CHILD CARE SUBSIDY IN NEVADA

STORIES FROM THE FIELD

Children’s Advocacy Alliance

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This report was written jointly by Jared Busker and Aaliyah Goodie from the Children's Advocacy Alliance. The stories featured in this book were collected in 2019 by Shelby Henderson, Aaliyah Goodie, and Jared Busker. We are grateful to all the Nevadan parents and child care providers who shared their stories.

The Children's Advocacy Alliance (CAA) is a community-based nonprofit organization that advocates for the well-being of Nevada’s Children and brings people together to build consensus around priorities and to leverage our collective strength toward real changes in policy and practice.
In Nevada, over 65% of children ages 0-5 live in families where all available parents are in the workforce. These working parents face the challenge of finding quality childcare that they can afford. Currently, the average annual cost of child care in licensed centers in Nevada ranges from $11,137 for an infant to $8,835 for preschoolers (age 3-5). These high costs cause a huge financial burden to all working families, especially those living in poverty.

To help reduce this financial burden, the Federal Child Care and Development Fund provides child care subsidies to families with children up to age 13 living in poverty (up to 75% of Nevada’s median income).¹ There are two types of subsidies provided to families, mandatory and discretionary. Mandatory subsidies are provided to children who have a parent participating in the New Employees of Nevada (NEON) Program; the state is required to provide subsidies to all NEON families who apply. Discretionary subsidies are provided to all other eligible at-risk families. Currently, parents who are enrolled in continuing education programs, such as attending a Nevada System of Higher Education college/university or apprenticeship program, are not eligible for subsidy unless they were first eligible under the work and income requirements. The inability for parents to receive assistance paying for child care can discourage or prohibit them from bettering their educational and professional opportunities.

Unfortunately, the subsidy program is lacking the proper funding to reach those in need. Nevada’s subsidy program currently only serves 5.84% eligible children.² To access care outside of what the state will reimburse, parents, including foster parents, must pay the overage between the State’s maximum reimbursement rate and providers’ actual market rate. For pre-kindergarten in Clark County and Washoe County, under the current reimbursement rate only a five-star provider receives reimbursement at the 75th percentile of the 2015 market rate with lower star centers receiving a lower percentile. This is a significant difference than the national recommendation that all providers receive reimbursement at the 75th Percentile of the most current market rate.
In addition to providing parents with the necessary resources needed to become productive members of society, Child Care Development Fund Subsidies have the potential to help at-risk children to gain a strong start. Research shows low-income children that have access to high quality preschool programs are less likely to need special education, less likely to repeat a grade, less likely to be arrested and are more likely to graduate high school, attend college and be employed.

Additionally, while children are in high-quality child care, parents can become better employees. Access to child care has been shown to increase parent employment rates, reduce worker turnover, absenteeism and increase productivity.

**RECOMMENDATIONS FOR IMPROVEMENT:**

- Provide additional funding to increase the percentage of eligible children served by subsidies, including those children under 13 years of age who live at or below 75% of Nevada’s median income in single-earner moms, single-earner dads or dual earner households to allow them to work, seek employment, or attend school/vocational training.

- Increase the reimbursement rate to meet the most current market rates.

- Increase the number of QRIS coaches for rating centers.

- Provide incentives to providers to serve children during nontraditional hours so their parents have safe, high-quality child care while working in our 24-hour state.

- Ensure that child care providers serving foster children are paid at 100% of the current market rate cost of care so foster parents are not required to pay the overage of what the subsidy will pay and what the center charges.

- Work to increase the state’s capacity and number of providers serving children with documented disabilities.
After having her twin boys, Koryn Thomas returned to work to provide for her family but quickly learned that doing so was uneconomical. "In order for me to send them both to child care during the week while I worked a full time job it would have cost me about $1200 per month, $600 a child. I was only making $1200 a month" says Koryn. Even so, she did her best to work but having unreliable child care placed her job in jeopardy. "I would end up calling off from work or having to come in super late. I was constantly written up for my attendance due to child care issues" remembers Koryn.

When her children were one years of age, Koryn applied for and qualified for child care subsidy assistance. "I found a wonderful child care provider for my children. They accepted the subsidy payment and have played a very big part in my children's upbringing", says Koryn. She has received child care subsidy assistance since and credits child care subsidy for helping her afford to work. "I would have never have been able to afford to pay out of pocket to send my kids to child care. My children love the women at Happy Day's Montessori Academy. I cannot thank them enough and the many caseworkers at Urban League I have worked with that always stayed on top of their jobs , communicating with me and letting me know what I needed to do in order to receive services. I have always felt like they really wanted to help me and they have."

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AN EXAMINATION OF THE ECONOMIC IMPACTS OF THE NATION'S CHILD CARE CRISIS ON WORKING PARENTS, EMPLOYERS, AND TAXPAYERS SHOW THAT THERE IS AN ANNUAL ECONOMIC COST OF $57 BILLION IN LOST EARNINGS, PRODUCTIVITY, AND REVENUE.¹²
In December of 2017, Giavonni Nobles applied and received child care subsidy assistance. For Giavonni, a single mom who worked full time, was going to college classes and was caring for her 17-year-old sister, having access to a high-quality early learning program was life changing. Having access to childcare helped Giovonni balance her schedule, and knowing Jayceon, her son, was happy and safe, she was able to focus more at work and school. In addition to childcare subsidy helping Giavonni work and go to school, being able to place her young son in a high-quality early learning program helped him to learn and grow. During his time, according to Giavonni, Jayceon built his social skills, learned his colors, numbers and ABC’s, and he was potty trained. Giavonni recently graduated college in May 2019, with her Bachelor’s in Criminal Justice and credits child care assistance as a major factor in her success.

Rhiannon first received child care subsidy assistance in 2017 after being placed on a waiting list. Before receiving the assistance, her children attended the most affordable care she could find. This resulted in her having to drive across town to drop them off, then back across town to attend work. Day to day life was a struggle for her and her family. “I was paying so much for rent and child care that sometimes I couldn’t afford food or wasn’t able to pay all my bills”. Now, with the assistance, Rhiannon was able to apply and be hired for a new job as a licensed social worker at the Department of Child and Family Services.
STORIES FROM NEVADANS

BROOKE GROSE
Las Vegas, NV

Prior to having a child, Brooke Grose, working as a small business owner and hair stylist, had long days and a busy schedule. Her husband is a police officer which requires him to work swing shift and be on-call throughout the week. After having their first child, Brooke and her husband had to make significant adjustments due to the high and unaffordable prices of child care. “It was more cost-efficient for me to cut back on my availability and decrease my clientele than pay for child care”, says Brooke, “My income has decreased immensely.”

As a police officer, her husband’s schedule changes frequently. “He’s not always home from work on time. There are lots of days that he finds out he has court last minute, days that he gets called into work early, and days that he has last minute mandatory training”, Brooke adds. These uncertainties in her husband’s schedule has resulted in Brooke only working on days he is off. “I have to sacrifice spending time with my family in order to work. If child care prices were made more affordable it would greatly help our family out”, says Brooke. Having access to child care subsidy would reduce the burden.

SANDRA COSEY
Las Vegas, NV

After gaining guardianship of her grandson along with raising her own 6-month old son, Sandra Cosey applied to receive child care subsidy assistance. At first, Sandra was placed on a long waitlist. This had a devastating repercussions on her livelihood. “It was a struggle, sometimes I bought minimal food. I wasn’t sure how I could afford to pay bills”, remembers Sandra. But thanks to the increase in federal funding to the Child Care Development Fund, Sandra was removed from the waitlist. “It allows me to continue to go to work”, says Sandra when discussion the assistance, “it was a blessing”.

Child Care Subsidy in Nevada
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Alexa Salter and her spouse planned to have a family. They both have bachelor degrees, bought an affordable house, both drive affordable family cars, got married and waited two years before having their first child. What they did not expect was the high cost of child care. “It’s a mortgage. It’s money that could go towards saving for our kid’s college education”, says Alexa.

Without child care assistance, Alexa and her spouse work opposite days off to try to save money on child care. “My spouse and I are off a total of four days a week, so we only need child care for three days a week”, states Alexa. In addition to working opposite days, Alexa and her spouse work opposite shifts to need care for fewer hours on those three days. “I get home by 6:30 pm and my spouse goes in to work at 1:30 pm. We are lucky to have schedules to do this”, Alexa adds.

If all Nevada families with incomes below 150 percent of the federal poverty guidelines (FPG) who meet the other eligibility criteria and want a subsidy receive one: ³

- 18,600 additional children could receive subsidy in an average month
- 2,700 children could be lifted out of poverty
Emily Warren is a single mother raising her daughter, Bria. To improve the long term outcomes for her daughter and herself, Emily decided to return to school and attend the University of Nevada, Las Vegas to receive her degree in social work.

To accomplish all the requirements of her degree, which included a lengthy internship, Emily was still able to work part-time. Although her part-time job didn't cover all her expenses, especially the cost of child care. The cost of her daughter's child care was almost $9,000 for the year. To pay for such a cost, Emily had to take out student loans to pay for the expense. She also decided to move back home with her mother and received food stamps. "I paid less for my own college tuition than for my daughter's preschool costs", said Emily. When asked if she had applied for child care subsidy assistance, Emily said she was discouraged from applying when told that there was a 2 year waitlist. Had the additional supports been available, Emily would not have been saddled with a huge student loan debt to pay for child care.

Access to affordable child care supports parents seeking additional education and training, which contributes to higher earnings over an individual’s lifetime. ⁴
Without any family in Reno, Caroline spent many hours researching and crunching numbers to find affordable child care that worked best for her and her daughter, Freya. “I was shocked to find the lack of options for children under 2, and the cost which was basically my mortgage”, remembers Caroline.

The need for child care was especially important for Caroline as she often has an unpredictable schedule as the State Director of NARAL Pro-Choice Nevada. Even so, there were times that she was called to work without having child care for Freya. “Inevitably, I would find out last minute about a hearing that I needed to testify at and it seemed to always be in times that I didn’t have child care. I had no option than to bring her with me which I always dreaded”, says Caroline. “Luckily, we were welcome by lobbyists and legislators alike but this is not always an option for many other parents.”
“My children currently do not attend child care in Nevada”, states Macy Bailey. During the school year, Macy’s 3-yr-old daughter is cared for by her grandfather during the day from 7:30 am to 5:30pm. In the summer both her daughter and 8-yr-old son are both with him. “Due to the high cost of child care, we’ve solely relied on him to care for them while we are at work. Unfortunately, he is the only means of child care because all of our other family members work the same hours we do. If there is ever a day he is sick or not feeling well we’ve had to call in sick to work and miss out on a day’s worth of pay.”

For the first five years of her son’s life, Macy and her husband went through the cost of child care and realized that it would cost roughly the same as their entire monthly income. “We decided that it would make more economic sense for one of us to stay home with our son and the other to work”, remembers Macy. Relying on her family members to help provide care has also put strains on her relationships. “I feel like we are asking a favor of a family member and they are doing it at no cost. I also feel like my voice as a parent is not always taken into consideration. I feel like I’m overstepping boundaries if I ask them to be fed certain foods, be restrained from sugary drinks/foods or ask for them not to watch TV all day because at the end of the day they are already doing me a favor by watching my kids for free. If childcare were more affordable I would 100% choose to have my children attend a preschool/after school program versus having a family member watch them. I wouldn’t feel the burden of asking for a favor, it would be more reliable and my children would have more access to academic learning throughout the day.”
It was more than a year ago that Victoria was stressed about finding child care for her son, Valentin. “I was worried that I would not be able to continue working, provide financially for my family, and go to school to finish my degree. It was a difficult time for my family”, remembers Victoria. Since Victoria and her husband were not able to afford child care, their son was staying with family while they both worked. “Valentin was having too much screen time, he was delayed in his speech, and didn’t have any interactions with children his age” says Victoria.

Around that time, Victoria applied and received child care assistance. “I knew I had to make a change, so I found child care assistance”, she says. With the assistance, Victoria was able to continue working, and graduated from school with her bachelor’s degree. After attending child care for the past year, Victoria also noticed positive changes for her son. “He is doing an amazing job, thanks to his teachers. He is speaking English and Spanish fluently. Valentin has developed his social, physical, cognitive, and language skills. Sunrise Children’s Foundation and Childcare Assistance have made a huge impact in our lives, and my son is on his way to school readiness.”

Child care is not just a key work support for parents, but it is also critical for the healthy development of children to ensure they start school ready to learn.²
His Kids Preschool in Reno, NV has accepted child care subsidy for the last ten years. Doing so was often fiscally challenging for the center. "Historically, the center did not receive subsidy reimbursement amounts that covered the actual expense of caring for a child in our center, especially in our infant/toddler classrooms", says Director Lela Arney. With the increases to the subsidy reimbursements and through participation in the Nevada Silver State Stars Quality Rating and Improvement System the centers funding has improved, noted Lela. "Between the QRIS grants and the Children’s Cabinet subsidy increase, we have been able to bulk up our science and social/emotional materials and will soon be purchasing all new tables and chairs, as ours do not meet quality standards.

Although, more still needs to be done according to Lela, "the increase is not enough to elevate pay and staff benefits, which helps us to retain our staff. Child care staff work very hard to remain abreast current educational philosophy and practices, with administrative training and support. It can be challenging as a Director to train and equip staff that are transient in the field because of low wages, along with a very emotionally and physically taxing job. The tuition we charge does not allow us to offer competitive wages/benefits year-round."
STORIES FROM NEVADANS

ZOO’N AROUND PRESCHOOL
Fernley, NV

Zoo’n Around preschool has seen a direct benefit from participating in the Nevada Silver State Stars Quality Rating and Improvement System (QRIS) which is funded through the Child Care and Development Block Grant. "This program has been of great value to centers like mine, but increased quality is very expensive to maintain. We went from a 2 to a 4-star center thanks to the help of grants for supplies and QRIS coaching." notes owner Evelyn Knight.

SUNRISE CHILDREN’S FOUNDATION
Clark County, NV

The Sunrise Children's Foundation provides free, no co-pay infant/toddler child development services in 15 centers throughout Clark County. They do this by working closely within the community, fundraising, and utilizing programs such as the child care subsidy program and early head start. As such, when the CCDBG was reauthorized and the state increased their child care subsidy reimbursement rates, the Foundation saw a direct benefit. According to the Director of Programming at the Foundation, Angela Triché, "The increase enhanced our budget for needed supplies and materials; classroom health & safety repair and maintenance; the cost associated with improved staff benefits and employee retention; and of course, extended-day services for children and families."
WHY INVEST IN EARLY CHILDHOOD EDUCATION

Investing in early childhood education programs provides both short-term and long-term benefits to Nevada’s children and families.

Short-term Benefits

In Nevada, 63% of families with children under the age of six have all available parents in the workforce. For these parents, the ability to send their children to a high quality early learning program is invaluable and offers them peace of mind while at work. Having access to stable and reliable high quality child care is also invaluable for the business as it increases employee:

- Attendance
- Morale
- Productivity

Funding for early education programs goes back into the local economy as early education professionals generally spend most of their earnings locally. States realize roughly $2 in local spending for each dollar invested in child care.

Children who attend high-quality early learning programs are provided with the skills to have a strong start in school and life.

Participants in high-quality early learning and care programs:

- Have 10 point higher IQ scores
- Are 40 percent less likely to repeat a grade
- Are eight percent more likely to graduate high school
- Have higher language scores after only one year
WHY INVEST IN EARLY CHILDHOOD EDUCATION

Long-term Benefits

Today more than ever, Nevada needs employees who are well prepared to succeed in the labor market. Our current workforce pipeline is not sufficient—not for businesses that need well-prepared employees, not for young people who need good jobs, and not for the state that needs a growing economy. Without a concerted action to prepare more Nevadans for jobs in STEM-intensive fields, skills shortages could limit growth in the state’s most promising target industries and Nevadans could miss out on employment that offers superior paths to opportunity and advancement.

An investment in high quality early learning programs is the first step a business community can take to develop Nevada’s future workforce. Participants in high-quality early learning and care programs:

- Are 2.5 times more likely to go to college
- Have employment rates seven to 13 percent higher by age 30
- Earn 42 percent higher median monthly income by age 40
- Are more likely to own a home and less likely to receive government assistance in adulthood
- Have lower rates of felony arrests, convictions, and incarceration
1. Nevada is receiving a $26 million increase to the overall child care subsidy budget in the upcoming biennium as a result of the FY 2018 Omnibus Spending Bill.


5. Ibid


