0	12	8	66.67%	90%
Northampton	9	0	0	0	9	1	11.11%	95%
Onslow	31	0	2	2	29	11	37.93%	89%
Pender	20	0	0	0	20	7	35.00%	109%
Perquimans	6	0	0	0	6	2	33.33%	89%
Pitt	65	1	1	2	63	19	30.16%	101%
Polk	6	0	0	0	6	3	50.00%	100%
Randolph	42	2	2	4	38	7	18.42%	93%

Percent Above Average Spending Coefficient

Year Five

Richmond	33	2	2	4	29	9	31.03%	124%
Rockingham	50	1	0	1	49	24	48.98%	100%
Sampson	33	0	0	0	33	14	42.42%	109%
Scotland	35	2	0	2	33	9	27.27%	122%
Transylvania	11	0	0	0	11	8	72.73%	94%
Tyrrell	1	0	0	0	1	0	0.00%	82%
Union	67	0	19	19	48	13	27.08%	96%
Vance	27	0	1	1	26	10	38.46%	102%
Warren	8	0	0	0	8	0	0.00%	94%
Watauga	16	1	0	1	15	11	73.33%	79%
Wayne	62	0	1	1	61	25	40.98%	111%
Yadkin	18	1	0	1	17	11	64.71%	106%
Yancey	5	0	1	1	4	2	50.00%	70%
TOTALS	1160	15	53	68	1092	410		
AVERAGES	25.78	0.33	1.18	1.51	24.27	9.11	37.38%	98%

NOTE:

SOUTHWESTERN CHILD DEVELOPMENT serves Manages Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain	Spending Coefficient	103%
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Northwestern Child Development serves Davie, Forsyth, Stokes, and Yadkin counties	Buncombe CDC serves Buncombe county	Blue Ridge serves Burke and Caldwell counties	United Cerebral Palsy serves Ashe, Cumberland, Lee, Mecklenburg, New Hanover, Pitt, and Wake counties	REGION D serves Avery, Mitchell, and Yancey counties
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Patterns Among the SSY5 Counties

—●— Percent above average —■— Spending Coefficient

