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**REPORT TO THE COMMITTEE
ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES**

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**Study Of
Child-Care Activities
In The District Of Columbia** B-174895

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**BY THE COMPTROLLER GENERAL
OF THE UNITED STATES**

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JAN. 24. 1977



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-174895

R Dear Mr. Chairman:

In response to your request, we are making this report to you on our study of federally funded child-care activities in the District of Columbia. It documents an oral presentation made to you and members of your staff on November 3, 1971. C.52

In the District of Columbia, funds are provided under 11 Federal programs for child-care activities administered by three District of Columbia agencies and several private organizations. These agencies and organizations contract with 62 private and public child-care-center operators to provide services for about 4,450 children in 120 centers at a Federal contribution of about \$5.9 million in fiscal year 1971.

The numerous Federal programs and the lack of coordination at the local level contribute to the following problems in the District of Columbia.

- An apparent imbalance exists in the location of child-care centers.
- Children of working parents are in half-day programs, and children of nonworking parents are in full-day programs.
- Varying methods of using professional staff in half-day programs result in wide cost variances.
- The most economical food service arrangements are not used in all cases.
- Existing public services and facilities are not used by private operators.

The extent to which the Federal Government should participate in child development programs was given much consideration during the first session of the Ninety-second Congress and likely will be the subject of further consideration during the second session. We believe that

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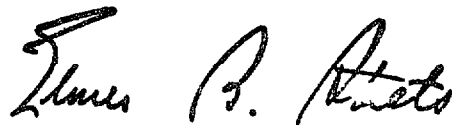
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our study of child care in the District indicates a need for consolidating and/or coordinating the Federal child-care programs and that our study will be useful to the Congress in its deliberations.

Formal comments on the matters discussed in this report have not been obtained from the Federal agencies involved or the District of Columbia Government; however, officials of the District of Columbia Government, including members of the City Council, have been advised of our findings.

C2-5 Copies of this report are being furnished to the Chairmen of the House Committee on Ways and Means, the House and Senate Committees on the District of Columbia, the Senate Committee on Finance, and the Senate Committee on Labor and Public Welfare; the Director, Office of Management and Budget; and the Commissioner, District of Columbia. H 4100 H S 4900 S 4100 S 1100

Sincerely yours,



Comptroller General
of the United States

C1 The Honorable Carl D. Perkins, Chairman
Committee on Education and Labor
House of Representatives H 1100

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C o n t e n t s

	<u>Page</u>
GENERAL ACCOUNTING OFFICE STUDY OF CHILD-CARE ACTIVITIES IN THE DISTRICT OF COLUMBIA	1
How Federal Programs providing child care evolved in the District of Columbia	2
What has been done to coordinate programs	7
Problems that arise from lack of coordination	8
Center location	8
Half-day program versus full-day program	11
Professional staffing	11
Food service arrangements	13
Supportive services	14
Legislation considered during first session of Ninety-second Congress	15

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GENERAL ACCOUNTING OFFICE STUDY
OF CHILD-CARE ACTIVITIES IN THE
DISTRICT OF COLUMBIA

The increasing concern of the Congress with the proliferating Federal grant-in-aid programs prompted the General Accounting Office to undertake a study of the programs in the District of Columbia. Our objective was to look into the problems of coordinating these programs at the District level. Because the Congress was considering legislation involving child-care programs, the first phase of our study was directed to this area.

Our study in the District of Columbia was directed to all Federal programs operating in the District under which funds are provided for comprehensive care in centers of children in the 3- to 4-year-old age group. Funds are provided under 11 Federal programs for such child-care activities administered by three District of Columbia Government agencies and several private organizations. In fiscal year 1971 these agencies and organizations contracted with 62 private and public child-care-center operators to provide service for about 4,450 children in 120 centers. The Federal funds provided amounted to about \$5.9 million.

We examined into each of the Federal programs involved and interviewed District of Columbia and private organization officials responsible for the administration of the child-care programs. We interviewed and obtained data from six child-care-center operators responsible for operating 64 of the 120 centers included in our study. From the 64 centers, we selected eight centers responsible for the care of 500 children and interviewed the center directors.

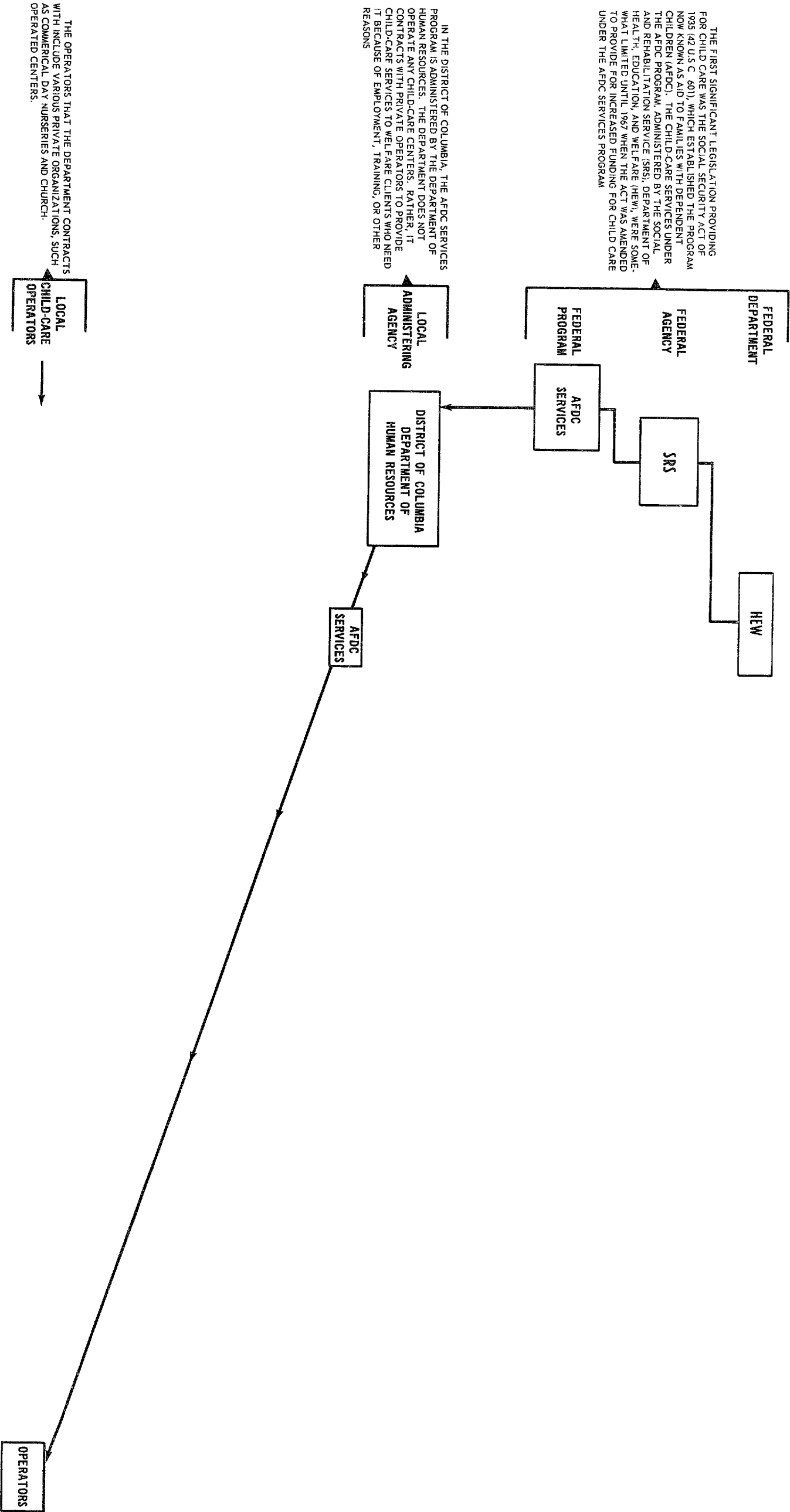
Although this study was limited to the District of Columbia, the numerous Federal programs providing child-care services and the manner in which they are administered could permit the situation described in this report to occur in most any major urban area in the Nation.

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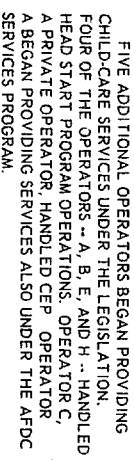
HOW FEDERAL PROGRAMS PROVIDING CHILD CARE
EVOLVED IN THE DISTRICT OF COLUMBIA

The charts on the following four pages show how the legislation pertaining to child-care activities evolved and how it was implemented in the District of Columbia. The Federal and local agencies involved in child-care activities are shown as they existed in fiscal year 1971. For example, the Head Start program is shown under the Department of Health, Education, and Welfare (HEW), although originally it was administered by the Office of Economic Opportunity.

CHILD-CARE ACTIVITIES IN THE DISTRICT OF COLUMBIA
CHART I

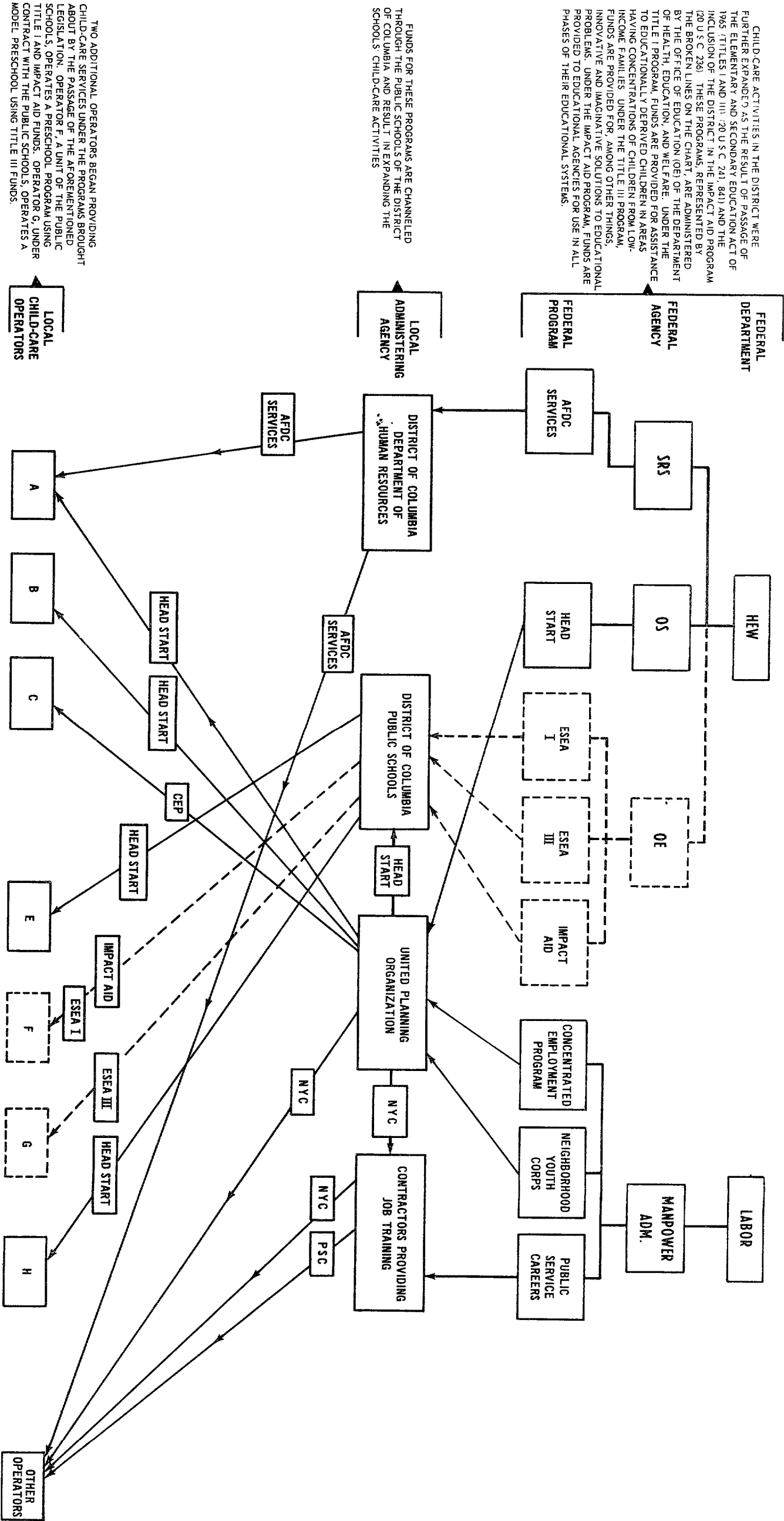


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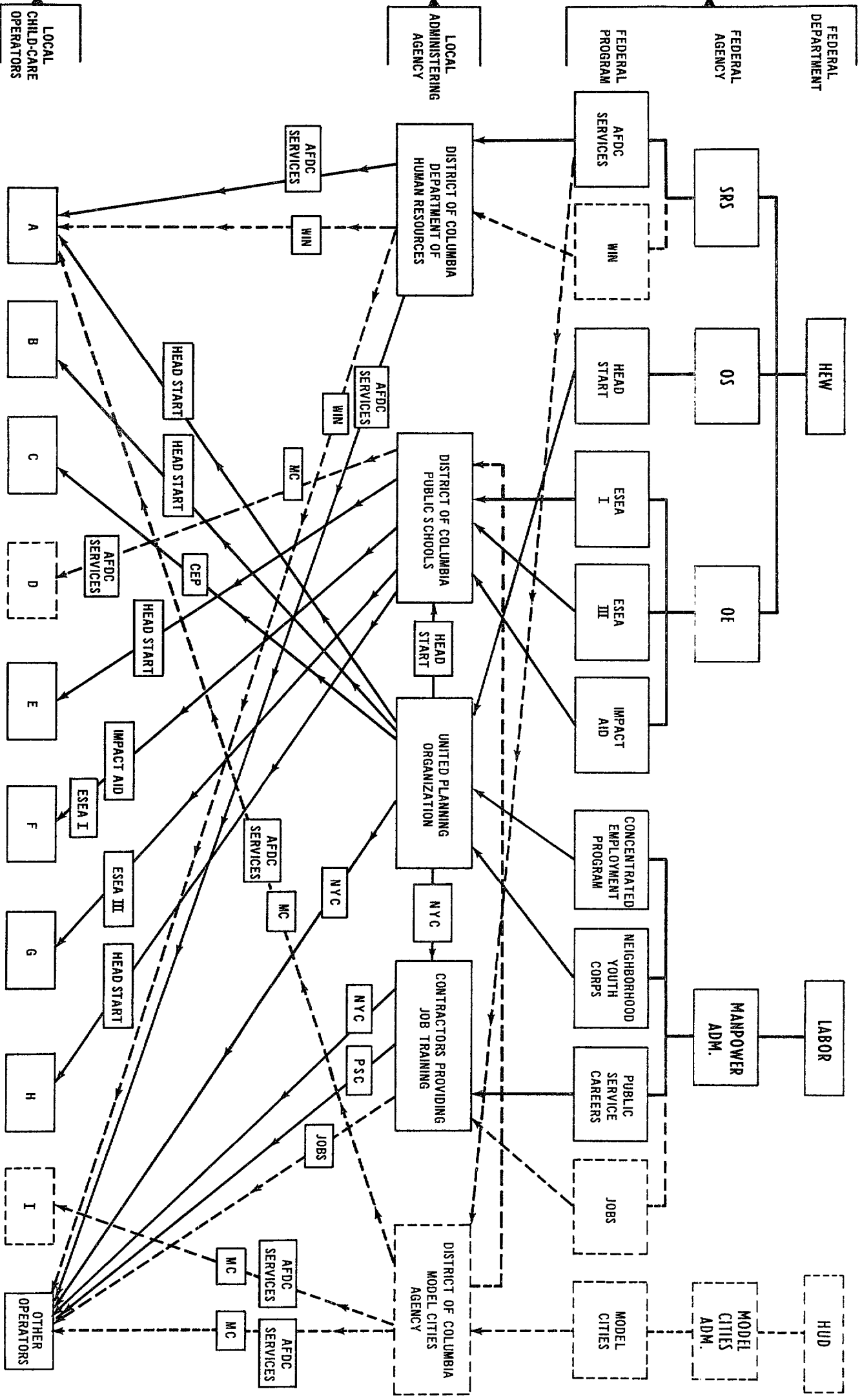
CHILD-CARE ACTIVITIES IN THE DISTRICT OF COLUMBIA

CHART III



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CHART IV



WHAT HAS BEEN DONE TO COORDINATE PROGRAMS

The establishment of Federal Interagency Day Care Requirements represents the primary effort to coordinate the various child-care programs of the Federal agencies. These requirements were established pursuant to section 522(d) of the Economic Opportunity Act (42 U.S.C. 2932) which required the Secretary of HEW and the Director of the Office of Economic Opportunity to establish a common set of program standards and regulations for programs under their jurisdictions that provide day care. These standards, which have been adopted also by the Secretaries of Labor and Housing and Urban Development to cover programs under their jurisdictions, include such factors as types and sizes of facilities, environmental standards, education services, health and nutrition services, staff training, and parent involvement.

The day-care requirements are uniformly applied and make no distinction between the purposes or objectives of the covered Federal programs. The chart shown on page 6 shows that operator A provides child-care services under the AFDC program, the WIN program, the Head Start program, and the Model Cities Program. Although it is not shown on the chart, operator A also provided child-care services in past years under the Concentrated Employment Program. The children, in the 14 centers he operates, receive the same services, regardless of the Federal program under which the funds are provided.

In addition to establishing a common set of program standards, the day-care requirements direct administering agencies to coordinate their program planning to avoid duplication of services. As discussed in the subsequent sections of this report, the coordination of child-care activities in the District of Columbia had been minimal. The Office of Child Development was established in the District's Department of Human Resources in July 1971 and was assigned the responsibility for coordinating child-care programs. The establishment of this office should help to alleviate the conditions discussed in this report.

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PROBLEMS THAT ARISE FROM LACK OF COORDINATION

The numerous Federal programs and the lack of coordination at the local level contribute to the following problems in the District of Columbia.

Center location

At the time of our review, federally funded child-care programs were conducted in 120 centers in the District of Columbia. These centers are located in a variety of buildings, including churches and related facilities, schools, and other special- or general-purpose facilities. Because of the administering agencies' individual approach to child care in the District, there has been little coordinated planning among the agencies in locating child-care centers.

A study of the quality of day care in the District was performed by a national research and consulting firm during 1970. Concerning center locations, the firm's report stated that data gathered during the study indicated an imbalance in terms of distribution of centers in the District, that "center location is primarily a product of the sponsoring group's initiative," and that there was "little evidence of overall planning for the distribution of centers in relation to the need for day care within specific areas of the city."

To ascertain the extent of the imbalance resulting from uncoordinated planning in the location of child-care centers, we compared the population of 3- and 4-year-olds in poverty areas (the number of children in need of care had not been determined by District officials) with the capacity of the child-care centers in these areas. Our comparison showed that the capacity of the child-care centers was disproportionate, in some cases considerably, to the number of children in these areas.

For example, the capacity of child-care centers in service area 4--the District is divided into nine service areas for planning purposes--which includes a part of the Anacostia area, is slightly below that of the centers in service area 6 (Model Cities area), but the population of 3- and 4-year-olds in service area 4 is 2-1/2 times that of service area 6.

Although population data of itself does not represent the need for child care, we believe that a comparison of poverty areas on the basis of child-care capacity and population data provides an indication of imbalance of child-care services in those areas.

Some neighborhoods in the city, particularly in Anacostia, had no child-care centers; however, other neighborhoods had two or three centers within a radius of 2 blocks. In most cases these centers were operated by different child-care-center operators under different programs. Center operators advised us that the concentration of centers had caused problems in the retention of children in these centers that had been brought about by competition in the recruitment of children by the individual operators in the same area.

Although planning the location of centers first requires determination of where the need is greatest, it requires also consideration of other factors, such as the availability of facilities and the desired center size. With respect to the availability of facilities, we observed that private child-care-center operators generally used private facilities, such as churches or other private buildings, and that public operators used District facilities, such as public school buildings and recreation department facilities.

Private child-care-center operators advised us of their difficulties in locating suitable sites for child-care centers. One private child-care-center operator using public facilities informed us that it was difficult to locate available public facilities and even more difficult to seek out the appropriate District official who could authorize the use of a public facility for privately operated child-care programs.

In studying the size of various centers, we noted that they ranged in capacity from 15 to 160 children. We believe that certain program and cost considerations suggest that center capacity should be more than 15 children. Adequate educational and playground equipment may not be furnished at smaller centers because of the cost of these items in relation to the number of children served. Conversely, if such

facilities are furnished, they are more apt to be underutilized. We noted these problems at several of the smaller centers we visited.

We believe that the need for child care in the District should be determined and that the location of centers should be coordinated to avoid an imbalance in the capacity of child-care centers in poverty areas. Coordinated planning for locating child-care centers, including the development of a master location plan, needs to be undertaken in the District of Columbia.

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Half-day program versus full-day program

The Federal child-care programs in the District of Columbia fall into two principal categories; namely, full-day and half-day programs. Half-day programs generally operate 4 hours, and full-day programs operate up to 9-1/2 hours. The full-day program generally provides for the formal development of the child in the morning and cooperative playtime and nap time in the afternoon.

We noted that half-day programs included many children whose parents were working. A working parent whose child is enrolled in a half-day program must make other arrangements for the remainder of the workday. We have been informed by center operators that other arrangements can result in poor supervision and care of the child.

We noted also that full-day programs included a few children whose parents were not working. There are, of course, cases where the home environment is such that full-day care is warranted, regardless of whether the parents are working. Conversely a question can be raised as to whether full-day care should be provided for children whose parents are able and available to care for them for a half day while other children who could benefit from a half day of child care are receiving none.

We believe that both full-day and half-day child-care programs should be available to meet the needs of both children and parents. We believe also that this could be accomplished through a coordinated approach to the care of children in the District whereby the needs of the parent and the child are made known to a central focal point and the appropriate child-care services are provided. The District Government has taken the position that generally full-day care should be provided to the children of working parents and that half-day care should be provided to the children of parents who are at home.

Professional staffing

We identified three methods of staffing half-day operations in the Federal child-care programs. One child-care-center operator who employed a full-time professional

staff provided child care for a half day, usually in the morning. The staff's afternoon was devoted to program planning and home visits.

Another child-care-center operator provided both morning and afternoon sessions of child care each day with each session's serving a different group of children. In this particular operation, each session was conducted by a different group of full-time professional staff members, a practice which actually doubled the size of the operator's professional staff. The time not spent by the professional staff member in either the morning or the afternoon session was devoted to program planning and home visits.

A third child-care-center operator provided both morning and afternoon sessions of child care each day with each session's serving a different group of children, but one full-time professional staff member conducted both the morning and the afternoon sessions.

The annual cost for each child of these three programs, based on fiscal year 1971 budget data, was \$2,291, \$1,476, and \$545, respectively. We noted that the cost of one operator's half-day program exceeded the cost of another operator's full-day program. We believe that the wide variances in the costs of these operations can be attributed primarily to the allocation of such costs as staff salaries and administrative expenses among the number of children served.

Population and social-economic data indicate that more District children are in need of child care than are being served. The significant cost differences that arise from the different methods of staffing suggest that the determination of the best method be made by a central organization, such as the District's Office of Child Development which is in a position to consider total District needs and the total resources available.

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Food service arrangements

The Federal Interagency Day Care Requirements require that child-care-center operators provide the children with adequate and nutritious meals and snacks prepared in a safe and sanitary manner. We found that child-care-center operators used varying means for providing food services. Many centers prepared food on the premises, some centers were supplied food by central kitchens, and one center subcontracted with a commercial supplier for convenience foods.

The costs of food services vary according to the means used by the center operators in providing children with snacks and meals. Food prepared on the premises, particularly in the smaller centers, tended to be more costly because of the need for kitchen facilities and employees; food supplied by central kitchen operations or catered was less costly.

In our opinion, more centralized direction and coordination could provide some child-care-center operators with opportunities for economies in food costs.

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Supportive services

A comprehensive child-care program includes various types of supportive services, such as social, health, and nutritional services, for a child. The Federal Interagency Day Care Requirements set standards for the various supportive services that may be provided and require the use of existing community resources first, other financial resources second, and program funds third.

Some child-care-center operators obtain supportive services from public agencies. Others obtain such services from professionals they employ and from the private sector. Generally the services provided by the public sector are available at no charge to the program; however, the use of staff professionals or the services of the private sector involve a charge to the program. In cases where the operator pays for the services, he generally is reimbursed from Federal funds supporting the child-care program.

We were informed that the District Government could provide services to meet many of the needs of children in child-care centers, especially indigent children under the Medicaid program. A compilation of the services has not been made, however, nor has this type of information been made available to child-care-center operators. Consequently some private child-care-center operators who are not aware of the community services available or of the eligibility of indigent children under the Medicaid program have made more use of the services provided either by staff personnel or by the private sector and have been reimbursed for the costs from Federal funds. Public child-care-center operators, on the other hand, have used more of the services provided by District agencies, probably because of a greater familiarity with District programs.

We believe that opportunities exist to minimize the program costs of child care in the District if existing child-care supportive services provided by the District free of charge to the program were identified and were used by child-care-center operators. In our opinion, a coordinated approach to child care in the District through a central focal point would encourage the provision of full supportive services to children at the least possible cost to the child-care programs.

LEGISLATION CONSIDERED DURING FIRST
SESSION OF NINETY-SECOND CONGRESS

Numerous bills providing for expanded child-care programs were introduced in the first session of the Ninety-second Congress. One of those bills, Senate bill 1512, provided for an expanded child-care program as an amendment to the Economic Opportunity Act of 1964 (42 U.S.C. 2701), and its provisions subsequently were included in the proposed Economic Opportunity Act extension bill (S. 2007).

In expanding the child-care activities, the bill consolidated the day-care and child development programs established by the Economic Opportunity Act of 1964 that are administered by HEW, the Department of Labor, and the Office of Economic Opportunity.

The bill provided also for the coordination of child-care programs. The Secretary of HEW was to issue regulations to ensure that other federally funded programs would be coordinated with the programs designed by the bill. The bill provided further that the expanded program at the local level be carried out by a prime sponsor pursuant to a plan approved by the Secretary. The approved plan was to set forth the arrangements for planning, supervising, coordinating, monitoring, and evaluating child development programs in the prime sponsorship area.

Although all Federal programs providing child care were not specifically stated in the bill in terms of requiring them to be coordinated at the Federal and local level, the bill's general provisions appeared to be aimed at that purpose.

The bill was passed by the Congress but was vetoed by the President who expressed objections to the proposed changes in the role of the Office of Economic Opportunity; to the controls over the proposed National Legal Services Corporation; and to certain fiscal, administrative, and social aspects of the child-care provisions. It is likely, however, that child development programs will be the subject of further consideration during the second session of the Ninety-second Congress. We believe that our study of child care in the District indicates a need for consolidating and/or coordinating the Federal child-care programs and that it will be useful to the Congress in its deliberations.

Copies of this report are available from the U. S. General Accounting Office, Room 6417, 441 G Street, N W., Washington, D.C., 20548.

Copies are provided without charge to Members of Congress, congressional committee staff members, Government officials, members of the press, college libraries, faculty members and students. The price to the general public is \$1.00 a copy. Orders should be accompanied by cash or check.