

2008

an illinois action for children research report funded
in part by the illinois department of human services



**child care in cook county
elements of child care
supply and demand**



Illinois

action for children

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**2007 report on child care in cook county:
elements of child care supply and demand
FY 2007 (July 1, 2006–June 30, 2007)**

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Executive Summary

Children whose parents work spend a large part of their waking hours with a child care provider. Choosing the right child care provider is one of the most important decisions parents can make.

Parents searching for child care often find only waiting lists, rates they can't afford or schedules that can't accommodate them. The result in many cases is that children don't spend their days with the best caregiver their parents can find, but with the one who charges low enough rates, who has an opening and who can work with the family's schedule.

Families should be able to base their choice of child care provider on a program's quality and its ability to meet their child's individual needs, but budgets, availability and schedules often take precedence.

In 2007, families seeking child care in Cook County faced the following realities:

- A family earning the 2006 median Cook County income of \$55,400 can expect to pay 17% of its income to send an infant to a child care center. If this family has an infant and a three-year-old, they can expect to pay a 32% of their income on this type of care.
- The cost of center care is rising faster than consumer prices nationally. While consumer prices have risen 21 percent since 2000, center rates have seen steeper increases: between 26 and 43 percent. (The exception is infant and toddler center care in Chicago.)
- Infant and toddler care in child care centers continues to exceed the cost of college tuition and fees in Illinois. The average price of infant care in Chicago is \$9,510 per year and in suburban Cook is \$11,423. Tuition and fees at a

public university, on the other hand, average \$7,875. While there are a variety of savings plans, grants and scholarships available to help families afford college, financial assistance for child care is much more limited.

- The fastest rising costs are those of before- and after-school care. Since 2000, these rates have increased by 43 percent in center and school-age programs and by 51 percent in licensed homes, averaging almost \$5,400 and \$4,800 per year respectively.
- Unregulated care—family, friend, and neighbor care—continues to be the only affordable option for many families, particularly middle-income families earning too much to be eligible for Illinois Child Care Assistance.
- Infant and toddler care remains scarce. There are fewer than 10,000 infant and toddler center slots in all of Cook County for the roughly 84,000 children under two potentially in need of child care. In Northwest Chicago, there is 1 child care center slot for every 77 infants in the area.
- One area where families' choices have increased is the number of child care providers offering care in the evenings. In the last four years, the number of licensed center and home evening slots has increased by 182 percent. This may be due to the increased number of parents working evening hours. Nonetheless, center care remains scarce during both evenings and weekends. Only 2% of centers and 8% of child care homes offer weekend care.
- Despite the costs and demand for child care, most child care center teachers earn about \$10.25 per hour. Assistants earn an average

of \$9 per hour. This makes it difficult to recruit and retain high-quality staff.

- 40% of families surveyed reported they had problems finding child care in Cook County. Lack of availability and cost were the most common problems reported.

Working families are used to compromising in order to make ends meet, but they shouldn't have to compromise on the well being and education of their children. When the cost and availability of child care come before its quality, children's well being is at risk. It is our hope that this report will serve as a useful guide and resource to advocates and policy makers working to make quality child care accessible to all families who seek it in Cook County and the state of Illinois.

What's New in 2007

This year's report more clearly differentiates the full-day child care program from the part-day early education program. In previous years, our definition of child care center encompassed both child care programs that support full-time working families and preschool programs that are typically part-day or part-week. This year's report focuses specifically on programs providing either full-day child care or before- or after-school care. This change means that in some cases (as indicated) the data presented will not be comparable to data in reports from previous years.

Also noteworthy, beginning September 1, 2007, income-eligibility guidelines for the Illinois Child Care Assistance program changed from being based on 50 percent of the state median income to 185 percent of the federal poverty level. On April 1, 2008, eligibility was raised to 200 percent of the federal poverty level. The *2007 Report* reflects the policies in place in the year ending June 30, 2007 and, therefore, still refers to eligible families as those under 50 percent of the state median income.



INTRODUCTION

Families and Child Care in Cook County

Over one million children under the age of 13 live in Cook County. A large proportion, and perhaps a majority, of these children receive regular care from someone other than their parents or guardians: from another relative, a friend or neighbor, a family child care home, a child care center, or a park district or other after-school program.

This 2007 Report of Child Care in Cook County discusses the availability of child care to families depending on where in Cook County they live and seek child care. It presents the different settings in which child care takes place, the number of children that can be served in each type of care and the fees that parents pay to different types of providers. It reports the experiences of some parents who seek referrals to child care providers, examines the problems and dilemmas they face in choosing a provider and the compromises they make.

A NOTE ON SUPPLY AND DEMAND

While we subtitle this report “Elements of Child Care Supply and Demand,” we want to caution readers that the factors that determine the supply of and demand for child care are numerous and complex. We cannot simply compare the number of child care slots and the number of children in need of care. Appendix 2 provides a detailed discussion of the various elements that influence both child care supply and demand and explains why an effective analysis can be so complex.

EXAMINING COOK COUNTY CHILD CARE BY REGION

Throughout this *Report* we divide Cook County into six regions to show how geographic differences can affect parents’ success in finding child care.

CHICAGO

- 1) North and Northwest
- 2) Central and West
- 3) South and Southwest

SUBURBAN COOK COUNTY

- 4) North and Northwest
- 5) West
- 6) South and Southwest

See Appendix 1 for more detailed definitions of these regions.

WHAT TYPES OF CHILD CARE ARE AVAILABLE?

A family’s success in finding quality child care is based on many factors including the family’s location, a child’s age, the hours of care needed, the amount the family can afford to pay, a child’s specific needs and the parent’s particular preferences. Assuming for a moment that families can access all types of child care, let’s look at the available options.

Many families only use parental care. Either one parent stays home to care for the children, or the parents stagger their schedules so one can care for the children while the other works, goes to school or fulfills other responsibilities.

Parents who need or want to look beyond parental care may like the idea of a home child care setting. They may take their child to the home of someone they know well, such as a family member, friend or neighbor, or someone they discovered through word of mouth or through a referral service. They might also choose a caregiver who

can provide care in the child’s home, as a nanny does.

Many home-based child care providers, especially those who provide care as an on-going profession, choose to become licensed. This means the care provided in their homes is regulated by the Illinois Department of Children and Family Services (DCFS) as well as their local licensing agency if one exists. Throughout this report, we refer to these caregivers as *licensed home providers*, and we refer to those without licenses as *license-exempt home providers* or *family, friend or neighbor care*. (See the glossary for detailed definitions of these terms.) License-exempt home child care can be provided in the home of the caregiver or the child.

Parents also have the option of taking their child to a child care center. While most of these facilities are licensed by DCFS, certain centers are exempt from being licensed, including those based in schools or affiliated with religious groups. Center care might include all or part-day child care programs,

before- and after-school programs (including those provided by park districts and YMCAs), and full-day summer programs for school age children.

Parents who may not need full-time child care but wish to prepare their 3- or 4-year-old child for kindergarten might consider a part-day or part-week preschool program. These programs include private, tuition-based programs as well as free public programs such as Head Start and Preschool for All.

HOW DO FAMILIES FIND CHILD CARE?

Families seek child care by asking relatives or friends for referrals, looking at notices and advertisements, and visiting child care centers in their communities. The State of Illinois offers a resource for families in the form of a referral service. Illinois Action for Children administers this service for families in Cook County. The Illinois Action for Children Resource and Referral Program maintains a database of child care providers who register voluntarily to be referred to parents. The providers supply detailed information about their programs so that referral consultants can help parents

find providers that match their needs and preferences. Referral consultants also educate parents on what constitutes quality child care so parents are more equipped to evaluate the programs they visit.

WHAT IS THE TYPICAL FAMILY EXPERIENCE?

While many parents and guardians are quite satisfied with the care their children receive, many find the process of searching for and deciding on a child care provider stressful. They frequently experience frustration finding the right care at the right hours, right location and right price.

Families search for child care under vastly different circumstances, and no one family's story can represent them all. Still, we shall introduce several "typical" families, and discuss the different dimensions of their child care needs in an attempt to convey something of the complex problems and hard decisions Cook County families face in arranging their child care.

PATRICIA CONTRERAS AND HER FOUR-YEAR-OLD SON

Patricia is a single mother who works full-time. She just obtained a steady job that pays her just over minimum wage, \$7.25 per hour or \$15,080 each year. Patricia lives with her mother who also works full-time during the day at a minimum wage job. Patricia needs full-day child care. While her income makes her son eligible for free early education programs such as the Preschool for All class offered at the nearby public elementary school, this program is only 2½ hours each day. To take advantage of free Preschool for All, Patricia would need to find a child care center with a Preschool for All program on site or a provider who can transport her son to and from the elementary school's Preschool program.

KIM AND ANTHONY PRESTON AND THEIR TEN-MONTH-OLD DAUGHTER

Kim and Anthony both work full-time. Together they work 60 hours per week in one full-time job and two part-time jobs. They earn about \$32,500 each year, too much for a family of three to receive Illinois Child Care Assistance. (The maximum allowed in 2007 was \$30,369.)

Although they have some relatives nearby, none can provide care for their daughter during their daytime work hours. A nice neighbor offered to provide care at \$100 per week (\$2.50 per hour), or about 16 percent of their income. The neighbor is sometimes ill, however, or must take her own child to the doctor. During those times Kim or Anthony has to stay home from work to care for their daughter.

They realize that if they quit the most irregular of their part-time jobs, they would not lose much. Their income would drop by \$2,308 to below \$30,369, making them eligible for Illinois Child Care Assistance. By quitting that job, the family would gain in Child Care Assistance much of what they would lose in income, and also gain about 18 hours of free time each month. They are considering doing this but are uncomfortable about it. Instead they hope to find better full-time jobs.

SHANA POWERS AND HER THREE-YEAR-OLD AND SEVEN-YEAR-OLD DAUGHTERS

Shana has a full-time job as a retail sales manager earning \$59,000 per year. This income is well above the median income of families with children in Cook County, which is about \$54,000. Shana's job, however, requires her to work afternoons and evenings. While she is happy that she can take her seven-year-old to school each morning and spend the day with her three-year-old, she regrets that she is not there for them after school or in the evenings. She is in search of a provider who can help her older daughter with homework in a comfortable setting. She is also exploring ways she can begin to socialize her three-year-old to get her ready for school.

These examples do not represent actual families but composites of typical incomes and work schedules for families in Cook County.

I. Family Dilemma: Child Care Affordability

A. THE COST OF CHILD CARE

Each year, the Illinois Action for Children's Resource and Referral Program asks providers to report the rates they charge parents. Tables I-1 and I-2 present the average market rates that 693 child care centers and 2,310 homes respectively charge in the six regions of Cook County. Centers average between \$129 and \$269 each week to care for children under age six. Home providers charge an average of \$113 to \$193 weekly, depending upon the age of the child and region. The last rows of both tables show the rates that the Illinois Child Care Assistance Program reimburses Cook County providers. We will discuss these rates further in Section I-D.

Tables I-1 and I-2 show that sharp differences occur in child care rates depending upon the region in which the care occurs and the age of the child. In child care, it is well-known that the younger the children, the more expensive it is to provide their care, largely because of the extra care and attention younger children require.

As in past years, the South and Southwestern regions of both Chicago and suburban Cook County generally have the lowest rates. These regions also have lower average incomes and higher numbers of child care providers. [See Section II.] Private and public sector entrepreneurs have been relatively successful in building needed child care capacity in many of these communities, and this more plentiful supply might keep their average rates lower.

Table I-1. Child Care Center Full-Time Weekly Rates

FY2007

Source: Illinois Action for Children Resource and Referral Program

	Infant	Toddler	2- year- old	3- to 4- year-old	5- year- old to K	Before & After School	School Age: Summer
Cook Co. Average	\$217	\$201	\$174	\$156	\$152	\$108	\$145
N & NW Chicago	\$232	\$205	\$175	\$154	\$149	\$98	\$137
C & W Chicago	\$206	\$200	\$176	\$158	\$154	\$121	\$131
S & SW Chicago	\$170	\$166	\$146	\$130	\$129	\$94	\$122
N & NW Suburban Cook	\$269	\$248	\$217	\$197	\$190	\$120	\$191
West Suburban Cook	\$221	\$196	\$178	\$157	\$156	\$103	\$143
S & SW Suburban Cook	\$188	\$178	\$158	\$142	\$137	\$108	\$134
IDHS Full Time Payment Rates	\$179.80	\$155.40		\$127.20		\$63.60 <5 hrs./day \$127.20 >5 hrs./day	\$127.20

TABLE I-2. Licensed Child Care Home Full-Time Weekly Rates

FY2007

Source: Illinois Action for Children Resource and Referral Program

	Infant	Toddler	2- year- old	3- to 4- year-old	5- year- old to K	Before & After School	School Age: Summer
Cook Co. Average	\$136	\$133	\$130	\$126	\$122	\$96	\$115
N & NW Chicago	\$155	\$151	\$146	\$142	\$136	\$113	\$138
C & W Chicago	\$127	\$124	\$120	\$116	\$113	\$94	\$110
S & SW Chicago	\$125	\$122	\$120	\$116	\$113	\$95	\$110
N & NW Suburban Cook	\$193	\$188	\$185	\$183	\$175	\$108	\$163
West Suburban Cook	\$144	\$139	\$137	\$134	\$130	\$98	\$119
S & SW Suburban Cook	\$129	\$125	\$121	\$118	\$114	\$90	\$109
IDHS Full Time Payment Rates	\$117	\$117		\$110.50		\$55.25 <5 hrs./day \$110.50 >5 hrs./day	\$110.50

We find similar low rates in the child care homes of the West and Central Chicago region, reflecting the fact that the majority of child care homes in this region are on Chicago's west side, one of the poorest areas in the county. Child care center rates in this region are higher, however, as the centers are more evenly distributed between the poorer western portion of the region and the wealthier central portion.

The North and Northwest Suburban region stands out for having the highest rates of all six regions.

B. TRENDS IN CHILD CARE RATES

Like most expenses, child care costs tend to rise every year. But the cost of center care has risen more rapidly than consumer prices nationally. Table I-3 presents the aggregate rate increases of centers and family child care homes for

Chicago and suburban Cook County. The dollar columns show the most recent rates for each age group. Next to each rate is a column that presents the percent increase over the seven years from June 2000 to June 2007. Increases ranged from 9 to 59 percent. Over the same period of time, all consumer prices rose about 21 percent nationally.¹ While most licensed home rates rose near or below this average inflation rate, center rates for almost all age groups far exceeded it.

It appears, then, that Cook County parents—or those who can afford to pay for care—have a demand for center care growing faster than their demand for home care, especially in the ages above toddler. Two important exceptions where home rates outpaced those of centers were infant and toddler care in Chicago and before- and after-school care in suburban Cook County.

While suburban child care costs more on average than care in Chicago, Chicago has experienced more rapid rate increases over the last seven years than has suburban Cook County. This is the case for both center and home care for all age groups except infant and toddler center care.

The slowest rising costs were that of infant and toddler care, particularly in Chicago centers where the average cost of infant care rose 9 percent and toddler care 11 percent over the last seven years. Still, infant and toddler care remains the most expensive of all age groups.

The fastest-rising costs were those of before- and after-school care, rising more quickly in Chicago than in the suburbs. The average cost of before- and after-school care rose by 59 percent in Chicago licensed homes and 52 percent in Chicago centers.

Table I-3. 2007 Average Weekly Market Rates and Rate Increases Since 2000

Source: Illinois Action for Children Resource and Referral Program. *Rounded to the nearest dollar or percent.*

Age	Chicago Centers	Percent Growth Since 2000	Chicago Homes	Percent Growth Since 2000	Suburban Cook Centers	Percent Growth Since 2000	Suburban Cook Homes	Percent Growth Since 2000
Infant	\$190	9%	\$130	17%	\$228	26%	\$147	12%
Toddler	\$183	11%	\$127	19%	\$211	28%	\$143	12%
2-year-old	\$159	40%	\$124	20%	\$187	34%	\$141	12%
3- to 4-year-old	\$141	33%	\$120	20%	\$168	32%	\$137	12%
5-year-old	\$139	32%	\$117	20%	\$163	30%	\$131	9%
Before & After School	\$100	52%	\$96	59%	\$112	40%	\$94	38%
School-Age Summer	\$128	47%	\$113	31%	\$155	30%	\$119	21%

Percent growth in consumer prices nationwide since 2000: 21%

**C.
WHAT PERCENT OF
INCOME IS REASONABLE
TO SPEND ON CHILD CARE?**

The numbers are clear; child care is a huge financial responsibility for families. According to the U.S. Census, the typical (median) income for families with children under 18 in Cook County was \$55,400 before taxes in 2006, and even lower for Chicago families at \$41,292.² Care for one infant in a Chicago child care center, at an average cost of \$190 per week, or \$9,500 over a fifty-week year, costs 23 percent of a typical Chicago family's pre-tax income. At \$9,150 per year, toddler care takes up 22 percent. Licensed home care for an infant or toddler is more affordable at \$6,350 to \$6,500 per year, but even this is 15 to 16 percent of a family's income.

The median rent in Chicago in 2006 was \$9,636, according to the same U.S. Census report. By this measure, infant and toddler care in Chicago centers is just as expensive as rent for the typical Chicago family. Similarly, child care is more expensive than average fees and tuition at State colleges and universities in Illinois. At \$7,875, these average fees and tuition cover 83 percent of the cost of infant care in Chicago centers and only 69 percent of the cost of infant care in suburban Cook centers.³

Is 16 percent of a family's income too much to pay for an infant's child care? Is 31 percent too much to pay for an infant and a toddler? What is the proper proportion between child care expenses and income? There is no generally

accepted level that everyone agrees is the "proper" percentage to pay.

Researchers have calculated the amount that families actually pay. Most national studies since the 1990s found that average two-parent middle-income families paid between six percent and ten percent of their income for child care.⁴ If we pick the higher ten percent level as a rule of thumb for affordability, a family in 2007 would have to earn \$95,000 for infant care in a Chicago child care center to be affordable. This family would need to earn \$165,500 to place an infant and a four-year-old in a Chicago center and keep their child care costs within 10 percent of their income. To meet the 10 percent rule of thumb in suburban Cook County centers, a family paying for infant care would require an income of \$114,000, while center care for both an infant and a four-year-old would require an income of \$198,000.⁵

**D.
HELPING PARENTS
MEET THE COST
OF CHILD CARE**

Several government-funded resources exist to help families pay for their child care costs, and child care providers themselves often have tuition policies to assist families who struggle to pay.

The main source of financial assistance to help Illinois parents with child care costs is the Illinois Child Care Assistance Program. A family eligible for this program chooses a child care provider and the State reimburses this provider for his or her services. Parents pay a portion

of the cost of care, a co-payment, which depends on the family's size and income. Illinois Child Care Assistance is available to families that earn at or below 50 percent of the state median income, or \$36,192 for a family of four in 2007.⁶ Parents must work or participate in an approved school or training program to be eligible. The Illinois Child Care Assistance Program is primarily a voucher system, which is administered in Cook County by Illinois Action for Children under contract with the Illinois Department of Human Services (IDHS). Some child care centers, however, have direct contracts with IDHS to serve families eligible for Illinois Child Care Assistance.

Another state program that provides child care assistance, but to a more specific population, is the Department of Children and Family Services (DCFS). DCFS provides child care vouchers primarily to families with foster children.

Beyond government-funded programs, a number of child care providers offer their own forms of child care assistance. These include discounts for parents with more than one child in their care, sliding scale fees based on a family's ability to pay, scholarships and negotiable rates. Some providers will accept the Illinois Child Care Assistance reimbursement as full payment even though the amount they receive through the program may be less than what the providers typically charge.

WHICH FAMILIES ARE ELIGIBLE TO RECEIVE CHILD CARE ASSISTANCE?

**PATRICIA CONTRERAS:
WORKING MOM WITH
FOUR-YEAR-OLD. INCOME IS
\$15,080 A YEAR.**

Patricia is eligible for Child Care Assistance. She will need to pay a co-payment of \$86.66 per month, or 7 percent of her gross income. If she chooses a child care provider who charges more than the Assistance program pays, she may have to make additional payments. If she has an available relative, friend or neighbor to provide care, they might be more willing to waive all or part of her co-payment or be more flexible with when she has to make her co-payments.

**KIM AND ANTHONY PRESTON:
WORKING PARENTS WITH
INFANT. INCOME IS \$32,500**

Though each parent earns little more than minimum wage, this family is over the income limit for Child Care Assistance for a family of three (\$30,369). They will need to cover the full cost of child care on their own unless they quit one job or otherwise reduce their income enough to be eligible for Assistance.

**SHANA POWERS: WORKING
MOM WITH THREE-YEAR-OLD
AND SEVEN-YEAR-OLD.
INCOME IS \$59,000.**

Shana's income is far above the Child Care Assistance income limit for a family of three (\$30,369) so she is not eligible for Assistance. Perhaps she can find a child care provider who offers a reduced price for having two children in care.

**E.
CHILD CARE
AFFORDABILITY
WITH ASSISTANCE**

The Illinois Child Care Assistance Program was designed to help working parents afford child care. Child care advocates and policy makers are keenly interested in whether the program enables low-income parents in Cook County to afford quality care. While Tables I-1 and I-2 above 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 rates* that centers and homes actually charge parents.

Under the Illinois Child Care Assistance Program, parents must make a co-payment. They pay the provider a part of the Assistance rate listed in Tables I-1 and I-2. The amount of a family's co-payment depends on income. A family of three must pay at least \$1.00 and as much as \$49.00 per week with one child in care (or \$84 for two children). In some cases, this co-payment can be as high as 15 percent of a family's income. In 2008, legislation to cap Child Care Assistance copayments at 10 per-

cent of family income was introduced but did not become law.

Parents may also face an additional payment. Since providers in Cook County charge, on average, more than what the Assistance Program will pay them, parents may also have to pay that difference in addition to their co-payments (or else they must convince their providers to accept a lower payment than they normally charge).

It is fair to conclude that even after receiving State Assistance, a family's choice of provider and the quality of available options can remain seriously limited. While we have hearsay evidence that some providers do work with families to

WHAT TYPES OF CHILD CARE CAN FAMILIES AFFORD?

Assuming “affordable” means paying no more than ten percent of the family income on child care, here are the types of care our families can afford based on the average cost of care.

PATRICIA CONTRERAS: WORKING MOM WITH FOUR-YEAR-OLD. INCOME IS \$15,080 A YEAR.

To stay within ten percent of her income, Patricia would be able to pay as much as \$30 per week on child care. If she uses Illinois Child Care Assistance, for which she is eligible, she will have to pay \$20 per week for her co-payment. If Patricia is able to find a child care provider who accepts Illinois Child Care Assistance and who expects no additional payments on top of her co-payment, she will have access to both center and licensed home care.

However, since the rates paid by the Illinois Child Care Assistance program are less than the average rates charged by center and licensed home providers, these providers might ask her to pay the difference. In this case, Patricia would be priced out of average-priced center care except in the South and Southwest Chicago region. Licensed home care in the Central and West Chicago region and the South and Southwest Chicago and suburban regions would be affordable. In all other regions she would only be able to afford license-exempt home care.

KIM AND ANTHONY PRESTON: WORKING PARENTS WITH INFANT. INCOME IS \$32,500.

Since this couple is not eligible for Illinois Child Care Assistance, their options are more limited. Working within ten percent of their income, they could pay as much as \$65 per week toward child care, or about \$280 per month. Few types of care are available to the Preston’s. Even if their child was preschool or school aged rather than an infant, they would not be able to afford the average cost of either licensed home or center care.

Options for this couple include looking for family, friend or neighbor child care, taking jobs where they could stagger their work schedules, or reducing their wages enough so they could be eligible for Illinois Child Care Assistance.

SHANA POWERS: WORKING PARENT WITH THREE-YEAR-OLD & SEVEN-YEAR-OLD. INCOME IS \$59,000.

Shana earns above the Illinois median income for a family of three, well above the cut off for Illinois Child Care Assistance. She can spend up to \$118 per week to stay within ten percent of her income. But if she wants to use center care, \$118 would not even cover the cost of care for her three-year-old. In three regions she could afford to place one child in licensed home care, but in no region could she afford this care for both children. Like the family above, family, friend or neighbor care is the only type of care that would cost Shana less than 10% of her income.

Shana is also interested in part-day preschool for her three-year old so she can get exposure to classroom activities. Her family is eligible for part-day Preschool for All. If, however, there is no slot available, enrolling her three-year old in a private preschool would leave little, if any, money for child care during the other hours needed.

Only family, friend and neighbor care changes little as a percentage of income and remains affordable for families earning just over \$36,000. Consider the example of ten-percent-of-income we used earlier in this section to discuss affordability. Once a family's income rises above \$36,000 and the family becomes ineligible for Child Care Assistance, it takes an income of \$62,900 before licensed home care for a three-year-old returns to ten percent of the family's income. It takes an income of \$108,400 before the cost of infant care in a center returns to ten percent of the family's income. Again, for a family earning less than \$62,900, only informal family, friend or neighbor child care is affordable at ten percent of family income. These higher incomes, needless to say, are substantially above the typical family income in Illinois.

F. THE USE OF ILLINOIS CHILD CARE ASSISTANCE

Despite its limitations, the Illinois Child Care Assistance Program supports over 40,000 Cook County families each month, and assistance

for foster care helps thousands more. To take advantage of this assistance, an eligible family must first find a child care provider willing to work with the IDHS or DCFS payment system. The Illinois Action for Children Resource and Referral Program asks providers on its database whether or not they are willing to accept children with Illinois Child Care Assistance or DCFS vouchers. In 2007:

- Eighty-one percent of Cook County centers listed with Illinois Action for Children said they would accept children who use Illinois Child Care Assistance.
- Fewer centers accept DCFS assistance for foster children: just 60 percent.
- Ninety-one percent of licensed home providers listed with Illinois Action for Children (2,587 providers) reported that they accept children with Illinois Child Care Assistance. Sixty-one percent reported that they accept children who have DCFS vouchers.

Providers themselves report the above data to Illinois Action for Children. The Illinois Child Care

Assistance program has separate reports on the number of providers who *actually* receive payment at any given time. In January 2007, for example, 1,016 child care centers and 3,029 licensed homes in Cook County cared for children approved for Illinois Child Care Assistance.

Referrals Given to Families Eligible for Child Care Assistance

In 2007, 9,667 Cook County families called Illinois Action for Children in search of child care referrals. Of these families, 83 percent had incomes at or below 50 percent of the state median income, making them eligible for Illinois Child Care Assistance if they were working or in an approved school or training program.

Note: In Section V we return to the topic of Illinois Child Care Assistance and report on the total number of children eligible in Cook County and the number of eligible children not being served. In Section VI we report on the types of child care used by families with Assistance.

WHY DOES CHILD CARE IN CENTERS COST SO MUCH?

Salaries and benefits generally account for well over half of a center's expenses. The higher staff compensation is, the harder it is for programs to offer child care unless they can charge parents higher fees.

SALARIES IN COOK COUNTY

It is no secret that Illinois child care workers generally are not well-paid. In 2005 in Cook County, full-time center teachers in full-year licensed programs earned an average of \$10.54 per hour, while assistant teachers earned \$9.00.** This amounts to less than half of what public elementary school teachers earn (in a system fully subsidized by the public sector). Elementary school teachers also are more likely to have benefits such as health insurance and retirement plans than are child care teachers.

SALARIES AND QUALITY

In thinking about the high cost of child care, we need be aware that staff compensation also affects the *quality* of the child care supplied by centers and homes. One major aspect of quality, the relationship between provider and child, suffers when lower compensation makes it difficult to retain staff. 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.

Low compensation rates in child care bring a high turnover among staff. In Illinois, for every 100 early childhood teachers working for centers in 2005, some 32 left their jobs in the previous two years. Of every 100 assistant teachers, 53 left their jobs. A further consequence of this high turnover rate is a lower level of job experience: the median number of years that teachers and assistant teachers had worked in their current child care centers were 3.5 and 1.9 years respectively.[†]

Since inadequate compensation is one reason why child care experiences such workforce instability, studies find that low quality is generally correlated with low cost. On average, the center or home that pays below going rates for staff will offer lower quality care.[‡]

Child care providers thus face a vexing dilemma. They must keep staff compensation low in order to stay in business, but need to keep compensation high in order to maintain high quality and pay a living wage.

* 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).

** *Illinois Salary and Staffing Survey of Licensed Child Care Facilities: FY 2005* (A study prepared for the Department of Human and Community Development by Philip C. Garnier, May 2006.) Table 28.

† *Ibid.*, Tables 9 and 20.

‡ Of course, this is true only on average, and not for all programs. Many skilled and dedicated teachers remain at low salaries.

II. Family Dilemma: Access to Available Child Care Slots

A. CHILD CARE PROVIDERS AND SLOTS IN COOK COUNTY

A family's access to child care depends not only on affordability but also on availability. Child care supply in Cook County comes from a rich mix of entrepreneurs including individual providers, educators, non-profit and 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: the number of providers, their geographical distribution across Cook County and the number of slots they have available.

Table II-1 shows the best count we can provide of the number of child care programs in Cook County, while Table II-2 shows the number of child care slots provided by these programs. Each table divides the programs into type of child care setting. These types of child care settings are defined in the Glossary. Appendix 4 discusses the data sources we use in more detail.

These tables understate the actual number of providers in Cook County and the children they can serve. Centers and homes that are exempt from licensing do not have to list their slots with any official

**Table II-1.
Child Care Programs in Cook County***

Source: Illinois Action for Children Resource and Referral Program and DCFS, June 2007

Type of Program	June 2006	June 2007
Child Care Centers & School Age Programs	1,394	1,402
Child Care Centers	1,074	1,039
School Age Only Programs	166	213
Summer Only Programs	154	150
Family Child Care	24,678	21,644
Licensed Homes	4,031	4,009
License-Exempt Homes	20,647	17,635
Total Child Care Programs	26,072	23,046

* See Appendix 4 for methodology.

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.

Table II-2. Child Care Slots in Cook County

Includes daytime slots only.*

Source: Illinois Action for Children Resource and Referral Program and DCFS, June 2007

Type of Program	June 2006	June 2007
Child Care Centers	112,482	114,767
Child Care Centers	82,601	81,447
School Age Only Programs	11,668	14,739
Summer Only Programs	18,213	18,581
Family Child Care	97,176	88,759
Licensed Homes	29,432	29,413
Licensed Homes—additional school age slots**	5,803	6,441
License-Exempt Homes***	61,941	52,905
Total Spaces for Children	209,658	203,526

* Licensed homes have the capacity to serve an additional 10,994 children during evening hours while child care centers provide an additional 1,025 evening slots. See Section III-A.

** Licensed home providers with assistants may be licensed to care for up to 4 school-age children during out-of-school time in addition to their regular day-time capacity.

*** To estimate slots in license-exempt homes, we multiply the number of license-exempt homes known through the Illinois Child Care Assistance Program by three children per home. License-exempt home providers legally can care for no more than three children unless all children are related. While this number reflects the potential capacity of license-exempt home providers, on average the actual number of children enrolled per provider is closer to two.

source, so many go uncounted.⁹ While a large number of license-exempt *centers* do list their programs with the Illinois Action for Children Resource and Referral Program, we have a more limited list of license-exempt *home* providers in Cook County.

In 2007, 1,402 full-time child care centers offered 96,186 child care slots during the full year or school year, as well as 18,581 full-time slots during the summer months. Child care centers offered more than half of the total known full-year and school-year capacity in Cook County.

As of June 2007, the Department of Children and Family Services (DCFS) had listed 4,009 licensed family and group child care homes in Cook County with slots for 35,854 children. On average, each provider was licensed to care for 8.9 children, however, only providers with assistants can care for more than eight children at one time.¹⁰

The tables also report the number of known license-exempt home providers and their available slots. As mentioned, license-exempt home providers are a much more elusive group. Neither DCFS nor the Illinois Action for Children Resource and

Referral Program has significant information on license-exempt home providers, although we learn more every year through the Resource and Referral Program. We know most about those license-exempt home providers who receive payments from the Illinois Child Care Assistance Program for providing child care to low-income working families, so those are the ones we report on here.

In Fiscal Year 2007, some 37,974 Cook County license-exempt home providers received Illinois Child Care Assistance payments during at least one month of the year, though fewer participate at any one time. In June 2007, 17,635 license-exempt home child care providers were receiving Illinois Child Care Assistance payments.

Home providers who have license-exempt status may legally care for as many as three children who are not their own.¹¹ While we provisionally estimate 52,905 slots in known license-exempt homes in Table II-2, the reader should be aware that many, though not all, license-exempt home providers do not offer child care slots in the same way that centers and licensed homes do. Instead, many are relatives, neighbors or family friends who choose

to care for *particular* children for particular periods of time rather than offer care to any child as part of an on-going business.

B. PROVIDERS AND SLOTS BY REGION

Some parents will have a more difficult time finding child care because of where they live. The 114,767 spaces in child care centers are almost evenly divided between Chicago and suburban Cook County. By comparison, two-thirds of the 35,854 licensed home spaces are located in Chicago. Table II-3 shows how center and licensed home slots are distributed among the regions of Cook County.

The last row of Table II-3 shows the total number of center and licensed home slots as a percent of the number of children under 13 within the region. These percentages are not included to suggest met or unmet need but to allow some comparison of known supply across the regions, which differ in population.

Table II-4 presents the distribution of the 52,905 known license-exempt home slots. Again, these data represent only a portion of the actual number of license-exempt home

Table II-3. Full-Time and School Age Child Care Slots in Cook County Regions

Includes daytime slots only.

Source: Illinois Action for Children Resource and Referral Program and DCFS, June 2007

Program Type	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Child Care Centers	10,887	10,678	18,475	17,794	7,222	16,391
School Age Only Programs	1,481	1,543	2,850	6,180	886	1,799
Summer Only Programs	3,300	2,905	6,300	3,413	740	1,923
Licensed Homes	2,887	4,897	11,722	1,904	2,600	5,403
Licensed Homes— additional school age slots	746	1,072	2,821	228	512	1,062
Total Center and Licensed Home Slots	19,301	21,095	42,168	29,519	11,960	26,578
Total Slots as a Percent of Children Under Age 13	11%	16%	16%	14%	12%	17%

These numbers are not comparable to those reported in other years because unlike previous years they reflect only full-time or school age slots and they exclude part-time early education programs.

Table II-4. License-Exempt Home Child Care Slots

Source: Illinois Child Care Assistance Program, June 2007

Program Type	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Total	3,321	13,461	25,536	870	2,556	7,161
Home of Non-Relative	504	1,650	3,126	156	324	861
Relative's Home	1,278	5,358	9,951	336	1,080	3,093
Non-Relative in Child's Home	654	2,925	5,892	156	420	1,392
Relative in Child's Home	885	3,528	6,567	222	732	1,815

providers—namely, those serving families with Child Care Assistance. We know, however, that license-exempt care is used widely across all incomes.

Eighty percent of the license-exempt home providers participating in the Child Care Assistance program are located in Chicago. The table shows the numerical concentration of these slots in Chicago's South and Southwestern and Central and West regions, mirroring the distribution of low-income families who are eligible for Assistance. Of the suburban license-exempt home slots, 68 percent fall within the South and Southwestern suburban region.

License-exempt home care can be broken down further into care provided by relatives versus non-relatives and care provided in the child's home versus the provider's home. Table II-4 shows the distribution of these four types of license-exempt home care for the six Cook County regions.

Maps 1 and 2 show how center and licensed home slots added together are spread among the individual communities of Cook County. License-exempt home slots are not included here because the data we have provide only a portion of a widely unknown supply and because the supply of license-exempt home care is more variable than licensed care as we explained earlier in this section.¹² While providers have more child care slots in Chicago than in suburban Cook County, the number of slots in both the suburban communities and Chicago neighborhoods vary.

Table II-5. Full-Time Child Care Center Slots in Cook County by Age in 2007

Source: Illinois Action for Children Resource and Referral Program

Age	N & NW Chicago	C & W Chicago	S & SW Chicago	Chicago Total	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook	Suburban Cook Total	Total
Infant	216	561	600	1,377	1,384	374	1,114	2,872	4,249
Toddler	358	634	860	1,852	1,734	532	1,518	3,784	5,636
2-year-old	1,290	1,490	2,841	5,621	2,710	810	2,368	5,888	11,509
3- to 4-year-old	3,373	3,043	5,859	12,275	5,023	1,939	4,178	11,140	23,415
5-year-old to K	2,463	2,120	4,004	8,587	3,772	1,482	2,882	8,136	16,723
School-Age: Before or After School	2,646	2,422	4,098	9,166	7,247	1,425	2,820	11,492	20,658
School Age: Summer Only	2,774	3,125	5,800	11,699	3,763	948	2,168	6,879	18,578
Total	13,120	13,395	24,062	50,577	25,633	7,510	17,048	50,191	100,768

These numbers, with the exception of before- and after-school care, are not comparable to those reported in previous years because they count only full-time and before- or after-school slots. In past years they included full-time and part-time slots, including part-time early education slots.

C. CENTER SLOTS BY AGE

Some parents will have more difficulty finding child care because of the ages of their children. This section presents the number of children in each age group that Cook County child care centers can serve. Home child care providers have more flexibility in the ages of children they can enroll and these change frequently. For this reason we do not provide comparable data for child care homes.

In 2007, 1,260 child care centers listed with Illinois Action for Children reported the number of children they serve per age group. Table II-5 shows the distribution of 100,768 slots in licensed and license-exempt child care centers among the different age groups in the six regions of Cook County.¹³ Overall, the total age-identified center slots are 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.

Table II-5 confirms this. With a total of 4,249 slots, fewer places exist for infants than any other age group under school age. The situation is similar for toddlers. Chicago has only half as many infant and toddler slots as suburban Cook County; in Chicago there are more slots for two-year-olds than for infants and toddlers combined. This limited supply of infant and toddler slots is not surprising since it is costly for centers to provide care for this age group. Many families with infants and toddlers look to family child care homes for this care; however, even family child care homes, understandably, are limited by law to watching three children under age two at one time unless an assistant is present.

Programs for school-age children, with a total of 20,658 before- and after-school slots, have the lowest number of slots per age. There are twice as many slots listed for just three through five-year-olds as there are for the entire school-age group, ages six through twelve. The situation is similar for school-age summer care. The North and Northwest

suburban region does particularly well in providing before- and after-school slots compared to other regions. Note, however, that a significant number of school age providers are not licensed by DCFS and, if they do not list their program with Illinois Action for Children, may go uncounted.

D. REFERRALS GIVEN TO PARENTS IN 2006 BY CHILD AGE

Parents looking for child care often seek referrals from Illinois Action for Children’s referral service. As in previous years, child care referrals were most often requested for children under age two—a third of all requests. Requests for children under age two were highest in North and Northwest Chicago region at 39% and lowest in the West suburban region at 26 percent. See Table II-6 for the breakdown of referral requests by child age and region.

Table II-6. Requests for Child Care by Age

Source: Illinois Action for Children Resource and Referral Program, 2007

Age	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook	Cook County Total
Under 2	1,413 39%	271 30%	648 34%	754 34%	710 26%	915 34%	4,711 33%
2-year-old	1,046 29%	315 34%	569 30%	707 32%	929 34%	808 30%	4,374 31%
3- to 4-year-old	332 9%	104 11%	190 10%	229 10%	447 16%	305 11%	1,607 11%
5-year-old & K	548 15%	115 13%	281 15%	322 14%	383 14%	342 13%	1,991 14%
School-Age	309 8%	110 12%	204 11%	219 10%	270 10%	335 12%	1,447 10%
Total	3,648 100%	915 100%	1,892 100%	2,231 100%	2,739 100%	2,705 100%	14,130 100%

BEST AND WORST REGIONS FOR FINDING INFANT CARE

A family looking for infant care in a center or licensed home will likely have the greatest success in finding care if they live in the South and Southwest suburban region of the county. This region has a low number of infants per infant slot, both in centers and in licensed homes, making it easier for families to find care.

The North and Northwest Suburban region also does well with infant center care. However, for a family priced out of this type of care, there are relatively few licensed home options in the region.

Infant care is most scarce in the North and Northwest Chicago region. Here center infant care is more than twice as scarce as in any other region, and licensed home care for infants is less abundant than almost all other areas.

Families in South and Southwest Chicago will have an easier time finding licensed home care than families in other regions, but will face challenges finding center infant care.

	Number of Infants per Center Slot	Number of Infants per Licensed Home Provider
North and Northwest Chicago	77	46
Central and West Chicago	20	17
South and Southwest Chicago	31	12
North and Northwest Suburban Cook	11	63
West Suburban Cook	21	23
South and Southwest Suburban Cook	9	14

Note: The number of infants per region is from the 2000 Census and does not reflect population changes over the last seven years

III. Family Dilemma: Finding Child Care that Matches the Family's Schedule

Most child care programs are available only during the daytime on weekdays, but half of part-time employees and one-third of full-time employees work non-traditional schedules that include at least some evening, night or weekend hours. Many also work schedules that change periodically, sometimes with little notice. Some of the most common or fastest-growing jobs require non-traditional hours, including retail, food services, office cleaning, hospitals and nursing homes. In general, low paying jobs are more likely to require parents to work non-traditional schedules than better paying jobs.¹⁴ These work schedules give rise to one of the most intractable problems facing many parents seeking child care. Relatively few programs accommodate parents' needs for evening child care, overnight care, weekend care, or care on a variable schedule.

A. PROVIDERS OFFERING CARE DURING NON-TRADITIONAL HOURS

Table III-1 shows the number and percentage of centers and homes in Cook County available for Illinois Action for Children to refer parents to for evening child care, overnight care, weekend care and care during rotating shifts.

In the table several facts stand out about the availability of child care during non-traditional hours. First, only 3 percent of centers offer care during evening hours, and even fewer offer overnight or weekend care. In terms of both numbers and percentages, more child care homes than centers offer non-traditional hours of care. While over half of homes offer

Table III-1. Cook County Providers with Non-Traditional Care*

Source: Illinois Action for Children Resource and Referral Program, June 2007

	Chicago	Suburban Cook County	Total	Percent of All Listed Centers or Homes
Centers with Any Non-Traditional Care	72	118	190	17%
Evening	17	15	32	3%
Overnight	2	1	3	0%
Weekend	11	7	18	2%
Rotating Shifts	52	101	153	14%
Homes with Any Non-Traditional Care	1,598	619	2,217	78%
Evening	1,279	453	1,732	61%
Overnight	117	58	175	6%
Weekend	159	63	222	8%
Rotating Shifts	667	279	946	33%

*Here evening care is defined as care provided between 7 p.m. and 2 a.m., while overnight care is care provided between 2 am and 5 am.

evening care, as with centers only a small percentage offer overnight or weekend care. Centers and homes are more accommodating for families needing care on rotating schedules.

The fact that homes are more likely than centers to offer non-traditional hours of care confirms the frequently heard comment that child care homes are more flexible than center programs in accommodating parents' work schedules. In addition, the availability of homes in more geographic areas offers greater flexibility for parents: the 2,217 home sites in Cook County offering non-traditional hours are more convenient geographically for parents than the 190 center sites. Noteworthy differences exist between Chicago and suburban Cook County. Seventy-two percent of homes offering non-traditional hours of care fall within Chicago. Suburban Cook County outnumbers Chicago in the number of centers offering care during rotating shifts.

Table III-2 breaks down the number of evening slots by type of care and region, showing that evening slots are concentrated in licensed homes. The North and Northwest region of suburban Cook County has the fewest number of evening slots, while the South and Southwest Chicago region has the greatest number. In recent years, licensed evening capacity has been growing. Between 2003 and 2007, the total number of evening slots in licensed child care centers rose 136 percent from 428 to 1,009. During the same period, evening slots in licensed homes rose 188 percent, from 3,820 to 10,994, rising by over 2,000 slots in the past year alone. More providers are being licensed for evening care each year, but it is not clear how many actually provide evening care and for how many children.

Despite growth in the amount of care provided during non-traditional hours, families looking for child care

V. Public Dilemma: Who Needs Child Care? Who Needs Support?

Sections I through IV present dilemmas that families may face in seeking and obtaining child care: finding care that is affordable, locating open slots, obtaining care during the hours needed, and finding the best provider for a child's specific needs. This section is about basic questions the public faces in these matters.

The public sector in Illinois is actively involved in helping families address their child care needs. The public sector faces its own dilemmas. In particular the public sector must decide how many resources it should devote to supporting families' child care needs, especially compared to meeting other critical needs. In thinking about this issue, the public needs to decide who needs child care, how much child care the public should support, what kind of care to support and who needs support paying for child care. In this section we discuss some of the ways of thinking about who needs child care and who might deserve public support.

The majority of data presented in this section are from the 2000 Census, and over the last seven years populations may have shifted somewhat. Use the data as an impression of where families, children and poverty are in Cook County in 2007, rather than as an exact count.

A. CHILD POPULATION, POVERTY AND LOW INCOME

Over one million children ages 12 and under reside in Cook County. The first four rows of Table V-1 enumerate children in Chicago and sub-

Table V-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
% of Age Group in Poverty	28%	9%	19%
Ages 3-5, In Poverty	37,557	9,773	47,330
% of Age Group in Poverty	29%	9%	20%
Ages 6-12, In Poverty	88,077	22,868	110,945
% of Age Group in Poverty	29%	9%	20%
Under 3, Income Eligible*	65,267	21,923	87,190
% of Age Group Eligible*	50%	22%	37%
Ages 3-5, Income Eligible *	66,689	23,871	90,560
% of Age Group Eligible*	51%	22%	38%
Ages 6-12, Income Eligible	156,743	55,147	211,891
% 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. The work requirement for Illinois Child Care Assistance is 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. On April 1, 2008 the income guideline will increase to 200% of the federal poverty level.

urban Cook County by age groups based on the U.S. Census 2000. As the table shows, over 54 percent of the children in Cook County in 2000 resided in Chicago. Potentially all of the children age five years old and under need child care or early education. It is unrealistic, however, 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.

The next six rows of Table V-1 show levels of poverty among children in Cook County. Many of these chil-

dren in poverty have parents in the labor force earning poverty-level incomes, but others do not have working parents. One way that the public sector supports some low-income families is through supporting early care and education opportunities for their children, especially as a way to prepare them to succeed in school. The table shows that up to 29 percent of the children in Chicago were living in poverty in 2000. Chicago children were over three times more likely to be in poverty than other Cook County children. Because poverty rates have risen since 2000, the rates for

Table V-2. Children in Cook County by Region, 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. The work requirement for Illinois Child Care Assistance is 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. On April 1, 2008 the income guideline will increase to 200% of the federal poverty level.

both regions are now probably higher than the table indicates.

The final six rows of Table V-1 present the number of children living in families whose incomes make them eligible in 2006 for Illinois Child Care Assistance. In Illinois in FY 2007, a family's income could rise approximately 85 percent above the federal poverty level before the family was no longer eligible for such assistance. Under this standard, 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 the income requirement, the Illinois Child Care Assistance Program also requires that all parents present in the family be in the labor force or in education or train-

ing programs. Working parents are discussed in section B below.

Table V-2 breaks down the same information on child population, poverty and low income for the six regions of the county. Families in poverty and families with low incomes tend to concentrate in the western and southern parts of Chicago. The southern and western parts of suburban Cook County also have more poverty and more families eligible for Child Care Assistance than the county's North and Northwest regions.¹⁶

Up to 39 percent of children living in a Cook County region are officially poor. With respect to incomes that make families eligible for Illinois Child Care Assistance, 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 for Assistance.

B. CHILDREN WITH WORKING PARENTS

Public policy often supports working families in particular. To estimate the demand for child care in a region such as Cook County, researchers often start with the number of families with every parent working outside of the home and ignore families with at least one parent not in the labor force. This approach neglects the fact that substantial numbers of parents who are not in the labor force still seek child care in order to attend school or for other reasons such as a disability or illness. This

Table V-3. Children 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	41,778 53%	26,678 49%	56,394 56%	51,614 55%	23,105 53%	38,386 61%

Table V-4. Estimate of Unserved Children

Children Eligible for Child Care Assistance But Not Receiving It
Calculated from 2000 Census and Illinois Child Care Assistance Program 2007 data

Children	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Under 3 Years	6,632	5,364	7,704	2,941	1,871	1,458
Ages 3-5	5,480	4,424	6,816	2,819	1,842	1,076
Ages 6-12	16,747	17,324	30,294	10,063	6,393	8,798
Total:	28,859	27,112	44,814	15,823	10,106	11,332

Cook County Total: 138,047

approach also assumes that all families with every parent in the labor force must turn to external sources for child care, neglecting the fact that families might have other relatives available to care for the children and that many parents stagger their work schedules so one parent is always available to provide care. It is important to keep these complexities in mind when reviewing the data that follow on families with all present parents working.

Of the approximately 472,000 children under age six in Cook County in 2000, about 50 percent, or 238,000 children, lived in families in which all parents present in the home were in the labor force. This means either the single parent in a single-parent family or both parents in a two-parent family were in the labor force.¹⁷ The percentage of

children in these families in suburban Cook County is 56 percent while in Chicago it is 53 percent. Table V-3 presents the number of such children in the six regions of Cook County.

C. CHILDREN ELIGIBLE FOR BUT WITHOUT CHILD CARE ASSISTANCE

For a family to be eligible for Illinois Child Care Assistance, every parent present in the home needs to be working,¹⁸ 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. We've looked at children in families that are income-eligible in Tables V-1 and V-2 above, as well as children under 6 with all present parents in the labor force in Table V-3 above. This section takes the

analysis to its next step: combining the two to estimate the number of children in the six regions of Cook County who are eligible for Illinois Child Care Assistance but do not receive it.¹⁹

Table V-4 presents these estimates for the different age groups and regions. We estimate that in any given month, 13 percent of Cook County children ages 12 and under, some 138,047 children, live in families that are eligible for, but do not receive Illinois Child Care Assistance. About 18 percent of Chicago children are in this group of unserved children, while the suburban Cook County portion is 8 percent.

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 stagger their work schedules in order to share caring for their children. Others may have enrolled children in an educational program such as Head Start or Illinois Preschool for All and are satisfied with those hours of care.

The figures in Table V-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.²⁰ We can say that as many as 138,047 children in Cook County eligible for Illinois Child Care Assistance are not using it.

We should note that this estimate has important limitations. The estimate is based on 2000 Census data on families and children. It does not capture changes in child population and family income (that is, changes in eligibility for Child Care Assistance) over the last seven years.

PUBLIC DILEMMAS

The State of Illinois recently expanded the number of families eligible for Illinois Child Care Assistance and has room to expand further under the federal child care block grant. Yet the working family of Kim and Anthony Preston, introduced earlier in this report, remains ineligible.

Most working families in Illinois earn more than the \$32,500 that the Prestons earn annually. If this family earned \$2,131 less (\$30,369), they would be eligible for Child Care Assistance.

Kim and Anthony pay \$5,000 annually for child care, over 15 percent of their income, while the national average spent on child care is about 7 percent.* Do they deserve additional child care support? If so, do they deserve as much as the \$2,600 that would reduce their child care expenditure to 7 percent of their income?

Illinois policy makers, of course, feel they face a dilemma in balancing funding for Child Care Assistance with funding for other items, such as improving education and health insurance for children. And within the Child Care Assistance Program, the State must also balance two goals: increasing the number of families that receive Child Care Assistance and increasing the amount of Assistance that goes to individual families already in the program.**

While others may disagree, most child care advocates believe that the State of Illinois can contribute more to both sides of the balance without threatening the public treasury. Supporting working families and promoting early education would strengthen our workforce and better prepare our children for success as adults.

* Like many working families they may also be eligible for a very modest child care income tax credit.

** Either way, an increase would go directly to a child care provider and affect the quality of care that provider can offer.

Conclusion

Finding the right child care is one of the most important decisions that a parent faces, and with more options, the likelihood is greater that parents will succeed in finding the provider best suited for their child. But costs, schedules and availability limit parents' choices, this is especially true for low income parents.

Each individual child care program has characteristics that parents may find attractive—perhaps an especially warm and experienced caregiver, a well-developed curriculum, a caregiver with experience with a particular disability, or a colorful, inviting facility. Ideally a family's ultimate decision would be based on the program's quality and ability to meet the child's individual needs.

Unfortunately, limiting factors play a role in the decision-making process, particularly for middle and low-income families. Most significantly, the high cost of center or licensed home programs can prohibit families from using these types of care. While the Illinois Child Care Assistance program helps some families access these services, not all families who need assistance qualify for it, and sometimes even with assistance, these child care settings still can be too costly.

Families are also limited by the number of child care openings in their community. We find this particularly the case for parents seeking infant care. Other families find that it is not just about finding openings, but finding them at the right times. A growing number of families work outside the traditional Monday through Friday daytime schedule, yet most center and licensed home settings do not offer care in the evenings, overnight or on weekends.

While many types of child care exist, the reality is that many families do not have options. We hope this report will provide insight into the realities faced by working families and the types of support that these families and their child care providers need.

We hope this data on child care supply and demand can guide advocates and policy makers as they work to improve the accessibility of quality child care for all families who Cook County and the State of Illinois.



Footnotes

- ¹ Consumer prices as measured by CPI-U by U.S. Department of Labor, Bureau of Labor Statistics; <http://www.bls.gov/data/home.htm>, accessed January 25, 2008.
- ² 2006 American Community Survey, U.S. Census Bureau. This is the last year available at the time of writing. The Census does not present data on suburban Cook County as we do.
- ³ Average annual tuition and fees paid for a 4-year public institution in Illinois for the 2006-2007 school year, from www.collegeillinois.com.
- ⁴ See for example, the National Child Care Survey, 1990 and *Child Care Expenses of American Families*, Urban Institute, 1997. The Census Bureau finds that child care payments average 6.9 percent for families with mothers and with children under 15, and average 7.2 percent if the mother has a job. Having more children or lower incomes raises the percentages. *Who's Minding the Kids? Child Care Arrangements: Winter 2002*, U.S. Bureau of the Census, Oct. 2005, Table 6.
- ⁵ If we used 6 percent as a rule of thumb, these incomes must be over \$158,300 and \$275,800 respectively in Chicago and over \$190,000 and \$330,000 in suburban Cook County.
- ⁶ Effective September 1, 2007, Child Care Assistance Program rules changed. A family must earn at or below 185% of the federal poverty level rather than 50 percent of the state median income to be eligible for assistance.
- ⁷ For details, see the following: http://www.actforchildren.org/_uploads/documents/live/Cost_of_Care_1Child_Family_of_4_FY07.pdf.
- ⁸ In some cases, the parent(s) can be in school instead of working. The chart assumes that parents receiving Child Care Assistance pay their assigned co-payment as well as the difference between the price their child care provider charges and the rate their provider is reimbursed by the Child Care Assistance Program.
- ⁹ Even when the number of slots is known, it is only an estimate of the number of children served. 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 A home's operator might not want to provide care for the home's full legal or licensed capacity.
- ¹¹ If the children are all related, the provider can care for more than three at one time.
- ¹² The fact that many, though not all, license-exempt homes do not strictly offer slots but have more personal and variable enrollment creates enormous problems for estimating child care supply and demand. A related but smaller problem is that while centers and homes are legally licensed for a certain number of children, some restrict their actual enrollment to a smaller number.
- ¹³ These are slots for which an age is specifically mentioned. About 14,000 slots have no age attached.
- ¹⁴ *Ibid.*
- ¹⁵ 2000 Census. Percent of the population age 5 and over that speaks a language other than English and speaks English less than "very well."
- ¹⁶ Here *low income* means below 185 percent of the federal poverty level. 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.
- ¹⁷ Technically the labor force includes unemployed people looking for work. We count these, since parents looking for work need child care. Another 27 percent of children live in two-parent families that have only one parent in the labor force.
- ¹⁸ In Illinois, parents may be in training or school, but in practice relatively few parents get approval unless they work outside of the home.
- ¹⁹ 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 (June 2007).
- ²⁰ 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.
- ²¹ Since some parents use more than one type of child care while their case is active, percentages can exceed 100 percent.



**NORTH AND
NORTHWEST
SUBURBAN
COOK**

Arlington Heights
Barrington
Bartlett
Des Plaines
East Dundee
Elgin
Elk Grove Village
Elmwood Park
Evanston
Franklin Park
Glencoe
Glenview
Golf
Hanover Park
Harwood Heights
Hoffman Estates
Inverness
Kenilworth
Lincolnwood
Morton Grove
Mount Prospect
Niles
Norridge
Northbrook
Northfield
Northlake
Palatine
Park Ridge
Prospect Heights
River Grove
Rolling Meadows
Rosemont
Schaumburg
Schiller Park
Skokie
South Barrington
Streamwood
Wheeling
Wilmette
Winnetka

**WEST
SUBURBAN
COOK**

Bedford Park
Bellwood
Berkeley
Berwyn
Bridgeview
Broadview
Brookfield
Burr Ridge
Cicero
Countryside
Forest Park
Forest View
Hillside
Hodgkins
Indian Head Park
Justice
La Grange
La Grange Park
Lyons
Maywood
McCook
Melrose Park
North Riverside
Oak Park
River Forest
Riverside
Stickney
Stone Park
Summit
Westchester
Western Springs
Willow Springs

**SOUTH AND
SOUTHWEST
SUBURBAN
COOK**

Alsip
Blue Island
Burbank
Burnham
Calumet City
Calumet Park
Chicago Heights
Chicago Ridge
Country Club Hills
Crestwood
Dixmoor
Dolton
East Hazel Crest
Evergreen Park
Flossmoor
Ford Heights
Glenwood
Harvey
Hazel Crest
Hickory Hills
Hometown
Homewood
Lansing
Lemont
Lynwood
Markham
Matteson
Merrionette Park
Midlothian
Oak Forest
Oak Lawn
Olympia Fields
Orland Hills
Orland Park
Palos Heights
Palos Hills
Palos Park
Park Forest
Phoenix
Posen
Richton Park
Riverdale
Robbins
Sauk Village
South Chicago Heights
South Holland
Steger
Thornton
Tinley Park
Worth

**NORTH AND
NORTHWEST
CHICAGO**

Albany Park
Avondale
Belmont Cragin
Dunning
Edgewater
Edison Park
Forest Glen
Hermosa
Irving Park
Jefferson Park
Lake View
Lincoln Park
Lincoln Square
Logan Square
Montclare
North Center
North Park
Norwood Park
O'Hare
Portage Park
Rogers Park
Uptown
West Ridge

**CENTRAL
AND WEST
CHICAGO**

Austin
East Garfield Park
Humboldt Park
Loop
Lower West Side
Near North Side
Near South Side
Near West Side
North Lawndale
South Lawndale
West Garfield Park
West Town

**SOUTH AND
SOUTHWEST
CHICAGO**

Archer Heights
Armour Square
Ashburn
Auburn Gresham
Avalon Park
Beverly
Bridgeport
Brighton Park
Burnside
Calumet Heights
Chatham
Chicago Lawn
Clearing
Douglas
East Side
Englewood
Fuller Park
Gage Park
Garfield Ridge
Grand Boulevard
Greater Grand Crossing
Hegewisch
Hyde Park
Kenwood
McKinley Park
Morgan Park
Mount Greenwood
New City
Oakland
Pullman
Riverdale
Roseland
South Chicago
South Deering
South Shore
Washington Heights
Washington Park
West Elsdon
West Englewood
West Lawn
West Pullman
Woodlawn

The Demand for and Supply of Child Care—Basic Factors

WHY DEMAND AND SUPPLY?

Many analysts believe that understanding the demand for and supply of child care is critical. Without such knowledge, we can never know whether a region such as Cook County has enough child care services. Nor can we understand why child care prices are rising or what the effects of rising rates are: for example, whether rising prices primarily drive working parents away from using child care or primarily encourage child care providers to expand and provide higher quality care. Finally, understanding supply and demand helps us understand ways to influence child care prices, expand the use of child care among working parents and improve child care quality. This Appendix discusses the basic concepts of demand and supply in child care and shows why it is so difficult to speak about them authoritatively.

Demand

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 services 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 older children needing before- or after-school care. Demand also has deeper roots including these factors:

- Whether family incomes are sufficient to pay for child care, especially in comparison to the prices of other necessities the family buys.
- 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 with children.
- 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, Preschool for All, 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.

Supply

Individual providers, educators, non-profit enterprises, for-profit enterprises and public agencies supply child care services in Cook County by mobilizing people, facilities and materials for the purpose of caring for children. As Section II of this *Report* demonstrates, child care takes a variety of shapes across Cook County, including providers in their own homes, caregivers who go to the children's homes, non-profit and for-profit centers, public and private preschools, after-school programs and so on. Many child care program developers and directors also engage diverse agencies that finance, regulate zoning, license and accredit child care. Finally they recruit in labor markets for the child care workforce and contract with suppliers of goods and services, such as food, building maintenance and books.

Child care supply is based upon the willingness and ability of providers to bring people and such resources together given the cost of the

resources they need. Among the factors that we expect to influence the supply of child care services in Cook County are the following:

- The cost of resources such as facilities, materials, equipment, supplies, overhead and especially employees.
- 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 decides to supply space rent-free or at a discounted rent, this will generally increase the supply of child care services in Cook County.
- Regulatory conditions including business, zoning, child care accreditation and licensing restrictions. These change little from year to year, and so do not change child care supply much from year to year. They can, however, affect the overall level of child care operations. And in some localities, zoning changes have seriously affected providers.

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

USING SUPPLY AND DEMAND ANALYSIS

In economic theory, the price of child care services and the amount

actually bought is determined by levels of demand and supply. If the demand for child care is greater than the amount supplied, the price will rise as parents seek scarce slots for their children. On the other hand, if supply exceeds demand, providers may drop their prices to attract more children. That is the so-called law of supply and demand.

To determine whether or not a child care market actually works this way in Cook County would require a special study. The key point we want to underscore here is that because so many factors affect demand and supply understanding the total effect will be extremely complex.

Supply and demand analysis must incorporate this complexity in order to be useful. It must first of all be based on excellent knowledge of all the factors identified above as influencing child care demand and supply. Leaving out any factor could spoil an analysis. Supply and demand analysis must, moreover, weigh the effects of all the factors influencing the child care market *simultaneously*. So complex is supply and demand analysis, in fact, that most economists rely on sophisticated statistical and mathematical tools to perform it.

Short of that sophisticated, comprehensive analysis, supply and demand analysis will be very partial or one-sided, and *when we use it we should acknowledge it as such*.

For example, suppose we know that new child care center licensing regulations will require child care teachers to have more education credits in college. We might predict

that salaries of these teachers must rise to reimburse them for obtaining the additional credentials, and that will increase the cost of providing child care. Higher costs of providing child care, in turn, will lower the amount of child care supplied, as some providers will leave the business because they cannot afford to pay the newly credentialed teachers what they demand. We can conclude that *if nothing else is changing* in the child care market, lower supply will drive up the amount parents need to pay to find scarcer slots.

Too frequently, however, analysts do not acknowledge what we just stated in the italics above. They leave the impression that they have told the entire story. We should always acknowledge that other events in the child care market might outweigh the factor we are raising at the moment. Perhaps teacher salaries will not rise that much, or the new credentials will attract enough new children to centers to cover the higher costs. Or perhaps in the next month, for example, the State of Illinois will greatly increase its subsidies to child care providers. That will lower costs and could even reverse the impact of higher salaries on supply—*if nothing else is changing*.

Sources for Data on Child Care Providers in Cook County

Information on Cook County child care providers in this report comes from three different sources:

1. The Illinois Action for Children Resource and Referral Program, which maintains a database of Cook County child care providers.
2. The Illinois Department of Children and Family Services (DCFS), which lists programs that it has licensed in Cook County.
3. The Illinois Child Care Assistance Program, which has information about providers who care for children with child care assistance.

The Illinois Action for Children Resource and Referral program is

part of a statewide network of Resource and Referral agencies funded through the Illinois Department of Human Services. Illinois Action for Children invites child care providers to list their programs on our database and to provide detailed information about their programs such as the rates they charge parents, the number of children they serve per age group, languages spoken, training and education they have received, and other characteristics that help referral staff match parents with providers.

Illinois Action for Children supplements its database by adding those providers licensed by DCFS who have not agreed to list their program on our database (these providers are only added for statistical purposes

and their information is not shared with parents). In this way, Illinois Action for Children maintains the most comprehensive listing of child care providers in Cook County, although we do not fully capture the child care activity that is legally exempt from licensing or the otherwise illegal care.

The third source of child care data used in this report is the Illinois Child Care Assistance program, which provides the best count of known license-exempt child care programs in Cook County.

Table A3 provides details on who is included in each type of child care referred to in the report.

Table A3. Child Care Providers in Cook County in 2007: Who is Included

Type of Program	Notes
Child Care Centers	Any child care center operating for the full year or the school year and offering some or all full-time care for children under age 5. The center might provide school-age care as well. This category does not include private preschool programs or public preschools such as Head Start only or Preschool for All only programs. Park and recreation programs are included if their care is full-time and for the full year or school year.
School Age Programs	Any center that provides full-year or school-year care for children ages 5 and over only. Includes before and after school programs and part-day programs for children in kindergarten. Programs may be center based, school based or at a park or recreation program.
Summer Only Programs	Any center that provides care only during the summer months. Only centers providing full-time care are included. Ninety-one percent of these summer-only programs are park and recreation programs.
Licensed Homes	Any family child care home that is licensed by DCFS.
License-Exempt Homes	Includes license-exempt home providers participating in the Illinois Child Care Assistance program in June 2007. Note that the number of participating home providers varies from month to month just as the number of participating families varies. This category does not include the large number of unknown family, friend and neighbor caregivers throughout Cook County.

Glossary of Terms

Chicago Community Areas (CCA). Seventy-seven formal designations of Chicago neighborhoods. See Appendix 1.

Child Care Center. When the term is used generally throughout the report it refers to any child care program in a facility outside of the home that offers full-time child care or before- or after-school care. In tables II-1 through II-3 it refers more specifically to any full-year or school-year child care center serving children under 5 (as opposed to centers serving only school age children or centers providing only summer care). The term includes both licensed and license-exempt programs.

Child Care Resource and Referral Agency (CCR&R). There are 16 agencies throughout Illinois whose goal is to work with parents, business leaders, government officials and child care providers to make high quality child care available to Illinois families. This includes supporting child care providers, preparing individuals to enter the child care field, and assisting families in locating child care and accessing the Illinois Child Care Assistance Program. Illinois Action for Children is a CCR&R.

Family Child Care Homes (FCC). Child care located in providers' homes. While there are over 17,000 known license-exempt child care homes in Cook County, sometimes the term FCC refers solely to the approximately 4,000 *licensed* child care homes. In this report, it refers to both types of child care homes.

Illinois Child Care Assistance Program (ICCAP). Program established using the federal Child Care Block Grant following welfare reform to provide child care assistance for working families earning less than 50 percent of the state median income.

Illinois Department of Children and Family Services (DCFS). In this report: DCFS grants and enforces licensing of

child care centers and homes. It also helps pay for child care for foster children.

Illinois Department of Human Services (IDHS). Home of the Bureau of Child Care and Development which administers many of the State's child care programs, including the Illinois Child Care Assistance Program, Child Care Resource and Referral Agencies and the Quality Counts program.

Illinois Network of Child Care Resource and Referral Agencies (INCCRRA). A member organization consisting of 16 regional Child Care Resource & Referral (CCR&R) agencies serving communities throughout the state of Illinois. Its goal is to make high quality and affordable early care and education opportunities available for families and children of Illinois.

Income-eligible. A family whose income falls under 50 percent of the state median income, making it income-eligible for the Illinois Child Care Assistance Program. Income eligibility in Illinois depends upon family size.

Licensed Child Care Centers. Centers that have been certified by the Illinois Department of Children and Family Services as meeting certain health and safety standards and that are subject to inspection by DCFS.

Licensed Child Care Homes. Homes that have been certified by the Illinois Department of Children and Family Services as meeting certain health and safety standards and that are subject to inspection by DCFS.

License-exempt Child Care Centers. The Child Care Act of 1969 excludes some facilities from the requirement to be licensed. These exclusions from the licensing requirement may be found in Section 2.09 of the Child Care Act of 1969 [225 ILCS 10/2.09] and are explained in Department rules 89 Ill. Adm. Code 377, Facilities and Programs Exempt from Licensure.

Centers that are legally exempt from licensing include those run by a religious institution, government program, school, college or university.

License-exempt Child Care Homes. Sometimes called "family, friend and neighbor child care" or "kith and kin child care." Child care in a home that is legally exempt from licensure because the provider cares for fewer than four unrelated children. In the Illinois Child Care Assistance Program, the provider receiving a payment must complete a registration process and have passed a background check.

Non-Traditional Hours of Care. Hours of child care that fall outside the typical Monday through Friday day time schedule (defined in this report as 5 a.m. to 7 p.m.). This includes evening, overnight and weekend care, as well as days and times that change from one week to the next.

Reimbursement Rates. The payment levels approved for centers, licensed homes and license-exempt homes under the Illinois Child Care Assistance Program. These rates vary across regions of Illinois. Parents pay part of the rate to providers as parent co-payments, while the Illinois Child Care Assistance Program pays the remainder.

State Median Income. The income at which half of the families in Illinois earn more and half earn less. The Illinois Child Care Assistance Program determines a family's eligibility using a different state median income for different family sizes.

Special Needs Child Care. Refers to a child care provider with experience or training in caring for a child with an emotional, physical, developmental or special health need or disability.

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