



2011

Report on Child Care in Cook County Elements of Child Care Supply and Demand



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Executive Summary

The fact that many Illinois parents continued to face challenges finding high quality and affordable child care in 2010 could not have been good news for the slow-growing Illinois economy. Studies have shown that parents who face such challenges have higher rates of absenteeism.¹ Their attention at work may also suffer from concerns for their children's welfare.

This report details many of the challenges that parents in Cook County face.

First, some challenges continue or were aggravated by economic conditions in 2010:

- **Affordability:** Child care prices continued to climb. Before- and after-school care continues to climb the fastest. At an income of \$44,200 a family of four paid significantly more than 10 percent of its income to place one child in a typical child care center or licensed home – as much as 26 percent of income for typical fees. The only exceptions were informal child care arrangements with relatives, friends, and neighbors who often charge parents less.
- **Supply:** In some regions of Cook County child care remains very scarce for some age groups, particularly infants, toddlers and school-age children, and for evening and weekend care.

Some trends in improvement continued:

- **Supply 1:** In Cook County overall, licensed center capacity increased by 5 percent, with the largest gains taking place in the north & northwest side of Chicago, whose licensed center slots grew by 13 percent.
- **Supply 2:** While infant and toddler slots are still scarce in child care centers, particularly in Chicago, the number of these slots has been increasing. In the past three years, Chicago has seen a 20 percent increase in its infant and toddler center slots, and slots in suburban Cook County have risen by 6 percent.
- **Supply 3:** Families in need of evening and overnight care are in a little better position now that more centers and licensed homes are being licensed to provide evening care. Evening slots in centers, though still not plentiful, increased by 166 percent over the past 3 years, while licensed home evening slots increased 36 percent. As many as 80 percent of all licensed homes now have the capacity to care for children in the evening. More research needs to be done to determine how many providers actually offer evening care rather than simply become licensed for it.

For a few months in FY2010, CCAP used federal stimulus funds to reduce the child care co-payments that low-income working parents paid providers. This channeled critical spending into the slumping Illinois economy. Late in FY2011 these funds ceased to be available.

¹For studies of absenteeism, see Karen Shellenback, *Child Care and Parent Productivity: Making the Business Case* (2004). Linking Economic Development & Child Care Research Project, Cornell University Cooperative Extension. <http://government.cce.cornell.edu/doc/pdf/ChildCareParentProductivity.pdf>. Accessed 6/24/11.

Introduction: Families and Child Care in Cook County



Almost 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 2011 Report of Child Care in Cook County examines the availability of child care to families in different parts of Cook County. We present 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. We report the experiences of some parents who seek referrals to child care providers and examine the dilemmas they face in choosing a provider and the compromises they make as a result.

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 of child care supply and demand 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

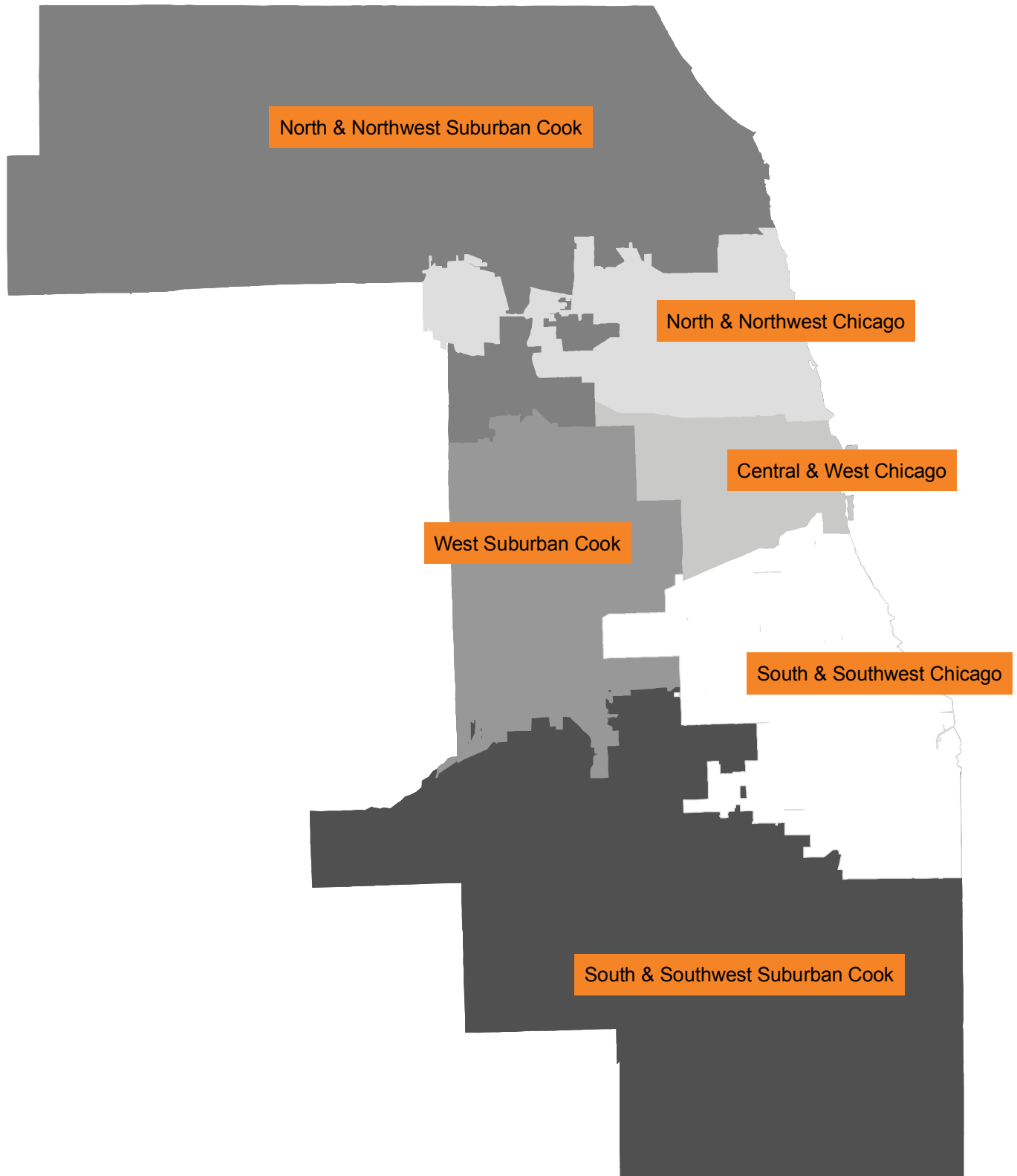
- 1) North and Northwest
- 2) Central and West
- 3) South and Southwest

Suburban Cook County

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

Appendix 1 provides more detailed definitions of these regions.

Chicago and Suburban Cook 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. If we assume for a moment that families can access all types of child care, let's look at the available options.

First, many families only use parental care. Either one parent stays home to care for the children, or both 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 find home child care an appealing option. They may take their child to the home of someone they know well, such as a family member, close friend or neighbor, or someone they discovered through word-of-mouth or through a referral service. They may 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, centers such as those based in schools or affiliated with religious groups are exempt from being licensed. Center care may include all-day 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 may 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. Data on public and private preschool programs are not included in this report.

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 through its Resource and Referral Program, maintaining a database of child care providers who register voluntarily to be referred to parents. Child care providers supply detailed information about their programs so that referral consultants can help parents find providers that match their needs and preferences. Referral consultants help 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 others find the process of searching for and deciding on a child care provider to be stressful. These parents frequently experience frustration in finding the right care at the right hours, right location, and right price. We frame the majority of this report around several of the major dilemmas that families face when making child care decisions.

Family Dilemma: Finding Affordable Child Care



The Cost of Child Care

Each year, the Illinois Action for Children Resource and Referral Program asks providers to report the rates they charge parents for child care. Tables I-1 and I-2 present the average market rates that 758 child care centers and 2,526 homes respectively charge in the six regions of Cook County. Centers average between \$142 and \$289 each week to care for children under age six, while home providers charge an average of \$122 to \$202 weekly, depending upon age and region. The last rows of both tables show the rates that the Illinois Child Care Assistance Program (CCAP) reimbursed Cook County providers in 2010.²

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

FY2010 / Source: Illinois Action for Children Resource and Referral Program

	Infant (6 weeks to 14 months)	Toddler (15 to 23 months)	2-year-old	3- to 4- year-old	5-year-old to kindergarten	Before & After School	School Age, Summer
Cook County Average	\$235	\$219	\$190	\$170	\$165	\$116	\$150
N & NW Chicago	\$238	\$213	\$184	\$170	\$160	\$115	\$141
Central & West Chicago	\$243	\$229	\$193	\$170	\$165	\$106	\$135
S & SW Chicago	\$195	\$189	\$164	\$145	\$142	\$105	\$126
N & NW Suburban Cook	\$289	\$267	\$237	\$213	\$207	\$137	\$205
West Suburban Cook	\$237	\$217	\$193	\$172	\$166	\$110	\$145
S & SW Suburban Cook	\$205	\$194	\$173	\$155	\$150	\$109	\$143
Amount reimbursed by the Illinois Child Care Assistance Program for full-time care	\$207.55		\$175.30	\$146.05		\$73.05 <5 hrs/day \$146.05 >=5 hrs/day	\$146.05

²Rates effective 1/1/10.

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

FY2010 / Source: Illinois Action for Children Resource and Referral Program

	Infant (6 weeks to 14 months)	Toddler (15 to 23 months)	2-year-old	3- to 4- year-old	5-year-old to kindergarten	Before & After School	School Age, Summer
Cook County Average	\$147	\$143	\$139	\$134	\$130	\$110	\$124
N & NW Chicago	\$167	\$162	\$158	\$151	\$147	\$123	\$147
Central & West Chicago	\$139	\$136	\$131	\$125	\$123	\$109	\$118
S & SW Chicago	\$138	\$135	\$131	\$125	\$122	\$107	\$118
N & NW Suburban Cook	\$202	\$196	\$194	\$192	\$185	\$142	\$176
West Suburban Cook	\$153	\$149	\$145	\$141	\$137	\$108	\$129
S & SW Suburban Cook	\$141	\$137	\$133	\$128	\$124	\$105	\$117
Amount reimbursed by the Illinois Child Care Assistance Program for full-time care	\$136.35		\$131.20	\$123		\$61.05 <5 hrs/day \$123 ≥5 hrs/day	\$123

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 ten years from June 2000 to June 2010. Increases ranged from 16 percent to 80 percent. Over the same period of time, all consumer prices rose about 26 percent nationally.³ While most licensed home rates increased near or below this average inflation rate, center rates for almost all age groups far exceeded it.

³Consumer prices as measured by CPI-U by U.S. Department of Labor, Bureau of Labor Statistics; <http://www.bls.gov/data/home.htm>, accessed June, 2011.

Table I-3. 2010 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	\$215	23%	\$143	29%	\$246	36%	\$156	18%
Toddler	\$204	24%	\$139	31%	\$227	38%	\$152	19%
2-year-old	\$175	54%	\$135	30%	\$203	46%	\$148	19%
3- & 4-year-olds	\$157	48%	\$129	29%	\$182	43%	\$144	17%
5-year-old to K	\$152	44%	\$126	30%	\$176	40%	\$139	16%
Before & After School	\$108	65%	\$109	80%	\$121	51%	\$111	62%
School Age, Summer	\$132	52%	\$123	42%	\$162	35%	\$127	29%

Percent growth in consumer prices nationwide since 2000: **26%**

What Percent of Income is Reasonable to Spend on Child Care?

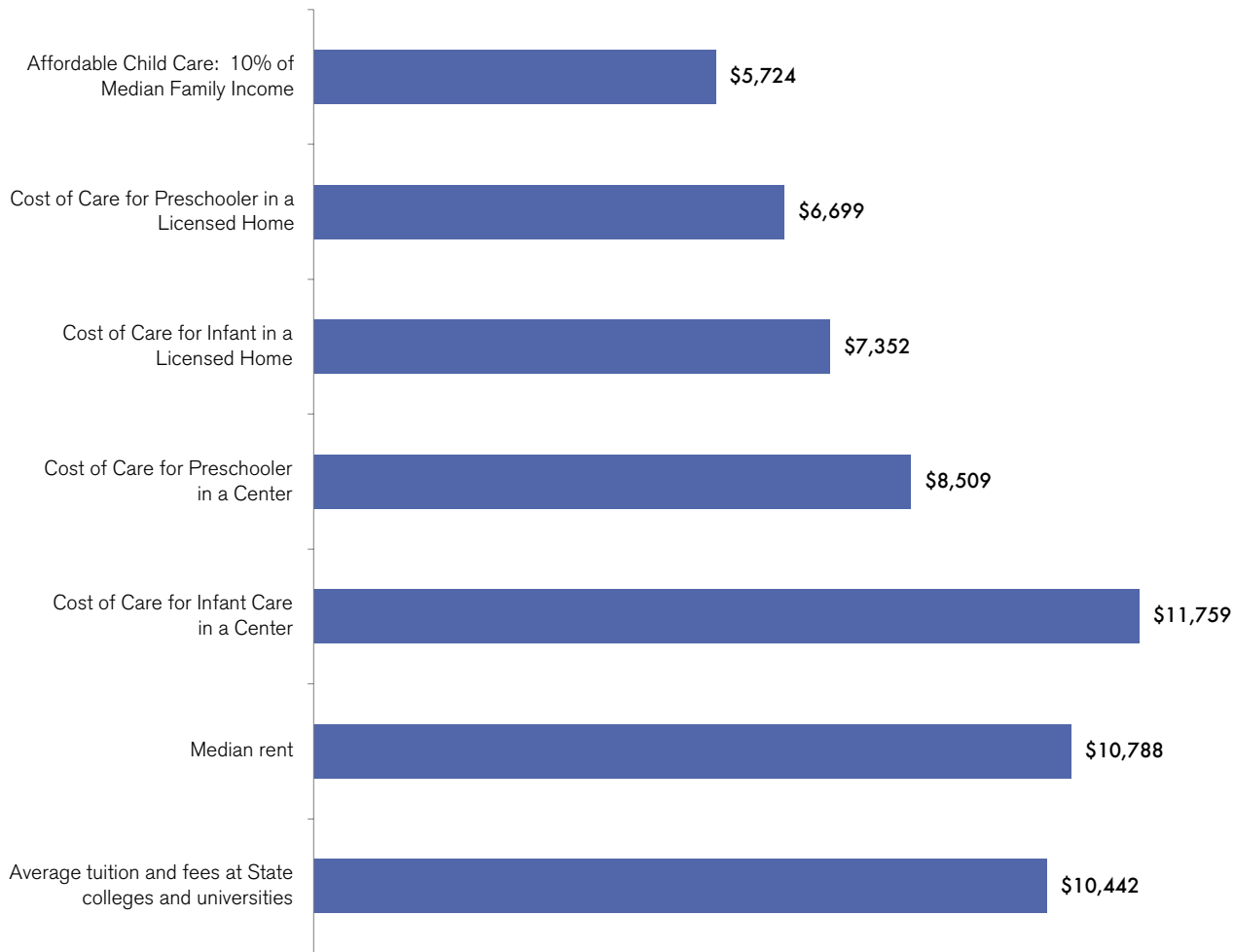
Most national studies since the 1990s have found that average two-parent middle-income families paid between 6 percent and 10 percent of their income for child care.⁴ If we pick the higher 10 percent level as a rule of thumb for affordability, parents earning the median Cook County income of \$57,244 could spend as much as \$5,724 per year on child care, or about \$114 per week, and still consider their care affordable. However, the average costs of both center and licensed home care (Tables I-1 and I-2) exceed \$114 per week in all regions and across all age groups with the exception of some school-age care. The price tag is even higher for families with two or more children in care. Without some financial assistance, then, center care and licensed home care would be out of reach for most families, leaving them to choose among only unregulated care options such as care by a friend, relative or neighbor.

Figure I-1 puts the cost of child care in context. A family that wants to use infant care in a child care center would need to spend more than what typical Cook County families spend on rent and more than the average cost of state college tuition.

According to the National Association of Child Care Resource and Referral Agencies, in 2009 Illinois was ranked near the top among U.S. states in terms of having the least affordable infant center care (7th) and in the top half for the least affordable preschool center care (23rd). Compared to the previous year, this was an improvement for preschool care but a slight worsening for infant care.⁵

⁴See 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 7.0 percent for families with employed mothers and with children under 15. The average is higher at 9.0 percent for families with children under five. Having lower incomes raises the percentages. *Who's Minding the Kids? Child Care Arrangements: Summer 2006*, U.S. Bureau of the Census, December 2009, Table 6.

⁵*Parents and the High Cost of Child Care: 2010 Update*, NACCRRA, 2010. Accessed June 2011 at <http://www.naccrra.org/publications/naccrra-publications/parents-and-the-high-cost-of-child-care.php>.

Figure I-1. Cost of Child Care in Context

Median family income and rent are from the American Community Survey, 2009, while average amount of tuition and fees is from www.collegeillinois.com for the 2009-2010 school year.

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 full rate for care.

The main source of financial assistance to help Illinois parents with child care costs is the Illinois Child Care Assistance Program (CCAP). 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. In 2010, CCAP was available to families that earned at or below 200 percent of the federal poverty level, or \$44,100 for a family of four.⁶ Parents must work or participate in an approved school or training program to be eligible. CCAP is primarily a voucher system 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 CCAP.

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.

⁶Effective April 1, 2011, income eligibility limits were lowered from 200 to 185 percent of the federal poverty level which would have been \$40,793 for a family of 4 in 2010.

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 CCAP reimbursement as full payment even though the amount they receive through the program may be less than what the providers typically charge.

Both the federal and Illinois income tax programs offer some relief for child care costs in the form of modest, dependent child care tax credits. These credits allow families to reduce their income tax bill by a fraction of their child care expenses.

Child Care Affordability with Assistance

With the help of CCAP, families can access child care that would otherwise be unaffordable to them. Figure I-2 traces the impact of CCAP on child care affordability for a family of four. It presents the cost of care for one child as a percentage of different incomes ranging from \$10,000 to \$115,000. The chart's four lines denote the costs of different types of care, with the highest cost representing the high price of center care for an infant and the lowest line representing the more affordable price of family, friend, or neighbor care. The scenario assumes that families receive CCAP assistance if earning less than the CCAP income limit of \$44,100 for a family of four.⁷

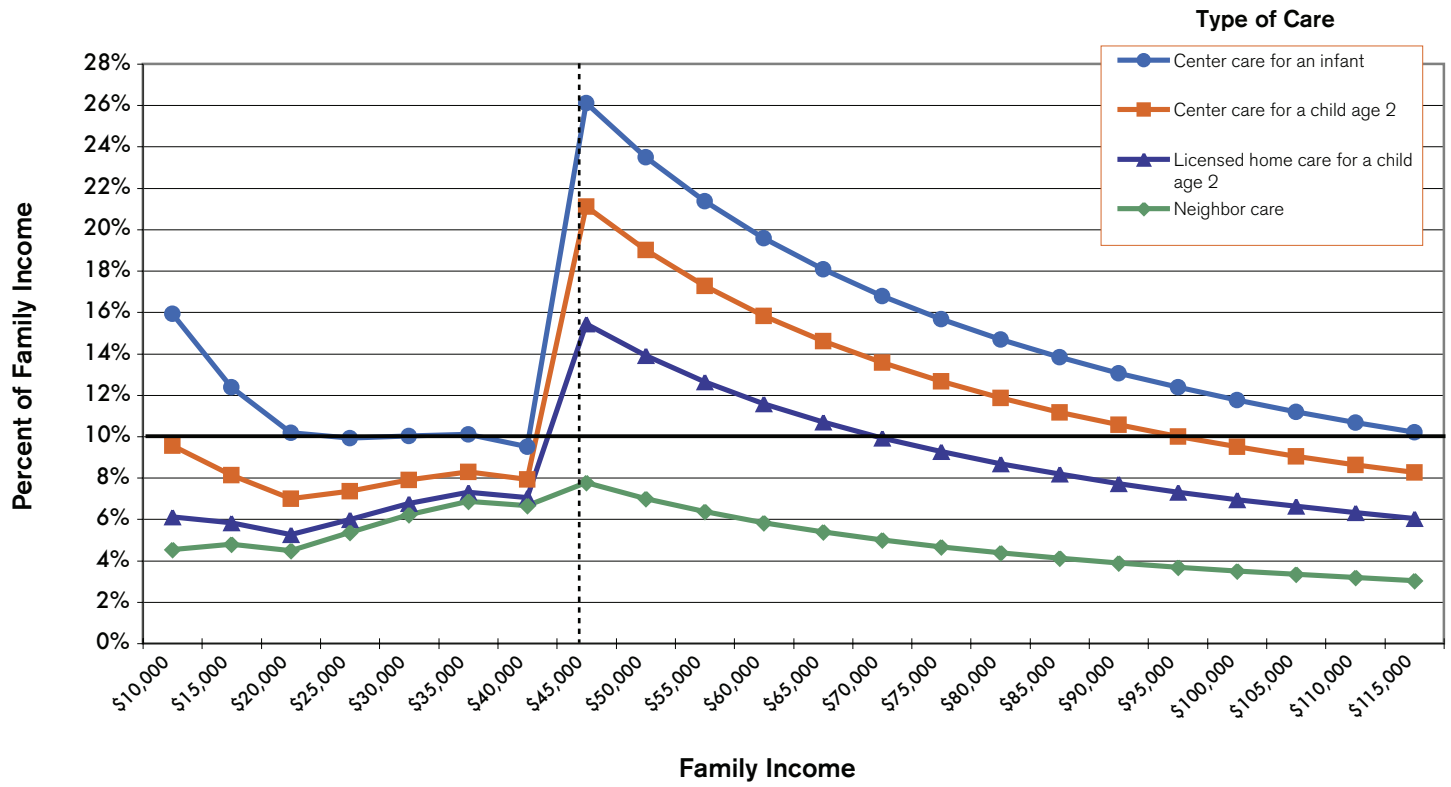
Families with assistance (to the left of the dotted line) can pay less than five percent of their income for informal neighbor care and as much as 16 percent for center infant care. Note that Figure I-2 builds upon average rates of care such as those in Tables I-1 and I-2. Some parents might have to pay a higher rate than the average, while others will pay below the average. Placing more children in care, moreover, will cost parents more.

It is CCAP alone that makes child care this affordable for working families with these incomes. If the working family's income rises a little above \$44,000, the family ceases to be eligible for CCAP and most child care costs shoot up to a prohibitively high percentage of the family's income (to as high as 26 percent for infant center care). This is known as the "cliff effect." Only unregulated family, friend, or neighbor care changes little as a percentage of income and remains affordable for families earning just over \$44,000.

Once a family's income rises above \$44,000 and the family becomes ineligible for CCAP, it takes an income of \$69,500 before licensed home care for a two-year-old returns to 10 percent of the family's income. It takes an income of \$117,500 before the cost of infant care in a center returns to 10 percent of the family's income. These higher incomes, needless to say, are substantially above the typical family income in Illinois. Again, for a family earning between \$44,100 and \$69,500, which includes the typical family in Cook County, only informal family, friend, or neighbor child care is affordable at 10 percent of family income.

⁷The chart also 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.

Figure I-2. What Families Need to Spend on Child Care
Family Size of 4, 1 Child in Care, 2010



II. Family Dilemma: Finding Available Child Care Slots



Child Care Providers and Slots in Cook County

A family's access to child care depends on both affordability and availability. Table II-1 shows the most accurate count we can provide of the number of full-time and school-age child care programs and their slots in Cook County. The table divides the programs into type of child care setting, which we define in the Glossary at the end of this report. Appendix 4 discusses the data sources in more detail.

Table II-1 understates 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 source, so many go uncounted.⁸ School age programs, in particular, are likely to be exempt from licensing. While a large number of license-exempt centers list their programs with the Illinois Action for Children Resource and Referral Program, our list of about 15,000 license-exempt home providers in Cook County is far less complete.

The license-exempt home providers that we do know of and report on in Table II-1 are those who receive payments from CCAP for providing child care to low-income working families. Home providers who have license-exempt status may legally care for as many as three children who are not their own.⁹ While we provisionally estimate 44,508 slots in known license-exempt homes, 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 ongoing business.

Table II-1. Child Care Programs & Slots in Cook County

Daytime slots.*

Sources: Illinois Action for Children Resource and Referral Program and DCFS, June 2010

Type of Program	Number of Programs	Number of Slots
Child Care Centers	1,097	87,356
School Age Only Programs	197	12,982
Summer Only Programs	139	17,638
Center & School Age Total	1,433	117,976
Licensed Homes	3,764	28,175
Licensed Homes – additional school age slots**	-	6,999
License-Exempt Homes***	14,836	44,508
Family Child Care Home Total	18,600	79,682
Total For All Programs	20,033	197,658

* Licensed homes have the capacity to serve an additional 14,946 children during evening hours. Child care centers provide an additional 2,713 evening slots. See Section III-A.

**Licensed home providers with assistants may be licensed to care for up to four 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 CCAP 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.

⁸Even 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.

⁹If the children are all related, the provider can care for more than three at one time.

Where the Providers and Slots Are

Some parents will have a more difficult time finding child care because of where they live. The 117,976 spaces in child care centers and school-age programs are almost evenly divided between Chicago and suburban Cook County, though there are some differences. School age programs are more abundant, or at least better reported, in the suburbs, while summer-only programs are more abundant, or better reported, in Chicago. Two-thirds of the 35,174 licensed home spaces are located in Chicago. Table II-2 shows how center and licensed home slots are distributed throughout the regions of Cook County.

The last row of Table II-2 shows the total number of center and licensed home slots as a percentage of the number of children under 13 within the region. These percentages are not included to suggest met or unmet need but rather to allow some comparison of known supply across the regions, which differ in population.

Over the past three years, the number of licensed center day-time slots increased by 5 percent in Cook County, with the North and Northwest region of Chicago seeing the largest growth (13 percent). Licensed home care slots decreased by 4 percent overall, with the West and Central region of Chicago experiencing the biggest decline (-11 percent). The West and Central region also experienced a substantial population decrease during the past decade.

Table II-2. Child Care Slots in Cook County Regions

Daytime slots.

Sources: Illinois Action for Children Resource and Referral Program and DCFS, June 2010

Program Type	N & NW Chicago	C & W Chicago	S & SW Chicago	Chicago Total	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook	Suburban Total
Child Care Centers	12,178	12,056	19,451	43,685	18,775	8,189	16,707	43,671
School Age Only Programs	1,112	1,032	1,732	3,876	6,110	1,089	1,907	9,106
Summer Only Programs	2,985	3,125	5,690	11,800	3,107	665	2,066	5,838
Licensed Homes	3,037	4,364	11,318	18,719	1,780	2,540	5,136	9,456
Licensed Homes - additional school age	861	1,083	3,011	4,955	315	577	1,152	2,044
Total Center and Licensed Home Slots	20,173	21,660	41,202	83,035	30,087	13,060	26,968	70,115
Total slots as a percent of children under age 13	12%	22%	18%	17%	14%	14%	19%	16%

Center Slots by Age

Some parents have more difficulty finding child care because of the ages of their children. Table II-3 examines the number of children in each age group that Cook County child care centers can serve by region. We do not report comparable data for child care homes because home providers have more flexibility in the ages of children they can enroll, and the ages of children they serve change frequently.

In 2010, 1,207 licensed and license-exempt child care centers listed with Illinois Action for Children reported the number of children they serve per age group, allowing us to identify the age for 100,208 of the 117,976 known slots. Overall, the total age-identified center slots are split in a fairly equal manner between Chicago and suburban Cook County regions. The number of infant and toddler slots continues to lag behind the number of slots for two- through five-year-olds, particularly in Chicago. However, infant and toddler slots have been increasing. In the last three years, these slots increased by 20 percent in Chicago and by 6 percent in suburban Cook County.

Table II-3. Full-Time Child Care Center Slots in Cook County by Age

Source: Illinois Action for Children Resource and Referral Program, June 2010

Age	Cook Total	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
Infant	4,750	259	596	780	1,635	1,388	451	1,276	3,115
Toddler	6,207	483	759	1,012	2,254	1,759	622	1,572	3,953
2-year-old	11,412	1,348	1,473	2,877	5,698	2,578	967	2,169	5,714
3- to 4-year-old	23,354	3,553	2,878	5,376	11,807	4,738	2,410	4,399	11,547
5-year-old to K	15,741	2,274	1,997	3,747	8,018	3,413	1,626	2,684	7,723
School Age: Before or After School	19,424	2,366	2,219	3,043	7,628	7,410	1,628	2,758	11,796
School Age: Summer Only	18,813	3,021	3,345	5,954	12,320	3,591	727	2,175	6,493
Total	99,701	13,304	13,267	22,789	49,360	24,877	8,431	17,033	50,341

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. As presented in Table II-4, 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 fares well in infant center care. However, for a family priced out of this type of care, there are 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 some challenge finding center infant care.

Table II-4. Availability of Infant Care by Region

Sources: American Community Survey, 2005-2009 and the Illinois Action for Children Resource and Referral Program, June 2010

	Number of Infants per Center Slot	Number of Infants per Licensed Home Provider
N & NW Chicago	64	44
Central & West Chicago	15	15
S & SW Chicago	23	12
N & NW Suburban Cook County	12	75
West Suburban Cook	17	24
S & SW Suburban Cook	8	16

Referrals Given to Parents in 2010 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 2—more than one-third of all requests. The proportion of requests for infant care was particularly high in the North and Northwest Chicago and the Central and West Chicago regions. Table II-5 provides the breakdown of referral requests by child age and region.

Table II-5. Requests for Child Care by Age

Source: Illinois Action for Children Resource and Referral Program, FY2010

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	1,046 45%	603 40%	1,135 36%	428 35%	321 32%	340 30%	3,873 38%
2-year-old	376 16%	239 16%	492 16%	183 15%	133 13%	162 14%	1,585 15%
3- to 4-year-old	416 18%	302 20%	651 21%	325 27%	252 25%	275 24%	2,221 22%
5-year-old & K	111 5%	83 5%	209 7%	79 7%	69 7%	72 6%	623 6%
School Age	368 16%	297 19%	653 21%	194 16%	227 23%	284 25%	2,023 20%
Total	2,317 100%	1,524 100%	3,140 100%	1,209 100%	1,002 100%	1,133 100%	10,325 100%

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 jobs in 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.¹⁰ 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.

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.

Only 5 percent of centers offer care during evening hours, and even fewer offer overnight or weekend care. While the majority of homes are licensed to provide evening care (80 percent), as with centers only a small percentage offer overnight or weekend care (4 percent and 13 percent respectively).¹¹ More centers and homes accommodate families who need care on rotating schedules.

¹⁰*Working Later in Illinois: Work Schedules, Incomes and Parents' Access to Child Care*, Illinois Action for Children, 2006.

¹¹Data on the number of home providers offering evening care are based on the hours a provider is licensed to provide care. Though 80 percent of homes are licensed to provide evening care, it is not clear how many actually provide it.

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

Source: Illinois Action for Children Resource and Referral Program, June 2010

	Chicago	Suburban Cook County	Total	Percent of all Listed Centers or Homes
Centers with Any Non-Traditional Care	98	143	241	22%
Evening	28	32	60	5%
Overnight	4	5	9	1%
Weekend	15	11	26	2%
Rotating Shifts	66	115	181	16%
Homes with Any Non-Traditional Care	1,852	734	2,586	92%
Evening	1,658	599	2,257	80%
Overnight	83	39	122	4%
Weekend	249	106	355	13%
Rotating Shifts	658	296	954	34%

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

Table III-2 breaks down the number of evening slots by type of care and region. 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 grown. Between 2003 and 2010, the total number of licensed evening slots in child care centers increased from 428 to 2,729, with over 800 slots added in the past year alone. During the same period, licensed evening slots in child care homes rose 291 percent, from 3,820 to 14,946. While more providers are being licensed for evening care, it is not clear how many *actually offer* evening care and for how many children.

Table III-2. Evening Slots by Cook County Region*

Sources: DCFS and Illinois Action for Children Resource and Referral Program, June 2010

Type of Care	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook	Cook County Total
Centers (licensed and license-exempt)	72	128	588	171	426	1,344	2,729
Licensed Homes	1,467	2,468	7,448	166	667	2,730	14,946
Total Evening Slots	1,539	2,596	8,036	337	1,093	4,074	17,675

*Includes those centers or homes licensed for a nighttime capacity by DCFS and those license-exempt centers listing an evening shift with Illinois Action for Children. It is unclear how many providers who are licensed for evening care actually offer care in the evenings and for how many children.

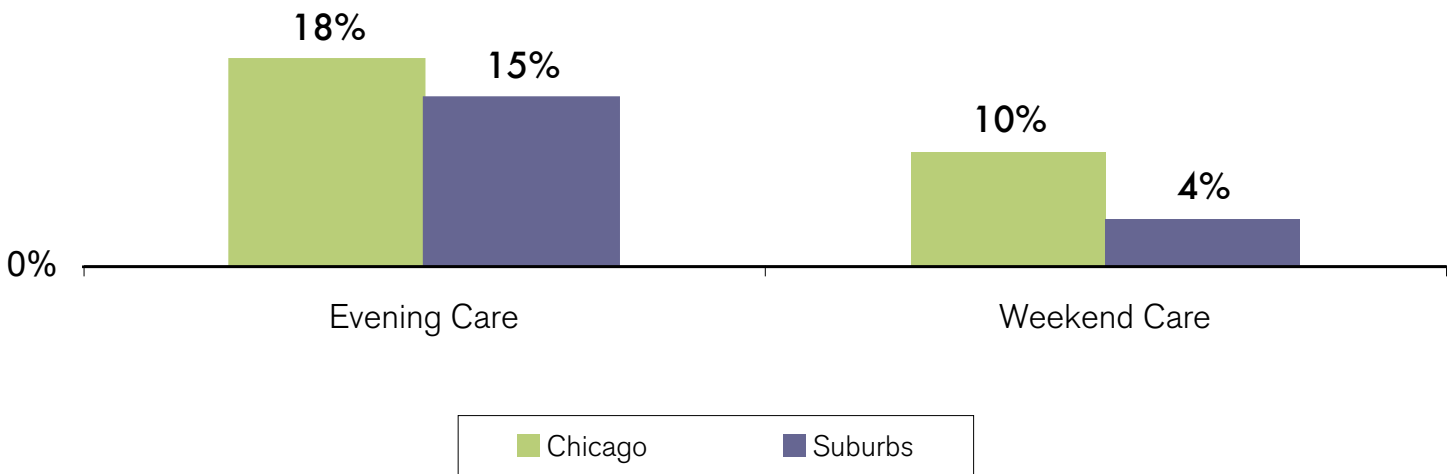
Despite growth in the amount of care provided during non-traditional hours, families looking for child care during these times have a reduced pool of center and licensed home slots available to them when compared with families needing weekday, daytime care. Since non-traditional work schedules often go hand-in-hand with low-income jobs, families seeking child care during non-traditional hours are often challenged with affordability issues as well. It is not surprising, then, that many parents turn to relatives, friends, and neighbors to care for their children. These providers often offer a more flexible and affordable child care alternative.

Referrals Given to Parents in Need of Non-Traditional Hours of Child Care

Parents sought child care referrals for 10,325 children through Illinois Action for Children in 2010. Seventeen (17) percent of these children needed care during evening hours, and 9 percent needed child care during weekend hours. Figure III-1 presents these percentages for Chicago and suburban Cook County.

Figure III-1. Percent of Children in Need of Non-Traditional Hours of Care

Source: Illinois Action for Children Resource and Referral Program, FY2010



IV. Family Dilemma: Finding the Right Provider



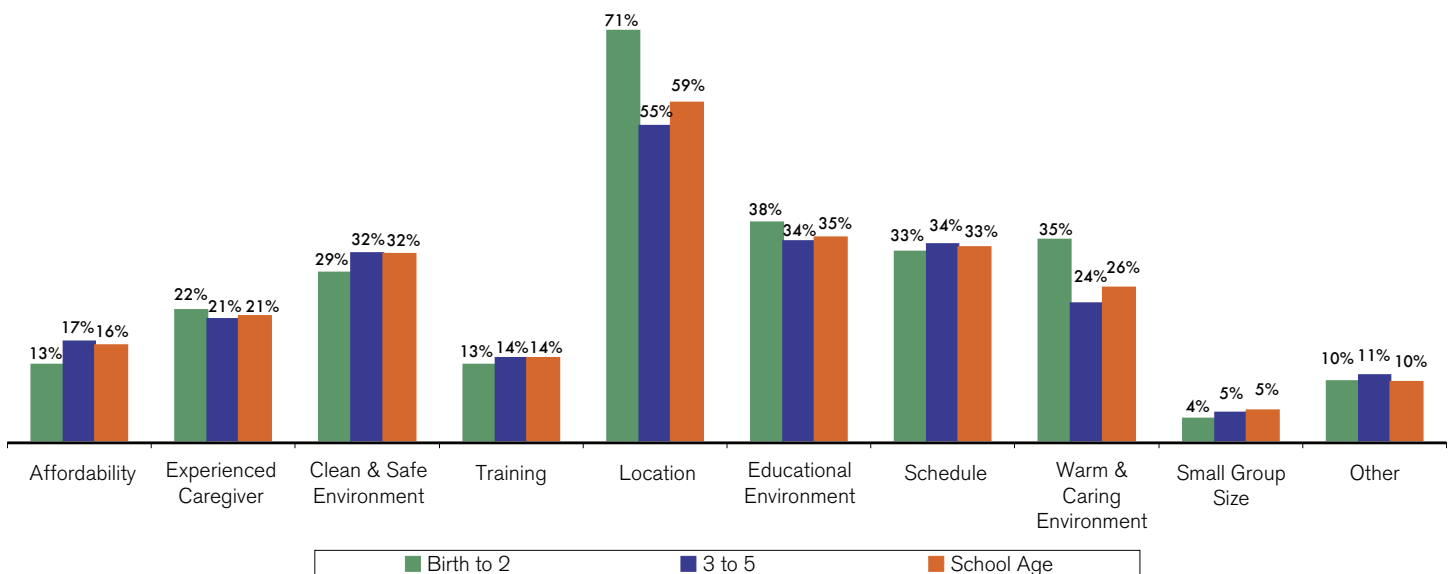
The story of parents' search for child care goes well beyond critical questions of the parents' work schedules, the region where the parents live or work, the child's age, and the type of child care setting that parents want for their child. Each child is a specific individual and has individual needs that parents hope the right provider can meet.

What Do Children Need?

We have limited data on the individual needs that parents most seek to accommodate. One good piece of information about what parents look for in a provider comes from a survey of parents who use the Illinois Action for Children Resource and Referral program. As part of the survey, parents were asked to check the top three reasons why they chose their new child care provider. Figure IV-1 shows the top reasons of the 1,112 respondents in 2010 based on their child's age. The predominant reason for all age groups was the location of care.

Figure IV-1. Reasons Parents Chose Their New Provider, by Child Age

Source: Illinois Action for Children Resource and Referral Program, FY2010

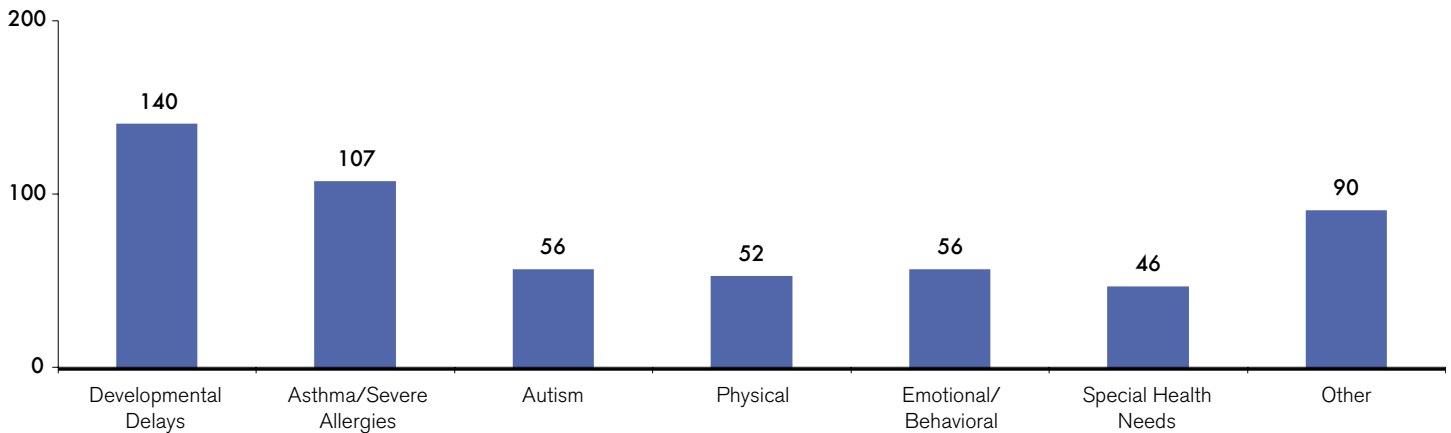


Special Needs

In addition to every child's individual needs, some children have special needs. In 2010, parents requested referrals from Illinois Action for Children for 395 children with one or more special needs. Of all children with a special need, 35 percent had a developmental delay and 27 percent had asthma or severe allergies. Figure IV-2 shows the number of children with each type of need.

Figure IV-2. Types of Special Needs Requests

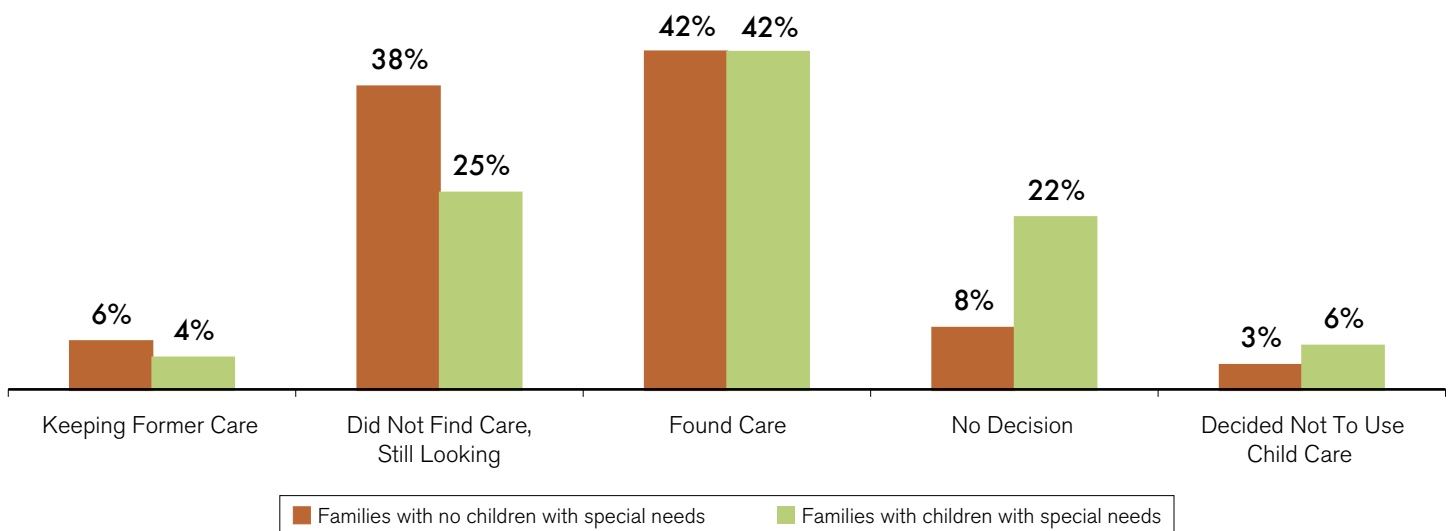
Source: Illinois Action for Children Resource and Referral Program, FY2010



Among families completing follow-up surveys, those with children with special needs reported being equally as likely to find child care as families with no child with special needs: at the time they were surveyed, 42 percent of each group reported finding care. Of those who hadn't yet found care, families with children with special needs were more likely to say they had not yet made a decision, as compared to other families who reported that they had not found care and were still looking. See Figure IV-3.

Figure IV-3. Follow Up Survey: Ability to Find Care

Source: Illinois Action for Children Resource and Referral Program, FY2010



Language Needs

Parents need to be able to communicate easily with their child care providers so they can share information about a child's health, well-being, and development. A common language is likely to foster a parent's sense of trust in the child care provider as well as a willingness to become involved in the child's program.

In 2010, 13 percent of families using Illinois Action for Children's referral service sought a provider who could speak a language other than English, with the predominant language being Spanish.

Families with limited English-language capacity who want to communicate with their child care provider in their native language will have fewer child care options. Of providers who are in the Illinois Action for Children Referral database, 20 percent of licensed home providers reported they can fluently speak a language other than English, while 42 percent of centers said they have a staff member who speaks a language other than English. In centers, though, that particular person may not be the staff member who cares directly for the child.

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



The public sector in Illinois faces its own dilemmas in helping families address their child care needs, particularly in deciding how many resources should be devoted to supporting families' child care needs in comparison to other critical needs. In considering this issue, the public must decide who needs child care, how much child care the public should support, what kind of care to support, and who needs assistance paying for child care.

The majority of data presented in this section are 2005-2009 American Community Survey estimates.

Child Population, Poverty, and Low Income

Almost one million children ages 12 and under reside in Cook County. The first four rows of Table V-1 categorize children by age groups. Potentially all of the children age 5 and under need child care or early education. Similarly, many older children ages 6 through 12 need before- or after-school care. It is unrealistic, however, to suppose that the parents of all these children actually seek care.

The next six rows of Table V-1 show levels of poverty among children in Cook County, indicating that at least 30 percent of the children in Chicago and 12 percent in suburban Cook County were living in poverty sometime from 2005 through 2009.

The final six rows present the number of children living in families whose incomes made them eligible for Illinois Child Care Assistance (CCAP), that is, families earning up to 200 percent of the federal poverty level. Under this standard, more than half of Chicago children under age 13 and approximately one-third of suburban children in Cook County were income-eligible for CCAP. Note that in addition to the income requirement, CCAP also requires that all parents present in the family be in the labor force or in education or training programs.

Table V-2 breaks down the same information on child population, poverty, and low income for the six regions of the county.

Table V-1. Children in Cook County

Source: 2005-2009 Estimates, American Community Survey

Children	Chicago Total	Suburban Cook Total	Total Cook County
Under 3 Years	130,760	105,934	236,694
Ages 3 through 5	114,168	104,303	218,471
Ages 6 through 12	251,106	240,961	492,067
Totals	496,034	451,198	947,232
Under 3, In Poverty	38,930	14,195	53,125
Percent Under 3 in Poverty	30%	13%	22%
Ages 3 through 5, In Poverty	34,554	14,110	48,665
Percent 3 through 5 in Poverty	30%	14%	22%
Ages 6 through 12, In Poverty	79,452	28,687	108,140
Percent 6 through 12 in Poverty	32%	12%	22%
Under 3, Income Eligible*	70,353	34,353	104,706
Percent Under 3 Income Eligible*	54%	32%	44%
Ages 3 through 5, Income Eligible*	62,242	33,960	96,202
Percent 3 through 5 Income Eligible*	55%	33%	44%
Ages 6 through 12, Income Eligible*	145,715	72,156	217,871
Percent 6 through 12 Income Eligible*	58%	30%	44%

*Income-eligible for CCAP. The income limit in 2010 was 200 percent of the federal poverty level based on family size. The work requirement for CCAP is not factored in here.

Table V-2. Children In Cook County By Region

Source: 2005-2009 Estimates, American Community Survey

Children	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Under 3 Years	49,533	26,300	54,927	50,952	23,303	31,679
Ages 3 through 5	39,505	22,758	51,905	48,965	22,143	33,195
Ages 6 through 12	79,808	50,294	121,004	112,305	49,122	79,534
Under 3, In Poverty	9,763	9,982	19,186	4,746	3,601	5,849
Percent Under 3 in Poverty	20%	38%	35%	9%	15%	18%
Ages 3-5, In Poverty	7,787	8,637	18,130	4,560	3,422	6,128
Percent 3-5 in Poverty	20%	38%	35%	9%	15%	18%
Ages 6-12, In Poverty	17,338	20,786	41,329	8,784	6,517	13,388
Percent 6-12 in Poverty	22%	41%	34%	8%	13%	17%
Under 3, Income Eligible	19,926	16,361	34,066	13,061	9,238	12,053
Percent Under 3 Income Eligible*	40%	62%	62%	26%	40%	38%
Ages 3-5, Income Eligible	15,892	14,158	32,192	12,552	8,779	12,630
Percent 3-5 Income Eligible*	40%	62%	62%	26%	40%	38%
Ages 6-12, Income Eligible	37,574	34,463	73,679	26,007	18,089	28,059
Percent 6-12 Income Eligible*	47%	69%	61%	23%	37%	35%

*Income-eligible for CCAP. The income limit in 2010 was 200 percent of the federal poverty level based on family size. The work requirement or CCAP is not factored in here.

Children Eligible For but Without Child Care Assistance

Table V-4 presents estimates of the children who are eligible for CCAP but do not receive it.¹² In any given month, 19 percent of Cook County children ages 12 and under (183,435 children) live in families that are eligible for but do not receive CCAP support. About 24 percent of Chicago children and 14 percent of suburban children are in this group of unserved children.

Do all of these children have an unmet need for child care? We cannot suppose that the parents of every eligible child would choose to use CCAP even if it were offered to them. Some parents 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 may stagger their work schedules in order to share caring for their children; and yet 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 CCAP support.¹³ We can say that as many as 183,435 children in Cook County eligible for CCAP are not using it.

¹²To arrive at the measure of children with a possible unmet need for child care assistance, we combine information on children under 200 percent of the federal poverty level with information on children living in families where all present parents are in the labor force. From this we subtract the number of children who actually received assistance in June 2010.

¹³Of 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.

Table V-4. Estimate of Unserved Children: Children Eligible for Child Care Assistance But Not Receiving It
 Sources: American Community Survey 2005-2009 Estimates and Illinois Child Care Assistance Program
 June 2010 data

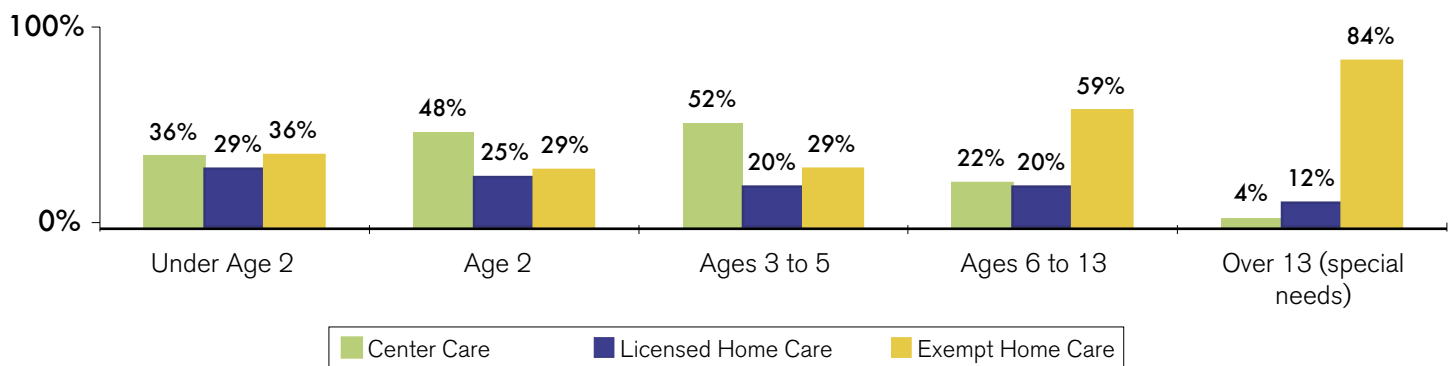
Children	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Under 3 Years	9,702	5,475	12,324	6,281	3,750	3,665
Ages 3 through 5	6,655	3,249	8,988	5,625	3,014	2,998
Ages 6 through 12	21,322	16,363	35,656	15,671	9,387	13,311
Total	37,680	25,087	56,968	27,577	16,151	19,973
Cook County Total: 183,435						

VI. Child Care Choices of Cook County Families

There is only limited information on the type of child care used by families in Cook County and the reasons behind parents' choices. Much of what we do know comes from CCAP data and from families using Illinois Action for Children's Resource and Referral program. The results presented in this section, however, cannot be generalized to represent the entire population.

Figure VI-1 shows the types of care used by Cook County families with CCAP according to the age of the children in care. Children under age 2 are more likely to be cared for in homes than centers, and the use of license-exempt home care is especially high for school-age children.

Figure VI-1. Type of Care Used by Child Age:
Cook County Families with Child Care Assistance
 Source: Illinois Child Care Assistance Program data, June 2010

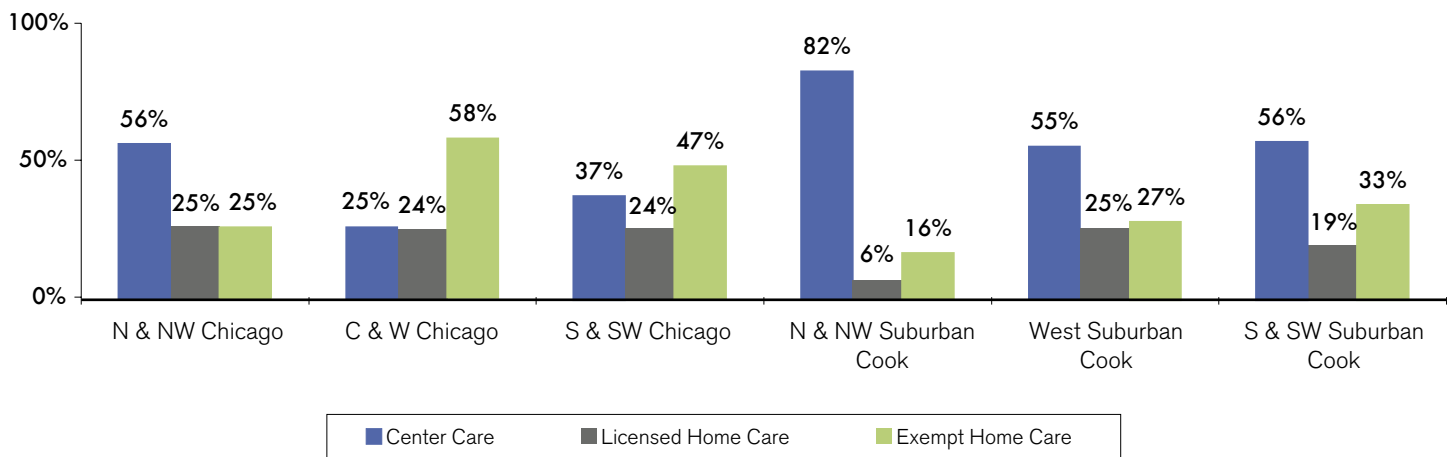


Center care is utilized most by 2- through 5-year-olds; this is not surprising considering there are more center slots available for these ages and center care is more affordable for these ages than for younger children. Also, many parents wish to enroll their preschool-age children in more formal programs to prepare them for kindergarten.

Figure VI-2 presents differences in use of center care, licensed home care, and license-exempt home care for the six regions of Cook County. In the North and Northwest suburban region, an overwhelming number of families accessing CCAP (82 percent) utilize center care. The remaining suburban regions as well as the North and Northwest Chicago region use center and home care in roughly equal proportions. Families in the South and Southwest Chicago region and the Central and West Chicago region have the highest use of license-exempt home care and the lowest use of center care.

**Figure VI-2. Type of Care Used by Region:
Cook County Families with Child Care Assistance**

Source: Illinois Child Care Assistance Program data, June 2010



Totals per region exceed 100 percent because some families use multiple care arrangements.

Another source of information on parents' child care decisions comes from the Illinois Action for Children Resource and Referral program. Parents use this service because they want or need to find a caregiver beyond, or in addition to, a relative or friend they already know. Data from this program represent parents who seek mainly licensed home care or center care, though these parents may ultimately decide to use license-exempt home care.

Illinois Action for Children asks all parents who seek child care referrals to complete a follow up survey about their search experience. In 2010, 28 percent of families responded to the survey. Table VI-1 shows the types of child care chosen by parents receiving referrals.

Table VI-1. Type of Care Chosen by Families Using Referral Program, by Region

Source: Illinois Action for Children Resource and Referral Program FY2010

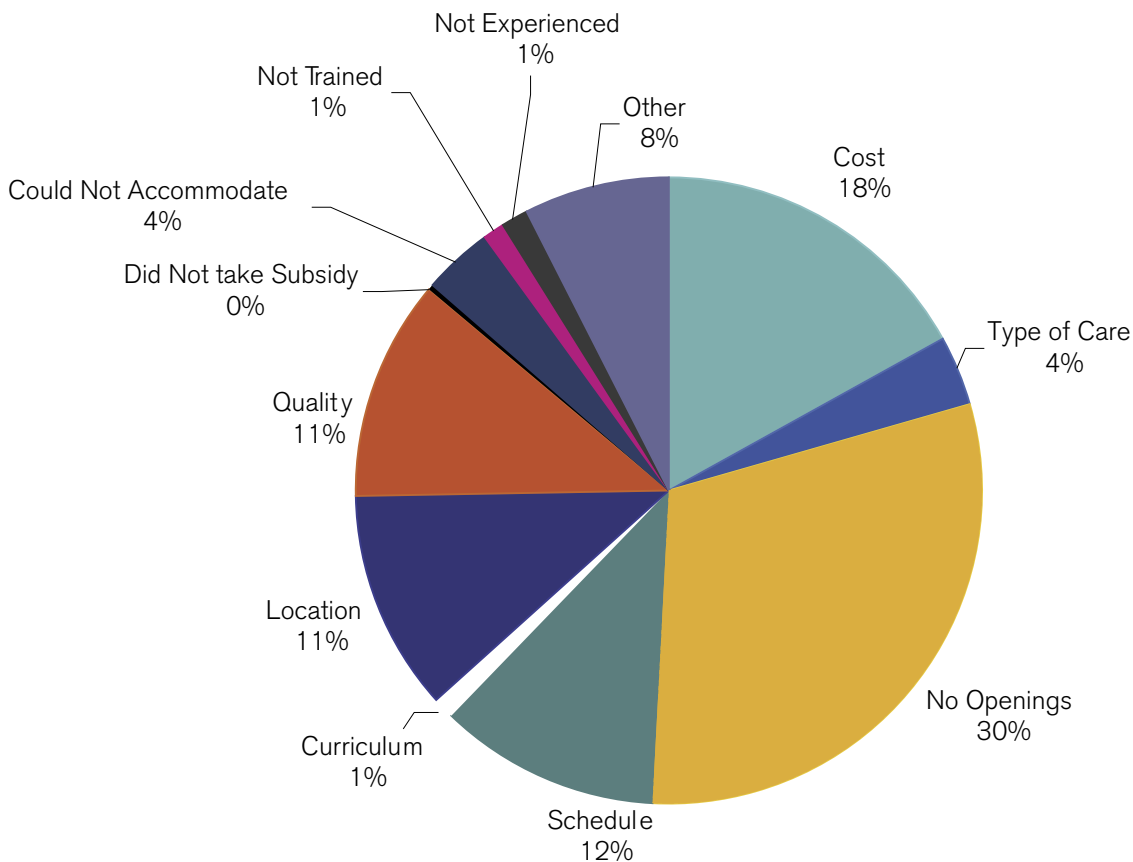
	N & NW Chicago	C & W Chicago	S & SW Chicago	N & NW Suburban Cook	West Suburban Cook	S & SW Suburban Cook
Relative (license-exempt)	3%	14%	6%	9%	14%	8%
Non-Relative (license-exempt)	10%	7%	9%	10%	7%	6%
Licensed Home	35%	42%	47%	19%	39%	40%
Center	55%	37%	42%	66%	44%	48%

Totals per region exceed 100 percent because some families use more than one care arrangement.

We asked parents what problems they encountered while searching for child care. Sixty-one (61) percent of families stated they had no problems finding care. Of families reporting one or more problems, the top issues they encountered were a lack of openings, high costs, schedule problems, not finding care in the location needed, and lack of quality care. Many of these problems are interrelated—a parent might find no openings at the cost they can afford in the areas in which they are searching. Figure VI-4 shows the frequency of problems encountered. (See also figure IV-3 where we report on families' success in finding care.)

Figure VI-4. Problems Encountered When Seeking Child Care

Source: Illinois Action for Children Resource and Referral Program FY2010



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 vibrant, visually appealing facility. Ideally, a family's child care decision would be based on the program's quality and its 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 CCAP helps some families access these services, not all families who need assistance qualify for it, and sometimes even with assistance, these child care settings can still be too costly.

Many families are also limited by the number of child care openings in their community - we find this particularly true 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 will guide advocates and policy makers as they work to improve the accessibility of quality child care for all families in Cook County and the State of Illinois.

Appendix 1

The Six Cook County Regions

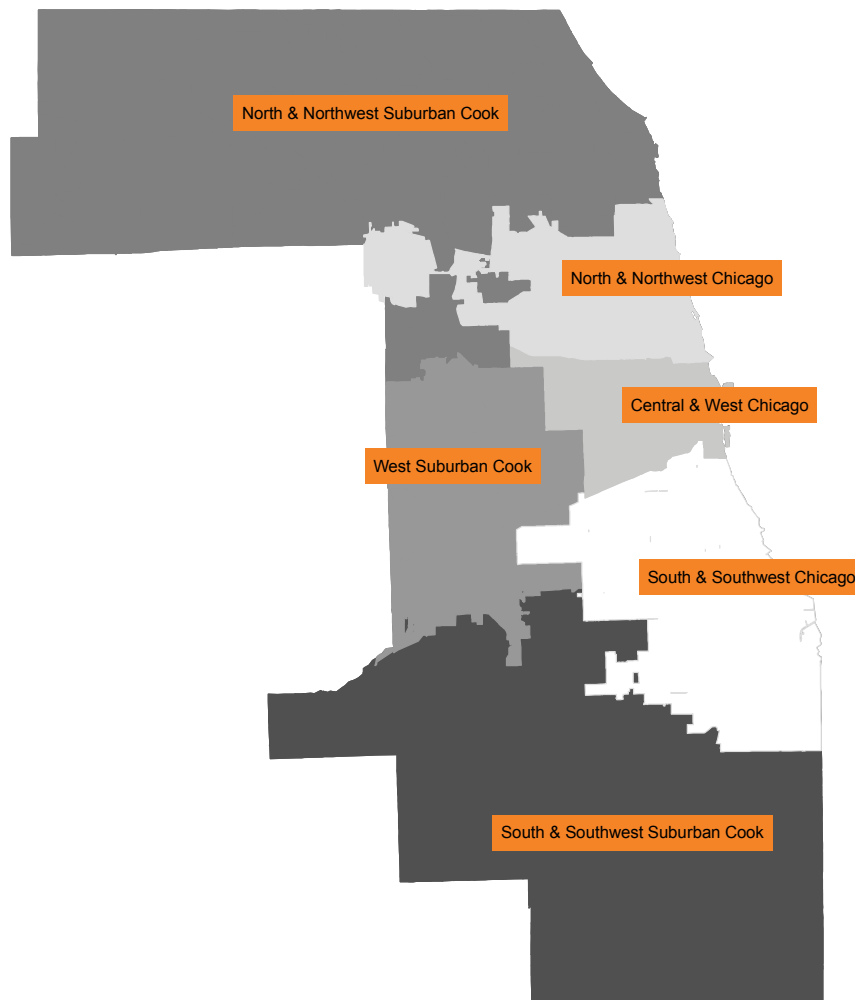
Throughout this *Report* we divide Cook County into six geographical regions: three in Chicago and three in suburban Cook County. The map and tables on the next two pages of this Appendix define the six regions.

The most recognizable form of Chicago geographical units are the Chicago Community Areas, which correspond to city neighborhoods. This Appendix places the 77 Chicago Community Areas into three Chicago regions: North and Northwest Chicago; Central and West Chicago; and South and Southwest Chicago.

The most recognizable Cook County geographical units are municipalities. The Appendix identifies the three suburban Cook County regions according to the Cook County municipalities belonging to each region: North and Northwest Suburban Cook County; West Suburban Cook County; and South and Southwest Suburban Cook County.

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

Chicago and Suburban Cook Regions



**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

Appendix 2

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 examines the difficulty in speaking 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 that include these factors:

- Whether family incomes are sufficient to pay for child care, especially in comparison to the prices of other necessities the family purchases.
- 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 CCAP 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 in 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 conditions change little from year to year, thereby not changing child care supply much from year to year. They can, however, affect the overall level of child care operations. 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 that 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 primarily 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 of money 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 discussing at any given 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*.

Appendix 3

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 (CCAP), 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 (IDHS). 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 CCAP, 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 2010: 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. Data are from June 2010.
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. Data are from June 2010.
Summer Only Programs	Any center that provides care only during the summer months. Only centers providing full-time care are included. Ninety-one (91) percent of these summer-only programs are park and recreation programs. Data are from June 2010.
Licensed Homes	Any family child care home that is licensed by DCFS as of June 2010.
License-Exempt Homes	Includes license-exempt home providers participating in CCAP in June 2010. 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, or neighbor caregivers throughout Cook County.

Glossary of Terms

CCAP. See Illinois Child Care Assistance Program (below).

Chicago Community Areas (CCA). Seventy-seven (77) 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 age 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 (CCAP). Illinois Action for Children is a CCR&R.

DCFS. See Illinois Department of Children and Family Services (below).

Family Child Care Homes (FCC). Child care located in providers' homes. Sometimes the term FCC refers solely to licensed child care homes. In this report, it refers to both types of child care homes.

Federal Poverty Level. Poverty guidelines set by the Department of Health and Human Services to determine whether a person or family is eligible for assistance through various federal programs.

Illinois Child Care Assistance Program (CCAP). Program established using the federal Child Care Block Grant following welfare reform to provide child care assistance for working families earning less than 200 percent of the federal poverty level.

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 (CCAP), Child Care Resource and Referral (CCR&R) 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 200 percent of the federal poverty level, making it income-eligible for the Illinois Child Care Assistance Program (CCAP). 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 (DCFS) 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 (DCFS) 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 (CCAP), 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 broadly 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 (CCAP). These rates vary across regions of Illinois. Parents pay part of the rate to providers as parent co-payments, while CCAP pays the remainder.

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.