



Vermont Regulated Child Care and Early Learning Program Report on Program Closures

December 2018

Report on Regulated Child Care and Early Learning Program Closures in Vermont

One of the goals of the Vermont Department for Children and Families, Child Development Division (CDD) is that families have access to regulated child care and early learning services that meet their family's needs. CDD monitors the opening and closing of regulated child care programs to assess how much child care is available to families in Vermont. This report is an update of a report that was released in April 2017. You can find the previous report on the Division's website here <https://dcf.vermont.gov/cdd/reports>.

Programs required to be regulated in Vermont include individuals who provide care in their home for more than two families, businesses providing child care to children on a regular basis, private and public school preschool programs, and organizations offering afterschool options for children, including some public schools.

Data for this report is from the state's child care information system, Bright Futures Information System (BFIS). Number of programs and licensed capacity is verified data from the child care licensing unit. Data on desired capacity and schedule is self reported by programs in the system.

What This Report Can and Cannot Answer

There are many reasons why regulated child care programs open and close. The data available at the time of this report can show the number of regulated programs that opened and closed between June 2012 and December 2018. It also includes some demographic information of those programs including the Agency of Human Services (AHS) service area/district where they were or are located, and the licensed capacity¹ of those programs.

The data available to analyze the direct impact on children and families when regulated child care programs close and new programs open is limited. Data is not available on the number of children enrolled in programs who close or on the current enrollment of new programs.

This is a global look at all child care spaces assuming all spaces are equal and meet every family's needs. We know that needs vary and not all spaces are available for the age of the child, hours needed for care, or the location that meet the needs of every family.

What We Found

Overall, in the past seven years' child care programs have closed and opened on a regular basis, however the rate in which new Registered Family Child Care Home programs open has not kept up with the number that have closed. The rate in which programs have closed was similar from state fiscal year 2013 through state fiscal year 2017. The number closing was less in state fiscal year 2018, and was significantly less in the first six months of state fiscal year 2019 (July - December 2018). More

Regulated child care in Vermont is child care that is safe, healthy, and supports children's development.

An adequate supply of regulated child care is important for a variety of reasons, including:

- Families experience less stress when their children are in safe, loving and stimulating child care programs. They do not need to worry while they are at work or need to be away from their children.*
- Everyone benefits from good child care because it fosters a healthy, successful, future workforce.*
- Over 90% of brain development occurs in the early years. Nurturing relationships in regulated child care can support the brain development in young children.*

programs closed in state fiscal year 2017, however this was only slightly higher than previous years.

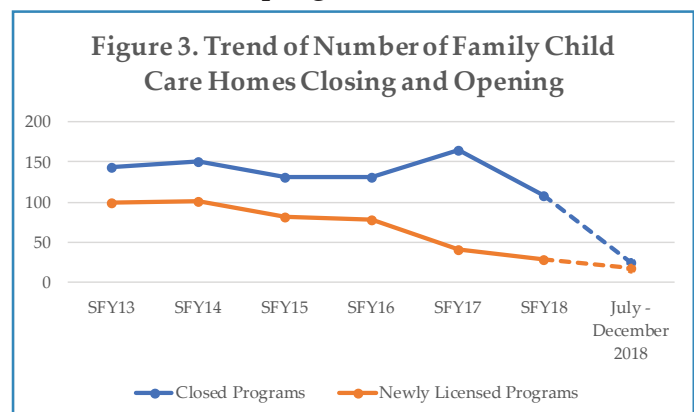
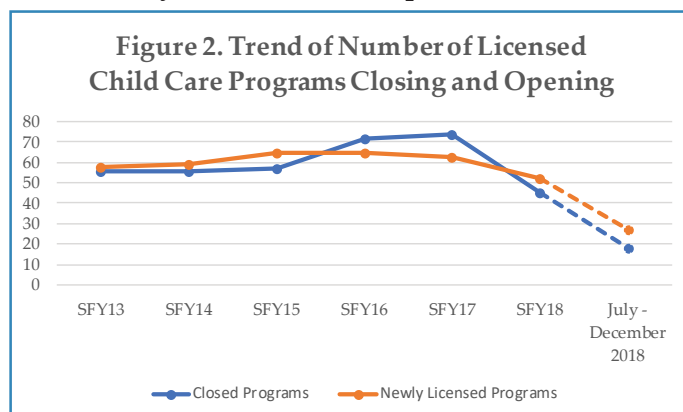
Individuals applying to become Registered Family Child Care Home programs has varied each year and in state fiscal year 2017 dropped. For instance, CDD processed 101 new registered Family Child Care Home applications in state fiscal year 2014 as compared to 28 in state fiscal year 2018.

Analyzing data by regions in the state is important in determining what areas may be impacted to a greater degree than other areas. The Vermont Agency of Human Services (AHS) has twelve service areas or districts in the state, and the data was analyzed at that district level as well as statewide. It is important to note that overall the number of programs in each district varies and an area that has more programs closing, such as Burlington district, had more programs overall in 2012.

Figure 1. Number of Regulated Child Care Programs Who Closed or Opened between June 2012 and December 2018									
	Closed Programs			Newly Licensed Programs			Net Gain or Loss of Programs		
	Licensed	Registered	Total	Licensed	Registered	Total	Licensed	Registered	Total
SFY13	56	143	199	58	99	157	2	-44	-42
SFY14	56	151	207	59	101	160	3	-50	-47
SFY15	57	132	189	65	81	146	8	-51	-43
SFY16	72	131	203	65	78	143	-7	-53	-60
SFY17	74	165	239	63	41	104	-11	-124	-135
SFY18	45	109	154	52	28	80	7	-81	-74
July - December 2018	18	26	44	27	19	46	9	-7	2
Total	378	857	1235	389	447	836	11	-410	-399

Since June 2012 Vermont has had 1235 regulated child care programs close, while only 836 programs opened. This represents a net gain of eleven child care centers, and a net loss of 410 Registered Family Child Care Home programs. This net loss of Registered Family Child Care Homes has occurred over the last seven years, with the majority between June 2012 and June 2018. There were 1246 child care programs with a licensed capacity of 34,712 in Vermont at the end of December 2018.

The net gain or loss is important in determining the impact an area has experienced. Areas of the state that have more registered home programs than centers in general were impacted to a greater degree by shifting dynamics of fewer registered home programs. St. Albans district is a good example of this issue. A large portion of the St. Alban's district child care supply is registered homes. Districts that are mostly rural may experience a bigger impact as well, as registered home programs serve smaller towns that do not have the population of families with young children to support a child care center, or areas where zoning or other requirements may restrict child care centers from opening. These families may have no other options in their town if the one child care program in town closes.



Number of Children Programs are Licensed to Serve and the Impact of Closures

The number of child care programs is only one indication of the impact that a child care program closing or opening has on child care services available for families in Vermont. The capacity of those programs is also important. In this report capacity means the number of children a child care program can care for at one time. Child care programs can serve different numbers of children depending on many factors. For example, one program may close that served 15 children, and another program may open in that same town and serves 30 children. In this scenario the town would have a net gain of 15 child care spaces for families.

When there is a net loss of child care programs, the licensed capacity may show an increase in spaces for children. Over the last seven years Vermont has experienced a net gain of 3,533 child care spaces in licensed child care centers; and a net loss of 4,020 spaces in Registered Family Child Care Homes².

Capacity by AHS district demonstrates the impact on individual communities in more detail. Barre district experienced the greatest loss of child care spaces (617), while Burlington, Middlebury, Rutland, Springfield and Hartford experienced a gain in child care spaces available to families.

Figure 4. Impact of Change in Licensed Capacity of Child Care Programs between April 2012 and December 2018

AHS District	Change in Licensed Capacity of Child Care Programs			Percentage Change/Impact by AHS District		
	Licensed	Registered	Total	Licensed	Registered	Total
Bennington	-14	-350	-364	-1%	-53%	-18%
Hartford	708	-270	438	43%	-60%	21%
Burlington	1778	-760	1018	21%	-46%	10%
Barre	-147	-470	-617	-6%	-40%	-16%
Morrisville	85	-320	-235	6%	-50%	-12%
Middlebury	236	-220	16	14%	-40%	1%
Newport	20	-90	-70	3%	-15%	-5%
Springfield	171	-70	101	14%	-19%	6%
St. Albans	112	-660	-548	8%	-43%	-19%
St. Johnsbury	199	-250	-51	20%	-40%	-3%
Rutland	426	-380	46	16%	-43%	1%
Brattleboro	-41	-180	-221	-3%	-51%	-12%
Statewide	3533	-4020	-487	14%	-42%	-1%



Overall capacity in the state and in regions is important to understand the trends of child care. The Child Development Division also looks at the data on the licensed capacity of programs by age group. This data has some assumptions³, and again does not indicate the number of children enrolled. When looking at the data by age group the impact on capacity for categories of children is clear. The overall statewide licensed capacity for infants and toddlers has gone down, while the overall statewide capacity for preschool and

Figure 5. Impact of Change by Age Category in Licensed Capacity of Child Care Programs between April 2012 and December 2018

AHS District	Change in Licensed Capacity by Age Category				Percentage Change by Age Category			
	Infant	Toddler	Preschool	School Age	Infant	Toddler	Preschool	School Age
Bennington	-10	-90	-50	-214	-4%	-30%	-6%	-30%
Hartford	-28	-46	108	404	-13%	-19%	13%	49%
Burlington	-16	-66	92	1008	-1%	-6%	3%	23%
Barre	-82	-150	-22	-363	-20%	-32%	-2%	-22%
Morrisville	-72	-41	-31	-91	-28%	-16%	-4%	-14%
Middlebury	-25	-73	30	84	-12%	-31%	5%	7%
Newport	-31	-30	-5	-4	-19%	-17%	-1%	-1%
Springfield	-9	-24	2	132	-6%	-13%	0%	18%
St. Albans	-154	-145	16	-265	-36%	-36%	2%	-25%
St. Johnsbury	-43	-25	-11	28	-19%	-11%	-2%	6%
Rutland	-42	-132	147	73	-13%	-33%	14%	4%
Brattleboro	-69	-37	-53	-62	-28%	-15%	-7%	-10%
Statewide	-581	-859	223	730	-14%	-20%	2%	5%

school age has gone up.

Every region of the state has lost infant and toddler capacity to some extent, while the preschool and school age capacity change varies by region. Bennington, Barre, Morrisville, Newport and Brattleboro lost capacity in all age categories. Hartford, Burlington, Middlebury, Springfield and Rutland gained in preschool and school age capacity. St. Albans gained a small percentage of preschool spaces, and St. Johnsbury gained a small percentage of school age spaces.

Supporting Current Programs and Recruiting New Programs

In February 2018 the Child Development Division convened a coalition of key stakeholders to discuss how to build the child care capacity in Vermont. Organizations represented include the Vermont Department of Labor, Head Start, Building Bright Futures, Vermont Birth to 5, the Permanent Fund, Vermont Community Loan Fund, Parent Child Centers and Vermont Technical College. That coalition identified six strategies to support building child care capacity.

The strategies identified included:

- Conducting a study of the demand for child care;
- Developing a campaign to recruit new child care businesses;
- Developing and enhancing business supports specific to child care businesses;
- Addressing any existing barriers to recruiting new child care and for existing programs to expand;
- Identifying resources for start up or expansion of child care businesses; and
- Building the capacity of the child care and early learning workforce.

The coalition recommended the Building Bright Futures (BBF) Early Learning and Development Committee lead the work through their public/private committee membership.

The following activities have been accomplished:

- Child care business recruitment campaign materials developed and are available for community use. The materials are available at <https://dcf.vermont.gov/cdd/publications>
- A implementation team of the BBF Early Learning and Development Committee has started looking at ways to recruit individuals into the child care workforce.
- Business trainings have been provided to center based and family child care home business owners.
- A Early Care & Learning Household Study (as known as a child care demand study) has been conducted in partnership with Building Bright Futures and NORC at the University of Chicago. The results are available at <https://buildingbrightfutures.org/publications>
- Compensation/benefit programs have been proposed to the Vermont Legislature, including college loan repayment program and other compensation/benefit funding to support recruitment and retention of the child care workforce.
- Streamlined applications to become regulated child care program
- Let's Grow Kids is beginning their second round of grant funding to support new, high quality child care applicants, expansion of existing child care programs, and/or child care programs improving quality with their current services. More information on the activities is available at: <https://www.letsgrowkids.org/MakeWayForKids>

Data notes

1 Due to the length of time examined for this report, the data was limited to the licensed capacity of the child care programs. The licensed capacity represents the number of children a program can care for at one time. A standard assumption was made for registered homes that they would care for up to six children under the age of 6 years old, and four school age children before and afterschool.

2 Data on capacity is determined by examining the licensed capacity of programs on June 30th, 2012 and again on December 31st, 2018. This is impacted by opening and closing of programs, but also by programs changing the capacity of their programs by expanding or reducing capacity.

3 Data was extracted from CDD's child care information system, Bright Futures Information System (BFIS), the data was from a monthly extract on data about child care programs called the provider report. Closed programs were determined by examining programs opened at the beginning of a state fiscal year, and no longer operating under the license number at the end of the state fiscal year. Programs that changed ownership may be included in closures and openings. Additionally, registered home programs have a varying capacity, for this report it was assumed that all registered programs had a licensed capacity for two infants, two toddlers, two preschoolers and four school agers. It is also assumed that child care centers have maintained the ages they requested on their license.