
DC Family Policy Seminar

March 6, 1997

Seminar Highlights

The Child Care Crisis in the District of Columbia: Can (or *Should*) Businesses Fill the Gap?

Donna Ruane Morrison, Ph.D., Moderator
Georgetown Public Policy Institute

Introduction

- The idea for this seminar emerged from a summit on child care sponsored by the Washington Child Development Council and the Metropolitan Council of Governments.
- This topic is particularly important because (1) it coincides with discussions that many of us are having about helping welfare recipients move into the workplace; and (2) it is part of a broader issue involving the difficulties and challenges that face parents in our society today and the need to balance work and family life more effectively.
- This morning's seminar has several goals: (1) Educate participants concerning the current child care crisis in the District of Columbia; (2) provide an overview of the obstacles facing government and businesses; (3) develop strategies for assisting DC families in securing affordable and quality child care through partnerships; (4) identify community resources and networks to plan new approaches to obtain quality affordable child care in the District; and (5) focus on child care from a family-centered perspective.

Overview of Topic

- It probably comes as no surprise to those of us in this room that the workforce of today is not what it used to be. In 1995, women accounted for 46 percent of the total U.S. labor force, and it is projected that women will account for 48 percent of the workforce in 2005. The most revolutionary aspect over the past 30 years is that the majority of women in the labor force have young children. Conflict often occurs for both women and men as parents in the workforce when they are trying to balance their work and family life. Child care is at the center of the struggle.
- When the primary or secondary breadwinner is also the traditional caregiver for the children, working families need to arrange for the care of their preschool and school-age children, whether for the full day or after-school hours. Some families solve the challenge through shift work or alternate schedules, but the majority rely on formal and informal child care arrangements. Perhaps in response to the "juggling act" that employment and child-rearing often entail for families, many families experience a sense that work has taken over much of their private lives. Sixty-two percent of parents report that finding quality child care is the largest problem they encounter in trying to balance their work and family life.
- In the District of Columbia, finding adequate care is difficult, due to both the growing number of preschool-age children and the lack of affordable care. In 1994, there were 50,000 children under age five living in the District—an 11 percent increase since 1990. Since 60 percent of children under age six have a parent in the labor force, child care is a necessity for many District families. Unfortunately, it is estimated that the number of available and regulated child care arrangements falls short of meeting the needs of approximately 62 percent of the potential demand for these services. Consequently, parents may be forced to either place their children in unregulated child care or find alternate arrangements while they wait for a child care slot to open.
- A further challenge in the District involves poverty and welfare reform. The recent welfare reform legislation will place additional burdens on the District's child care community. Not only is the District currently unable to fund enough child care slots for its existing working-poor population, but approximately 4,500 additional children are

expected to need child care when their mothers are required to move from welfare into the workforce.

- Child care is really everybody's business. Not only is it an issue for parents and the community, it is an issue for employers themselves. Research has shown that employees who have positive and appropriate family policies are much more productive and satisfied with their jobs. The *Briefing Report* on this issue, also prepared by the Georgetown Public Policy Institute, provides evidence of the link between family policies and productivity, employee satisfaction, and the employer's "bottom line." A summary of next steps is included in the latter pages of the briefing report, describing collaborative approaches so that government, businesses, and advocacy groups can work together.

**Barbara Kamara, Executive Director
Office of Early Childhood Development**

There is no one solution to this crisis. However, as collaborative partners, we must begin today to focus on our investment in children and families. We must be bold, we must be committed, and we must act if we intend to have a healthy, thriving community.

- Many of us in this room have been affected by the child care "trilemma" which faces the nation's capital. This trilemma involves availability, affordability, and quality of child care.
- The National League of Cities publication *Critical Needs, Critical Choices* states: "Every municipality—from the largest city to the sprawling suburb to the smallest town—has a direct, vested interest in children, families, and communities. Local governments are the front line of responsibility for the well-being of children, families, and communities—and therefore our nation. The futures of families and communities are interdependent."
- According to this National League of Cities survey, the most pressing needs for low-income families are housing, employment, and child care. Child care (before- and after-school care) and affordable housing are the top needs of middle-income families as

well. The needs of single-parent and two-parent families are similar. While child care is seen as the most pressing concern for single-parent families, issues of family stability, employment, parent education, housing, and child care are the concerns cited most often by both single-parent and two-parent families.

- The National League of Cities study illuminated two significant barriers to city government involvement in children and family issues: (1) declining municipal revenues, and (2) citizen resistance to new spending.
- The demand for child care in the District far outweighs the supply. Based on 1990 census data, 55,919 children ages birth to 13 had parents in the labor force; 38 percent of these children (25,102) were under age six, and 42 percent (30,817) were ages 6 to 13.
- This study showed that 62 percent of the potential demand for child care is unmet by the supply of regulated child care options in the District. The major areas of demand are for school-age care (before and after school and during school closings and holidays), infant care, care during evenings and weekends (by persons working varying shifts), and care for mildly ill children.
- Child care is a business in the District of Columbia. In 1993, 160 businesses listed child care as their primary mission. On average, 2,541 staff were employed in child care, earning annual wages totaling \$37,341,930. In addition, there were approximately 300 family child care providers. Two of the top 200 largest private employers in the District operate child care businesses. The D.C. Department of Employment Services' occupational projections through the year 2005 list "child care worker" as the top-ranked high-growth occupation. Teachers (preschool and kindergarten), teacher aides, and educational assistants are also included in the top 20 high-growth occupations.
- The data project the following increases in job slots between 1994 and 2005: a 45 percent increase for child care workers (or 531 new jobs), a 29 percent increase for preschool and kindergarten teachers (479 new jobs), and an 18 percent increase for teacher aides and educational assistants (786 new jobs).

- Program Licensure: Child care programs in the District are required to be licensed unless care is provided by relatives outside the child's home or by individuals providing care in the child's home. Licensing specifies that child care services must incorporate an age-appropriate learning and child development component. Licensing contributes significantly to the District's high rate of immunization for children ages two and older, because all children enrolled in licensed facilities are required to have up-to-date immunizations.
- The Department of Consumer and Regulatory Affairs, the agency responsible for licensing child care facilities, reported that, as of March 1996, 351 centers and 265 child care homes (today there are only 205) were licensed, for a total placement capacity of 22,119. Programs provided by these private and public facilities include daytime arrangements for infants and preschool-age children, before- and after-school programs for older children, bilingual centers, therapeutic nurseries, and daytime arrangements for children who are developmentally delayed.
- Child Care Resource and Referral Service: The Washington Child Development Council (WCDC) operates the District's Child Care Resource and Referral Service. This service maintains data on all licensed early care and education facilities located in the District and is provided free of charge to any person seeking child care centers, homes, and/or programs for children with disabilities. All counseling is done over the telephone so that callers receive immediate response to information requests. WCDC also provides professional development support to the early child care and education community, advocacy for early care and education, and information to policymakers on issues related to and impacting early care and education in the District.
- The Department of Human Services (DHS), through the Office of Early Childhood Development (OECD), contracts with the D.C. Hotline to provide PhoneFriend, a telephone support service for latchkey children. In fiscal year 1995, D.C. PhoneFriend received 9,965 calls and made 72 presentations and visits (42 in schools, 12 in public libraries, and 18 in community group settings).
- Child Care Subsidies: DHS is the government's primary provider of child care subsidies to low-income parents. Expenditures for DHS-subsidized child care were \$29,165,000 in FY 1995 for approximately 10,000 children. Nearly 76 percent of

these funds come from District appropriations, and 24 percent from federal sources. Today, the Child Care Subsidy Program budget is \$23 million (\$18 million from local funds), serving approximately 6,100 children. Child care subsidies are available for infant, preschool, and school-age care (including children with disabilities) in licensed centers and family child care homes and in the home of the child or relative. DHS subsidizes three child care centers for employees at District government work sites.

- Four high schools and one junior high school offer infant care programs for the children of students, with capacity for 97 children. These programs were subsidized by DHS and operated by private providers.
- The Child Care Crisis: With 25,000 households among its caseload of more than 47,000 children, DC policymakers have recognized that child care will become the cornerstone of any successful welfare reform strategy. However, the capacity to provide child care in the District has been compromised for a number of reasons: declining municipal revenues; a 12 percent reduction in financial assistance for child care for low-income working parents in the last two years; reimbursement rates that are the lowest in the metropolitan area; increased numbers of persons who have already made the transition from welfare to work and are paying low child care fees on a sliding fee scale; and high turnover in the child care industry. The District also has many experienced providers who do not enter into business with the city due to low reimbursement rates. In a program for infant care, for example, costs can be as much as \$50 per day and the city subsidy only reimburses at a rate of \$21 per day.
- The Income Maintenance Organization estimates that 4,500 additional child care slots are needed to meet welfare reform requirements. This could result in the employment of 400 to 900 additional personnel.
- Businesses and child care in the District: Many businesses are involved with child care in the District. Many federal agencies, universities, hospitals, law firms, and accounting firms are helping out their employees, providing help ranging from on-site care to back-up care. Businesses are also contributing via financial assistance. IBM and AT&T, for example, provide financial assistance to help establish new child care homes.

- Businesses can help in five ways:
 1. Build capacity to ensure quality supply and systems support.
 2. Expand assistance to families to pay for services. A private pool of funds would be beneficial in supplementing what the District can provide.
 3. Develop linkages for comprehensive services. Businesses can help bring various groups together.
 4. Leverage private sector funds.
 5. Support program evaluation. We have \$100,000 to evaluate District child care programs, and are looking for partnerships with colleges, universities, and "think tanks" that make the District their home, in order to help get this job done.

- We need to think "outside the box" as partners to ensure the future of our nation's capital. This powerful partnership includes parents, providers, government (local and national), businesses, civic groups, and volunteers.

Carolyn York

American Federation for State, County, and Municipal Employees (AFSCME)

Child care is an infrastructure issue. We must stop talking about child care benefits as perks and instead talk about child care as an essential element of economic activity and growth.

- AFSCME is a labor union representing 1.3 million workers nationwide. AFSCME members work primarily in state and local government, but also represent private health care, university, and nonprofit employees. Members have a wide range of occupations. For example, in health care, the union represents nurse aides, as well as nurses and doctors.

- Unions have been involved in fighting for child care and other family benefits for over 25 years. This has been a natural outgrowth of work in other areas, such as 40-hour work weeks.

- Union-negotiated family-friendly programs: As one might expect, the prevalence of different programs is tied to the cost of providing the benefit. Therefore, lower-cost

options such as unpaid leave, resource and referral programs, and dependent care assistance plans are much easier to negotiate than are higher-cost items such as child care centers or subsidies. Success in winning flexible working hours seems to depend more on the organizational philosophy and seems less related (than other benefits) to cost than to management attitudes.

- **Parental Leave:** According to a survey by the National Council of Jewish Women, 55 percent of union members had job-protected leave of eight weeks or more prior to the passage of the Family Medical Leave Act (FMLA), compared to only 33 percent of nonunion employees. For AFSCME members, 85 percent had job-protected parental leave and 70 percent had four or more months of leave prior to the passage of the FMLA. Unions have also been successful in expanding these leave benefits, including the provision of partially paid leave.
- **Child Care Centers:** A survey of union child care programs reported that 15 unions had one or more contracts providing some type of child care benefit—usually an on-site center or subsidy. These unions cover a wide range of employees in the public, industrial, and retail sectors.
- **AFSCME's largest program is in New York State, where AFSCME has worked with the state for over 20 years to establish child care centers for state employees. Currently, there are about 50 on- or near-site centers in operation. AFSCME's work in New York State illustrates the three biggest factors that contribute to success:**
 1. Be sure you are implementing the *right* programs. In New York State, the statewide labor-management committee requires local committees that want to set up a child care center to conduct a needs assessment survey to prove that there is a need for the type of program they are interested in providing.
 2. Make a long-term commitment. The union and the state have been committed to this project for over 20 years. Individual centers within the New York network generally take two to three years from first interest to opening day. Overnight success is unlikely, but steady progress is possible if everyone continues to be committed to the project.
 3. Foster labor-management cooperation. Like many other successful union child care programs, both labor and management were committed to this project and worked together through a joint labor-management committee. In some

instances, that meant putting aside other differences within the child care committee and making sure that, as new members replaced older members, the spirit of cooperation continued.

- Yet, the New York example illustrates another issue that is far too common—the ongoing problem of affordability. In the New York State, the union and the state were able to negotiate a pot of money in each contract to use for multiple purposes, but primarily for start-up costs. In addition, the state supplied space in state buildings, which also reduced operating costs. The centers are expected to cover all other costs, however, to remain self-sufficient. As a result, the centers have had to charge rates that price them out of range for many AFSCME members in the state.
- This, in turn, has led to some questions within the union about continuing commitment to the centers. One answer is to offer subsidies, but so far the state has not agreed to implement a subsidy program. AFSCME has successfully bargained for child care subsidies with the state of Maine and with Harvard University, but these types of programs are often difficult to win because of their high cost.
- It is important to negotiate child care programs for a variety of reasons. It is very important for working parents to know that their children are cared for in a situation that they can feel good about and at a price they can afford. And it is good for employers because they gain higher productivity and morale from their employees when they implement such programs. Moreover, in today's society, child care is a necessary part of the economic infrastructure. Just like employees need roads, bridges, and public transportation to get to work, they also need child care. We can no longer look at these benefits as "perks," but need to see them as essential elements of economic activity and growth.
- Benefits of collaborating with government and service providers. I think it goes without saying that the best programs are developed when all of the parties work together. In fact, many programs would not get started without the support of everyone involved, including the private service providers who generally run the programs.
- Policy Concerns for the District of Columbia

1. The first question that must be addressed is: What child care needs exist in the District? Are there enough child care spaces? And does the need differ by age group (e.g., infants versus school-age children)? How will the supply need to change as a result of welfare reform?
 2. Secondly, while we work for improvements at individual workplaces, we must also realize that child care problems will never be solved one workplace at a time. The workplace programs solve some of the problems for the employees at that location and may serve as a great model for other employers, but I don't believe they can ever be the whole solution.
 3. We must continue to work for a larger role for government even though it is politically unpopular to say so right now. Government should be setting quality standards. We all know that too much of the available child care reflects low-quality standards, and yet there are no required national standards.* State standards can be laughable. For instance, Idaho allows 1 person to care for 12 six-week-old infants.
 4. I believe government will eventually have to put more money into the system. Parents can't afford decent care; centers are always on the brink financially, and teachers are grossly underpaid. The system desperately needs a cash infusion.
- The impact of welfare reform may only exacerbate these problems by bringing large numbers of women with young children into the workplace without the money for child care and without enough regulated child care slots.
 - In New York City, the budget office is projecting that the city needs to create between 33,000 and 84,000 full-time child care slots by the year 2002 in order to meet the needs of work program participants. Funding is also estimated to be in short supply, so New York City intends to increase the use of unregulated informal care. At this time, it is particularly important for advocates in the District to pay attention to the following:
 1. The number of slots needed as a result of welfare reform must be carefully estimated, and efforts must be made to pace the entry of large numbers of individuals into the workforce so that licensed, regulated slots can become available as workers need them. This will lessen the use of unregulated care and

* The American Public Health Association and the American Academy of Pediatrics jointly produced *Caring for Our Children: National Healthy and Safety Performance Standards—Guidelines for Out-of-Home Child Care Programs* (1992). The standards were developed and disseminated through a grant by the federal Maternal and Child Health Bureau.

the use of unpaid welfare recipients being required to provide child care without inclination or training. The District has taken some good steps; in the plan submitted to the U.S. Department of Health and Human Services, the District has exempted from the work requirements the mothers of children under age one, and is exempting from the time limits the families in which a member has been battered. But these exemptions have not gone far enough. The District should also be screening for domestic violence and exempting victims from work requirements in addition to exempting them from the time limits.

2. We must protect quality standards. For example, the state of Virginia is considering lowering its licensing requirements so that providers can take care of more children (to get around the welfare reform problem of not having enough child care slots). Advocates for children must be very vigilant to make sure that standards are not compromised.

Donna Klein,* Director
Work-Life Programs, Marriott International

Child care cannot be addressed only as a discrete issue for the low-wage population.

Main Points

- The impression I have from this seminar is that we are singing to the choir. I'm not sure how many people here in the audience are from the business sector. I also have a feeling that other businesses have not contributed to the briefing report.
- What I would like to do today is to give you background on Marriott. We are both a national and international leader in work-life initiatives and have many programs for our diverse workforce.
- Marriott International is a global company with 200,000 employees worldwide. Our business is in lodging (hotels, resorts, and suites) and in contract services (food and services, facilities management, senior living services, and child care). We have been

* Donna Klein was unable to review these notes before press time. However, DC Family Policy Seminar staff have made every attempt to transcribe the notes correctly. The staff regret any errors or omissions that may have occurred in final publication.

providing programs to ease the balance between work-life for our employees for about eight years. Our workforce is 56 percent female and 48 percent male. About 80 percent of our population earns hourly wages and about 20 percent is salaried. Our average wage is \$8/hour. Seventy-three percent of our workforce is full-time, and 27 percent part-time.

- When I began this work eight years ago, I implemented "traditional" work-life programs. By traditional I mean child care programs, resource and referral, elder care resource and referral, newsletters on work-life issues, management training, and education. When we evaluated these programs we found that their impact was negligible. We were reaching some of our management population that could afford to pay for some of those services. We were not reaching our wage population, which had been our intent.
- Three years ago, we revised the objectives of our programs for our hourly population. Our revised objectives were to (1) create new knowledge of our hourly population; (2) customize programs to our hourly associates; and (3) continue to support our management population. I was looking for more flexibility with these new objectives.
- As for strategies, I realized that we needed to create more partnerships and collaborations. I also realized that we needed to influence public policy to meet the needs of the hourly population nationally. Because of our size and strong reputation, we were in a good position to take leadership of the low-wage population in the corporate sector.

Key Programs

- *Atlanta's Inn for Children:* To support a 250-slot child care center and full family service center scheduled to open this spring, we formed a nonprofit corporation with two other competing hotel companies. The center will operate 24 hours per day, 7 days per week.

Because of "shortcomings" in the local financial community, we were not able to get traditional financing for this project. Instead we sold municipal bonds. We have received wonderful support from the community and have received many grants from foundations and private sector businesses for scholarships. As a full family service

center, we will be doing immunizations, pediatric physicals, parenting education, nutrition counseling, and resource and referral.

- *Associate Resource Line:* We learned from research that personal issues do have an impact on work. The issues raised by workers are complex and multifaceted. It is not enough to look just at child care. Our workforce is not interested in child care as its number one priority. Some managers were spending approximately 15 to 50 percent of their time being "social workers." The resource and referral line's focus is to address anything and everything that impacts someone's life. For instance, we provide counseling on immigration issues, credit, housing assistance, child/elder care assistance, domestic/workplace violence intervention, school match for relocating executives, and nanny searches.

The line is staffed by 12 master's-level social workers who do confidential counseling. We have counseled in up to 15 languages and have prepared communications materials in eight languages. Each telephone call averages four hours per customer and we refer out to local community agencies. On average, a total of 9 percent of our workforce uses the service annually, and at some properties, usage is as high as 36 percent. The personal impact of the resource line has been the following: 62 percent of callers report reduced stress; 39 percent report better balance between work and personal life; and 68 percent report more positive feelings about Marriott.

Following is the impact in the workplace (dollars saved in parenthesis):

- 15 percent report not leaving early or arriving late for work (\$3,052)
- 10 percent report no "calling off" (taking day off) (\$32,640)
- 10 percent report not having to resign (\$2,232,600)
- 24 percent report being less distracted (Plus \$\$\$)
- 8 percent report improved relationships with coworkers/manager (Plus \$\$\$)

Annualized return	\$2,268,292
Cost	\$628,030
Return on investment	4:1

- We've found with our hourly population that issues such as child care cannot be addressed in a vacuum. For instance, hourly employees will not call for help in finding child care if they can't pay bills or are concerned that their utilities are about to be turned off. In our experience, you won't be able to get their attention in finding quality child
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care arrangements if they are about to be evicted. Child care cannot be addressed as a discrete issue for this population—perhaps it can for a management population, but not for the hourly population. If you do so, you increase the rapidity of the disappearance of the middle class. You are, in effect, increasing what the *haves* have, and what the *have nots* do not have. It is not in the best interest of our country to keep focusing on child care for those who can afford to pay. We must look at those who can't afford to pay, and this is an entirely different issue.

- *Engaging the private sector:* A few months ago, we invited 35 employers of hourly workers to join us in discussing how we were going to address this issue affecting the country. This project was given start-up funding by the Carnegie Foundation. Twenty-five employers accepted the invitation to join the group. We have met for over two years and have received continued financial support from the Pew Charitable Trust. As a group of employers, we represent over 2.5 million employees (mostly low-income employees) from labor intensive industries (e.g., lodging, fast food, retailers). A number of these employers have not acknowledged publicly that they are part of this group because they don't want to be identified as a large employer of a low-income population. Unfortunately, we'll never find a solution if we can't admit to how our business/industry is structured. The group is sharing best practices and our goal eventually is to make public policy recommendations.
- *Fatherhood:* We are also looking at fatherhood, the impact of fathering, the level of engagement of fathers, and the effect of the absence of fathers on the welfare of children overall. We are providing fatherhood training through the Boys and Girls Club of America (as our delivery system) in both New York and Philadelphia, and will roll out that program nationally in the near future.

COMMUNITY RESPONSE AND DISCUSSION

The DC Family Policy Seminar changed its format for this seminar. In place of our Community Announcement segment, we provided an opportunity for our lead agency partner to address the forum. For this seminar, Bobbi Blok, Executive Director for the Washington Child Development Council, provided opening remarks preceding the question and answer session.

Bobbi Blok
Washington Child Development Council

This is not a crisis. It is a challenge, and I challenge all of you to deal with this issue effectively.

Over 200 people participated in the Washington Child Development Council's child care summit in December 1996, including the staff of the DC Family Policy Seminar. We said the summit was a kick-off. The issue now is who runs with the ball, because a summit or a seminar is not the answer to what needs to happen in this city. What needs to happen is more effective dialogue, and that happens only when we sit down, talk to one another, start changing the way we think, and help each other to get the message across in terms of meeting the need for child care in this city.

One of the things that concerns us is the fact that welfare reform is going to be overwhelming (given the demographics of the city), and we need to understand the numbers. We are talking about 4,500 new spaces by October 1, 1997, with an existing base that supports approximately 6,000 to 7,000 children. The question is: If we do not seek any additional dollars in terms of subsidies for child care, what will parents do?

Two years ago when we were in crisis, we had been told that there was no new money in the District. We learned then that by coming together, united, to make it clear to our elected officials that it was not a matter of money but of priorities, we were able to save 1,600 of the 2,000 spaces in jeopardy. I think we have to realize that we've made some victories and we need to build on those victories. We need to help the elected officials and those who make policy to understand that children are an important issue. I think Donna Klein made it clear that corporations can do a lot, but they can't do it all. We need to work with corporations— together, we can carry the ball.

I encourage you all to fill out the child care interest survey and send it to the Washington Child Development Council, because, as I said, this seminar is not the answer. The answer is for all of us to come together, united, and move forward—not only as employers and advocates, but as parents.

Resource note: "The ABCs of Safe and Healthy Child Care" can be accessed at <http://www.cdc.gov/ncidod/hip/abc/abc.htm>. Produced by the Hospital Infections Program of the National Center for Infectious Diseases (NCID) at the Centers for Disease Control and Prevention, this on-line handbook for child care providers contains information on childhood diseases and conditions.

QUESTION & ANSWER SESSION

Role of Volunteerism

I agree with the statement that it is the responsibility of government to provide child care assistance, and the interest of business to do the same. However, there is also a role for volunteerism. Big Brothers and Big Sisters offer various opportunities for members of the community to become mentors to young men and young women. They are not meant to serve as substitute child care givers, substitute teachers, or substitute parents, but they do play a necessary role in the lives of children, and they also provide a means of bringing the community together. I just want to emphasize the role of volunteerism, not to replace the role of government or of business, but as another option.

Jose Vargas, Coordinator, Big Brothers/Hermanos Mayores

Fees and Regulations for Child Care Providers

I found the rules and regulations for being a child care provider so taxing. I found out that I can care for only five children. You talk about providing affordable child care, but if the prices providers offer are too low, we cannot pay our bills or meet our personal needs. And if the prices are too high, parents cannot afford them. So you end up with day care with no children. Is regulation an area that is being looked at during this time?

Vicky Rayfield, Family Services, United Planning Organization

This is certainly an area that is being considered. There has been a lot of dialogue in the District around what we should do about securing 4,500 child care slots. One response is to find cheap child care. And, of course, my response is that what I want for every child in this city is what I want for my two-year-old granddaughter—absolutely the best. We have looked at what people call "cheap child care," but no care is cheap, really, because there are long-term implications if you don't provide good developmental programs initially.

We are looking to roll out a major campaign focus on family child care. We are probably the only jurisdiction in the country with fewer family child care homes than centers. We are looking at this issue from several perspectives. I mentioned the \$1,000 in start-up costs. We realize that affording it is really a challenge. Some people may not realize what starting child care homes involves. The fire department requires that you install hard wiring for smoke detectors. This procedure can cost between \$500 and \$750. Last week when I made an appeal for more child care homes, someone came to me and said: What about some help with costs? Performing these installations for cost is one way for businesses to become involved. We

would not ask them to do it for free, but for cost. That's one thing that IBM and AT&T are doing. They will be putting up at least \$750 to help a small group of new providers with start-up costs. We are also making training available for people who want to become licensed providers and to obtain credentials as Child Development Associates.

We are also looking at regulatory and policy challenges. Our licensing agency just began to implement a fee for family child care licensing two years ago. No other jurisdiction in the area has a fee. We are looking at what can be done to waive or postpone the fee. However, the \$50 fee for a home-based business is really not a significant amount of money. I think the big challenge for people is in finding parents who can afford the fees, and, in low income areas, having DHS-eligible children placed in a family child care home. And of course there is the issue of allowing sites to care for more children. However, I feel that people would rather receive more money to care for fewer children than to have standards relaxed to enable them to care for more children. Family child care settings are limited to five children in the District of Columbia, and to cover more than that is a zoning issue. We are certainly having internal dialogue about this issue, but first and foremost, we have to look at some of the things that we can do that won't require an act of Congress. I think the zoning issue certainly might be in that category.

We also want to be able to hook people into a network so they can access training. The Reach Out and Read program goes into a designated number of homes a month. Two years ago we did implement a diversified rate for family child care where you receive more money (although probably not as much as people need) for taking care of an infant versus a school-age child. The market rate for child care is \$20 per day, and we reimburse people at \$14.50 per day. I would be very interested in hearing your recommendations about what we can do to help people who are providing care outside of the law. Most people do not realize that you are required to be licensed. If you are found to be caring for one or more children on a regular basis without a license, you can be fined \$1,000. The licensing agency has agreed to waive the fine if people attend orientation sessions and begin to move forward. I think we have made some progress, but we do have a long way to go.

Barbara Kamara

Partnering with Businesses (Business Incentives)

What are the incentives for businesses to get involved in the child care issue, especially for small businesses who want to get involved, but have limited resources or a limited number of staff?*Vicky Rayfield, Family Services Assistant, United Planning Organization*

There are several ways that small businesses can become involved. As you know, we need to put 7,000 people into "work experience" or work. For a lot of people, it is going to be work experience, just because of the job market in the area. Many people are not aware of this. Many people who are involved in a "work experience" come to a business for a minimum of 120 days and can work in a whole range of activities. People who are on public assistance, just like people who are not receiving assistance, have different ranges of experiences, different kinds of backgrounds; some are in college, some have previous work experience. So providing work experience is a way that businesses can contribute. Businesses need to be willing to obtain supervision for the people they recruit. This is available through the Private Industry Council. The council is making available work experience opportunities in child care, because child care programs are also businesses.

In certain parts of the city, there are other benefits. If you hire persons with a low income from a particular area, there may be tax incentives available. Sometimes businesses are interested in taking advantage of those incentives. We need to look at these and other incentives. The \$23 million that we now spend in subsidies helps businesses. I think that most businesses don't realize that within their workforce are a number of people who are getting financial assistance to pay for child care. Perhaps in exchange for that subsidy, there are some things that the businesses could do. Maybe volunteer. When I talk about a role for businesses, I'm not always talking about money. People's time is money, but I think there are other ways they can contribute.

Barbara Kamara

In the past, tax incentives for child care have not been effective because they were too hard to get and were not user-friendly as far as corporations were concerned. While I think incentives would benefit companies to some extent, I don't think the benefits would be significant. I think this issue of involving businesses will require a lot of new thinking, beyond the concept of incentives, because it's not in the interest of corporations to offer child care. Private corporations have to satisfy their shareholders, and shareholders are interested in making money. That's really the basis of business. Businesses will not address child care "head-on," they are going to address it through the side door. And while businesses are benefiting from subsidies, they are not receiving \$23 million worth of benefits, and what they do receive is not enough to offset an equal amount of investment into the child care system.

Donna Klein

Funding

Is there anything that banks can do, such as provide low-interest loans?

Debbie Hall, Director, Big Mama's Children's Center

We have had that discussion with bankers, and we think that if people are required to pay back only \$35 a month, they can do that. I think that part of what we need to understand is that child care is a business. We have to look at it from that perspective, and we have to look at how to take advantage of what is available. That's why, when I talk about family child care, I talk about the child care food program, which is certainly a benefit that can help you stretch out some of the money you get. One of the things we can look at is how to take advantage of using one's home as a business.

There is no free lunch for anybody anymore. When I say that everybody, including providers, will have to give more, I think this becomes the reality. If we intend for child care to become a profession, we need to look at how we, as professionals, manage our businesses. When I say we have to look at this issue from "outside of the box," I mean that we have to take a look at this issue from a very different perspective. It's not that there is a real money problem—there is an *idea* problem about how to split resources and priorities. I'm not going to sit here and think that money is going to fall out of the air, or even out of the budget, so that we have the kind of resources that we need. That is why I say that in partnership, including the volunteers, we need to take a look at this differently. How do we utilize what is available in our schools? How do we utilize what is available through Head Start? We need people who can do things differently.

Barbara Kamara

We are involved in developing a family support center in DC. We've done an extensive needs survey, and there are a variety of needs. I am trying to find out how to address this issue with possible funders, who are stuck on this one issue of child care. What are your thoughts on this issue?

Laura Kuzma, Social Worker, Family and Child Services of Washington, DC

I'm glad that you're embracing the concept of a holistic support group for families. I think that it is critical and will become increasingly critical. We have found ways to funnel money for some programs into other programs. We have tapped food subsidy money and preschool money to cover some of the subsidies. But you are absolutely correct that it is a complex puzzle and that it is a public policy issue. There is no way that a small business, with limited resources, has the time or energy, let alone stamina, to try and put that piece together. I have

had a lot of support in Atlanta from some powerful people. The issue you raise is one that I believe we as a country have to take a look at ("the big picture"), and then examine community by community.

Donna Klein

Utilizing Existing Resources

How can we utilize the Head Start program?

Marta Gonzales, Rosemount Center

Head Start is a comprehensive program that realizes parents have a lot of needs. I think that in the District, when we think about people who are receiving benefits through **Temporary Assistance to Needy Families (TANF)**—formerly through Aid to Families with Dependent Children (AFDC)—we find that many of them are already enrolled in Head Start. We really have to look at how we can better partner with Head Start, and start there because Head Start families have a lot of supports.

It's not going to be easy for people who are on TANF to get off. Providing only child care as a benefit will not help a lot of people. Some people only need child care to go to work; they can be helped, and we need to help them to stay off public assistance in the first place. For people who have multiple challenges, Head Start can help. We have a Head Start state collaboration project with the District and the D.C. Public Schools program that teaches parents how to develop resumes, how to dress professionally, and how to do a range of things. There are about 2,000 children in Head Start right now—in fact, that is half of our 4,500 slots. We have to see Head Start as a recruitment site for TANF.

I'm really interested in your ideas. We need to look at how to bring resources together. Finding 4,500 slots doesn't mean we have to design 4,500 brand new strategies. We already have a lot of spaces available in the city, some of them in Head Start, so maybe we can do some marrying. Every Head Start [project] in the District has some subsidies, so we already have the makings of a way to begin to do business a little differently.

Barbara Kamara

Availability and Access to Information

What is being done to inform employees of their benefits? I find that many employees are not aware of the benefits available to them.

Judy Fisher, Infant Toddler Program

You point out something that we encounter all the time. We develop programs and booklets for people who need them, and sometimes these materials get to those who need them, and sometimes they don't. We try to do as well as we can, but certainly we always try to work harder.

Carolyn York

There are countless forums for corporations and all sectors of the economy to gather together and talk about ways to advocate and push this issue. Sharing best practices is very common. We come to forums such as this to share practices with other people. That's a big part of our job, but it is also time-consuming. The much bigger challenge for employers is trying to communicate information about their programs to their employee base, especially if it is a diverse employee [population] that speaks multiple languages, or that is not a reading population. It is almost impossible to communicate about tax breaks, for example. Our focus is to make the policy easier to implement, so that we can communicate its benefits to someone with a 10th-grade education who doesn't speak English. In the end, it becomes the job of unit managers, but unit managers have so many jobs and communicating program availability is only a tiny percentage of what they do. We continue to try, but it is a challenge, and it will continue to be more challenging as the country becomes increasingly diverse.

Donna Klein

Cultural Considerations

Many of the barriers to health care are not just financial. Are cultural issues being dealt with?

Andrea Jones, Opening Doors

In the family care arena, we are actively involved in trying to overcome some of the cultural barriers in terms of the benefit side of health care. On the family care side, we certainly are looking at that, and we're trying to partner with a lot of local organizations and deal with that issue specifically. We try to accommodate those needs that are obviously complicated by the language challenges, and the underlying statement that the increasing diversity is going to become increasingly challenging.

Donna Klein

Policy Initiatives

Can private corporations and unions work with community-based organizations to change policy and shape the discussion about obtaining affordable and quality child care? America needs to be able to look at child care as part of a cultural responsibility.

Cheryl Christmas, United Planning Organization

That is one of the key questions that I think corporations are dealing with nationally. Corporations are already advocating for children and families. Some corporations are not at that place yet because they still don't understand the relationship between the personal piece and the work piece. That's an educational process. It's important to understand that we're relying on corporations to adopt new behaviors. Corporations have always focused on the "bottom line" in the interest of making money. That's what they are about first and foremost, but they are also about all these other things. Changing social and economic behavior has been thrust upon private enterprise, and I think the private sector is beginning to realize that, ultimately, it is their job. It's a philosophical piece, and a lot of people aren't there yet.

I work with tons of community organizations, especially in Atlanta. The Associate Resource Line [resource and referral line] works with some 500 nonprofits nationwide.

Donna Klein

From the union perspective, we have always taken a two-pronged approach. We draw up important benefits that we can negotiate, but we never believe that is the entire solution. We work with grassroots coalitions on specific legislative issues on the state and local level, and we certainly believe that there needs to be national family policy that covers a broad range of issues.

Carolyn York

From the private sector and union perspective, what kind of public policy initiatives would you support?

Nancy Sconyers, National Association of Child Advocates

I don't think that we can address this issue in a vacuum. I think Carol and I agree philosophically on where we need to go, but we are operating in our own silos. Our challenge is to persevere in those arenas. I think the next step toward communication needs to occur between business and labor. I don't think we are at the point yet of really having enough people with enough nerve to have that discussion—and I am being very frank. It will take

small incremental steps. What we're really looking at is the whole way that our economy functions and operates. We're looking at a place where lines are being redrawn about what the role of corporate America is, and what the role of the public sector is, and we're operating from a place of not knowing. Communication is the next step that needs to occur before making public policy recommendations.

Donna Klein

I agree that more linkages need to occur between the public and private sectors, but we also need better public policies. For instance, we need to extend the Family and Medical Leave Act. A large portion of the population works for employers that are too small to be covered by FMLA. National child care standards need to be required, and everyone has to work together to "raise the floor."

Carolyn York

Partnerships

Obviously, DC is in a unique position as our nation's capital. Yet, from a national perspective, there are a number of corporations that have adopted cities throughout the nation, so to speak, and have done a lot more. The reality, Carolyn and Donna, is that you are "services," and we are "servicees." I'm wondering if you have any ideas about how can we highlight the fact that we are the nation's capital and how we can get more people like the federal government involved in the process and helping us move forward?

Bobbi Blok

For the most part, it is the federal centers that don't participate with us. When there is a subsidy available, there's still the issue of affordability. You can enter into dialogue with the federal government to see what it is you can do together. Other states have implemented some policies in instances where there is a bigger gap.

Barbara Kamara

As for corporations adopting cities, corporations operate in cities and communities and do business there. Certainly, it is part of the corporate agenda to support the communities and cities in which they conduct business. There are lots of ways to do that. I think increasing involvement for corporations has to be approached in a way that recognizes the agenda of corporations rather than presenting the agenda of the public sector. I think your approach to getting corporations to become more involved needs to be more realistic. A pervasive perception of private corporations is that when someone from outside the corporation wants to

begin a dialogue, they just really want money. I think we need to get beyond that point, because if that is your entry point, it will be a quick turn-off for businesses.

Donna Klein

Training

In the new centers you establish, will there be training for children with compromised systems?

Catrina Perkins

Certainly. We have conducted that kind of training in the past, and we will do it again. We also know that we need another round of training and orientation, helping people to become knowledgeable about the resources that are available to them. You can help us with partnering. If you have the expertise in this area, then we can partner together. I don't want to have to reinvent the wheel, and I welcome any information that you have.

Barbara Kamara

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