

**Child Care for Low Income Working Families:  
Child Care Landscapes, Utilization, & Quality in Four Indiana Communities**

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## **INTRODUCTION**

While the effects of child care quality on low-income children and parents have been documented, little is known about how local communities vary in providing child care to low income working families in the wake of the welfare reforms of the mid-1990's. This research addresses this issue by studying child care experiences of low-income working parents and their young children (6 mo to 6 yrs). In this paper we describe how four communities in Indiana vary in the provision of child care services to low-income working families, describe the quality level of child care used by low income working families in each community, and suggest how community contexts may affect the quality of care received by children from low-income families.

Indiana is a state where a relatively high proportion of child care programs are exempt from licensing and in which many child care spending decisions are made at the community level. Indiana child care regulations allow child care ministries (i.e., center-based programs sponsored by churches) to operate without a state license. Yet there has been no systematic investigation of the quality provided in this type of care.

Our research employs an integrated design, including existing state- and county-level data, qualitative interview data, and quantitative data to describe and compare “child care landscapes” in these four diverse communities, identifying community-level variables that may affect the type and quality of care selected and used by working poor families. This presentation provides preliminary results addressing three questions: (1) What types of child care are low income working families using in these four communities? (2) What is the quality of care received by children from low-income families? (3) Does the quality of care vary across communities or child care settings?

## **SAMPLE**

- Participation criteria:
  - Annual family income less than \$35,000.
  - Head of the household was working full time (employed 20 hours per week or more, going to school 20 hours per week or more, or in job –training 20 hours per week or more).
  - Family had a child between 6 months to 6 years old, and the child was enrolled in out-of-home care at least 15 hours per week and for more than 2 months prior to data collection.
  - Family was not enrolled in TANF.
  
- Sample description:
  - Participants:  $N = 307$  low-income working families of young children (6 mos. to 6 yrs.) and their child care providers. (County sub-samples: St. Joseph,  $n = 78$ , Marion,  $n = 76$ , Allen  $n = 76$ , Lake,  $n = 77$ ).
  - Child's age:  $M = 40$  months (6 to 72 mos.).
  - Child's gender: boys = 152, girls = 153.
  - Child's race: African American (59.0%), European American (23.5%), Other (12.7%).

- Family income: two-thirds of the participating families fell below federal poverty level (\$18, 400/yr for four person family).
- Virtually all children (96.4%) lived with their mothers but only 25.7% lived with their fathers.
- The most frequent reason given by parents for using child care was allowing parents to work (60.3%).

## **METHOD**

- The study was conducted in four urban counties in Indiana: St. Joseph (South Bend), Marion (Indianapolis), Allen (Fort Wayne), Lake (Gary, Hammond, E. Chicago).
- Participants were recruited through government agency offices (e.g., workforce development services, WIC, etc.), in public places (e.g., public libraries, community centers, etc.), and adult schools (vocational-technical, GED classes, state university, etc.).
- Research assistants visited the provider and the child in the child care setting, observing for 2 1/2 hours to assess the process and structural quality of the child care setting.
- Parents and child care providers each completed a survey.

## **MEASURE**

<b>Constructs</b>	<b>Instruments</b>
Community context	Key informant interviews Parent focus groups Existing state and county data
Parent and child characteristics	Parent questionnaire
Provider characteristics	Provider questionnaire
Global child care quality	ECERS-R or FDCRS
Structural child care quality	Observation: group size & adult-child ratio Provider questionnaire: provider qualification
Process child care quality	Caregiver Interaction Scale (CIS, Arnett, 1987) Observation: caregiver responsive interactions

## COMMUNITY LANDSCAPES

Table 1. Existing community data in study sites.

<b>Community (County)</b>	<b>Marion</b>	<b>Lake</b>	<b>Allen</b>	<b>St. Joseph</b>
County population, 2000	860,454	484,564	331,849	265,559
% children in poverty, 2000	21.0%	21.6%	13.3%	15.4%
Total licensed child care slots: 2000	21,091	7,746	5,673	5,003
LICENSED CAPACITY in CENTERS, 2003	15,078	4,622	3,667	3,107
LICENSED CAPACITY in HOMES, 2003	6,013	3,124	2,006	1,896
NUMBER REGISTERED MINISTRIES, 2003 (no regulation of # of slots)	131	50	38	28
ANNUAL # OF CHILDREN RECEIVING CHILD CARE VOUCHERS, 2002	18,530	10,836	6,334	3,174
MONTHLY AVE. OF CHILDREN ON WAITING LIST FOR CHILD CARE VOUCHERS, 2002 (ratio, receiving:waiting)	6,939 (3:1)	295 (38:1)	697 (9:1)	623 (5:1)
% of children receiving child care vouchers with family income 100% poverty or below	54%	77%	63%	78%
Child care quality funds spent primarily for	Capacity Credentials	Capacity	Capacity	Credentials Turnover

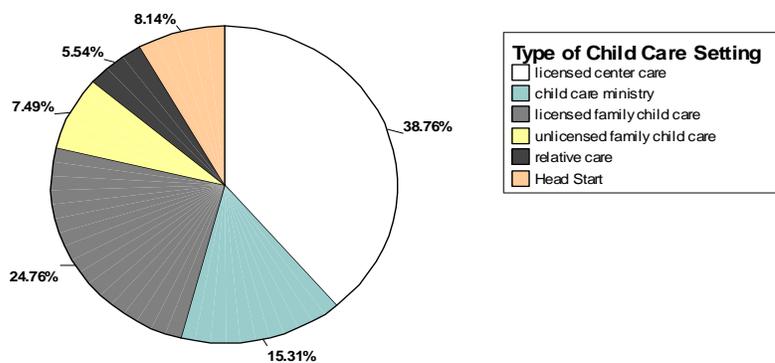
Table 2. Summary of critical child care issues from interviews and focus group.

	<b>Parent Focus Groups: Critical Issues</b>	<b>Key Informant Interviews: Critical Issues</b>
Marion	<ul style="list-style-type: none"> <li>▪ Center care preferred.</li> <li>▪ Multiple child care arrangements difficult to manage.</li> <li>▪ Rely on relatives and friends for backup.</li> <li>▪ Need for extended hours.</li> <li>▪ Vouchers are critical.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Insufficient funds for subsidies.</li> <li>▪ Quality concerns about unlicensed ministries.</li> <li>▪ Wide variation in quality.</li> <li>▪ Need for extended hours and sick care.</li> </ul>
Lake	<ul style="list-style-type: none"> <li>▪ Reliance on relative care.</li> <li>▪ Lack of reliable public transportation.</li> <li>▪ Extended hours and flexibility are important issues, often lacking in formal care.</li> <li>▪ Concerns about quality, safety.</li> <li>▪ Care for children with special needs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Great need for more quality care.</li> <li>▪ Strength in informal provider network.</li> <li>▪ Lack of funding and training resources.</li> <li>▪ No established resource &amp; referral agency.</li> <li>▪ Need for higher quality, extended hours, sick care.</li> <li>▪ Need for bilingual-bicultural care.</li> </ul>
Allen	<ul style="list-style-type: none"> <li>▪ Preferences for home-based care.</li> <li>▪ Concerns about quality of care.</li> <li>▪ Rely on family, friends, neighbors for supplemental care.</li> <li>▪ Shortage of infant-toddler care.</li> <li>▪ Need for sick child care or more flexible leave policies.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Well-coordinated community services.</li> <li>▪ Demand for child care increasing.</li> <li>▪ Concerns about quality of new needed supply.</li> <li>▪ Extended hours needed.</li> <li>▪ Families prefer relative care for infants &amp; toddlers.</li> </ul>
St. Joseph	<ul style="list-style-type: none"> <li>▪ Use mixture of home-based and center-based care.</li> <li>▪ Rely on neighbors and relatives for backup.</li> <li>▪ Need more flexible hours, nights, weekends.</li> <li>▪ Concerns about quality.</li> </ul>	<ul style="list-style-type: none"> <li>▪ High demand for child care.</li> <li>▪ Supply adequate, but cost and lack of info are barriers.</li> <li>▪ Relative/informal care used often.</li> <li>▪ Insufficient subsidy funds.</li> </ul>

## RESULTS

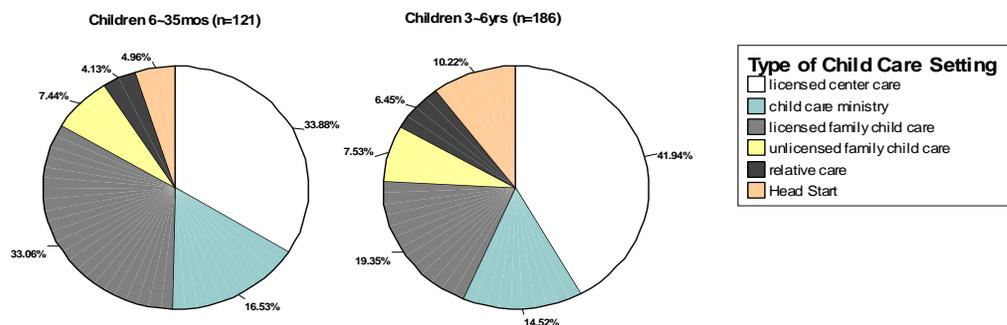
### Types of Child Care Settings that Low-Income Working Families were Using

The most frequently used type of child care by this sample was licensed center care (38.8%), followed by licensed family child care (24.8%) and child care ministry (15.3%). About 71.7% of the sample was cared in licensed child care settings (i.e., licensed centers, Head Start, and licensed family child care) while the remaining 28.3% was cared in unlicensed child care settings (i.e., child care ministries, unlicensed family child care, and relative care). In addition, 36.2% of the sample children were cared in home-based settings (licensed and unlicensed family child care, and relative care) and 63.8% were cared in center-based settings (licensed center care, child care ministry, and Head Start).



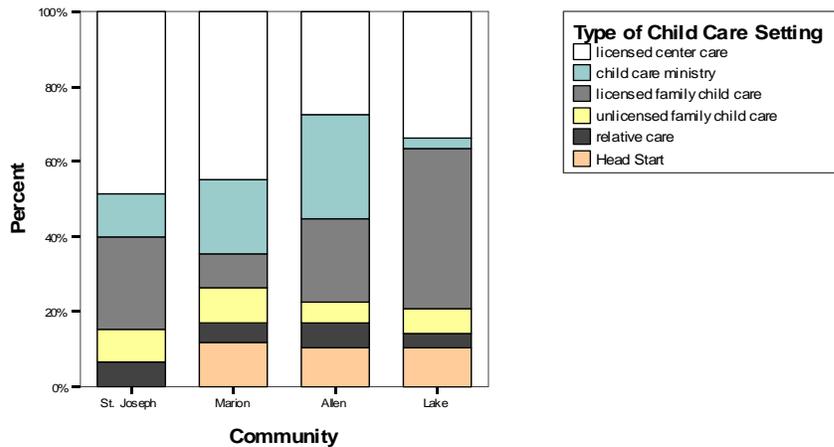
### Types of Child Care Settings that Low-Income Working Families were Using: Younger vs. Older Children

There was no overall significant difference in the types of child care settings used by older (3 yrs to 6 yrs) vs. younger (6 mo to 3 yrs) children ( $\chi^2 = 10.181, p = .07$ ).



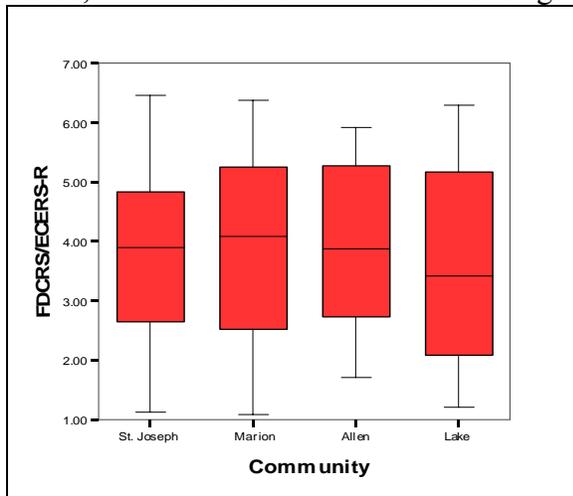
### Types of Child Care Settings that Low-Income Working Families were Using: Variations in Communities

There were significant differences in the distribution of child care types across community samples ( $\chi^2 = 51.184, p < .001$ ). Families in Allen community were evenly distributed in their use of licensed center care, licensed family child care, and child care ministry (20-25% each). However, very few families in Lake County sample (2.6%) used child care ministries, and 42.9% used licensed family child care. Finally, over half of the families in St. Joseph and Marion County samples (56.6%) used licensed center care, including Head Start.



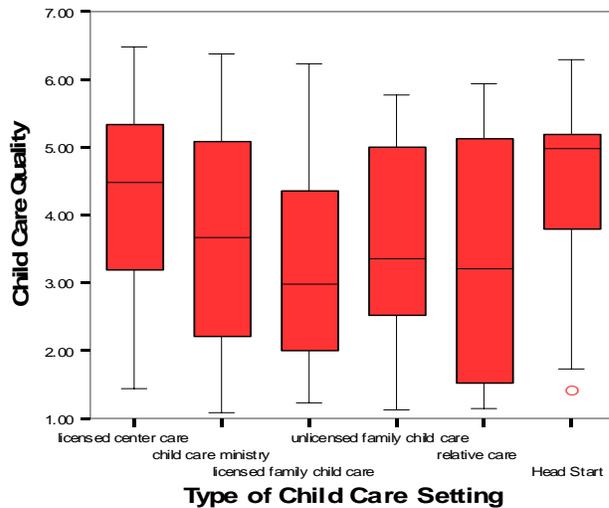
### Global Child Care Quality (FDCRS or ECERS) – Community Variation

Overall child care quality level was not significantly different across community sites ( $F(3, 284) = 1.623, p = .184$ ). The median level in each community was near 4 on the ECERS and FDCRS scales, which is between “minimal” and “good” quality level.

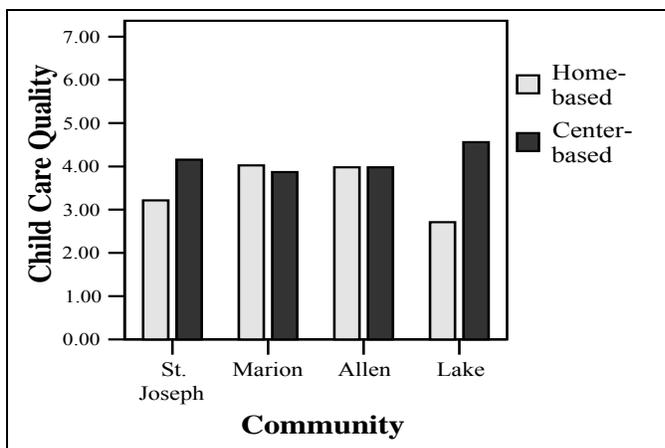


### Global Child Care Quality (FDCRS or ECERS) – Variation in Types of Settings

The global child care quality was significantly different across types of child care ( $F(5, 284) = 3.799, p = .002$ ). The average child care quality in Head Start ( $M = 4.42$ ) and in licensed child care center ( $M = 4.22$ ) was higher than the quality in licensed family child care ( $M = 3.23$ ).

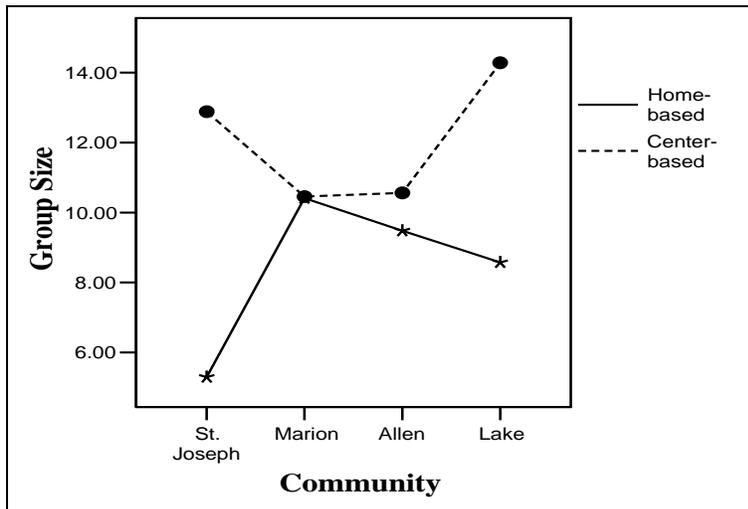


Overall, children in center-based child care settings received higher quality care than children in home-based settings ( $F(1, 299) = 17.31, p < .001$ ). The interaction between type of child care setting (center-based vs. home-based) and county was significant ( $F(3, 299) = 7.67, p < .001$ ). In St. Joseph and Lake Counties, children in home-based child care settings received lower quality care than children in center-based setting ( $F(1, 76) = 10.52, p = .002, F(1, 75) = 40.96, p < .001$ , respectively).



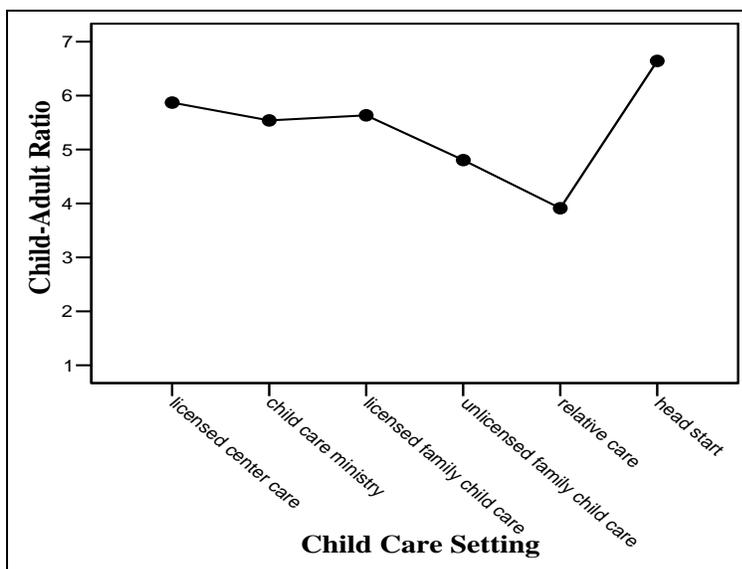
### Structural Quality: Group Size

Child care group sizes were significantly larger in center-based than in home-based child care settings ( $M = 11.79$  vs.  $8.18$ ,  $F(1, 287) = 30.983$ ,  $p < .001$ ). A significant interaction between type of child care (home-based vs. center-based) and community was found ( $F(3, 287) = 7.672$ ,  $p < .001$ ). Post-hoc tests showed that the group size difference between center- vs. home-based settings was significant in St. Joseph ( $M = 12.88$  vs.  $5.30$ ) and in Lake ( $M = 14.28$  vs.  $8.58$ ) but not in Marion and Allen communities.



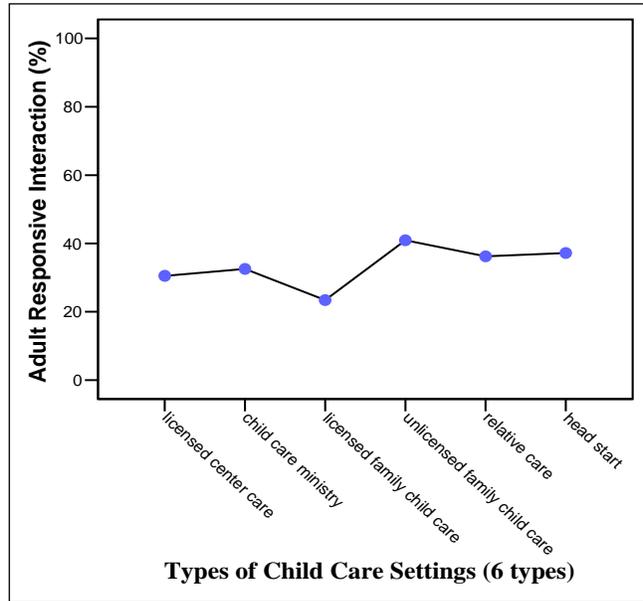
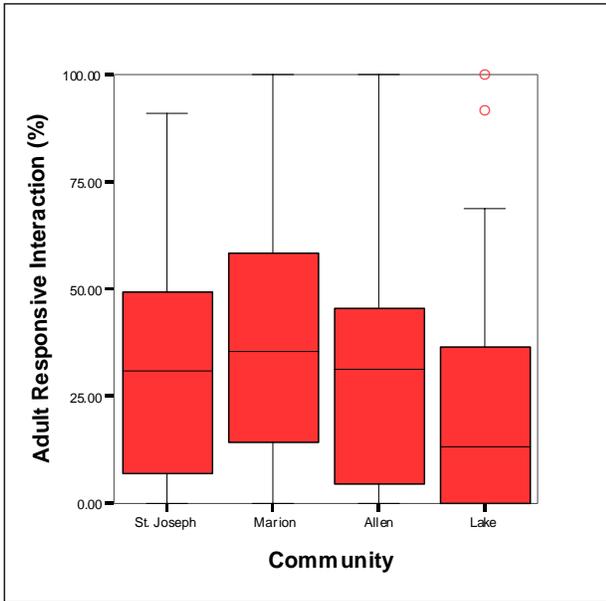
### Structural Quality: Child-Adult Ratios

Child-adult ratios, a key structural quality indicator, were significantly different across types of child care settings ( $F(5, 289) = 9.02$ ,  $p < .001$ ). Post-hoc tests (Tukey) revealed that child-adult ratios were significantly higher in licensed child care centers than either licensed or unlicensed family child care homes, and significantly higher in Head Start than in licensed child care centers, child care ministries, licensed/unlicensed family child care homes, and relative care.



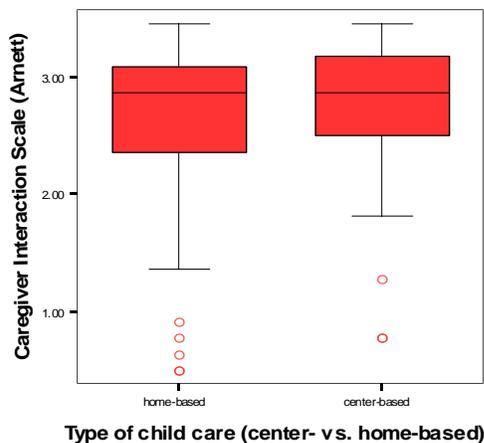
**Process Quality: Adult Responsive Interactions**

Percentage of observed caregiver responsive interaction was significantly different across communities ( $F(3, 303) = 5.396, p = .001$ ). The mean percentages of caregiver responsive interactions in Marion (38.50%) and in Allen (33.09%) were significantly higher than in Lake (21.44%). There was a significant difference in percentage of adult responsive interaction across types of child care settings ( $F(5, 301) = 2.315, p = .044$ ). Post-hoc tests showed that the mean percentages of adult responsive interaction in Head Start (37.20%) and in unlicensed family child care (40.91%) were significantly higher than the percentage in licensed family child care (23.41%).



**Process Quality: Caregiver Sensitivity (CIS)**

Overall, observed caregiver sensitivity was significantly higher in center-based child care settings than in home-based settings ( $M = 2.81$  vs.  $2.66, F(1, 304) = 5.699, p = .018$ ).



## CONCLUSIONS

- Low income working families use a wide variety of types of child care, with licensed center care and licensed family child care the most frequently used types.
- The overall quality level of child care utilized by low income working families is low: less than “good,” and just above “minimal.”
- In general center-based programs provide higher quality care than home-based settings for this population, but this difference was seen primarily in St. Joseph and Lake counties.
- Communities vary in the utilization and quality of child care by low income working families. Specific differences we found:
  - ✓ Families in Marion County were heavy users of center-based care, those in Lake County used family child care more than any other community, and Allen County families were evenly distributed among licensed center care, licensed family child care, and child care ministries.
  - ✓ Group sizes in center-based care were higher than in home-based care in St. Joseph and Lake Counties, but were not significantly different in Marion and Allen Counties.
  - ✓ There were relative mean differences in amount of responsive caregiver-child interaction across communities, ranging from 38% to 21% of observed intervals.
- Responsive interactions between caregivers and children were observed most often in Head Start (which also had the largest group sizes) and unlicensed family child care (with relatively small group sizes.) and least often in licensed family child care. This suggests that the specialized training Head Start teachers receive results in higher process quality, but also that the smaller group sizes found in unlicensed family child care can result in more responsive interactions with children also.
- Child care quality, observed as structural features, adult-child processes, and global quality is generally lower for infants and toddlers than for preschoolers.
- Licensing is not a guarantee for process quality: The highest levels of caregiver responsive interaction were observed in unlicensed family child care, and the lowest levels were observed in licensed family child care.
- Head Start provides quality levels above those of regulated and unregulated care for all other types.
- Observed group sizes varied tremendously across communities and types of care.
- These four communities apparently provide different arrays of child care types, and families’ preferences may also vary. Community-level factors and types of care combine to produce complex interactions with child care quality. While overall global child care quality for low income working families is low and does not differ across these four communities, there are specific cross-community differences. For example, quality in home-based settings is generally lower than in center-based programs, but particularly so in St. Joseph and Lake Counties, two communities in which the use of home-based child care was high. Both parents and community child care leaders expressed concerns about quality in these communities. In

Marion and Allen Counties, use of center-based care was relatively high, including Head Start (more than 70%). Levels of process quality (responsive interaction) in these communities were generally higher than in the two communities that emphasized home-based child care. These are preliminary conclusions, by necessity somewhat speculative. The volunteer samples in each community do not necessarily represent the child care used by all low income working families. Therefore any conclusions should be considered hypotheses for further research and in policy discussions.