



UNDERSTANDING VERMONT

# Early Care & Education

INVESTING IN BABIES, TODDLERS, AND PRESCHOOLERS

A Resource  
for Philanthropists  
and Grantmakers • 2010



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All sources and works cited available at [www.understandingvt.org](http://www.understandingvt.org).



**A.D. Henderson Foundation**



# Why Early Care & Education?

This report explores the issue of early care and education of young children in Vermont and was made possible through the guidance and support of the Permanent Fund for the Well-Being of Vermont Children, the A.D. Henderson Foundation, and the Vermont Community Foundation.

The Vermont Community Foundation's Understanding Vermont program helps philanthropists **learn** about community needs, **lead** through investment in innovation, and **grow** philanthropy by inspiring others to give. Working with others, the Foundation periodically produces in-depth reports—such as this one—on issues where there is significant community interest and momentum.

Early Care & Education is  
**Vital**



A CRITICAL PERIOD

## Nurturing Our Youngest Vermonters

*Birth to five are the years when brain development peaks, laying the foundation for the behaviors and skills that will prepare children for success in school, the workplace, and the community.*

Much has been learned about the vital role that early care and education plays in shaping children's future lives. Rich interactions with adults and other children help create a highly coordinated, integrated, and resilient brain; conversely, chronic stress early in life can lead to lifelong struggles with behavior and learning.

Most of Vermont's babies, toddlers, and preschoolers are cared for by someone other than their parents at some point. Early care and education providers allow parents to return to the workforce, while exposing their children to a variety of learning and socializing experiences.

Yet relatively few public resources are dedicated to improving the quality or adding to the availability of care and education for our youngest Vermonters. As a result, many families struggle with limited options for care, its high cost relative to

their earnings, and the challenge of evaluating the best setting for their children. The providers, in turn, face low wages, high turnover rates, and limited access to the training and education that are needed to advance their professional skills.

Investments in early care and education yield big returns. When children enter kindergarten ready to learn, it results in increased standardized test scores, improved high school graduation rates, and higher earnings later in life. This early support also reduces the need for intervention programs and is essential to both our current and future workforce.

Philanthropy can play a critical role in providing the youngest Vermonters with quality care and education. Individuals and foundations can fund model programs, support advocacy and system-building efforts, and back the research that help provide all children with a better start.



## A COMMITMENT TO VERMONT'S WORKFORCE



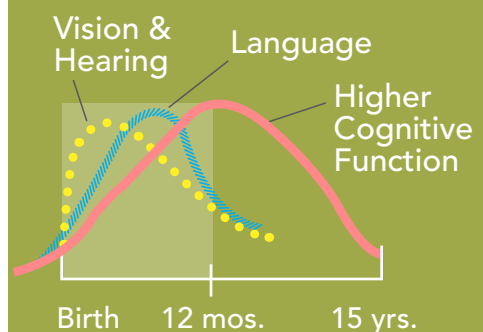
The **Vermont Business Roundtable (VBR)**, an association of over 100 CEOs of Vermont businesses and nonprofits, recently declared improving early education across Vermont as one of its top priorities. VBR is making the case to the business community that expanding access to high-quality early education will help attract new businesses and business leaders to Vermont, and will enable more parents to fill jobs as the state emerges from the recession. It will also reduce human services costs and improve workforce quality in the long term, according to Roundtable CEO Lisa Ventriss. VBR is using grant funding from the Pew Charitable Trusts' Partnership for America's Economic Success to become the new sponsor of Pre-K Vermont, a coalition of early education advocates that aims to improve quality and expand access in preschool programs statewide.

### LOOKING FOR QUALITY: *The Three Ps*

**1. PEOPLE:** the individuals providing the care are nurturing and well-trained in the ways a child's brain and body develops. They may have postsecondary education and/or participate in ongoing training and professional development. **2. PLACE:** the actual setting provides a safe environment, full of stimulating materials (like arts materials, books, musical instruments, and educational toys) and situations (such as children painting, sculpting, and cooking together). Children have access to outdoor and indoor spaces where they can develop their bigger muscles by running or climbing, as well as the smaller muscles associated with coordinated skills like painting and writing. **3. PRACTICE:** the approach to early care and education includes a variety of learning opportunities that might include reading and using books in creative ways, manipulating paint brushes and scissors, interacting as a group, and exposing children to a wide-ranging vocabulary.

### A WINDOW OF OPPORTUNITY

#### Human Brain Development



Ongoing research on early brain development reveals the critical impact of early learning. More neural connections are made in key development areas during the first 12 months than at any other point in life.

Center on the Developing Child, Harvard University.

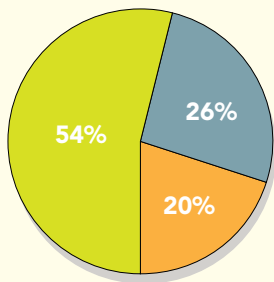
For more information on early childhood brain development and what quality early care and education looks like, visit [www.understandingvt.org](http://www.understandingvt.org).

All sources and works cited available at [www.understandingvt.org](http://www.understandingvt.org).

## Snapshot of the Sector

**71%** of Vermont children under five-years old are in the care of someone other than their parents for at least part of the day.

- Approximately **38,000** Vermont children are under five-years old
- **More Vermont families have a need for child care** (because both parents or a single parent are in the workforce) than the national average and any other New England state
- There are approximately **5,300 child care providers and other early educators** in Vermont, comparable to the number of registered nurses. These providers work at more than 600 child care centers and over 1,000 family home providers.



## Where the Children Are

- **54%** Center-Based Care (including Head Start)
- **26%** Registered Family Home Providers
- **20%** Unregistered Family Home Providers & Family, Friends, and Neighbors

1 in 5 children who need child care (out of home) are in a setting that has not formally demonstrated basic health and safety standards. In many cases, these are Vermont's youngest children.

## Terms to Know

**Early Care and Education** is child care and/or preschool. **Child care** (formerly known as day care) is any care provided for children from birth to five by someone other than their parents. **Preschool** is play-based education usually designed to prepare children to enter kindergarten. **Early Care and Education Provider** is the staff at a child care or preschool program. **Early Care and Education Programs** can take place in a center- or home-based setting. Center-based programs can be either a for-profit business or nonprofit organization. Family home providers are sole proprietorships operated out of an individual's home.







ISSUE ONE

## Affordability & Accessibility

*Early care and education strains the budgets of many families and can be difficult to find.*

Early care and education can be very expensive, at a time when many parents are at the early stages of their careers and least able to afford the cost. Providing quality care for children is a labor-intensive job that requires a high adult-to-child ratio. In addition to staffing costs, providers need to pay for insurance, mortgage, maintenance, equipment, and materials for the children. Early care and education can also be difficult to access.

Insufficient funding for local programs, limited transportation options, and the need for more specialized, trained providers are typically reported to be among the main obstacles facing Vermont families. Many parents in rural settings like Vermont also find that they only have one or two local programs to choose from—making the search for quality care even more challenging.

“As a working parent, I struggled to find quality child care. I almost turned down a senior position at a major organization because I couldn’t find an enriching, safe place for all three of my children to spend the day. I took the job but had to travel an extra 50 miles a day to drop off my kids at three different locations.” —A Mother in Ferrisburgh

## THE facts

- For a median income Vermont family with two working parents and two preschool-age children, the cost of child care averages about 22% (\$16,120) of the family household budget.
- Child care rates are highest for infants because they require higher adult-to-child ratios than older children.
- There are over 5,600 Vermont families currently receiving financial assistance for nearly 8,400 children (approximately 31% of all children in need of child care).
- While Vermont ranks high in the nation for access to preschool for three- and four-year olds, the national bar is set low. Compared to 22% nationally, fewer than half (45%) of Vermont four-year olds are enrolled in publicly-funded preschool.



### PROMISING APPROACH



#### Increasing Access to Quality Preschool

The **Vermont Community Preschool Collaborative (VCPC)**, a collaboration of Vermont foundations and philanthropists, holds the vision of making the proven benefits of preschool available to all three- and four-year olds.

VCPC pairs grantmaking with technical assistance to build partnerships between local school districts and child care providers that make publicly-funded preschool available to children. Since its inception in 2005, VCPC has played a primary role in increasing the number of permanent, publicly-supported preschool openings statewide by 35%.

For more information on the Vermont Community Preschool Collaborative, visit [www.understandingvt.org](http://www.understandingvt.org).

All sources and works cited available at [www.understandingvt.org](http://www.understandingvt.org).



ISSUE TWO

## Rating Quality

*Vermont's efforts to improve the quality of early care and education hold promise, but more can be done.*

As the demand for child care has grown, so have calls to increase its quality. Vermont's registered early care and education providers must meet basic requirements that consider health and safety issues. However, few providers participate in any system that measures the quality of their programs, making it difficult for parents to gather information about their options beyond referrals from friends and family.

Vermont's quality rating system, the Step Ahead Recognition System (STARS), allows early care and education programs to work their way up a ratings ladder in a process of continuous quality improvement. Ideally, quality rating systems like STARS promote awareness of quality and give parents a tool to find the best care they can for their children.

## THE facts



- Vermont is one of 19 states with a quality rating system currently in operation.
- About 1 in 4 of Vermont's registered family home providers and licensed child care centers currently participate in the STARS rating system.
- While Vermont ranks fourth in the nation for the quality of its child care standards, it ranks 44th when it comes to oversight of those standards, due in large part to Vermont's limited number of licensing specialists.

## A Network of Support

Vermont's 12 regional **Child Care Resource and Referral Agencies** offer an expansive network of support for parents and providers, thereby enhancing the overall quality of care for Vermont's children and making sure they arrive at kindergarten ready to succeed. By helping parents understand what quality care looks like and navigate child care subsidy programs, Resource and Referral Agencies help ensure that families select the program that is right for them. They also connect providers with professional development opportunities and technical assistance, including guidance on starting a child care business.

### PROMISING APPROACH

## Tying Public Funding to High-Quality Programs

### Rating with STARS

For years, the leading measure of quality for child care centers in Vermont has been accreditation with the **National Association for the Education of Young Children (NAEYC)**, though the cost and time required to apply often discourage participation. In 2004, the Vermont Department for Children and Families implemented the **Step Ahead Recognition System (STARS)** as a less expensive and less time-consuming option that is available to all early care and education programs. STARS defines quality benchmarks for providers, who can apply to earn anywhere from one to five stars initially and then improve their rating as they meet further criteria. The state provides an incentive to participate and continually improve quality by tying the level of financial support that programs receive directly to their STARS rating.

### Serving Kids Where They Are

In 2007, Vermont's Act 62 broke new ground by encouraging school districts to partner with highly-rated child care programs in order to offer publicly-funded preschool. To qualify, many programs are motivated to increase their STARS rating—thereby raising the bar for quality early care and education in their home communities. Since these programs often serve younger children as well as preschoolers, the programs' commitment to higher quality assures a better experience for children of all ages.

For more information on STARS and other quality rating systems, visit [www.understandingvt.org](http://www.understandingvt.org).

All sources and works cited available at [www.understandingvt.org](http://www.understandingvt.org).



ISSUE THREE

## Professional Development

*Professional development is essential to the quality of early care and education, but opportunities for career advancement are limited.*

Research shows that quality of care tends to improve when an early care and education provider increases his or her level of professional development. However, access to even basic skills development for many people working in the field is limited by cost, time, and availability of training—particularly in more rural areas, and especially if the provider wants to continue working while receiving training. The costs for anything beyond early- and entry-level training are largely borne by the child care providers themselves.

The people who care for Vermont's children are also among the lowest paid individuals in the economy. This contributes to a high turnover rate and a lack of continuity in the relationship between children and their provider. When early care providers do receive advanced training or degrees, they are often attracted to other employment opportunities in the educational system—such as administration or public education—that can offer higher wages along with other benefits.

## THE facts

- The average annual income of a child care worker in Vermont is \$19,720; a preschool teacher's salary is \$28,640. In comparison, the average annual income for a fast food cook in Vermont is \$21,070; for a maid or housekeeper, it is \$22,240.
- In a 2008 survey of Vermont's early care and education providers, 75% identified a lack of financial support as their greatest obstacle in pursuing professional development. About one-quarter of respondents said they were currently paying off student loans, with an average debt of \$19,175 per person.
- Most providers generally agree that the annual turnover rate for child care workers in Vermont mirrors the national average of 40%.
- Vermont currently has five early childhood postsecondary programs that can lead to teacher licensure from the Vermont Department of Education—University of Vermont, Lyndon State College, Champlain College, Goddard College, and Union Institute & University.

### PROMISING APPROACH

#### Early Literacy Programs for Providers

Early literacy training is a key part of professional development for child care providers. Vermont has several early literacy training programs offered through local nonprofits that align with the state's early learning standards.

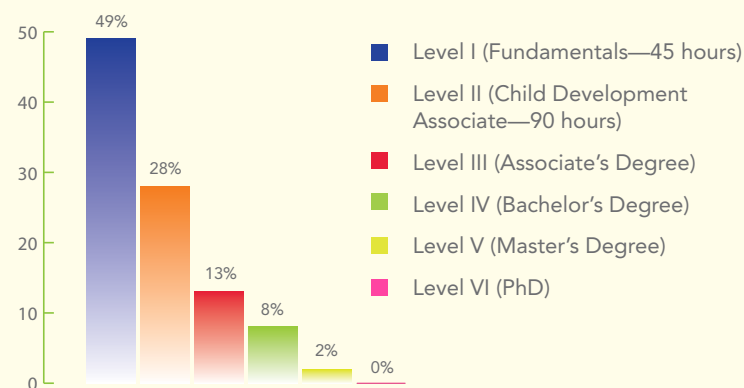
The **Vermont Humanities Council** provides an introduction to the basics of how best to read with children and incorporate interesting learning activities. The **Stern Center for Language and Learning** offers a course for early childhood professionals focusing on the emerging literacy skills of two-

## Tracking the Training

The **Vermont Northern Lights Career Development Center** issues certificates that correspond to a provider's level of experience and education, ranging from an entry-level 45 hours of training (Level I) to a PhD (Level VI). Since 2009, 77% of the certificates awarded have been for Levels I and II. While Level I training is supported by the Department for Children and Families, philanthropy plays a large role in supporting Level II training opportunities by funding early literacy programs (see sidebar below). The costs of training for Level III and beyond are borne largely by the individual provider or their employer.

### Percentage of Certificates Awarded

(2009-2010 Average)



to five-year olds. The **Vermont Center for the Book** offers college-level courses (in social studies, math, and science) in an off-campus setting for educators who work with children from birth to age seven. **VSA Vermont** places arts instructors/mentors with home-based child care providers to help children of all abilities relate to stories with projects in drama, music, dance, and visual arts.

Demand for these types of programs is high, and they present an excellent opportunity for philanthropic support.



## How Philanthropy Can Help

*At a time when the brain's most critical development takes place, philanthropic investments truly have a long-term impact.*

*Fortunately, the field offers many well-regarded and tested opportunities to stimulate effective change. Here are some places to start.*



## DIRECT SUPPORT OF PROGRAMS AND PROVIDERS

### Support individual child care centers.

Many community-based child care centers are set up as nonprofit corporations. Philanthropic support helps bridge the gap between the cost of providing high-quality services and a family's ability to pay. Even small gestures can make a difference—offer to take over a center's utility payment or ask about donating needed materials and equipment.

### Strengthen the support network for parents and providers.

Vermont's regional Child Care Resource and Referral Agencies connect parents with programs that make quality care more affordable and offer professional development opportunities for early care providers. Gifts to these agencies strengthen their ability to offer quality services.

### Increase access to training and continued education for child care providers.

Philanthropic support is crucial to the nonprofit organizations and colleges that provide professional training, such as the early literacy programs highlighted in this report.

## ADVANCING CHANGE FOR ALL VERMONTERS

### Support public-private partnerships that encourage high-quality early care.

Charitable initiatives like the Vermont Community Preschool Collaborative (VCPC) help school districts partner with private child care providers to offer high-quality preschool services. VCPC creates publicly-supported preschool openings for children and makes this care affordable to more Vermonters.

### Increase public awareness about the importance of early childhood development.

Several organizations have made public awareness initiatives an important part of their efforts. Building Bright Futures—a public-private partnership of parents, early childhood professionals, state government, business leaders, and community members—considers such an initiative a major part of their work. Such work relies in large part on philanthropic contributions.

### Promote advocacy that supports Vermont's early care and education community.

Kids are Priority One is a coalition of six Vermont-based nonprofit organizations focused on increasing public investments to assure better outcomes for the youngest Vermonters. The coalition uses grassroots organizing and advocacy to promote legislation that will improve the quality, affordability, and availability of early care and education.

### Interested in how you can make a difference?

Visit [www.understandingvt.org](http://www.understandingvt.org) to learn more or to give to the Early Care and Education Fund of the Permanent Fund for the Well-Being of Vermont Children, which provides support for the programs and strategies described in this report.



*We wish to thank the following individuals and the organizations they represent for their contributions to this report.*

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**A.D. Henderson Foundation**

