



steepest challenges in finding and affording quality child care services. Children in low-income families are more likely to face challenges to their healthy development that access to quality child care programs can ameliorate.

4. In preparation for providing this affidavit, Child Care WORKS sent an e-mail update to our network of child care providers, parents, and children's advocates on Tuesday, June 21, 2011 at 5:00 a.m., seeking feedback on how any suspension of Child Care Assistance Program (CCAP) reimbursements during a government shutdown would affect children, families, and child care programs in their communities. By the end of the day, we had received over 140 responses from child care providers and parents. The impacts they anticipate are summarized below:

5. **Access to child care services across the state will be significantly reduced for all families.**

- a. Many family child care programs indicated that, not only would they not be able to continue serving the CCAP families enrolled in their program if CCAP payments are discontinued, but also that the loss of this revenue would put their child care business out of business, affecting all the families they serve.
- b. In some cases, this is because the majority of the children they serve are enrolled in CCAP; but the small scale of the business and thin profit margin in family child care, combined with the sudden loss of CCAP reimbursements, mean that even family child care programs serving more diverse income levels may close (several stories were from family child care programs with enrollments of one-third to one-half of their total

enrollment being CCAP families). Because of the extremely small scale of family child care businesses, several responses highlighted how the loss of CCAP reimbursements for a single family or child will impact the overall business viability.

- c. Child care centers which sent responses indicated that their businesses would be affected by suspension of CCAP reimbursements. Centers serving a high proportion of CCAP families indicated they may close. Centers serving more diverse economic levels indicated they are likely to reduce staff hours and/or lay off staff in response to CCAP suspension. Very few centers anticipated that CCAP families would be able to pay the full cost of child care services during a government shutdown and are planning staff reductions as a first response.
- d. We anticipate loss of CCAP reimbursements will reduce access to center-based child care services for families at all income levels, since closing a classroom in a center reduces open slots overall. Because child care is a human-capital intensive business, building back up from reduced staffing can take a significant amount of time, so impacts could be felt well after the shutdown period.
- e. A secondary impact providers identified is that suspension of CCAP reimbursements will make providers less likely to continue or enroll as CCAP participating child care providers. CCAP families have access to only approximately 1/3 of the private child care market in Minnesota. The

federal government recommends that families on CCAP be able to access 75 percent of the market. Minnesota has already been cited by the federal government for its low child care access for families.

**6. The health and safety of young children will be compromised.**

- a. Stable, long-term, consistent relationships with caring, responsive adults are the foundation of children's development into successful adults, so disruptions in a child's relationships with his child care providers/teachers and the other children in his child care program are stressful. Although children are resilient and can handle short disruptions, children in low-income families may already be experiencing disruptions or multiple transitions—for example, in housing, access to food/meals, and parents' work schedules—and their child care program may be the most consistent environment they experience day to day.
- b. Suspension of the CCAP program is likely to result in children experiencing abrupt and possibly multiple changes in their care providers and environments, as parents struggle to cobble together care arrangements so they can continue working.
- c. Almost all providers indicated they would not be able to continue serving CCAP children if they will not be reimbursed for their services and voiced concerns that (i) children will be “bounced around” at best, and at worst, in unsafe situations, such as very young children being cared for by elder siblings; and (ii) parents will have to quit working to care for their

children and thus reduce their ability to provide stable housing and food for their children.

- d. These impacts will be felt not only within the families served by a particular program, but by the child care providers' family or staff's families as well. Many family child care providers noted that the reduction or elimination of their income due to CCAP reimbursement suspensions and/or closing their child care business will mean they will have difficulty providing for their own families' basic needs, or more seriously, that they may not be able to pay their mortgages. Several pointed out that they do not qualify for unemployment benefits if their business closes. In child care centers, reducing staff hours or laying off staff due to reduced revenues is the most common response reported, which will impact staff members' families as well.
- e. Some providers noted that, because schools have closed for the summer, school-age children are also impacted by CCAP suspension; many, particularly younger elementary-school-aged children, are in child care programs during the summer months.

7. In closing, Child Care WORKS respectfully submits that child care assistance is an essential service for the State of Minnesota and must be maintained in the event of a government shutdown for the reasons listed above and within in the *amici* brief.

8. Attached as Exhibit A is a true and correct excerpted copy of Marcie Jeffreys, et al., Minn. Child Care Policy Research Partnership, Working in Minnesota: Parents Employment

and Earnings in the Child Care Assistance Program (July 2004), *available at* <https://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4046-ENG>.

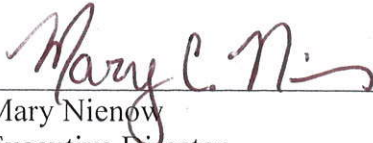
9. Attached as Exhibit B is a true and correct excerpted copy of Wilder Research, Facts About Child Care Use in Minnesota: Highlights from the 2009 Statewide Household Child Care Survey (Nov. 2010), *available at* <http://www.wilder.org/download.0.html?report=2352>.

10. Attached as Exhibit C is a true and correct copy of the Minnesota Department of Human Services Transition to Economic Stability Child Care Assistance Program Family Profile (April, 2011), *available at* [http://www.dhs.state.mn.us/main/groups/economic\\_support/documents/pub/dhs\\_id\\_057781.pdf](http://www.dhs.state.mn.us/main/groups/economic_support/documents/pub/dhs_id_057781.pdf).

FURTHER YOUR AFFIANT SAYETH NOT.

Dated: June 22, 2011.

CHILD CARE WORKS



Mary Nienow  
Executive Director

Subscribed and sworn to before me  
this 22<sup>nd</sup> day of June, 2011.



Notary Public

fb.us.6958784.01





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## Working in Minnesota:

Parents' Employment and Earnings  
in the Child Care Assistance Program

**July 2004**

- 
- Marcie Jefferys, Ph.D.  
Elizabeth E. Davis, Ph.D.  
University of Minnesota

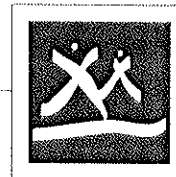
**EXHIBIT A**



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# Executive Summary

## Project Background

The cost of child care can be a major barrier to employment for low-income workers with children. To support parents who otherwise might not be able to work, the Child Care Assistance Program (CCAP) provides financial subsidies for low-income working parents and for those in transition from welfare to employment.

The primary objective of this study is to increase our understanding of the impact of child care subsidies on the labor force involvement of low-income families. This study examined the industry employment patterns of CCAP working parents in four Minnesota counties — Anoka, Becker, Brown and Hennepin. Analyzing the types of employment common to these families helps policymakers understand the conditions and constraints faced by working poor families and families moving off welfare. This study also provides information about the impact of child care assistance on local economies by showing which sectors employ disproportionately more CCAP working parents. The employment patterns of CCAP working parents were compared to the rest of the workforce, job growth projections and job vacancy data.

The Minnesota Department of Human Services (DHS) oversees the Child Care Assistance Program (CCAP) in Minnesota, which is administered at the county level.<sup>1</sup> The data used in this study were collected from the administrative records of the four counties in the study (Anoka, Becker, Brown and Hennepin) and from the Minnesota Department of Employment and Economic Development (DEED). The study analyzed data on earnings and type of employer (by industry sector)<sup>2</sup> for all parents receiving child care assistance in the four counties during the time period January through March 2001.



## Major Findings

- **CCAP jobs are concentrated in the health care and social assistance sector, retail trade, accommodation and food services, and the administrative and support services industries. Sixty-two percent of CCAP jobs are in these four industries compared to 33 percent of the jobs held by the rest of the workforce.**

Frequent CCAP employers are doctors' office, hospitals and nursing homes, temporary help agencies, convenience stores, restaurants and hotels. The health care industry is the most common CCAP employer.

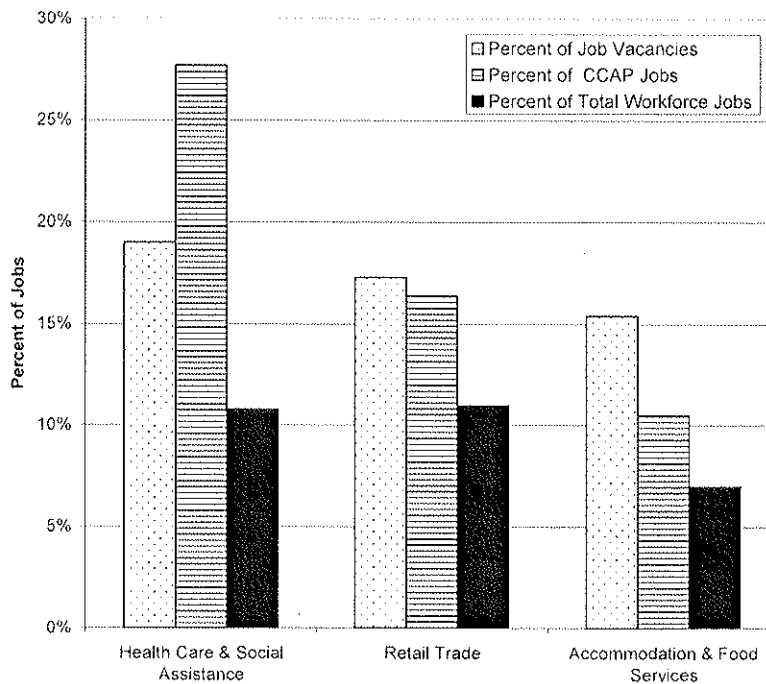
### Top Four CCAP Employing Industries in Anoka, Becker, Brown, and Hennepin Counties

NAICS Category	Total Workforce Jobs	Percent of Total Workforce Jobs	Total CCAP Jobs	Percent of Total CCAP Jobs
Health Care & Social Assistance	101,140*	10.1%*	1,888	23.1%
Administrative & Support Services	62,191	6.2%	1,341	16.4%
Retail Trade	103,002	10.3%	1,122	13.7%
Accommodation & Food Services	65,531	6.6%	719	8.8%

\* Because of non-disclosure rules, these workforce numbers exclude Becker County.

- **The industries in which CCAP working parents are concentrated have high job vacancy rates and pay relatively low wages. These industries account for the most job openings on a statewide and regional basis.**

### Statewide Job Vacancies Compared to CCAP Jobs and Total Workforce Employment





CCAP parents are most likely to be filling jobs in those industries that are experiencing chronic labor shortages. More than half of the state's vacant positions during the study period were in health care and social assistance, retail trade, and accommodation and food services. Fifty-five percent of CCAP jobs were in these same industries, while only 29 percent of the total workforce is found in jobs in these sectors. Even during an economic downturn, these industries may experience labor shortages. (Note: state job vacancy data do not include temporary help agencies so the administrative and support industry is not included in the figure below.)

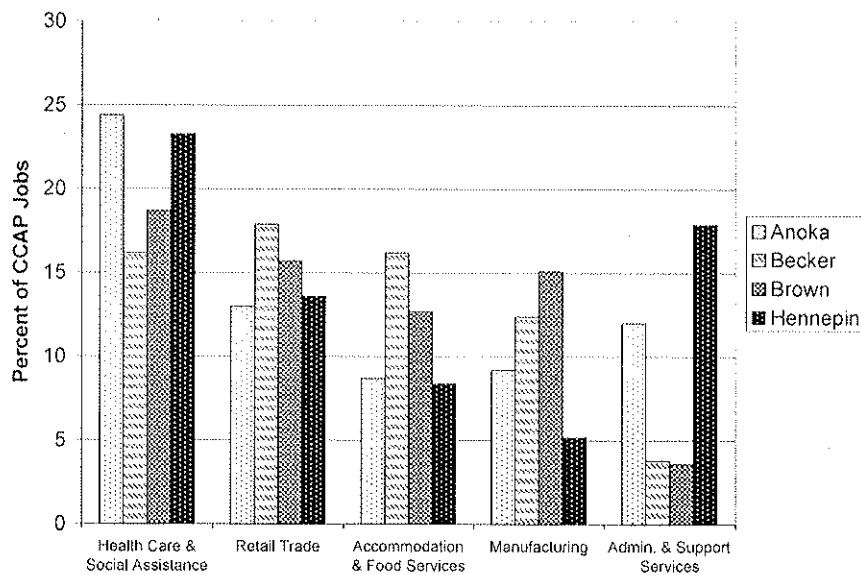
- **These industries are also projected by the Minnesota Department of Employment and Economic Development to need the most new workers over the course of the next decade.**

Among the industries projected to add the most jobs are eating and drinking establishments (in the accommodation and food services industry), personnel supply services (in the administrative and support industry) and medical doctors' offices and clinics (in the health care and social assistance industry).

- **CCAP job patterns are related to local economic needs.**

For instance, among the four counties, CCAP jobs are found at the highest rate in the accommodation and food services industry (e.g., restaurants and hotels) in Becker County, which has a major tourist industry. In Hennepin County, a major financial and business center for the region, CCAP jobs are found at a higher rate in the administrative and support sector, especially temporary help agencies. In the two rural counties, manufacturing plays an important role in providing employment to CCAP parents, while administrative and support services do not. The health care and social assistance sector also employs larger percentages of CCAP working parents in the two urban counties compared to the two rural ones.

**Concentration of Employment of CCAP Parents (Percent of CCAP Jobs by Sector in Each County)**



- **The industries in which CCAP jobs are concentrated are those that pay among the lowest wages to the rest of the workforce. However, when CCAP parents work in industries that pay higher wages compared to the rest of the workforce, they also tend to earn higher wages.**

For instance, the average weekly earnings for a CCAP job in Hennepin County in the finance and insurance industry, an industry that generally pays high wages to the rest of the workforce, are \$394. The average weekly earnings for a CCAP job in the administrative and support industry, a low wage industry, are \$166.



Compared to the rest of the workforce, CCAP jobs are especially over-represented in the health care and administrative and support industries. They are particularly under-represented in manufacturing, professional, scientific, technical, construction and management industries.

- **Most of the CCAP jobs do not equate to a full-time job (i.e. a 40-hour week for a full calendar quarter) or an income above the poverty level for a family of four.**

This is especially true for jobs in the accommodation and food services and administrative and support industries.

- **A dollar invested in child care assistance is associated with higher earnings in some industries than in others.**

CCAP jobs in wholesale trade, construction and manufacturing have a higher payback in terms of parents' earnings than do jobs in the administrative and support and accommodation and food services industries. For instance, the estimated average "payback" (in earnings) on a dollar spent for the child care of a parent working in the manufacturing industry in Becker County is \$6.00, compared to \$2.10 for jobs in the administrative and support industry. CCAP jobs in Hennepin County have a lower average payback than in the other counties, primarily due to the higher cost of child care in the metro area.

- **The industry employment patterns of Minnesota child care assistance recipients are similar to those in other states that have conducted similar studies.**

Together, retail trade and services accounted for more than half the subsidized child care jobs in all of the states studied.

## Conclusions and Policy Implications

Although the study methodology does not permit conclusions about causal relationships or broader economic impacts, the similarities between CCAP industry employment patterns and job vacancy data have important implications for employers and policymakers. In tight labor markets, expanding child care assistance may be one way to help those industries that are constrained by labor shortages. CCAP working parents are much more concentrated in a few industries than is the total workforce, and are working in jobs that meet the needs of the local economy. CCAP working parents also are concentrated in some of the industries projected to add the most jobs in the near future, including eating and drinking establishments (in the accommodation and food services industry), personnel supply services (in the administrative and support industry) and medical doctors' offices and clinics (in the health care and social assistance industry). These results suggest an overlooked role for CCAP in the overall health and growth of the Minnesota economy.

At the same time, the concentration of employment of CCAP working parents in a few industries raises concerns for these families and for policymakers. CCAP working parents are over-represented in industries that pay lower average wages to the total workforce and, as a result, their long-term economic self-sufficiency may be in doubt. Increases in earnings for CCAP working parents may be limited in sectors like retail and services, which frequently offer limited opportunities for advancement, especially for those without a college degree. Another important finding is the wide range in earnings by industry. The results suggest that the payback to a dollar invested in child care can be increased if parents are employed in industries that pay higher wages to the rest of the workforce. Combined with other studies that find differences in upward mobility across industries, these results may help policymakers and program administrators target job search and training activities. Monitoring the types of jobs obtained by CCAP working parents and the potential for retention and advancement in these industries should be considered as important measures of successful program outcomes rather than simply counting any job placement.

The health care industry stands out as an industry that is especially important, employing CCAP parents at more than twice the rate of the rest of the workforce, and accounting for the greatest number of current job



vacancies in the state. It also pays higher average wages to CCAP working parents, compared to the other three major CCAP-employing industries. Research examining career ladders within industries indicates that health care is the only one of the four major CCAP-employing industries that offers much potential for upward mobility (usually with additional training) for its employees.

The results of this study suggest that child care assistance supports working families, businesses and the local economies in which they live and work. Child care assistance provides much needed support for low-income working families and for families making the transition from welfare to work. CCAP also plays an important role in contributing to a stable workforce and supporting the state and local economy.



Minnesota Department of Human Services

# Facts about child care use in Minnesota

## Highlights from the 2009 Statewide Household Child Care Survey



*The statewide survey about child care will help inform, develop and assess Minnesota's child care policies and programs, with particular attention to child care use among households with low incomes. Similar surveys were completed in 1999 and 2004.*

*The newest report is available for download at Wilder Research at [www.wilderresearch.org](http://www.wilderresearch.org) or at the Minnesota Department of Human Services at [www.dhs.state.mn.us](http://www.dhs.state.mn.us).*

Summary findings from the survey are organized along these seven themes:

Key trends

Child care hours and types of care

Child care choices, quality and cost

Child care for families with low incomes

Family, friend and neighbor (FFN) child care

Child care for children with special needs

Children and working parents

A telephone survey was conducted by Wilder Research for the Minnesota Department of Human Services between April 2009 and March 2010 with a statistically valid random sample of 1,209 Minnesota households with children ages 12 and younger that use child care. Minnesota has an estimated 908,000 children ages 12 and younger, according to the U.S. Census intercensal estimate of 2009. Of the nearly 500,000 households with one or more of these children, about 375,000 households use some type of child care arrangement and about 140,000 have annual incomes at or below 200 percent of the federal poverty level (about \$44,000 for a family of four).

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Minnesota Department of Human Services

## Key trends

### Highlights from the 2009 Statewide Household Child Care Survey



This fact sheet compares results from household child care surveys conducted by Wilder Research for the Minnesota Department of Human Services in 1999, 2004, and 2009.

#### **About three-quarters of households with children ages 12 and younger use child care, similar to 2004.**

24 percent reported no regular use of any child care (non-parental, non-school care).

In 2004, 26 percent reported no regular child care use.

In 1999, 18 percent reported no regular child care use (but that survey included parents of children up to age 14).

#### **Fewer households are using family, friend and neighbor (FFN) care during early mornings and weekends, but FFN is still the most common type of arrangement.**

Of households that use child care, 70 percent use some form of FFN care on a regular basis; 20 percent use FFN care exclusively, statistically similar to 24 percent in 2004.

During the school year, FFN care is the most common type of child care during all non-standard times. FFN providers care for 50 percent of children during the early morning hours before 7 a.m., fewer than in 2004 when 65 percent were in FFN care at those times. On weekends during the school year, 70 percent (down from 77 percent in 2004) of children are cared for by FFN caregivers.

Overall, 43 percent use FFN care as their primary arrangement: in their own home (29 percent) or in

someone else's home (14 percent), similar to 2004.

Households with low incomes without a child care subsidy are more likely than those with a subsidy to use FFN care as their primary arrangement (60 percent versus 31 percent, compared with 37 percent for households with higher incomes).

#### **Some parents still lack child care choices.**

29 percent of all parents and 35 percent of parents with low incomes report taking whatever child care they could get, similar to the percentages in 2004.

30 percent of parents receiving Child Care Assistance Program (CCAP) support and 29 percent of parents not receiving CCAP say they take whatever child care they can get; in 2004 39 using CCAP and 29 percent not using CCAP reported said they had little choice.

#### **Parents consider quality important and want information on it.**

Location, cost, quality and trust are the most common reasons cited by parents for choosing a primary care arrangement.

From a list of important considerations in choosing child care, "a caregiver rated high quality" is a top "very important" reason.

88 percent (similar to 2004) say they would find it helpful if their community had a child care quality rating system that would give them information they could use for selecting the highest quality care.

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*(continued)*

### **Child care problems interfere with employment for some parents.**

12 percent say child care problems have interfered with getting or keeping a job in the past year, down from 20 percent in 2004.

Child care problems more commonly affect employment for parents of color (25 percent), parents who have a child with a special need (21 percent) and parents with low incomes (20 percent) than other parents by about 2 to 1. This was also the case in 2004.

### **Fewer families are using center-based care for their preschoolers than in 2004.**

52 percent of children ages 3 to 5 who use child care use center-based care as their primary arrangement and most common arrangement during the school year, which is down from 60 percent in 2004, but still up from 41 percent in 1999.

### **Fewer children ages 10 to 12 are taking care of themselves during the summer, but self care has not decreased during the school year.**

During the school year, 44 percent of children ages 10 to 12 are in self care, compared with 41 percent in 2004 and 26 percent in 1999.

During the summer, 36 percent of children ages 10 to 12 take care of themselves, down from 42 percent in 2004 but still higher than in 1999 (20 percent).

On average, children ages 10 to 12 are in self care 4-5 hours per week, compared with 10 hours in 2004.

### **Child care is still unaffordable for low-income households.**

In households with the lowest annual incomes (below \$20,000), 29 percent of their income goes for child care expenses, similar to 2004.

In households with low incomes (200 percent of poverty and below), 20 percent of their income goes for child care expenses.

For higher-income families (above 200 percent of poverty or above about \$44,000 for a family of four), 9 percent of their income goes for child care expenses.

For all families, 12 percent of income goes for child care expenses, similar to 10 percent reported in 2004.

### **Among low-income households, awareness of CCAP has increased, but many are not receiving it.**

In both 2009 and 2004, 72 percent are aware of state subsidies to help pay for child care, up from 57 percent in 1999.

14 percent reported receiving CCAP, statistically similar to the 19 percent reported in 2004.

### **Child care assistance helps families with low incomes gain access to center-based care.**

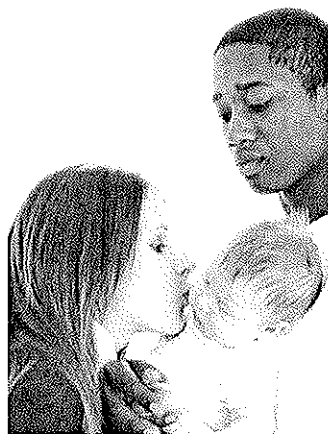
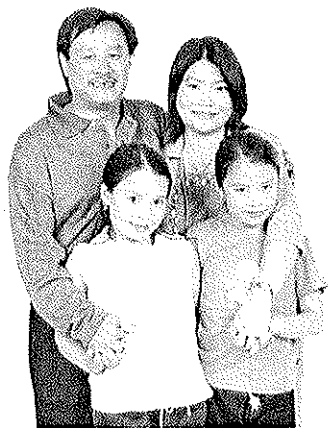
In 2009, 46 percent of households with low incomes receiving CCAP use center-based care as their primary arrangement. That compares with 22 percent of households with low incomes without CCAP and 33 percent for higher income households. These percentages are similar to those reported in 2004.



Minnesota Department of Human Services

# Child care for families with low incomes

## Highlights from the 2009 Statewide Household Child Care Survey



### **About one in three families with children using child care are families with low incomes.**

Low income is defined as at or below 200 percent of the federal poverty guideline for a household of their size or about \$44,000 for a family of four.

About 31 percent of families in this survey are considered low-income, up from 22 percent in 2004.

About 10 percent of families in this survey have annual incomes below \$20,000.

### **Families with low incomes have fewer child care choices than families with higher incomes.**

35 percent of families with low incomes report they had to "take whatever child care arrangement they could get," compared with 26 percent of parents with higher incomes.

30 percent of families with low incomes use family, friend and neighbor (FFN) care exclusively. (The overall rate is 20 percent.)

### **Families with low incomes have more child care challenges and problems than families with higher incomes.**

26 percent of parents with low incomes have a child with special needs requiring extra effort, compared with 17 percent for families with higher incomes, an increase from 2004.

20 percent of parents with low incomes report that child care problems have prevented them from accepting or keeping the kind of job they wanted in the past 12 months, compared with 9 percent of other parents.

61 percent of parents with low incomes say a quality rating system would be very helpful, higher than for parents with higher incomes (45 percent).

Households with low incomes are more likely to report transportation prevents them from using the type of care they prefer (23 percent versus 12 percent of higher income families).

### **Child care is unaffordable for families with low incomes.**

60 percent of families with low-incomes have out-of-pocket child care expenses, compared with 73 percent of higher income families.

20 percent of low-income families' income is spent on child care, compared with 9 percent for families with higher incomes.

14 percent of families with low incomes receive child care assistance, compared with a statistically similar 19 percent in 2004.

### **Most households with low incomes do not receive child care assistance.**

14 percent of households with low incomes report currently receiving a child care subsidy, compared with a statistically similar 19 percent 5 years ago.

### **Most households with low incomes are aware of child care assistance.**

72 percent of households with low incomes are aware of state subsidies to help pay for child care, similar to five years ago and up from 57 ten years ago.

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*(continued)*

## Child care for families with low incomes continued

### Child care assistance helps families with low incomes gain access to center-based care.

46 percent of households with low incomes receiving a child care subsidy use center-based care as their primary arrangement.

22 percent of households with low incomes without a subsidy and 33 percent of households with incomes above 200 percent of poverty (about \$44,100 for family of four) use center-based care.

Among families with low incomes surveyed, 31 percent of those participating in CCAP use FFN care as their primary child care arrangement, compared with 60 percent for those without a child care subsidy and 37 percent for families with higher incomes.

### Child care assistance helps families with low incomes gain access to quality child care.

Families with low incomes and child care subsidies, compared to families with low incomes but lacking child care subsidies:

Are more likely to rate the quality of their child care arrangements higher with respect to how often their child care providers use a curriculum, track their children's learning, prepare their children for school and have enough education or training to work with young children.

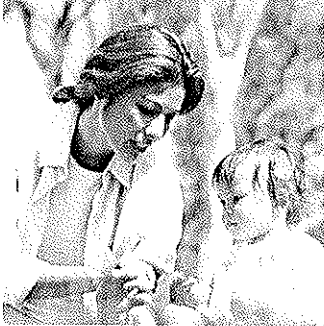
More often report selecting a caregiver with special training in caring for young children was an important consideration in choosing child care (92 percent).



Minnesota Department of Human Services

# Children and working parents

## Highlights from the 2009 Statewide Household Child Care Survey



### Some families lose work time or income because of child care problems.

More than one in three (35 percent) families say they lost work time or income in the past six months because of a problem with a child care arrangement (not including when a child is sick).

Parents using licensed family child care and center-based care most commonly lose work time due to scheduled closings (29 percent).

Parents using informal arrangements (FFN) most commonly lose work time due to illness of the caregiver or unspecified reasons the caregiver is not available (32 percent).

11 percent of parents report it is "always" or "usually" difficult to deal with a child care problem that arises during work hours.

### Child care problems reduce participation in the workforce for some parents.

12 percent of parents say that child care problems in the past year kept them from taking or keeping a job, down from 20 percent in 2004.

Child care problems that interfere with employment more commonly affect parents of color (25 percent), parents who have a child with a special need (21 percent), and parents with low incomes (20 percent) than other parents by about 2 to 1. This was also the case in 2004.

### Family schedules commonly require child care before and after standard work hours (7 a.m. to 6 p.m.) and on weekends.

During the school year, 43 percent of children are regularly in non-parental care during weekday evenings (6 p.m. to 10 p.m.), and on weekends 33 percent are regularly in nonparental care.

24 percent of working parents have work schedules that vary from week to week.

Family, friend and neighbor (FFN) care is the most common type of nonstandard hour care.

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CHILD CARE ASSISTANCE PROGRAM FAMILY PROFILE  
SFY2010**

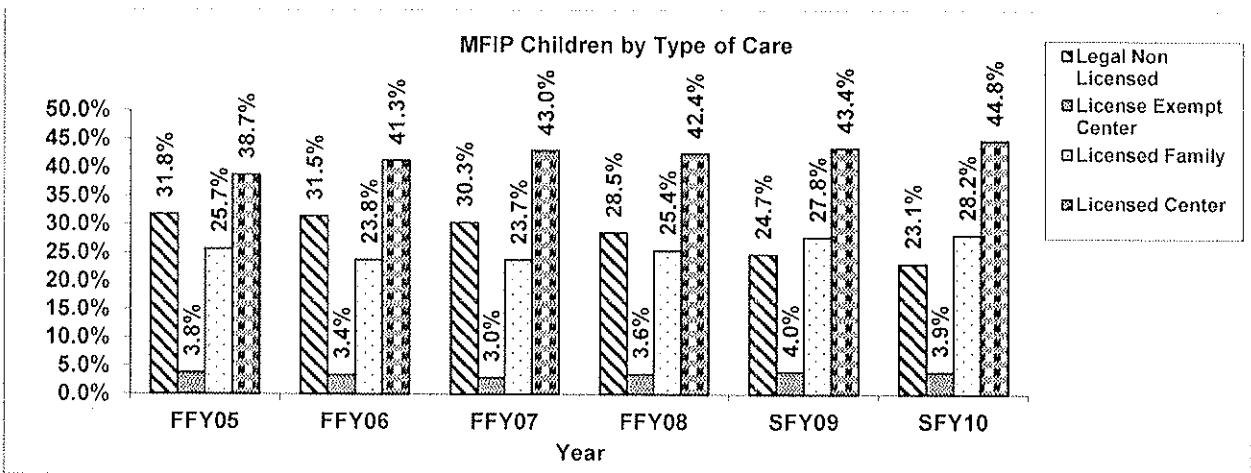
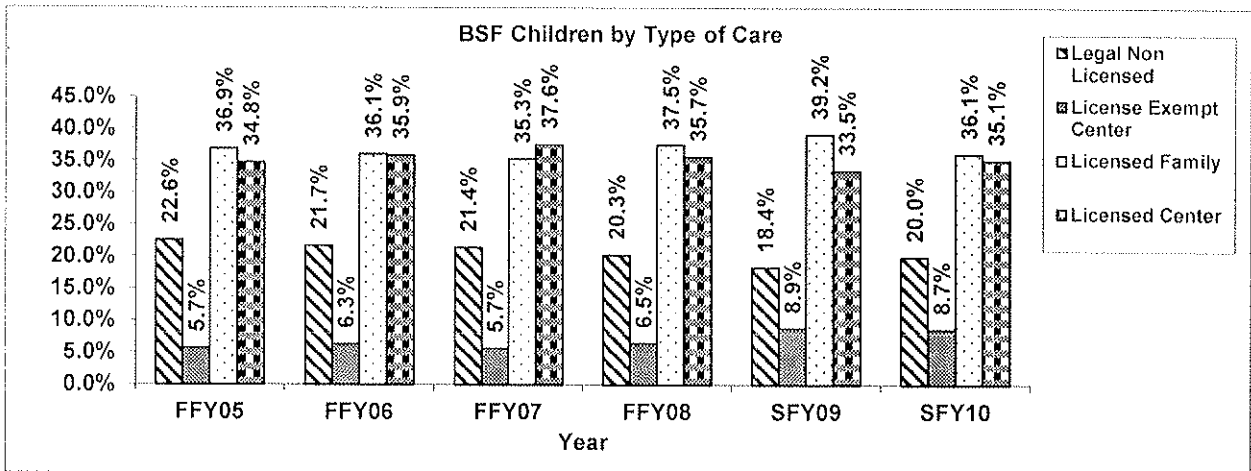
**TYPES OF CARE TO CHILDREN IN THE CHILD CARE ASSISTANCE PROGRAM**

(Based on last provider paid during the state fiscal year)

TYPE OF CARE	NUMBER OF CHILDREN	% OF CHILDREN
Legal Non Licensed	12,345	21.6%
License Exempt Center (Primarily school age care in school districts.)	3,586	6.3%
Licensed Family (Family & Group Family Child Care)	18,306	32.1%
Licensed Center	22,869	40.0%

Source: MEC<sup>2</sup> Data for SFY10. Prior to SFY09 this data was reported on a Federal Fiscal Year basis.

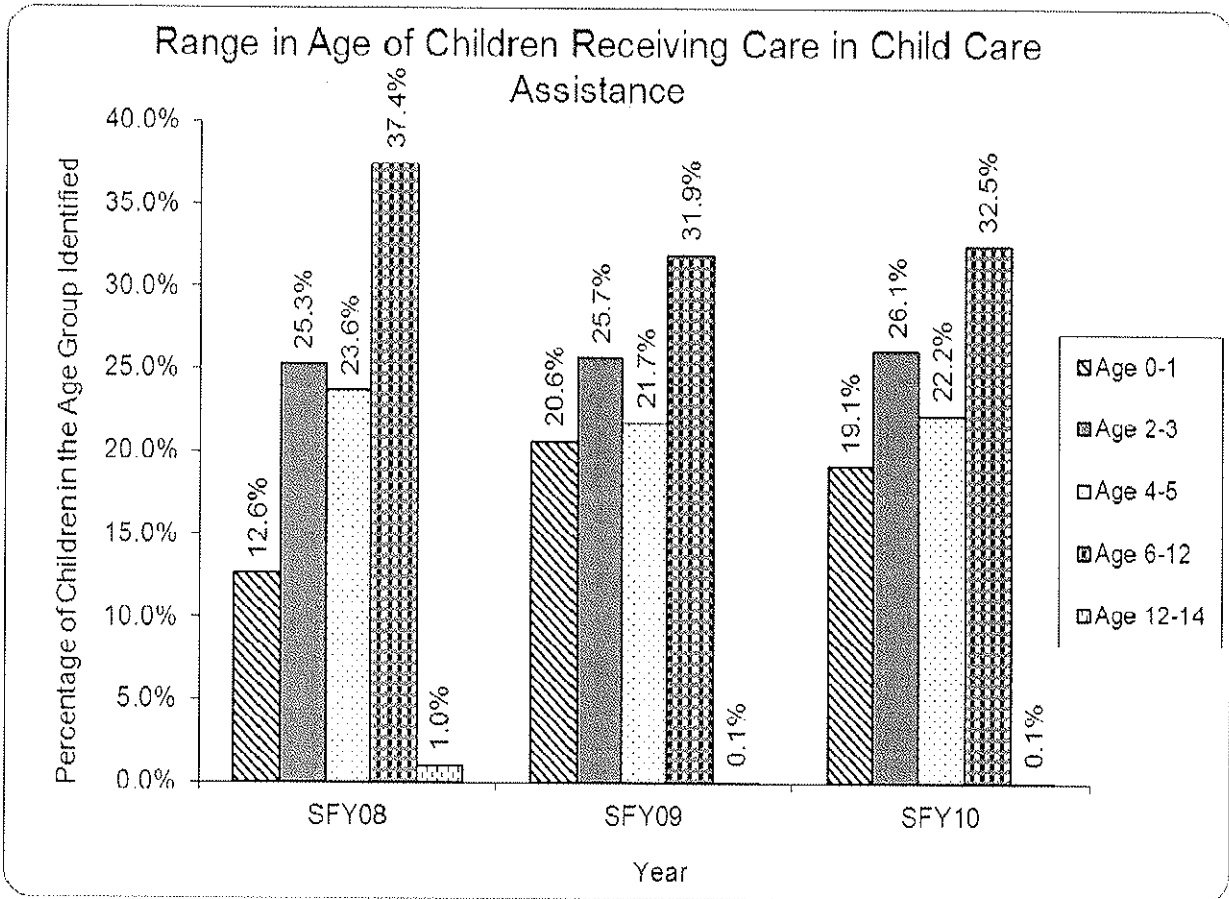
Note: Type of Care titles changed from previous year reports to reflect the titles used in the MEC<sup>2</sup> system.



### RANGE IN AGE OF CHILDREN RECEIVING CARE IN CHILD CARE ASSISTANCE

	Age 0-1	Age 2-3	Age 4-5	Age 6-12	Age 13-14
Percentage of Children	19.1%	26.1%	22.2%	32.5%	0.1%

Source: MEC<sup>2</sup> data for SFY10. Total number of children served during SFY10; based on payments made on behalf of families.



### Child Care Assistance Program Acronyms

- BSF – Basic Sliding Fee Child Care Program
- MFIP – Minnesota Family Investment Program
- TY – Transition Year Program
- DWP – Diversionary Work Program
- MEC<sup>2</sup> – Minnesota Electronic Child Care Information System

**BASIC SLIDING FEE FAMILY PROFILE  
SFY10**

Information gathered by the Department provides profile information on Basic Sliding Fee (BSF) Child Care families. During state fiscal year 2010, there was an average of 9,483 families and 16,752 children per month receiving assistance through the BSF program. This is an average of 1.77 children per family. In the month of December 2010, the BSF program served 10,049 families and 17,743 children.

**AVERAGE ANNUAL DIRECT SERVICE COST PER FAMILY - BSF (SFY10) = \$9,314**

**FAMILIES RECEIVING BSF BY ACTIVITY**

Activity Type	Number of Cases	% of Cases
Students	873	5.7%
Employed Families	12,568	82.2%
Employment & Training	1,855	12.1%

Source: MEC<sup>2</sup> data for SFY10. Total number of BSF families served during SFY10; based on payments made on behalf of families.

**ESTIMATED PERCENTAGE OF FAMILIES IN BSF BY INCOME IN RELATION TO  
POVERTY LEVEL AND STATE MEDIAN INCOME (SMI)**

Year	< Poverty Level	=> Poverty Level and <39% SMI	=> 39% SMI and <52% SMI	=> 52% SMI and <= 67% SMI
SFY09	28%	35%	27%	10%
SFY10	32%	34%	26%	8%

Source: MEC<sup>2</sup> system data for SFY09 and SFY10. Based on payments made on behalf of families.