



2003 Report on
Child Care in Cook County

Elements of Child Care Supply and Demand

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Introduction



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Every year, Action for Children (formerly the Day Care Action Council of Illinois) issues a report on Child Care in Cook County. Our goal is to provide both a larger picture and salient details of child care and early education in Cook County for planners, policy makers, people in the child care field, researchers, journalists and other interested parties. As the Preface explains, this year's report has been greatly expanded. We appreciate hearing from users and readers of this report about what they find particularly useful and what could be done to improve its practical application.

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Preface

What's New

Changes in the 2003 Report

With the *2003 Report on Child Care in Cook County*, Action for Children presents a more complete picture of the supply of and demand for child care in Cook County.

In previous years the *Supply and Demand Report* largely presented an accounting of Action for Children's Child Care Referral Program in Cook County. It was most useful to readers interested in childcare supply in that it reported detailed information on the slots supplied by providers who voluntarily list with the Child Care Resource and Referral Program. It was less useful to readers interested in child care demand, because it limited its focus to the families choosing to use the referral service and did not report on the large number of families who find child care through other means.¹

This year's *Report* expands the format of previous years' referral reports into a more comprehensive report for the Fiscal Year ending June 30, 2003. A complete supply and demand report should consider not only the child care that is currently available and the amount parents have chosen to use, but how much more or less child care would be available and used under changing circumstances. For example, if provider rates were to rise 10 percent, how much more or less care would providers offer, and how much more or less would parents choose to purchase? In future years, the report will move closer to estimating demand—that is, how much and what type of child care parents will choose for their children if care becomes more readily available at an accessible price.

This year, on the demand side we have introduced information about families with children in

Cook County. We present information about working families with children who most need child care, and about lower income working families eligible for the Illinois Child Care Assistance Program. We also discuss eligible families who do not use that assistance program.

On the supplier side of the child care market, we have added information from additional sources on the providers in Cook County. We have also introduced new information on the wages of the child care workforce in centers and homes. In the future we will add information about other factors affecting the quantity and quality of child care supply.

One other change for 2003 is that we have divided Chicago and suburban Cook County into more realistic geographic regions: three regions in suburban Cook County and three in Chicago.²

A final terminological note: The line has blurred, perhaps more than ever before, between *early education programs* and *child care programs*. Many child care centers and homes routinely offer enrichment programs or formal education which go far beyond any bare notions of “watching” or “caring” for children. While we call the subject of this report *child care*, it bears noting that the actual programs we examine typically extend far beyond *mere child care*, as some readers might understand that term, to most early care and education.

Section I

Families With Children

The demand for child care in Cook County is based first of all on the number of children in Cook County. Understanding the demand for child care, however, is not reducible to counting the number of children of various ages. Appendix 2 discusses some of the complexities we face in thinking about the demand for child care. Here we look at some basic numbers behind families' demand for child care.

A Children in Cook County

Over one million children ages 12 and under reside in Cook County. Table I-1 enumerates children in Chicago and suburban Cook County by age groups based on the US Census 2000. Over 54 percent of the children in Cook County in 2000 resided in Chicago. Potentially all of the children in the younger age groups, those under three years old and those from three through five years old, need child care or early education, although it is unrealistic to suppose that the parents of all these children actually seek care. Similarly, many older children ages six through twelve need before or after-school care, although at a lower rate.

Table I-1. Children in Cook County, 2000 Census

Children	Chicago Total	Suburban Cook Total	Total Cook County
Under 3 Years	131,472	101,662	233,134
Ages 3 through 5	129,764	108,764	238,528
Ages 6 through 12	302,221	260,216	562,437
Totals	563,457	470,642	1,034,099
Under 3, In Poverty	36,522	8,873	45,395
Percent of Age Group in Poverty	28%	9%	19%
Ages 3–5, In Poverty	37,557	9,773	47,330
Percent of Age Group in Poverty	29%	9%	20%
Ages 6–12, In Poverty	88,077	22,868	110,945
Percent of Age Group in Poverty	29%	9%	20%
Under 3, Income Eligible*	65,267	21,923	87,190
Percent of Age Group Eligible*	50%	22%	37%
Ages 3–5, Income Eligible*	66,689	23,871	90,560
Percent of Age Group Eligible*	51%	22%	38%
Ages 6–12, Income Eligible*	156,743	55,147	211,891
Percent of Age Group Eligible*	52%	21%	38%

* Income-eligible for Illinois Child Care Assistance. The income limit is 50% of state median income, or approximately 185% of the federal poverty level, depending upon family size. *Work* eligibility is also required, but not factored in here. Ages of children both in poverty and income-eligible are calculated from the proportions of all children in different age groups.

B Children in Need: In Poverty and Eligible for Illinois Child Care Assistance

Table I-1 also shows that up to 29 percent of the children in Chicago are poor. Chicago has far larger portions of children living in poor and low-income families than does the remainder of Cook County. Chicago children are over three times more likely to be poor than other Cook County children. Since poverty rates have risen since 2000, the rates for both regions are probably higher now.

Table I-2. Children in Cook County, 2000 Census

Children	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Under 3 Years	44,551	31,292	55,629	47,193	22,465	32,004
Ages 3 through 5	39,172	30,806	59,786	49,475	24,174	35,115
Ages 6 through 12	87,102	71,408	143,711	117,634	53,412	89,170
Under 3, In Poverty and % in Poverty	7,331 16%	11,887 38%	17,304 31%	2,569 5%	2,562 11%	3,742 12%
Ages 3-5, In Poverty and % in Poverty	6,729 17%	12,142 39%	18,686 31%	2,676 5%	2,886 12%	4,211 12%
Ages 6-12, In Poverty and % in Poverty	15,682 18%	27,800 39%	44,595 31%	6,475 6%	5,671 11%	10,722 12%
Under 3, Income Eligible & % Eligible*	16,556 37%	19,090 61%	29,621 53%	7,215 15%	6,443 29%	8,265 26%
Ages 3-5, Income Eligible & % Eligible*	15,420 39%	19,327 63%	31,942 53%	7,582 15%	7,057 29%	9,232 26%
Ages 6-12, Income Eligible & % Eligible*	35,369 41%	45,621 64%	75,753 53%	17,626 15%	14,988 28%	22,534 25%

* Income-eligible for Illinois Child Care Assistance. The income limit is 50% of state median income, or approximately 185% of the federal poverty level, depending upon family size. *Work* eligibility is also required, but not factored in here. Ages of children both in poverty and income-eligible are calculated from the proportions of all children in different age groups.

The final six rows of Table I-1 present the number of children living in families whose income would make them eligible in 2003 for Illinois Child Care Assistance. In Illinois, a family's income can rise as high as 85 percent above the federal poverty level for the family to be eligible for such assistance. About half of Chicago children under 13 and about one-fifth of suburban children in Cook County are income-eligible for Illinois Child Care Assistance. Note that in addition to an income requirement, the Illinois Child Care Assistance Program also requires that all parents present in the family be in the labor force or in training or school. We return to working parents below.

Table I-2 presents the same information as Table I-1, but broken down for six regions of the county, three in suburban Cook County and three in Chicago. Several times in this *Report* we will divide Cook County into these six regions. Briefly, Chicago and suburban Cook County have three regions apiece: (1) a North and Northwest region; (2) a West, and in Chicago, a West *and* Central region; and (3) a South and Southwest region. See Appendix 1 for more

detailed definitions of these regions.

As table I-2 shows, families in poverty and families with low incomes tend to concentrate in the western and southern parts of Chicago. The comparable parts of suburban Cook County also have more poverty and income eligibility than the north and northwestern regions.³

Up to 39 percent of children living in a region are officially poor. With respect to lower incomes, in the six regions as few as fifteen percent and as many as 64 percent of children in different age groups live in families eligible by income for Illinois Child Care Assistance.

C Children With All Working Parents

When estimating families' demand for child care, researchers commonly look first at families with every parent working outside of the home. They assume that families with at least one parent not in the labor force have a child care-giver available and do not "demand" child care. When they look at families with every parent in the labor force, some researchers overlook the fact that there might be another relative available to care for children and the fact that many parents stagger their work schedules so that one parent is always available to care for their children. As a consequence some researchers have assumed that all families with every parent working outside of the home "demand" child care. While we do not make this

assumption, we do recognize that the need of parents to work stands behind much of the demand for child care.

At least half of all children in Cook County live in families in which all parents present in the household are in the labor force.⁴ That is, either the single parent in single-parent families or both parents in two-parent families are in the labor force. This section presents some details about children under age six in these working families.

Of the approximately 472,000 children under age six in Cook County in 2000, more than 50 percent, or 238,000 children, had either their single parent or both of their parents in a two parent family in the labor force.⁵ Fifty-nine percent of children in suburban Cook County and 43 percent of Chicago children live in such working families. Table I-3 presents the number of such children in the six regions of Cook County.

Table I-3. Children Under 6 With All Present Parents in Labor Force, 2000 Census

Children	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Children Under 6 Years	51,614	23,105	38,386	41,772	26,678	56,394

D Children Eligible For, But Without, Child Care Assistance—Potential Demand for Care

For a family to be eligible for Illinois Child Care Assistance, every parent present needs to be working,⁶ and family income can be no higher than 50 percent of the State median income (roughly 185% of poverty level) for a family of its size. Tables I-1 and I-2 above enumerate children in such families that are income-eligible. Table I-3 enumerates children under the age of six in Cook County whose present parents are all in the labor force. This section takes the analysis to its next step: **estimating the number of children in the six regions of Cook County who are eligible for Illinois Child Care Assistance but who do not receive it.**⁷

Table I-4 presents these estimates for the different age groups and regions.

We estimate that in any given month, about 12 percent of Cook County children ages 12 and under, almost 123,000 children, live in families that are eligible for but do not receive Illinois Child Care Assistance. Over 15 percent of Chicago children are in this group of unserved children, while the suburban Cook County portion is almost 8 percent.

Table I-4. Estimate of Unserved Children

Children Eligible for Child Care Assistance But Not Receiving It Based On 2000 Census						
Children	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Under 3 Years	6,384	4,273	6,367	3,156	1,640	1,364
Ages 3 through 5	5,274	3,280	5,605	3,139	1,622	1,138
Ages 6 through 12	15,869	14,350	25,949	10,301	5,681	7,948
Total:	27,469	21,772	37,662	16,573	8,904	10,355
Cook County Total:	122,735					

Do all of these children have unmet need for child care? We cannot suppose that the parents of every eligible child would choose to use Illinois Child Care Assistance even if it were offered to them. Some might prefer to have a relative care for the child (with little or no payment). Some parents might not be able to find a child care provider to match their off-hour or changing work schedules. Others might not be able to afford to pay a provider even if they receive assistance. Some parents with partners stagger their work schedules in order to share caring for their children. Others may have enrolled children in Head Start or Illinois

Pre-K and are satisfied with those hours of care.

The figures in Table I-4, then, should be seen as an upper end of a range rather than an on-target estimate of unmet need for Illinois Child Care Assistance.⁸ We can only say that as many as 122,735 eligible children in Cook County have an unmet need for Illinois Child Care Assistance.

¹ In addition to providing a standard referral to parents, Action for Children provides enhanced referrals through contracts and special projects. Referral information for this report was collected from the Carefinder database for Cook County. Beginning in FY 2004, the NACCRRAware database has replaced Carefinder in Illinois.

² Chicago has three regions—North and Northwest; Central and West; and South and Southwest.

³ Of course, a closer look at each region would find that some smaller areas within a region have more heavily concentrated poverty and lower incomes than others. Here low income means 50 percent of Illinois median income or lower.

⁴ Technically the labor force includes unemployed people looking for work. We count these since parents looking for work need child care.

⁵ Another 27 percent of children live in two-parent families that have one parent in the labor force.

⁶ In Illinois, parents may be in training or school, but in practice relatively few parents get approval unless they work outside of the home.

⁷ To arrive at the measure of children with a possible unmet need for child care assistance, we (1) combine information on income-eligibility and work-eligibility to estimate the number of children who are eligible for Illinois Child Care Assistance and (2) from this number, subtract the number of children who actually received that assistance in a recent month.

⁸ Of course, some parents who are currently ineligible because they have higher incomes or who are in training or in school might have a need for child care assistance and would use it if they were eligible. In this sense, our estimate undercounts some need.

Section II

Child Care Providers

Child care supply in Cook County comes from a rich mix of some 70,000 entrepreneurs including individual providers, educators, non-profit enterprises, for-profit enterprises and public agencies. Appendix 3 discusses some of the factors that enter into the supply of child care. This section examines some critical elements of that supply.

A Child Care Providers in Cook County

This section reports on the child care that providers offered in Cook County in 2003. We look at a number of dimensions of child care supplied—the number and types of providers, their geographical spread across Cook County and the number of slots providers report to us. We also present a factor that influences supply, the wages of the child care workforce. The next section presents the rates that providers charge parents.

While this section presents basic counts of available child care in Cook County, it does *not* show what providers would actually supply if conditions changed. For example, it does not forecast how providers

would respond if the Illinois Child Care Assistance Program rates for child care increased. So it is not a complete report on child care supply.

Our information about child care providers in Cook County comes from three different sources:

1. The Illinois Child Care Assistance Program can count the providers who care for children with child care assistance.
2. The Child Care Resource and Referral (CCR&R) Program, which refers parents to providers in their geographical area, can count the providers in its database.
3. The Illinois Department of Children and Family Services (DCFS) lists programs in Cook County that it has licensed.

The first two sources are programs administered in Cook County by Action for Children (formerly the Day Care Action Council of Illinois) for the State of Illinois. These programs have the best current lists for license-exempt child care centers and homes, but because not all centers and homes participate in the State programs, the lists are incomplete. The DCFS list of *licensed* child care centers and homes is the best source of licensed programs, but of course, contains no information on programs without licenses. These three sources complement each other well. Even together, however, they do not form a complete listing of child care in Cook County. They do not fully capture the child care activity in Cook County that is legally exempt from licensing or the otherwise illegal care.

Table II-1 presents the count of child care providers available from the three alternative sources of information. It covers the four main types of child care in Cook County in 2003, home and center providers that are either licensed or license-exempt. In the Table, column 4 shows the most accurate count from the

three sources. Because the major source of error in counting child care programs is one of undercounting programs that operate under the radar of official lists, the maximum count is in this case also the most accurate count available.

Table II-1. Child Care Providers in Cook County in 2003, Three Counts

Type of Program	1. State Assistance Count	2. CCR&R Count	3. DCFS Count	4. Most Accurate Count
Licensed Centers	719	1,079	1,199 *	1,199*
License-Exempt Centers	225	537 *	NA	537*
Licensed Homes	2,426	2,767	3,776 *	3,776*
License-Exempt Homes	23,706 *	211	NA	23,706*
Total	27,076	4,597	4,975	29,218*

*Signifies the best currently available source of information for each kind of care.

Column 1 comes from Illinois Child Care Assistance Program for Cook County in April 2003. Column 2 is for June 2003 and column 3 is for August 2003.

Note that the “Total” row adds dissimilar homes and centers together, and should be considered a total only for recorded child care establishments irrespective of size.

B Places for Children in Cook County Child Care

Column 2 of Table II-2 shows the number of potential child care slots available with the providers who appear in the most accurate count. The table divides child care programs into the type of child care setting they provide. This number probably understates the actual number of children in Cook County child care.⁹

We have some indications that the supply of child care has been growing in Illinois and possibly also in Cook County.

According to DCFS data, the number of *licensed* slots in the state grew 17 percent in the years from FY2000 to FY2003, and, since Cook County has 56 percent of all licensed slots in Illinois, the growth in Cook County is probably roughly 17 percent.

In the listings of the CCR&R Program, the combined number of both licensed and license-exempt center slots and licensed home care slots has grown almost fifteen percent since 2000, or about five percent each year, from about 105,466 to 121,034.¹⁰ This count does not reflect the changes in slots available from license-exempt home providers or legally invisible providers over

Table II-2. Child Care Slots in Cook County

Type of Program	1. Providers (From Table II-1, Column 4)	2. Slots Provided by Centers & Homes in Column 1
Licensed Centers	1,199 *	84,297
License-Exempt Centers	537 *	23,269
Licensed Homes	3,776 *	29,397
License-Exempt Homes	23,706 *	68,036 **
Total	29,218 *	204,999

* Signifies that the count is from the best source of information for each kind of care.

** For this estimate we multiply the number of license-exempt homes by their average actual capacity (2.87 children) as found in the CCR&R database. The state limit is three.

Table II-3. Child Care Slots in Cook County Regions, 2003

Source: Action for Children Child Care Resource and Referral Program

Program Type	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Licensed Centers	8,197	11,381	16,501	19,758	6,154	11,554
License-Exempt Centers	3,566	3,623	7,952	5,783	1,738	607
Licensed Homes	2,414	4,052	8,313	2,128	2,204	3,106
License-Exempt Homes	—	—	—	—	—	—
Total	14,177	19,056	32,766	27,669	10,096	15,267

this period. Those providers tend not to list their homes with the Child Care Resource and Referral Program.

We have independent counts of license-exempt home providers and slots in their care in Cook County. In Fiscal Year 2002, some 57,270 such Cook County providers received Illinois Child Care Assistance payments during at least one month of the year though the monthly average is only about half that number. Each such provider can legally care for three unrelated children, although many prefer to care for fewer children.

Of the total of 119,031 child care slots reported by the centers and licensed homes listed with the Referral Program, 65,999 were available in Chicago and 53,032 were in suburban Cook

County. Table II-3 shows how these 119,031 slots were distributed among centers and licensed homes in regions of Cook County.

The number of child care programs includes some 26,631 early education program slots and 20,443 school-age program slots. Table II-4 represents the number of slots in these programs in Cook County regions.

As Chart 1 shows, Chicago has about ten times more Head Start and State Pre-K slots available than suburban Cook County has. Head Start programs serve children living below the poverty level while Pre-K programs serve children considered “at risk,” which often, though not always, overlaps with living in a lower-income family. While the numbers of children in Chicago

Table II-4. School-Age and Early Education Slots in Cook County Regions, 2003

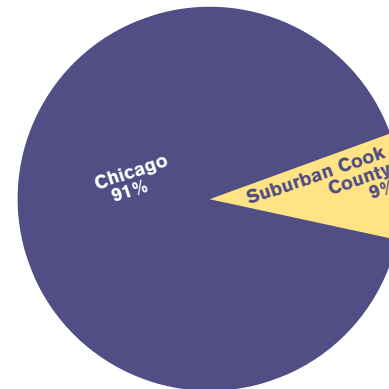
Source: Action for Children Child Care Resource and Referral Program

Program Type	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
1. School Age Programs	2,550	3,008	4,932	6,103	2,115	1,735
2a. Head Start Programs	1,300	3,734	4,199	311	394	344
2b. Pre-K Programs	4,067	3,722	7,270	198	424	668
2. Total Early Education	5,367	7,456	11,469	509	818	1,012

and suburban Cook County are similar, as are the numbers of children in need of care or early education, Chicago has a larger number of low-income children than suburban Cook County.

Chart 1: Early Education Slots in Cook County I 2003

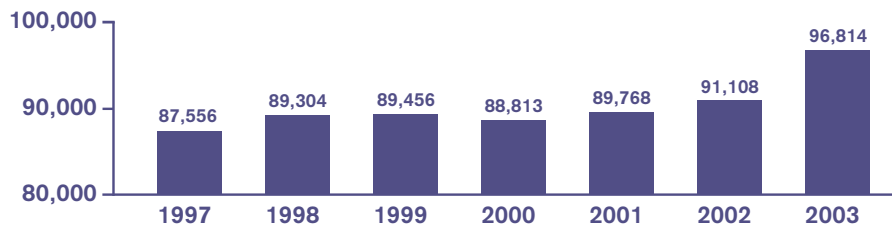
Source: Action for Children Child Care Resource and Referral Program



C Child Care Centers

Seventy-six percent of slots in child care centers in Cook County in 2003 are in licensed centers. Of the 1,199 licensed child care centers, some ninety percent are listed with the Child Care Resource and Referral Program (1,079 centers). Over 87 percent of the slots in licensed centers in Cook County are listed with the CCR&R Program. This section presents some details about the centers listed with the CCR&R Program. Given the large participation rates of licensed centers in the CCR&R Program, we can be confident that in discussing details about centers in the

Chart 2. Trend in Child Care Center Slots



CCR&R Program we have a generally representative view of the licensed centers in Cook County.

In 2003 the number of child care slots available in centers that listed with the CCR&R Program increased by over six per cent. Part of this sharp rise may reflect greater interest by providers in listing their programs rather than a jump in actual supply in Cook County.

Table II-5 shows the distribution of 102,237 slots in licensed and license-exempt child care centers among different age groups in different regions of Cook County in 2003.¹¹ Overall, the total of 102,237 age-identified center slots is split almost equally between Chicago and suburban Cook County regions.

It is often noted that infant care and school-age care are among the most difficult for parents to find. The table confirms this observation. With a

total of 2,612 slots, fewer places exist for infants than for any other age group under school age. Programs for school age children in Cook County, with a total of 18,046 slots for all age groups, have the lowest number of slots per age. There are about as many CCR&R Program slots listed for just four year olds as there are for the entire school age group, ages 6 and up.

A comparison of suburban Cook County center slots with Chicago center slots reveals unequal balance in different age groups. Suburban Cook County has twice the number of center slots for children under three years old that Chicago has: 15,233 slots to 7,621. Again, however, Chicago has disproportionately more center slots for the three through five year-old age range: 35,990 slots to 25,344 slots.

D

Access to Centers for the Neediest Children

Many families need to use public child care assistance programs to purchase child care for their children. The Child Care Resource and Referral Program collects some relevant data about Cook County centers’ responsiveness to this need in 2003:

- Fifty-four percent of the listed licensed and license-exempt centers in Cook County—875 centers—

accept children who use Illinois Child Care Assistance. Chicago has proportionately fewer centers that accept subsidies

- Fewer centers accept the Department of Children and Family Services assistance, mostly for foster children: 321 centers, or just under 20 percent.
- 199 centers have direct public-sector contracts, and 77 percent of these are in Chicago.

It is probably fair to say that for many centers the public child care assistance programs represent a significant source of income.

Table II-5. Child Care Center Slots in Cook County by Age in 2003

Source: Action for Children Child Care Resource and Referral Program

Age	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Infant	105	196	285	1,197	196	633
Toddler	216	262	433	1,523	263	912
Total Under 2	321	458	718	2,720	459	1,545
2 Years Old	1,178	1,125	2,324	3,134	821	1,830
3-4 Years Old	4,208	5,652	10,433	7,322	2,886	3,970
5 Years & K	3,684	4,957	7,056	6,115	1,708	3,343
School Age	2,243	2,495	4,122	5,891	1,868	1,430
Total	11,634	14,687	24,653	25,182	7,742	12,118

E

Licensed Child Care Homes

While many parents appreciate the resources and professional care that most centers can provide their child, others believe child care homes respond better to a child's or family's needs. For example, in Section G below, we shall see that virtually no centers offer overnight or week-end care and only a few offer evening care, while licensed child care homes have corresponding percentages as high as 16 percent. Sometimes parents choose license-exempt homes for their children, and other times they choose licensed homes, to which we now turn.

Through August 31, 2003, the Department of Children and Family Services had licensed 3,766 family and group child care homes in Cook County with slots for 29,397 children. The large majority are family child care homes with a legal capacity of up to 12. The few group homes have a legal capacity up to 16.¹²

To find details about licensed child care homes, we can turn

Table II-6. Slots in Licensed Cook County Child Care Homes in 2003

Source: Action for Children Child Care Resource and Referral Program

Program	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Slots in Licensed Family & Group Homes	2,414	4,052	8,313	2,128	2,204	3,106

to the Child Care Resource and Referral Program listings. Seventy-three percent of licensed homes and about 76 percent of the slots in licensed homes in Cook County were listed with the CCR&R Program in June 2003: 2,767 licensed family and group homes with slots for some 22,217 children. We can report details on these listed homes.

Ninety-seven percent of the listed homes, some 2,693, reported that they accept children using Illinois Child Care Assistance. About 57 percent reported that they accept children who have DCFS assistance.

Two-thirds of the spaces in licensed homes are located in Chicago, while the other third is in suburban Cook County. Table II-6 shows how the 22,217 slots break down by the six Cook County regions.

F

License-Exempt Home Providers

Neither the Department of Children and Family Services nor the Child Care Resource and Referral Program has significant information on home providers who fly under the legal radar (for example, unlicensed but caring for more than three children) or those who have license-exempt status. Some license-exempt providers receive payments from the Illinois Child Care Assistance Program for providing child care to low-income working families. Records collected by Action for Children present the most complete information on this group of providers.

In Illinois, the number of licensed home providers grew over 14 percent from August 2000 to August 2003.

The capacity of licensed home providers listed with the CCR&R Program has grown almost 52 percent since 2000, or about 17 percent each year. As with centers, some of this growth has been due to more comprehensive registration by homes with the CCR&R Program rather than actual capacity growth in Cook County.

Chart 3. Licensed Child Care Home Slots

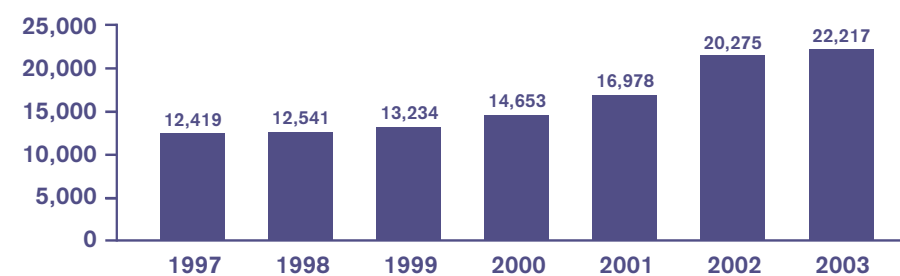


Table II-7. License-Exempt Home Child Care in Cook County, April 2003

Source: Illinois Child Care Assistance Program

Age	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Home of Non-Relative	133	364	737	31	72	188
Relative's Home	492	2,325	4,123	83	391	1,037
Non-Relative in Child's Home	460	2,134	3,910	77	254	722
Relative in Child's Home	378	1,646	2,992	91	257	745
Total	1,463	6,469	11,762	282	974	2,692

In a recent month, there were 23,706 license-exempt home child care providers in Cook County receiving payment through the Illinois Child Care Assistance Program. Eighty-three percent of these, or 19,758 homes, operated in Chicago. Table II-7 breaks down these figures by Cook County region, and shows the concentration of these homes on the southern and western parts of Chicago.¹³ In the same month, about 50,000 children with Illinois Child Care Assistance in Cook County were being cared for by these license-exempt home providers.



Non-Traditional Schedules

One of the most intractable problems for many low-income parents seeking child care is that relatively few programs accommodate parents' needs for evening child care, overnight care, weekend care and care during rotating shifts (in which a work shift rotates from one week to the next). Low-income jobs in retail, services such as office cleaning, and factory work are much more likely to require parents to work non-traditional schedules than better paying jobs.

Table II-8 below shows the number of all centers and homes available for Action for Children refer parents to for evening care, overnight care, weekend care and care over rotating shifts. It also shows the percentage of the total centers in the CCR&R Program listing that have non-traditional care and corresponding percentages of listed homes that have non-traditional care.

At 3 percent, a far lower proportion of centers offer non-traditional schedule care than homes, at 34 percent. This confirms the frequently-heard comment that child care homes are more flexible than center programs in accommodating parents' work schedules.¹⁴

TABLE II-8. Cook County Providers With Non-Traditional Care

Source: Action for Children Child Care Resource and Referral Program

	Chicago	Suburban Cook County	Total	Percent of all Listed Centers or Homes
CENTERS,				
Total with Any Non-Traditional Care	23	29	52	3%
Evening	8	4	12	1%
Overnight	1	1	2	0%
Weekend	6	0	6	0%
Rotating Shifts	9	26	35	2%
HOMES,				
Total with Any Non-Traditional Care	732	277	1,009	34%
Evening	389	97	486	16%
Overnight	368	86	454	15%
Weekend	132	50	182	6%
Rotating Shifts	541	149	690	23%

H

Child Care Labor Costs and Turnover

One of the major factors that affect the supply of child care in Cook County is how much it costs centers and home providers to pay people who work in these establishments. For example, salaries and benefits generally account for well over half of a center's expenses.¹⁵ The higher staff compensation is, the harder it is for providers to offer child care unless they can charge higher fees.

Staff salaries and benefits also affect the *quality* of the child care supplied by centers and homes. Better trained, more experienced and more skilled teachers, for example, will generally cost a center or home more to hire and retain than less trained, less experienced and less skilled staff. On average, the center or home that pays below going rates for staff will offer lower quality care

(though of course, this is true only on average, and not for all programs).

Child care providers thus face the dilemma of trying to keep staff compensation low in order to stay in business, but needing to keep compensation high in order to maintain high quality.

It is no secret that centers cannot afford to pay their child care workers high salaries. In Cook County in 2002, full-time center teachers earned an average of \$11.04 per hour, while assistant teachers earned \$8.68.¹⁶ This amounts to less than half of what elementary school teachers earn (in a system fully subsidized by the public sector). Elementary school teachers, moreover, are much more likely to have benefits such as health insurance and retirement plans than are child care teachers.

A consequence of low compensation rates in child care is that turnover is high among staff. We do not know turnover rates for Cook County, but we know from a 2002 survey that in Illinois between 2000 and 2002, some 39 percent of early childhood teachers in centers left their jobs.¹⁷ As a further consequence of this turnover rate, only 40 percent of center teachers had been at their current job for two years or more at the time of the survey. The comparable turnover of assistant teachers was 33 percent. This instability caused by low compensation is one reason that studies find that low quality is generally correlated with low cost in child care.

⁹ Some providers might have empty slots, in which case the number of slots exceeds the number of children in the care of these providers. On the other hand, two or more part-time children might fill some slots, in which case the number of children in care exceeds the number of slots.

¹⁰ The reader should note that this increase could reflect both actual growth of slots and improved listings of existing slots.

¹¹ These are slots for which an age is specifically mentioned. There may be some double counting in as much as a center might offer a slot to either four-year-olds and five-year-olds.

¹² A home's legal or licensed capacity is not necessarily what its operator wants to supply.

¹³ Sixty-four homes could not be placed in any region.

¹⁴ It should be noted that since centers serve many more children, the actual totals of children who can be served by each of these types of programs are comparable. A greater flexibility for parents appears in the geographical spread: 2,154 home sites in the County offering non-traditional hours will be geographically more convenient than the 118 center sites.

¹⁵ A study of Massachusetts' child care centers found that 71 percent of an average center's expenses go to salaries and benefits. The Cost and Quality of Full Day Care, Year-round Early Care and Education in Massachusetts (A study prepared for the Massachusetts Department of Education by the Wellesley College Centers for Women, 2001).

¹⁶ Fiscal Year 2001 Illinois Salary and Staffing Survey: Child Care Centers and Family Child Care Home Providers (A study prepared for the Department of Human and Community Development by Dawn Ramsburg, Dale Montenelli and Emily Rouge, March 2002.) Cook County salaries were not low by comparison with other counties in Illinois: Only Lake County teachers and assistants averaged more. A new study is being conducted as this report is being written.

¹⁷ Fiscal Year 2001 Illinois Salary and Staffing Survey: Child Care Centers and Family Child Care Home Providers.

Section III

Child Care Rates

In theory, the price of child care is determined by levels of demand and supply. If the demand for child care is greater than the amount supplied, the price will rise, while the price will fall if supply exceeds demand. Whether or not a child care market actually works this way in Cook County requires a special study. This section is not so ambitious as to study the child care market dynamics. It presents basic information on average rates for different age groups in Cook County and some information on trends in rates.

A

Average Rates

Tables III-1 and III-2 respectively present the average full-time market rates that 542 child care centers and 2,455 homes charge parents in the six regions of Cook County. The Child Care Resource and Referral Program collects these rates for full-time and part-time child care.

As Tables III-1 and III-2 show, there is a sharp variation in rates charged depending upon the age of the child and the region in which the care occurs. In the child care field, it is generally well known that the younger the child, the more expensive it is to provide care for her or him. Reading across each row of the tables, from younger to older child, confirms that the younger the child, the more providers charge.

It is also notable that the south and southwestern regions of

Table III-1. Child Care Center Full-Time Weekly Rates, 2003

Source: Action for Children Child Care Resource and Referral Program

	Infant	Toddler	2 yrs old	3-4 yrs old	5 yrs old & K	Before/ After School
N & NW Chicago	\$200.29	\$179.23	\$139.70	\$128.22	\$125.70	\$75.67
C & W Chicago	\$228.43	\$210.10	\$156.66	\$144.83	\$139.78	\$85.01
S & SW Chicago	\$174.62	\$158.03	\$116.25	\$105.93	\$105.05	\$68.97
N & NW Suburban Cook	\$226.91	\$204.22	\$177.28	\$157.51	\$155.61	\$92.57
West Suburban Cook	\$193.71	\$172.01	\$144.26	\$131.07	\$127.52	\$80.06
S & SW Suburban Cook	\$163.44	\$155.71	\$135.67	\$122.21	\$119.48	\$84.13
IDHS Full Time Payment Rates	Under 2-1/2 Years Old 168.85 per week 33.77 per day		2-1/2 Years Old and Older 121.70 per week 24.34 per day			

TABLE III-2. Child Care Home Full-Time Weekly Rates, 2003*

Source: Action for Children Child Care Resource and Referral Program

	Infant	Toddler	2 yrs old	3-4 yrs old	5 yrs old & K	Before/ After School
N & NW Chicago	\$140.93	\$134.33	\$131.44	\$127.61	\$124.51	\$82.31
C & W Chicago	\$116.44	\$112.59	\$109.50	\$105.70	\$103.98	\$67.94
S & SW Chicago	\$113.87	\$110.44	\$108.41	\$104.06	\$101.08	\$64.76
N & NW Suburban Cook	\$167.14	\$162.63	\$159.73	\$158.14	\$154.78	\$83.53
West Suburban Cook	\$131.43	\$124.98	\$121.96	\$118.45	\$114.35	\$75.41
S & SW Suburban Cook	\$118.09	\$114.42	\$111.04	\$106.72	\$103.20	\$67.82
IDHS Full Time Payment Rates	Under 2-1/2 Years Old		2-1/2 Years Old and Older			
	Licensed Homes: 107.65/week; 21.53/day		Licensed Homes: 102.50/week; 20.50/day			
	License-exempt Homes: 47.40/week; 9.48/day		License-exempt Homes: 47.40/week; 9.48/day			

*Family child care home rates are based on the rates of both licensed and license-exempt home providers listed on Action for Children's referral database. However, they primarily reflect the rates of licensed home providers, as license-exempt providers make up only 7% of the total homes listed.

both Chicago and suburban Cook County generally have the lowest rates. This probably reflects the higher levels of poverty and lower incomes in these regions. It also reflects the fact that there are relatively more providers in most kinds of care in these communities. [See Tables II-3, II-4, II-5, II-6, and II-7.] Private and public sector entrepreneurs have been rather successful in building child care capacity in many of these communities and keeping base rates from rising.

It is also of interest to know whether the Illinois Child Care Assistance Program enables low-income parents in Cook County to access quality child care. While these tables do not answer this question completely, they suggest an answer. The last row of each table presents how much the Assistance Program pays to providers for different types of care. As these rows indicate, the rates that the Assistance Program pays to Cook County centers and homes in almost all cases *fall below the average rate* that centers and homes actually charge parents. Under the Illinois Child Care Assistance Program, moreover, parents must make a co-payment: they pay the provider part of the State rate listed in the bottom row of the table.

Clearly, low-income families cannot access many centers and homes using Assistance alone. In addition to making their co-payments as required under the Assistance Program, parents must either make up the rest of the amount their providers charge above the State payment rates or convince the providers to accept a lower payment than they normally charge parents for care. In any case, from these rates it appears that a parent's choice of provider and the quality of options available to her can remain seriously limited even after receiving State Assistance. While we have hearsay evidence that some providers do work with the family to determine an acceptable rate, many providers cannot afford to reduce their rates.

B

Trends in Child Care Rates

If we know how rates are changing over a period of years, we can infer many things about supply and demand. For example, if the rate for one type of child care rises very fast over several years, we might put this together with other information to conclude that demand has increased. On the other hand, other information might lead us to conclude that supply has decreased, perhaps because programs have closed, forcing parents to pay more for the relatively fewer remaining slots

of a certain type. We will not draw these conclusions here, but we will look at basic trends in child care rates.

Since this year’s child care report uses new definitions of Cook County regions, we cannot reliably calculate rate increases based on rates of previous years’ regions. Instead Table III-3 presents the aggregate rate increases in centers and homes for all of Chicago and all of suburban Cook County. The columns show the most recent rates for different age groups in centers and family child care homes (FCC). Next to each rate is a column that presents the

percent increase over three years from July 2000 to July 2003.

In general more rapid growth in child care rates has occurred for child care centers and the lower growth has occurred for homes. The reader might judge whether this is because parents’ demand for center care has risen faster than their demand for home care, or the supply of center slots has decreased.

For both centers and homes, Chicago has experienced more rapid increases over the last three years than has suburban Cook County. In almost every

case, the percentage increases for Chicago slots is larger than the comparable center or home care for suburban Cook County.

Finally, rates for infant care, care for two-year-olds and before- and after-school care appear to have risen slightly faster than other types of care.

Table III-3. 2003 Average Weekly Market Rates & Rate Increases Since 2000

Age	Chicago Centers	Percent Increase Since 2000	Chicago FCC	Percent Increase Since 2000	Suburban Cook Centers	Percent Increase Since 2000	Suburban Cook FCC	Percent Increase Since 2000
Infant	\$199	13%	\$119	7%	\$201	11%	\$137	3%
Toddler	\$180	9%	\$115	8%	\$182	11%	\$132	3%
2 yr old	\$129	14%	\$112	8%	\$156	12%	\$129	3%
3-4 yrs. old	\$118	12%	\$108	9%	\$140	10%	\$126	2%
5 yr old	\$116	11%	\$106	8%	\$137	9%	\$122	1%
Before or After School	\$73	12%	\$67	11%	\$87	9%	\$73	7%
School Age Summer	\$95	9%	\$97	12%	\$130	8%	\$107	8%

Section IV

Child Care Referrals

Families seek child care in a number of ways. They ask relatives and friends for referrals, they look at notices and advertisements, and they visit child care centers in their community. The State of Illinois provides another resource for families in the form of a referral service. In Cook County, Action for Children administers for the State a database of child care providers (see Section II) and a telephone line that the public and special populations can call for referrals to providers located in neighborhoods where they live or work.¹⁸

Families choosing to use the referral service make up only a portion of those actually needing child care in any given year. These families are not representative of all families needing child care in Chicago, because many either have lower incomes or work for larger employers who have special referral contracts with Action for Children. Nevertheless, while the referral

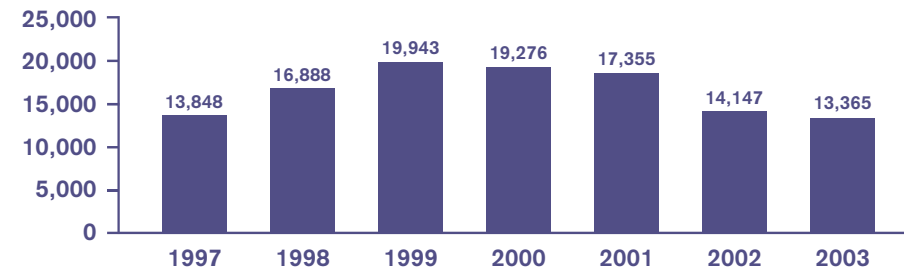
data do not provide the comprehensive picture of child care demand in Cook County, they can provide useful information about this demand.

Families using the CCR&R Program are given information on child care providers who meet their particular child care needs. Factors shaping a family's child care needs include the type of care arrangement the family prefers (e.g. center or home care); the age of the children needing care; the hours that care is needed; the price the family is able to afford; individual physical or developmental needs of the children; as well as parent preferences on how the child is cared for.

According to FY 2003 data collected in the Carefinder database, 13,365 families requested referrals for 19,127 children. Of these families, 70 percent were living in the city of Chicago and 26 percent in the surrounding suburbs. The remaining 3 percent

Chart 4. Families Requesting Child Care in Cook County

Source: Action for Children Child Care Resource and Referral Program



were seeking child care in Cook County but resided outside the county at the time they used the service. Of families who reported their income, 75 percent were earning below fifty percent of the state median income each year.

The chart above represents the number of families in Cook County that have used the CCR&R Program since FY 1997. Beginning in 2000, we see decreasing numbers of families requesting child care referrals each year. Cook County is not

unique in this trend; referral requests have been decreasing with Child Care Resource and Referral Programs throughout Illinois. At this point it is not clear whether to interpret this as a sign of success—increased availability of child care and/or more resources making it easier for parents to find care—or if there are other factors playing a role in the decline.

A Type of Care Requested

Of families requesting child care referrals, the majority requested information about both centers and family child care homes: 89 percent of families requested information about child care centers, 79 percent requested information about family child care homes, and three percent requested information about in-home services.

The majority of families in Cook County who requested referrals were seeking full-time care for their children. Parents asked about full-time care for almost 88 percent of the children and asked for part-time care for almost 17 percent.¹⁹

Table IV-1. Requests for Child Care by Age, 2003

Source: Action for Children Child Care Resource and Referral Program

Age	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook	Cook County Totals
Under 2	1,824	1,064	2,263	644	616	662	7,073
2 Years Old	592	432	917	237	228	310	2,716
3-4 Years Old	889	612	1,609	307	338	397	4,152
5 Years & K	231	156	405	100	105	141	1,138
School-Age	629	417	1,262	273	230	475	3,286
Total	4,165	2,681	6,456	1,561	1,517	1,985	18,365

B Age of Child

The age of the child for whom care is needed is a significant factor in the search for child care. The number of child care slots in centers and homes vary from one age group to the next, widening or narrowing the parent’s range of options. Table IV-1 shows the number of child care requests by age group for each of the 6 regions of Cook County.

In 2003, 39 percent of child care referral requests were for children under age 2, representing 7,073 children. The high number of referral requests for infants and toddlers suggests a difficulty in finding care for this age group through other sources. This is consistent with what we found on the supply side, with

Table IV-2. Children for Whom Care Was Not Found, 2003

Source: Action for Children Child Care Resource and Referral Program

Age of Child	Children Represented in Parent Surveys	Children for Whom Care Was Not Found	Percent of Children for Whom Care Was Not Found
Under 2	1,927	299	16%
2 Years Old	603	99	16%
3-4 Years Old	829	149	18%
5 Years & K	214	49	23%
School-Age	609	137	22%
Total	4,182	733	18%

child care centers listing slots for only 6,221 children under age 2, or six percent of the total center slots. Table IV-2 above shows the percentage of children in each age group for whom care was not found; these data are based on parents surveyed after using the CCR&R Program.

C Traditional Hours of Care

The hours and days a family needs child care can affect their success in finding a child care provider. Families needing non-traditional care arrangements may find their options much more limited than families seeking the traditional Monday through Friday

daytime care. Non-traditional child care arrangements include care provided during evening hours, overnight, on weekends and on a rotating schedule, such as Monday and Friday one week and Tuesday and Thursday the next. In 2003, parents requested at least one of these non-traditional child care arrangements for 2,978 children in Cook County. This represented sixteen percent of total children for whom care was requested. Chart 5 breaks the data down further by type of non-traditional care, with many children falling into more than one category. Chart 6 gives the demand for non-traditional care by region. The reader is reminded that this group of families is not necessarily representative of the entire need for non-traditional care in Cook County.

Chart 5. Non-Traditional Care Requests, By Type

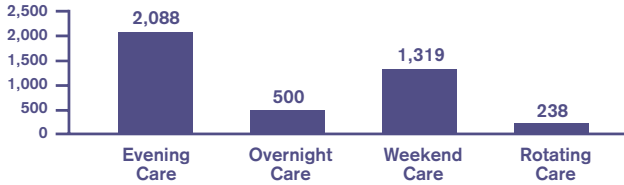
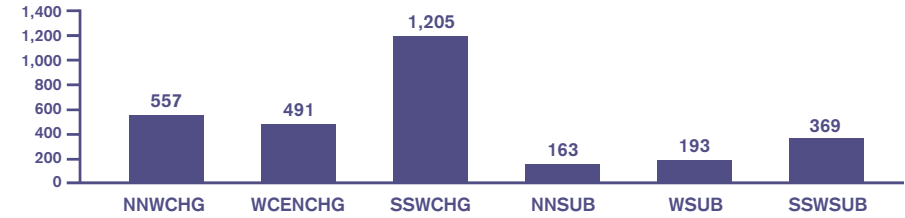


Chart 6. Children Represented in Requests for Non-Traditional Care



D Subsidized Child Care Requests

Families can receive child care assistance in Cook County in various ways. The Illinois Department of Human Services administers the Illinois Child Care Assistance Program through a certificate method and through direct contracts with child care centers; DCFS provides financial assistance for foster children through its voucher program; and the Head Start and Pre-K programs provide early education for low-income and/or at-risk children. In addition, some child care providers choose to give multi-child discounts, have sliding scale fees or offer negotiable rates to parents.

Seventy-three percent of children for whom care was requested were eligible for either Illinois Child Care Assistance or a DCFS voucher. This percentage was fairly consistent across the regions of Cook County. Families requested referrals on Head Start or Pre-K programs for only 960 children, 96 percent of whom lived in Chicago and four percent in the suburbs. This distribution is consistent with the distribution of Head Start and Pre-K slots: 24,292 in Chicago vs. 2,339 in suburban Cook.

Chart 7. Children Represented in Requests for Illinois Child Care Assistance or DCFS Voucher

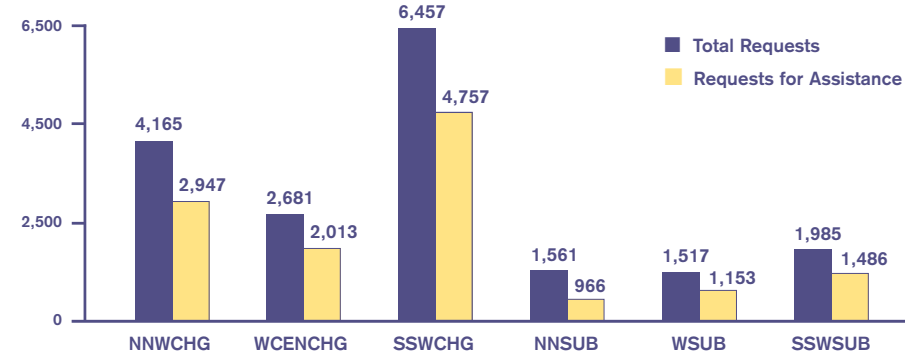
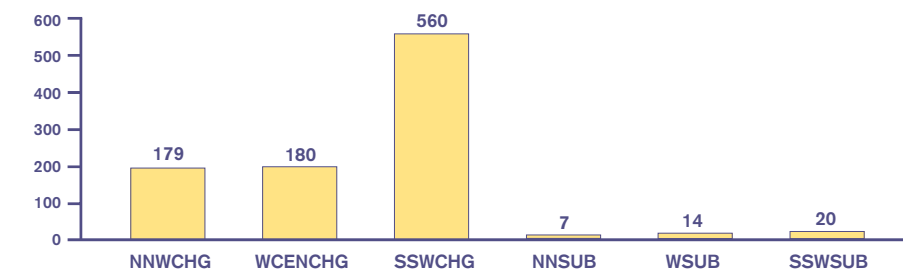


Chart 8. Children Represented in Requests for Head Start or Pre-K Programs, by Region

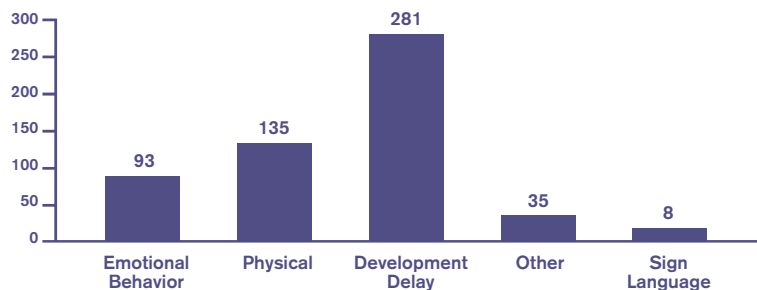


E

Special Needs

Another challenge for certain families seeking care is finding a provider for children with one or more special needs, whether these are physical or developmental needs. Often parents seek providers with special training or experience in handling the need, depending on its severity. In 2003, families in Cook County requested child care referrals for 467 children with special needs. Chart 9 below shows the number of requests by type of need. Children with multiple needs fall under more than one category. Parent follow-up surveys reveal that families were unable to find care for 53 of the 213 children represented in the surveys, or 25 percent.

Chart 9. Special Needs Requests



F

Problems Finding Care

Twenty-three percent of families who contacted the CCR&R Program in 2003 responded to a follow-up survey regarding their ability to find care after using the service. This information is very valuable in thinking about child care demand in Cook County because it is one of the few sources that shed light on parents' experience in seeking care.

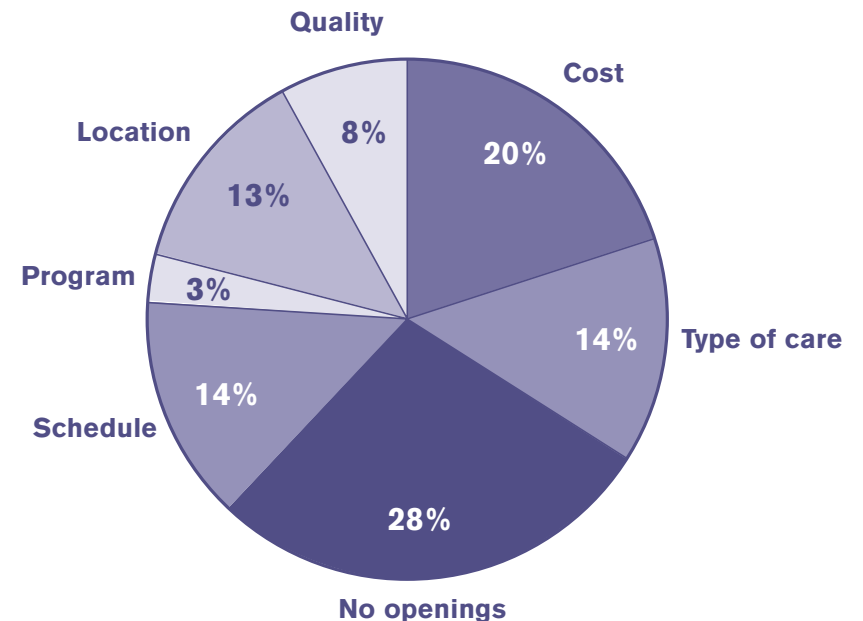
Of parents responding to the follow-up survey, 47 percent reported they experienced no problems finding child care. Fifty-three percent reported one or more problems in finding care. Of the total problems reported,

cost accounted for 20 percent, while no openings in the type of care or program for which the parent was seeking accounted for 45 percent. Chart 10 below shows in more detail the various problems parents encountered while searching for care.

¹⁸ The State requires a modest fee for this service, which is waived for lower income families. Under various grants and contracts, some families are eligible for an enhanced referral.

¹⁹ Families asked about both full-time and part-time care for about five percent of children

Chart 10. Problems Encountered When Seeking Child Care



Cost—Care was too expensive

Type of Care—Had problems finding type of care sought (e.g. center for an infant)

No Openings—The desired centers or homes had no openings

Schedule—Care was not available during hours or days needed

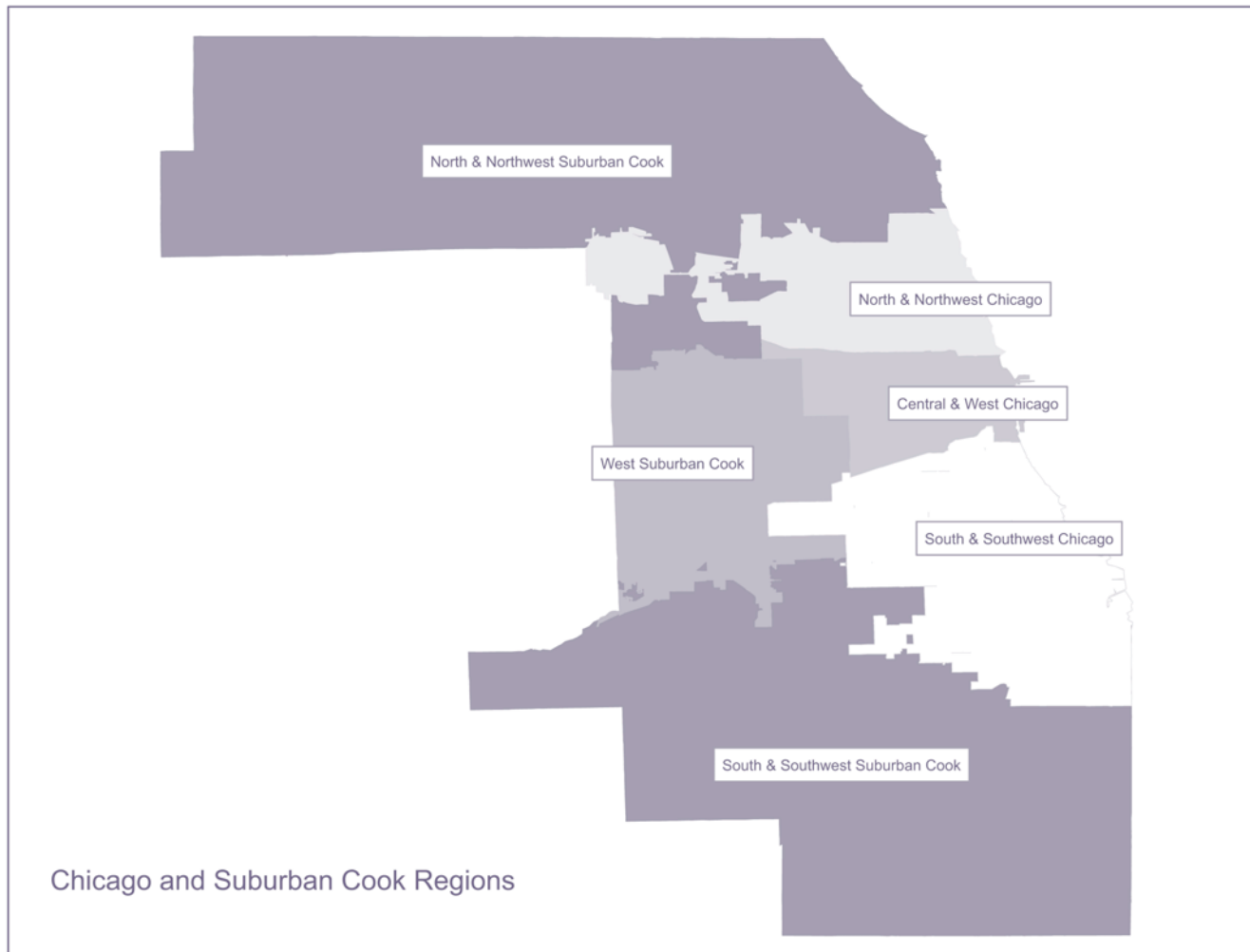
Program—Could not find home or center offering the program desired (e.g. Montessori)

Location—Had problems finding care in the desired geography

Quality—Found problems with the quality of care provided

Appendix 1.

The Six Cook County Regions



Several sections of this Report divide Cook County into six geographical regions. This map and the table on the next page define the six Cook County regions.

The most recognizable form of Chicago geographical units are the Chicago Community Areas, which correspond to city neighborhoods. This Appendix identifies the three Chicago regions according to the seventy-seven Chicago Community Areas belonging to each region.

The most recognizable Cook County geographical units are municipalities. The Appendix identifies the three suburban Cook County regions according to the Cook County municipalities outside of Chicago belonging to each region.

When presenting census data for Chicago and Cook County in this report, we built our aggregate units from the individual Chicago Community Area and municipality data. Our aggregate data, therefore, may deviate somewhat from aggregate data provided by the census.

North and Northwest Suburban Cook	West Suburban Cook	South and Southwest Suburban Cook	North and Northwest Chicago	Central & West Chicago	South and Southwest Chicago
Arlington Heights	Bedford Park	Alsip	Albany Park	Austin	Archer Heights
Barrington	Bellwood	Blue Island	Avondale	East Garfield Park	Armour Square
Bartlett	Berkeley	Burbank	Belmont Cragin	Humboldt Park	Ashburn
Des Plaines	Berwyn	Burnham	Dunning	Loop	Auburn Gresham
East Dundee	Bridgeview	Calumet City	Edgewater	Lower West Side	Avalon Park
Elgin	Broadview	Calumet Park	Edison Park	Near North Side	Beverly
Elk Grove Village	Brookfield	Chicago Heights	Forest Glen	Near South Side	Bridgeport
Elmwood Park	Burr Ridge	Chicago Ridge	Hermosa	Near West Side	Brighton Park
Evanston	Cicero	Country Club Hills	Irving Park	North Lawndale	Burnside
Franklin Park	Countryside	Crestwood	Jefferson Park	South Lawndale	Calumet Heights
Glencoe	Forest Park	Dixmoor	Lake View	West Garfield Park	Chatham
Glenview	Forest View	Dolton	Lincoln Park	West Town	Chicago Lawn
Golf	Hillside	East Hazel Crest	Lincoln Square		Clearing
Hanover Park	Hodgkins	Evergreen Park	Logan Square		Douglas
Harwood Heights	Indian Head Park	Flossmoor	Montclare		East Side
Hoffman Estates	Justice	Ford Heights	North Center		Englewood
Inverness	La Grange	Glenwood	North Park		Fuller Park
Kenilworth	La Grange Park	Harvey	Norwood Park		Gage Park
Lincolnwood	Lyons	Hazel Crest	O'Hare		Garfield Ridge
Morton Grove	Maywood	Hickory Hills	Portage Park		Grand Boulevard
Mount Prospect	McCook	Hometown	Rogers Park		Greater Grand Crossing
Niles	Melrose Park	Homewood	Uptown		Hegewisch
Norridge	North Riverside	Lansing	West Ridge		Hyde Park
Northbrook	Oak Park	Lemont			Kenwood
Northfield	River Forest	Lynwood			McKinley Park
Northlake	Riverside	Markham			Morgan Park
Palatine	Stickney	Matteson			Mount Greenwood
Park Ridge	Stone Park	Merrionette Park			New City
Prospect Heights	Summit	Midlothian			Oakland
River Grove	Westchester	Oak Forest			Pullman
Rolling Meadows	Western Springs	Oak Lawn			Riverdale
Rosemont	Willow Springs	Olympia Fields			Roseland
Schaumburg		Orland Hills			South Chicago
Schiller Park		Orland Park			South Deering
Skokie		Palos Heights			South Shore
South Barrington		Palos Hills			Washington Heights
Streamwood		Palos Park			Washington Park
Wheeling		Park Forest			West Elsdon
Wilmette		Phoenix			West Englewood
Winnetka		Posen			West Lawn
		Richton Park			West Pullman
		Riverdale			Woodlawn
		Robbins			
		Sauk Village			
		South Chicago Heights			
		South Holland			
		Steger			
		Thornton			
		Tinley Park			
		Worth			

Appendix 2

The Demand for Child Care— Basic Factors

Families with children who want and can afford to place their children in child care are the source for demand for child care in Cook County. Their demand is simply how much child care they would buy at a going price. In general the size of this demand depends upon the number of children of child care age in those families, from infants to school age children who might need before-school or after-school care. Demand for child care also has deeper influences, however, including these:

- Whether family incomes are sufficient to pay for child care, especially in comparison to the prices of other necessities.
- Whether families have access to child care assistance programs to help pay for child care when they cannot afford to buy it directly. For example, working families' access to Illinois Child Care Assistance since 1997 has provided a powerful stimulus to demand for child care in Illinois.
- Whether parents can afford to stay at home with children or receive income from programs such as the now-terminated Aid to Families with Dependent Children that allows them to remain home.
- Whether families have available substitutes to purchasing child care, such as these:
 - Relatives who can care for children while parents work.
 - Alternative care that is available and subsidized (Head Start, state pre-K programs, and so on).
 - Work schedules that allow parents in two-parent families to share care—one caring for children while the other works.
- Parents' preferences about letting others care for their children. This factor behind parents' demand often depends on the child's age.
- Parents' perceptions of the quality of care available.

How much child care Cook County families will want to purchase depends on all of these factors. With these factors in the background, the amount of care families actually purchase and use depends on the price and availability (or supply) of this care.

While no one currently possesses enough information about these deeper factors to put together a complete and accurate portrait of child care demand in Cook County, we are moving closer to such a portrait.

Appendix 3

The Supply of Child Care— Basic Factors

Individual providers, educators, non-profit enterprises, for-profit enterprises and public agencies supply child care in Cook County. They supply care by mobilizing and organizing people, skills, facilities and materials for the purpose of caring for children. As Section II of this *Report* demonstrates, such mobilization of resources for child care appears in great variety across Cook County. Child care entrepreneurs also engage diverse agencies that finance, regulate zoning, license and accredit. Finally they recruit in labor markets for the child care workforce and contract with suppliers of goods and services, from food and maintenance to books.

Child care supply is based upon the willingness of providers to put such resources together and their ability to do so, given the cost of all of the resources they need in Cook County. Among the factors that we expect to influence the supply of child care services in Cook County are the following:

- The cost of resources, especially employees' wages and salaries and the rent of space, but also materials and equipment, supplies, including food, and overhead.
- Public, non-profit or donor subsidies of child care, including wage supplements if any exist. For example, if a religious congregation or a community agency supplies space rent-free or at a discounted rent, this will generally increase the supply of child care services in Cook County.

- Background conditions: business regulations, zoning, child care accreditation and licensing conditions and restrictions. These do not change much from year to year, and so do not change supply much from year to year. They can affect the overall level of child care operations, however.

How much child care providers want to supply in Cook County will depend on all of these factors. The amount of care that they *actually* provide at any given time depends on the income providers derive from this care and parents who want to purchase it. Even non-profit providers must cover basic costs.



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