



Childcare Task Force Report

Greater Island Council of Hilton Head Island and Bluffton



November 3, 2021

Introduction:

The Greater Island Council of Hilton Head Island and Bluffton is a community civic association made up of concerned and motivated citizens who desire to improve the quality of our community. Information about the Greater Island Council is available at its webpage, www.greaterislandcouncil.com.

The chair and vice chair of the Greater Island Council established a Childcare Task Force to study the childcare needs in Beaufort County. Specifically, the mission targeted a review of the need, an inventory of resources available to address the need, difficulties in supply and an analysis of issues related to providing childcare to families that need it.

Childcare Task Force - Committee Members

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I. Executive Summary

Quality childcare benefits everyone in the community: working parents, children, businesses and all residents who depend on every type of product and service (teachers, dental assistants, nurses, firefighters, chefs, retail clerks, etc.). For this reason, the solution to making childcare available needs to be supported by the entire community.

Our research has shown that there is a significant childcare capacity problem caused by a number of factors, but primarily by an insufficient number of staff and properly-outfitted facilities. These deficiencies are a direct result of the need to raise salaries and outfit more space; in conflict with the need to keep the price of childcare affordable. This problem with the business model is at the core of the gap between the number of children who need childcare and the spaces that are available.

The full solution to this problem is an infusion of funds from public or private sources to supplement the fees charged to parents. The committee has identified one significant initiative as a recommendation for the Greater Island Council to pursue. This is the creation of the Beaufort County Childcare Centers Coalition (B4C) composed of representatives from the centers, key leaders in organizations that support childcare and municipal representatives. Municipalities would fund an Executive Director to ensure implementation of initiatives and continuity. In addition, there are many initiatives that can be accomplished on a local level to improve the situation. These ideas are listed in the recommendation section for consideration by the B4C or other individuals or organizations who might pursue them.

The following report explains these concepts in greater detail and provides data and resources to substantiate the task force's conclusions and recommendation.

"The field of early education is necessary in our community - that was very evident during the pandemic and proves that childcare professionals are indeed front-line workers. When other businesses were closed, for the most part childcare facilities were open. Without our childcare professionals all other businesses could cease to exist because many parents would have to stay at home to care for their child."

*Betty Washington, Executive Director
Beaufort County First Steps*

See Appendix F for full text

II. Introduction to Childcare

The childcare industry is a vital yet often overlooked cornerstone of every community. Parents of infants and toddlers rely on quality childcare to enable them to confidently go to work each day. Working parents of school-age children need a safe and engaging environment for their children before school, after school, on weekends and during the summer. Businesses rely on a community's childcare services so their employees can come to work each day. Empty nesters and retirees alike rely on those same employees to provide needed goods and services.

Yet the childcare industry is facing significant headwinds throughout the country. There are far too few facilities to meet the growing demand for quality childcare. Staffing of center-based childcare facilities has become a challenge with fewer available workers requiring higher wages. Many parents cannot afford the rising cost of childcare which poses a significant barrier to labor force participation. Currently, parents that can afford childcare fear the potential spread of COVID-19 or the consequences of their childcare facility being closed for quarantine.

There are many challenges facing our communities today. The country is experiencing record rates of high school dropouts, increases in obesity and chronic diseases, rising crime and a growing underclass. Nobel Prize-winning Professor James J. Heckman found that early nurturing, learning experiences and physical health from ages zero to five greatly impact success or failure in society. The most economically efficient time to develop skills and social abilities is in the very early years – the childcare years – when development support is most effective.

In this report, the Childcare Task Force of the Greater Island Council analyzes the childcare industry in Beaufort County, assesses the current environment, and offers suggestions for supporting this key resource within our community.

III. Committee Goals and Process

A. Committee Goals

On July 1, 2021, Jennie Johnson sent an email (Subject: GIC - Formation of Child Care Task Force) to GIC members announcing the appointment of Tom Henz as chairman of the childcare task force which was asked to study the state of childcare on Hilton Head Island, Bluffton and surrounding areas.

The deliverables include a definition of childcare that describes the differing types available, demographics of the children and their parents who need and/or use this service, a general description of the "state of the state" of each type within the defined service area, analysis of the issues uncovered and recommendations.

Our focus has been:

- Bring the need for improving access to affordable, quality childcare to the greater community served by the GIC
- Understand why the investment in childcare should be made
- Define the current childcare capacity, the need for childcare and the gap that is present
- Document the initiatives that are in place to improve access to childcare in our area and the key partners to improve that access
- Look at best practices in other communities
- Develop recommendations for actions that will improve the area's ability to address childcare needs

B. Committee Process

Our process has been to hold weekly meetings with minutes shared with committee members. The focus items listed above were assigned to the committee members who volunteered to research the areas. In addition, other experts in the area were asked to share their insights and recommendations on what actions can be taken and what role the GIC, as a citizen advocacy group, can play in the solutions.

As committee members researched the subject, they identified materials for the entire committee to read. The committee analyzed the information that was collected and developed a vision of an improved environment and recommendations regarding possible opportunities for GIC involvement in solutions.

IV. Analysis of Current Childcare Environment

A. Introduction

Childcare is a term which describes those who provide care for a child inside or outside of that child's home. Its general purpose is to provide a secure environment that provides for the health and safety of the child. Ideally it should also be designed for educational experiences for the child, which is critical to a quality experience. For purposes of this report, the terms childcare and early childhood education should be considered synonymous.

Care is required for infants through teenagers, full time, part-time, summers, weekends and before and after school. Parents' financial resources range from impoverished to extremely wealthy. Needs for the care of children while parents are working outside the home are similar but ability to meet those needs is far from equal.

Childcare solutions are either residential or center based.

Residential arrangements include:

- In home baby sitters
- Nanny (daily or full time) or au pair (typically foreign and residing with the family)
- Shared Nanny – with other families
- Family, friend or neighbor care

Center based arrangements include:

- Full day or part time childcare for infants and toddlers (birth to 3 years old)
- full day or part time childcare for preschoolers and nursery schools (e.g., Montessori, Headstart programs, religious institutions' programs)
- Before and after school programs (e.g. rec centers, Boys & Girls Clubs, etc.)

There are also programs such as checking-in services which have workers call children in self-care to make sure there are no problems. Parent cooperatives are childcare programs that are formed and run by parents who wish to take part in their children's preschool experience. "Day care" is the term many people still use to refer to out-of-home care for children during the day while their parents are at work.

Following is the SC Department of Social Services information regarding licensing and registration.

Types of Providers

There are four types of legally operating Childcare providers in South Carolina. Family members and friends entrusted to care for one family of children by parents are not registered, licensed or inspected by DSS.

Childcare Center

13+ children
Commercial, church or school based

OPERATING STATUS:
Licensed, registered or approved

Group Homes

7 to 12 children
Home based

OPERATING STATUS:
Licensed

Family Home

6 or fewer children
Home based

OPERATING STATUS:
Registered or licensed

Limited Operations/Holiday Care

Exempt from regulatory requirements
Open less than 4 hours daily or on school holidays
No licensing or inspection required by law

OPERATING STATUS:
None

In order to legally operate in South Carolina, childcare providers must maintain a valid license or registration or be legally exempt. State laws have established the level of mandated DSS oversight, which varies by type of provider. That means a family-home provider, which is only required to be registered, can instead choose to meet the stricter standards of licensing.

Each type of provider is legally required to maintain a minimum level of regulation based on the type of care provided, but providers can choose to pursue a higher-than-required level of oversight to provide a higher standard of care.

A provider's license is important, but it is not always an indication of quality. It indicates that they are operating legally and in compliance with state laws regarding health and safety. DSS licensing professionals can visit any

childcare provider unannounced in response to a complaint. A parent should always ask if a program they are considering is licensed, registered or exempt and should expect to see evidence of their status. A copy of the DSS license is required to be posted at the main entrance for public access. For detailed information on any South Carolina care facilities licensing status, visit www.scchildcare.org.

Licensed/ Approved Provider	Registered Faith-Based Provider	Registered Family Home Provider	Exempt Provider
Meets basic requirements for health and safety childcare	Sponsored by a religious organization or church	Required to register with DSS by mail	Only operates less than 4 hours per day or on school holidays
Routinely visited by DSS licensing professionals	Meets basic requirements for health and safety childcare	DSS licensing professionals can visit unannounced once per year	No licensing or inspections required by law
	Regular visits by DSS licensing professionals		

Voluntary Quality Program

Any SC childcare provider can participate in ABC Quality, the state's voluntary quality rating and improvement system. ABC Quality is administered by the Division of Early Care and Education of the SC Department of Social Services. ABC Quality staff monitor and inspect participating providers to ensure adherence to program standards. Childcare programs are required to participate in the ABC Quality program to be eligible to accept State of SC childcare vouchers. These vouchers allow income eligible families to have some or all of their childcare costs paid by the State. (www.scchildcare.org/departments/sc-voucher.aspx)

Childcare workers play an important role in children's development by caring for them when their parents are at work or are away for other reasons, or when the parents place their children in care to help them socialize with

children their age. The availability of trained childcare workers is one of the most important elements of providing childcare to all children who need it.

The remainder Sections IV and V will address the four “Types of Providers” childcare environments (see page 8). Demographic data regarding Beaufort County children is available from several sources such as Kids Count. However, childcare center capacity data and actual number of children needing care are not well documented. Capacity and need data for centers was available for only one-third of the identified licensed or registered centers. Data for residential care is not available because there is no central source of information for family members, friends and other individuals who care for many of the County’s children. This lack of information makes analysis and creation of solutions to the childcare issues a challenge.

B. What is the Capacity and Need in Hilton Head/ Bluffton?

We began with a list of 83 potential facilities from which to gather capacity and need information (see Appendix B for the full list of facilities). Our partners at the United Way of the Lowcountry made calls to all of the Beaufort County locations. The following graphic shows the responses for the facilities that responded:

Geo Area	Census District	Provider	Current Census	Maximum Census	Capacity With Curr Staff	Current Staffing Need	Wait list Census	Lowest Weekly Fee	Highest Weekly Fee	Opening Time	Closing Time	Operating Months	Age of Youngest (in weeks)	Age of Oldest (in years)	Accept SC Vouchers	Profit (P) or NFP (NFP)
NOB	1.00	James J Davis Head Start	125	317	317			0	0	715	1430	10	6	5	N	NFP
NOB	5.01	Mary A Edwards	7	12	12	0	0	140	140	700	1700	12	1	5	Y	P
NOB	5.02	Alpha Christian Development Center	40	75		0	0	130	130	700	1600	12	8	4	N	P
NOB	5.02	Beaufort Christian School	8	12	12	0	0	40	91	700	1730	10	156	18	N	NFP
NOB	5.02	Melonie Quimbley	8	12	12	0	10	135	140	730	1600	12	1	12	Y	P
NOB	5.03	Vanicle S Brown	10	12	12	0	4	105	150	600	1700	12	6	12	Y	P
NOB	7.00	Child Enrichment Center	87	181	87	1		145	165	700	1800	12	6	4	Y	NFP
NOB	7.00	The Honeytree Preschool, LLC	75	136	75	7	100	70	160	730	1730	12	8	5	Y	P
NOB	8.00	Mossy Oaks Kindergarten Preschool	45	85	55	3	18	145	145	630	1800	12	104	14	Y	P
NOB	8.00	Wee Care Child Care Development Center	45	180	70	2	10	105	115	700	1730	12	6	8	N	NFP
NOB	8.00	YMCA of Beaufort County	17	50		2	0	125	125	730	1730	10	156	5	Y	NFP
NOB	9.02	Beaufort Academy Kindergarten	40	55	40	0	2			730	1730	10	104	4	N	
NOB	9.02	BMH Hobbit Hill Learning Center	20	99	20	30	10	120	135	630	1730	12	1	12	Y	P
NOB	9.03	St Peters Catholic School	48				15	112	158	730	1730	10	156	4	N	NFP
NOB	11.02	Creative Beginnings Two-Child-Care and EC, LLC	25	35	35	0	5	100	125	700	1800	12	6	12	Y	P
BLUF	21.06	Cross Early Childhood Center	260	260	0	0	100	178	188	700	1800	12	52	5	N	NFP
BLUF	21.07	Camp Lowcountry Day	190	252	190	5	90	170	175	700	1815	12	6	8	N	P
BLUF	21.07	Camp Lowcountry Day	120	140	120	5	70	170	175	700	1815	12	6	4	N	P
BLUF	21.07	Kids College	50	220	50	4	25	70	155	730	1730	12	6	11	Y	P
BLUF	21.07	Limitless Pediatric Solutions	40	60	40		5			630	1830	12	156		Y	P
HH	104.00	The Childrens Center	127	200	130	6	40			630	1830	12	6	6	Y	NFP
HH	105.00	Hilton Head Boys & Girls Club	175	350		0	100	11	20	1430	1830	12	112	18	N	NFP
HH	105.00	Hilton Head Island Recreation Center	85	95	85	3	55			1445	1800	12	156	13	N	NFP
HH	107.00	St Francis Catholic School	11	20	20	0	0			730	1500	10	208	4		NFP
HH	108.00	Sandalwood Head Start	8	17	17	0	0	0	0	730	1430	11	156	5		NFP
HH	110.00	First Presbyterian Day School	50	58	50	2	0	198	206	745	1730	12	1	5	Y	NFP
HH	111.00	Christ Lutheran Preschool	39	63	39	0	4	167	168	800	1715	10	104	4	Y	NFP

We can draw the following conclusions from the above data facilities.

1. Facilities are not operating at their maximum capacity. The capacity shortfall is primarily due to inadequate number of childcare workers.
2. The waiting lists could be accommodated if the facilities were operating at the maximum capacity indicated, a number that may not reflect the true space availability. This does not take into consideration the number of families who do not put their names on the waiting list because their expectation of getting in is so low or the number of children who are in childcare environments that lack the criteria for optimal care such as educational enrichment or even safety. We don't know how many children are home alone.
3. The weekly fees vary across the board, but as a benchmark, a fee of \$130 per week is \$6,760 per year for one child. Individuals who work 40 hours a week at \$10 per hour for 50 weeks earn \$20,000 annually.
4. Of the 27 reporting locations, 8 (30%) are not open for the full year.
5. None of the centers accommodate evening or weekend work schedules. There are no facilities which provide 24/7 care.
6. Only 4 of the facilities accept teenagers and 5 more accept children who are past elementary school but not yet teens.
7. Only 52% of the facilities accept SC vouchers for low income families.
8. 14 of the facilities are not-for-profit and 12 are for-profit

If we extrapolate these figures across all of the Beaufort County childcare facilities it is clear that there are insufficient options available. We can see that the care is generally too expensive for many families, doesn't cover the times that parents need facilities available, and doesn't include the ages of all of the children who need care.

SERG Group Study

Another view of the need is demonstrated by the responses from the SERG Group ("family of restaurants"). The Childcare task force asked the company to survey their employees about childcare and 19 employees responded. The task force appreciates their effort to assist in this research.

Of the responders' 31 children, 25 were 5 or younger. Most reside in Bluffton with 5 families on Hilton Head Island. Although their income ranges

high – 7 over \$75,000, over 2/3 of them found it a challenge to find childcare and all but one found cost a challenge. At least half of the respondents wanted educational enrichment, and evening and weekend childcare. Concerns and challenges include the need for reliable, trusted, certified and qualified childcare professionals, more options around evenings and weekends, more capacity and way lower cost. See Appendix G for survey responses.

C. How Wide is the Gap?

There are no good statistics which tell us just how many children need some kind of childcare because their parents are working. However, we do have some statistics from census data and reports from childcare tracking services that can give us insight into these numbers. We also have survey results from 27 childcare centers (32.5% of the total number in Beaufort County) with some capacity and pricing information. The chart below in this section details some important data regarding the demographics in South Carolina and Beaufort County, especially ones related to childcare.

Some of the data in the report was taken from:
2014 SC data from ChildCare Aware Data Sheet (May 2015)
2019/2020 data from the US Census, CensusReporter.org and Kids Count from the Annie E. Casey Data Center. These numbers are shown in black.

The information that is highlighted in *blue italics* was calculated.

The data in Total number of childcare Facilities shows that the best case of available spaces in all centers is 9,278. The number of current status space availability, which is closer to the probable is 5,561.

If we just look at single working mothers with children under 18, which is close to 4,000 and assume 2.1 children/family, the number of children is close to 8,000. This figure doesn't include families where two parents are working or single working father families, two figures that are not available. So it is likely that the gap is well over 1,000 seats. In addition, we know from our survey that there are insufficient facilities which offer year round programs and none which offer 24/7. Further, there are few programs which offer a full range of ages.

Lastly, in the section on affordability of childcare, we only have data for SC in 2014. We know that since 2014, child costs have risen significantly. It is clear that the percentages, especially for single mothers (31%) is unsustainable.

	2019/2020 BC	2019/2020 SC	2014 SC
Total Residents*	187,117	5,148,714	4,723,923
Children age birth to 4 years (calculated from 5%)**	9,386	292,464	294,299
Children ages 5 to 11 (BC from Kids Count data)	9,657		425,433
Children under 18 (calculated from 18.2%)**	34,055	937,065	859,753
Total Households	73,043		
Total Families with Children (under 18) (22% of total households in BC)	16,070		488,709
Single Parent Families (8.2% of total households in BC)	5,989		186,489
Percent of Total Families which are Single Parent Families (which are 8.2% of Families with children)	37%		38%
Married Parent Families	9,934		302,229
Percent of Total Families which are Married Parent Families (which are 13.6% of Families with Children)	62%		62%
Single parent families headed by women (6.6% of all households in BC)	4,821		
Working mothers with infants under 1 year (using SC ratio)	1,304		39,995
Working mothers with children under 6 (using SC ratio)	6,212		190,573
With children under age 6 only (using SC ratio)	3,925		120,413
With children under age 6 and children ages 6-18 (using SC ratio)	2,287		70,160
Working mothers with children under 18	10,930		335,335
Married working mothers (using 70.5% of Married parent families)	7,005		213,103
Married working mothers as a percent of Married parent families	70.5%		70.5%
Single working mothers (for BC using 66% of Single Parent Families)	3,925		122,232
Single working mothers (for BC using 25% of Families with Children)	4,019		
Single working mothers as a percent of Single Parent Families	66%		66%
Single working mothers as a percent of Families with Children (3.925)	24.4%		25.0%
Total number of childcare Facilities	83		NA
Total spaces/slots ***			
of centers that responded (27) - Current Status	1,809		NA
of centers that responded (27) - Maximum	3,018		NA
Current status slots - Extrapolated to total number of centers (70)	5,561		
Maximum slots - Extrapolated to total number of centers (70)	9,278		
How expensive is childcare? (Annual)			
Average annual fees for full time care in center (lowest/highest) for centers that responded to our survey	\$108/\$128/week or \$5,616/\$6,656/year		
Infant	NA		6,475
4 year old child	NA		4,651
School age child (before/after school care)	NA		2,257
Average annual fees for full time care in a family childcare home			
Infant	NA		4,584
4 year old child	NA		4,045
School age child (before/after school care)	NA		1,846
Affordability			
Infant in center as a percent of income for MARRIED COUPLES	NA		9%
Infant in center as a percent of income for SINGLE MOTHERS	NA		31%

* The Beaufort County number is from US Census April 2020. KidCount uses 192,122

** BC calculated from percentages shown in census data

*** We have been advised that these capacity numbers are likely inflated because they are based on sq. ft., not the full criteria that centers must use. Facilities that answered our survey reported about 60% of the maximum capacity as current status.

D. Services and Support Available to Assist all Stakeholders

1. Division of Early Care and Education

The best resource is the SC Division of Early Care and Education, the part of the South Carolina Department of Social Services (SCDSS) that manages all state and federal childcare programs and serves as the single point of contact for federal childcare funding in South Carolina. The mission of the Division is to make childcare more available and affordable to parents, and to increase the quality of care for all children in the state.

South Carolina Division of Early Care and Education consists of five major programs:

Childcare Licensing ensures the health and safety of children in childcare facilities subject to laws and Licensing regulations. Licensing includes **Fire and Health Safety**.

ABC Quality is SC's voluntary quality rating and improvement system that helps providers achieve high standards of quality in caring for the children they serve.

SC Voucher makes payments to childcare providers to care for children from very low-income essential workers families so their parents can work. These vouchers are for after school programs and do not support people in the middle income category. Qualification for these dollars is linked to the ABC designation and includes income level and dual language.

The **Child and Adult Care Food Program (CACFP)** gives meal reimbursements to eligible childcare and adult care providers for serving nutritious meals and snacks as a part of their program.

The **SC Endeavors** is the professional development system for South Carolina's childcare workforce

Visit www.scchildcare.org for more information on the Division of Early Care and Education.

The Summer Food Service Program (SFSP) is now located at the South Carolina Department of Education. For more information, go to their

website <https://ed.sc.gov/districts-schools/nutrition/special-programs/usda-summer-meal-programs/>

2. SC First Steps

South Carolina First Steps is the state's only dedicated, comprehensive early childhood initiative focused on getting children ready for school and life success. They partner with families, early educators, and communities statewide to support the success of children from birth through age five.

They provide services through programs that:

- improve children's health – e.g. Weekend Backpacks
- strengthen families – e.g. Motherread/Fatherread
- expand access to quality early care and education by increasing participation in 4-year-old kindergarten programs (First Steps 4K)
- help transition rising kindergartners into school – e.g. Countdown to Kindergarten

Information can be found at <https://www.scfirststeps.org/>

3. South Carolina Child Care Resource & Referral

Choosing child care is one of the most important decisions families make, but all too often they must rely on word-of-mouth. The South Carolina Child Care Resource & Referral (SC-CCR&R) help parents take the guesswork out of choosing care by providing:

- Referrals to local child care providers
- information on state licensing requirements
- information on availability of child care subsidies
- Information on quality child care indicators

SC CCR&R provides guidance by phone, in person, and in other ways, such as the internet, that are tailored to each individual family.

Information can be found at: South Carolina Child Care Resource & Referral Network (sc-ccrr.org)



Research shows us that many children from low-income households are at a disadvantage in the area of brain development, language development and loving caregiver involvement. If these children do not receive the important early childhood education opportunities - they will enter kindergarten well behind their peers. Statistics show they are less likely to graduate from high school, have poor health habits, and are more likely to become a part of the expense of crime and poverty to the American taxpayer.

4. Linking People and Resources

The United Way works with clients who need assistance in getting linked to available resources and services. Other organizations such as The Deep Well Project, Bluffton Self Help and VIM also have access to childcare information that can be helpful to their clients. In addition the Beaufort County Early Childhood Coalition share case work information among its members but does not provide referrals to the public.

E. Key Partners in Hilton Head/Bluffton

During the pandemic school closures, several businesses reached out to child care organizations to subsidize their fees in order to allow their workers to be at work.

This is an underutilized option that could be further developed - either with a particular center or a consortium. But it needs to be kept in mind that childcare centers need a steady reliable stream of income. Therefore any such program must have committed continuity.

The following list highlights the value of partnerships with municipal, non-profit, educational and business organizations in supporting childcare organizations. In addition to current partners, the list shows Critical Partners (who are not yet engaged) and Potential Partners.

These partners support and help improve access to childcare and childcare needs

Current Partners

The Children's Center
The Boys & Girls Clubs
The Island Recreation Center
Neighborhood Outreach Connection
Second Helping
Volunteers in Medicine
The Deep Well Project
Bluffton Self Help

(These organizations also have their own partners which help fulfill their mission)

Critical Potential Partners (high priority to be engaged)

The Beaufort County School District
Beaufort County
Local municipalities
Local Chambers of Commerce (Business Community)

Other Potential Partners

Local Childcare Centers & Preschools
Community Churches
Civic Organizations
The Greater Island Council
University of SC Beaufort
Technical College of the Lowcountry
The Culinary Institute

Potential partners can provide varying assets including financial capital, physical buildings, advocacy, and volunteerism.

V. Target Environment

A. What Elements Constitute the Kind of Childcare We Want to Have?

1. **Adequate Capacity**

It is clear that there needs to be adequate capacity for all of the children who require quality childcare. The ability to track progress against this target will require significantly more data about existing facilities, existing residential locations and a way to collect and record the full spectrum of children requiring care in every age category.

2. **Safe, Secure and Healthy Environment**

This requirement includes physical safety and security from dangers. This means that there needs to be an appropriate ratio of teachers/adults to children to be able to watch the children. It also requires physical space and equipment that is appropriate for needs of each age group being serviced. Lastly, a healthy environment includes the availability of healthy meals and snacks during the childcare hours, especially since so many children in our County have insufficient food at home.

3. **Educational/Enrichment Component**

This component is focused on each child's developmental continuum. This includes expanding children's horizons and experiences using childcare professionals and mentoring opportunities beginning at birth. It helps them do better in school and to make better life choices. It requires childcare professionals who have proper training as well as sufficient numbers of them to fill needed positions.

Often supplemental volunteer support is necessary. Note that the DSS license only allows paid staff, not volunteers to count in the ratio calculation of staff to children. This restriction inhibits the facilities' ability to expand their capacity, negatively impacting element 1. above.

Our target environment includes this component for all childcare.

4. Affordable To All Who Need Childcare

Families' ability to afford childcare varies considerably based on family resources. It is critical that childcare be affordable, especially to families which make up our workforce. It is unsustainable to have childcare services that in some cases cost more than families' housing cost or that come close to the full salary of workers. This is not an environment that allows families with children to remain in the workforce in positions that are critical to our County's economy.

5. Convenient (location, hours, transportation, etc.)

Workers may prefer childcare facilities near their home while others near their work location. Childcare may be needed during typical daytime hours, evenings or weekends and often for periods longer than a typical eight-hour day. Some parents have the ability to get their children to their childcare facility while others need transportation assistance to and/or from childcare. This is especially true for children in school who need to get to childcare facilities in another location while their parents are at work.

B. What is needed to attain this target environment?

Childcare professionals:

The most important factor required to attain the target environment is the availability of properly trained and motivated professional staff. Childcare professionals make all of the elements listed above possible and the lack of sufficient staff is the primary reason for the County's falling short of attaining the target. The reason for this deficit is financial resources. Early childhood education professionals are required to have high school diplomas and special training. Workers with this skill set are in great demand for many open positions in other business sectors in the County and adjacent counties. Coupled with the lack of a desirable career path, finding qualified candidates is very difficult. This also means that wage levels are rising, increasing the cost of running childcare centers.

"We as a community depend on our early care professionals to ensure the safety and well-being of our children, yet early education professionals are often underpaid and some still deem them to be mere "babysitters", not so. There is scientific data regarding the positive impact early education has on our children's lives through adulthood. Early education requires teaching professionals to meet the needs of each child to build well-rounded individuals."

Betty Washington, Executive Director of First Steps

[See Appendix F for full text](#)

As of Jun 25, 2021, the average annual pay for a Childcare Worker in South Carolina is \$18,896 a year. That works out to be approximately \$9.08 an hour. This is the equivalent of \$363/week or \$1,575/month.
www.ziprecruiter.com/Salaries/Childcn-South-Carolina

The benefit of increasing childcare workers' wages is compensating them enough to give them a living wage. But this rising labor cost, along with the cost of quality facilities and equipment is a major reason why the basic business model for childcare is sustainable only when providers can charge high fees for service, which would make childcare more unaffordable for more families.

Government Resources:

The solution to the problem of insufficient funding is to apply resources from a combination of federal, state, local government, the business community, foundations and more. Our County spends resources on beaches, parks, roads and waste but not childcare. This "service" benefits everyone in the community by ensuring that workers are available to provide services in every sector of the economy.

Current federal childcare support includes project Headstart, 21st Century grants which flow through the states for after school programs, and the new larger Child Tax Credit in the American Rescue Plan. Discussions are underway in Congress to include childcare funding in the "soft" infrastructure bill, the American Families Plan, to set aside more than \$225 billion for child care. Following are the tax credits currently available to many parents:

Child and Dependency Care Credit for 2021:

This credit in 2020 and prior years was 20 percent of your qualified childcare expenses (up to \$3,000 for one qualifying person and \$6,000 for two or more qualifying persons). This has expanded dramatically for 2021 due to the provisions of the American Rescue Plan Act of 2021. Please see a summary directly from the IRS website below. Keep in mind that a difference between this credit and the child tax credit below is that this is for working parents who have qualified expenses. The child tax credit is a credit that you can receive regardless of expenses paid.

"The child and dependent care credit is a tax credit that may help you pay for the care of eligible children and other dependents (qualifying persons). The credit is calculated based on your income and a percentage of expenses that you incur for the care of qualifying persons to enable you to go to work, look for work, or attend school. For 2021, the American Rescue Plan Act of 2021,

enacted March 11, 2021, made the credit substantially more generous (up to \$4,000 for one qualifying person and \$8,000 for two or more qualifying persons) and potentially refundable, so you might not have to owe taxes to claim the credit (so long as you meet the other requirements). This means that more taxpayers will be eligible for the credit for the first time and that, for many taxpayers, the amount of the credit will be larger than in prior years. However, taxpayers with an adjusted gross income over \$438,000 are not eligible for this credit even though they may have previously been able to claim this credit.”

<https://www.irs.gov/newsroom/child-and-dependent-care-credit-faqs>

Child Tax Credit of 2021:

In 2020, the child tax credit could only be claimed at the time of filing your income tax return. The amount was \$2,000 per qualifying child.

“The American Rescue Plan, signed into law on March 11, 2021, expanded the Child Tax Credit for 2021 to get more help to more families. It has gone from \$2,000 per child in 2020 to \$3,600 for each child under age 6. For each child ages 6 to 16, it's increased from \$2,000 to \$3,000.”

Important changes to the Child Tax Credit will help many families get advance payments of the credit started this summer:

- Half the total credit amount is being paid in advance monthly payments.
- You claim the other half when you file your 2021 income tax return.

<https://www.irs.gov/credits-deductions/advance-child-tax-credit-payments-in-2021>

The state of SC also has programs for childcare. One is First Steps 4K, which offers free four-year-old kindergarten to qualifying children in SC. They partner with more than 200 private, nonprofit, and faith-based centers across the state, making it easy for families to find a high-quality program that meets their needs. They also offer scholarships to siblings for childcare and after school programs. For more information, see

<https://www.scfirststeps.org/what-we-do/programs/first-steps-4k>

The concern that public sector support could negatively impact the ability of the private sector to function efficiently highlights the need to have a balance between these sectors to achieve the target environment. Childcare professionals expressed frustration to this task force with the level of regulations that come with tax dollars. These regulations are costly to implement, have a negative impact on the ability to have a sustainable business model, and drive childcare professionals from the childcare business. They also raise the cost of care for parents. See Appendix D.

Notes on presentation from State Rep. Shannon Erickson to the Childcare Task Force (9/21/21).

We would hope that Beaufort County and our local municipalities could find funding in their budgets to support childcare.

Facilities:

Another challenge for the childcare industry is facilities. The regulations make the cost high and effort of designing (engineering and architectural drawings) and meeting the space and facilities requirements (toilets, sinks, outdoor access in rooms) difficult to attain. In addition, LMOs rarely include childcare facilities in their plans and therefore repurposing buildings or building new childcare facilities often requires approvals of variances. Shortage of proper facilities also contributes to the shortage of childcare space availability.

Other issues that contribute to the challenges for childcare centers include the number of inspection organizations, business license fees and property taxes.

Could having this target environment available be a unique value proposition to incentivize people to work here?

C. Why Invest in Childcare

The most important reason to invest in childcare is to invest in our children. Another important reason is that all of us depend on a labor force for goods and services that depends on the availability of childcare.

“...it is very obvious that the value of quality childcare exceeds the costs, not just to some people, but all of us at any stage of life.”
A Caring Father
See Appendix E for Full text

Economic Benefits

Following is from an article in the August 2021 issue of CB2/CH2 about the Children’s Center:

“Ask any business owner you know, particularly anyone who owns a restaurant, and they’ll tell you in no uncertain terms: We are in the midst of a labor crisis on this island. Companies can’t find workers, because workers can’t find the support they need to work here. There are no easy answers, either, making this crisis one that may take years to solve. And while the

debate rages over things like affordable housing and fair wages, one aspect of this crisis has been overlooked: the children.

Let's say you're a worker and a parent and you do want to commute onto the island to work. What do you do with your child? Can you afford daycare on a place like Hilton Head Island, or do you find somewhere on the mainland and pray that you can beat the bridge traffic every day to pick them up on time?

There may not be any easy answers to the labor crisis, but to this one aspect we can at least steer you toward a solution.

'The thing people don't realize is that childcare is an economic driver. Right now, we're in a real employment crunch, but that crunch is made worse when there aren't enough daycare options,' said Jody Levitt, executive director of The Children's Center. Established in 1967, the center provides care for up to 200 children, ages six months to eight years. 'Right now, we have 50 kids on a waitlist, and that's 50 people who can't work on our island. It's foundational when it comes to economic vitality.'

This economic impact applies to families across the financial spectrum. Families with two working parents, single parent families, families with a disabled partner and many other family arrangements require quality, convenient and affordable childcare regardless of ability to pay. Often, good options in families' local communities are not available.

There have been numerous articles recently that mention childcare as one of the primary reasons that people have not returned to the workforce in addition to fear surrounding the COVID-19 pandemic. This has put tremendous pressure on businesses and is impacting their ability to provide quality service to their customers making this a problem for all of us.

Addressing Poverty

The following content is from the GIC Food Insecurity Task Force report of July 2, 2021:

"The United Way Self-Sufficiency Standard report shows the challenge that many families experience trying to cover the very basic cost of living once they have children. It is interesting to note that while rent and food costs are high in proportion to income, for parents with children, childcare costs are astronomical.

Self-Sufficiency Standard for Beaufort County, SC in 2020

	Adult	Adult Preschooler	Adult Infant Preschooler	Adult Preschooler School-age	Adult School-age Teenager	2 Adults Infant	2 Adults Infant Preschooler	2 Adults Preschooler School-age
MONTHLY COSTS								
Housing	\$899	\$1,028	\$1,028	\$1,028	\$1,028	\$1,028	\$1,028	\$1,028
Child Care	\$0	\$652	\$1,385	\$1,051	\$399	\$733	\$1,385	\$1,051
Food	\$295	\$449	\$590	\$676	\$783	\$698	\$827	\$909
Transportation	\$319	\$328	\$328	\$328	\$328	\$627	\$627	\$627
Health Care	\$180	\$532	\$543	\$551	\$580	\$587	\$596	\$604
Miscellaneous	\$169	\$299	\$387	\$363	\$312	\$367	\$446	\$422
Taxes	\$442	\$727	\$939	\$874	\$663	\$888	\$1,057	\$992
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	(\$73)	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$80)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$167)	(\$333)	(\$333)	(\$333)	(\$167)	(\$333)	(\$333)
SELF-SUFFICIENCY WAGE								
Hourly	\$13.09	\$21.59	\$27.09	\$25.22	\$20.49	\$13.38 per adult	\$15.72 per adult	\$14.77 per adult
Monthly	\$2,305	\$3,799	\$4,767	\$4,439	\$3,606	\$4,711	\$5,533	\$5,200
Annual	\$27,656	\$45,588	\$57,205	\$53,263	\$43,267	\$56,527	\$66,393	\$62,395
Emergency Savings Fund (Monthly)	\$47	\$122	\$186	\$169	\$132	\$55	\$70	\$67

The high cost of childcare in this country is a primary cause of families with young children experiencing poverty. The average annual cost of infant care in South Carolina is \$7,007 or \$584 a month. The minimum wage worker in SC would need to work full time for 24 weeks, or from January to June, just to pay for the care of one infant. If the federal minimum wage was increased to \$15 this year, childcare in this country at its present cost would still be unaffordable to most working single parents.

According to the US Department of Health and Health and Human Services, childcare is affordable if it costs not more than 7% per cent of a family's income. By that standard only 21.4% of South Carolina families can afford infant care and childcare.

It is not only minimum wage earners that childcare costs adversely affect. A 2005 Harvard Business Review study found that 43% of highly qualified professionals first-time mothers left the workplace. While some parents may choose to stay home, many others do not have or can't afford quality childcare. Not much has changed in 17 years. In an urban area the cost for in-home childcare for one child can be \$25,000 or more a year. For a 26-year-old mother who is beginning her professional career making \$40,000 annually, the loss of work for 5 years amounts to \$650,000 in wages, wage growth, and retirement benefits, pointing to the hidden costs of adequate affordable childcare.

A Pew Research Center study found that 46% of families with children had both parents working, an increase of 50% since the seventies. The need for childcare services is acute and greatly impacts work force availability as well as economic stability for families.

The path from poverty in America is work, and work for families in poverty is more difficult to achieve for several reasons:

- Federal assistance in the form of tax credits require taxable income excluding most families in poverty.
- Job opportunities for those in poverty often involve non-standard hours when childcare is not available.
- There is seldom employer support for childcare in the positions most generally open to those attempting a rise from poverty.”

Growing Healthy, Successful Adults and Creating a Future Workforce

When we refer to a quality early childhood education, we are referring to places with formal, regulated learning environments taught by those who show the desire to teach. This is a considerable difference from being watched by someone and staring at the television or tablet most of day by themselves.

There are currently more reasons to invest in early childhood education than at any time in history. Our children will be under more pressure than ever before to be able to multi-task and be able to constantly train and retrain themselves to be able to be locally and globally competitive. We are certainly seeing this in Generation Z as they enter the workforce. Some sort of formal education after high school is nearly mandatory to learn the skills required of the current and future workforce. Top public and private colleges are more selective than ever. We certainly see it in our state at colleges such as Clemson, USC-Columbia and Furman among others.

The reality is that 2/3 of children are preparing for jobs that do not currently exist. Today, IQ skills are important, but we live in the age of access and we can find the answer to a question by pulling out our cell phones. An interesting concept comes from “The Toddler Brain” by Dr. Laura Jana. Dr. Jana is a pediatrician, university instructor & researcher, early education center director, a writer and mother. She builds the case that we need to expand our development of 21st Century Skills in order to prepare our children for their futures. She contends and we agree, the case is a strong one that the foundation for these skills develop during the first 5 years of

life. Research shows that a 5 year old's social skill is a predictor of life outcomes.

Employers list soft skills as a top priority when hiring new employees. These "soft skills" are things like teamwork, self-motivation, problem solving, work ethic, communication skills. Today, employers are more interested in a person's soft skills because the "hard skills" can be taught. If we look at the peak development charts, sensory skills, language and higher cognitive function, including 21st century skills peaks at age one. The skills necessary to function in today's work environment are developed before age five. That is well before formal education begins.

Overwhelming evidence is proving that those who received a quality early childhood education before grade school are more prepared for kindergarten as they have had access to things such as counting numbers, knowing their letters, reading, writing and social interaction with their peers.

Brain development is a rapidly expanding science. The speed of brain development is fastest and most important from birth to age five. According the director of the Center on the Developing Child at Harvard University, what is most important for people to understand is that a new-born at birth has most of the brain cells that they will have for their entire life, but relatively few of the connections, the circuits among the different cells. A baby forms 700 new neural connections per second in the first years of life. This process of building the architecture of the brain is dramatically influenced by life experiences, it is not genetically hardwired.

Brain development in the area of language peaks at 9 – 10 months of age. Many higher cognitive functions (including soft skills) peak at 1 year of age. Language is known to be a predictor of success. Researchers see differences in children's vocabulary as early as 18-24 months. According to a famous study conducted in the 1990s, middle class children are exposed to many, many more words than working-class children. "Children who grow up in homes skewed to highly educated parents talk to their kids more, use more varied vocabulary." "Compared to children...in homes where parents have had limited education, tend to speak to their children less, use smaller vocabularies, don't provide elaborate descriptions." If early intervention doesn't happen, a child will struggle with language his or her whole life.

A plethora of research has proven that early literacy is closely linked to language development in the preschool and kindergarten years.

Disparities in ethnic, linguistic and socioeconomic backgrounds contribute to language skill delays and smaller vocabularies that cause students to fall far behind their peers. You may know that 3rd grade reading scores can predict future life success, but did you know that 18-month vocabulary can predict 3rd grade reading skills?

The message is clear from science that the only way to dramatically decrease the gaps in achievement is to begin providing rich learning experiences much sooner than standard school aged entry for children, especially those who live in disadvantaged environments. Research shows us that many children from low-income households are at a disadvantage in the area of brain development, language development and loving caregiver involvement. Therefore, if these children do not receive the important interactions to develop those positive brain connections, their vocabulary development is lacking - they will enter kindergarten well behind their peers. Statistics show they are less likely to graduate high school, have poor health habits and more likely to become a part of the expense of crime and poverty to the American taxpayer.

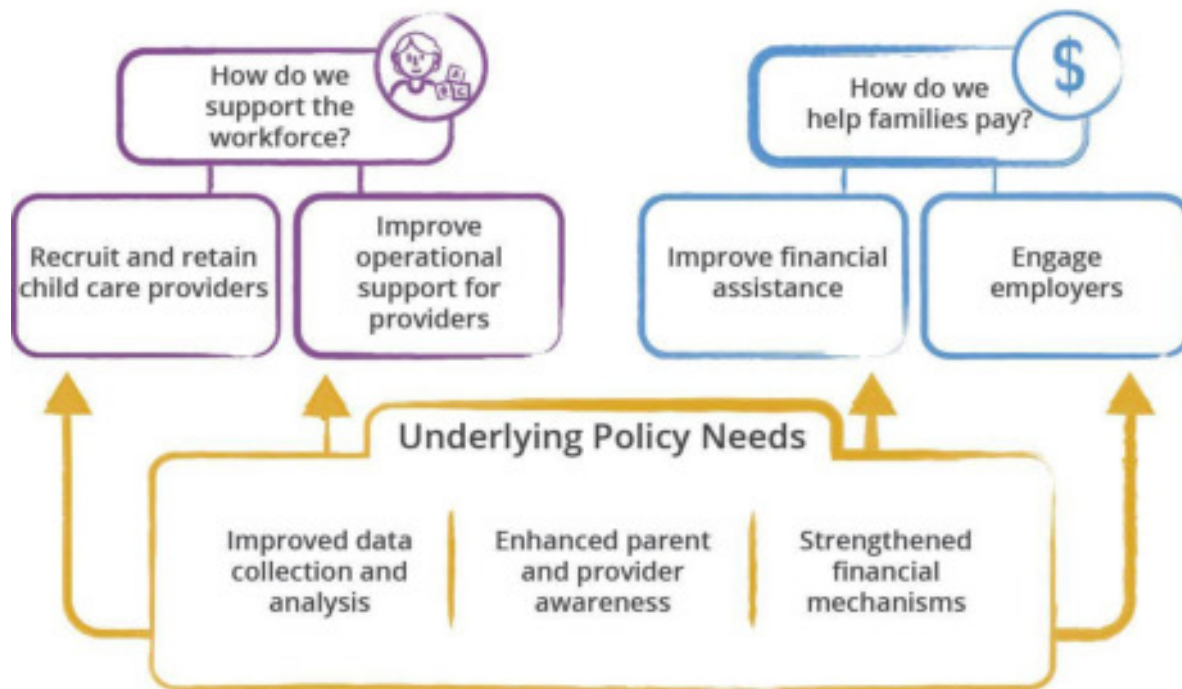
After school care during the years from grade school into high school continues to improve children's outcomes. These programs provide for study hours observed by adults who can help children with their homework, safe environments to play and other advantages as many working parents do not see their day end when the final school bell rings. This is especially helpful for the working poor and middle class who likely do not have the option to work from home and pick their kids up at 2:30 or whatever time the school bell rings. Furthermore, children who don't participate in meaningful summer experiences can fall behind, this is called the "summer slide." Studies have shown that by the end of sixth grade, students who experience summer learning loss can be as much as two years behind their peers. When it comes to summer learning loss, math takes one of the biggest hits. In reading, summer learning loss can account for almost two thirds of the ninth grade achievement gap. Much of the achievement gap between disadvantaged youth and their peers can be explained by summer learning loss in elementary school. Teachers use as much as two months at the beginning of the year to re-teach those skills.

If children have good grades and maintain strong work ethics in elementary school, they will likely continue on this path through middle and high school. This will help to encourage them to continue their education post high school and ultimately have the skills needed for higher paying jobs down the road.

VI. Recommendations

The childcare industry is of immense importance to our entire community. It is vital for workforce availability and key for early childhood education. Yet there are many challenges facing the industry today as we have discussed throughout this report.

The diagram below shows the key areas in which improvement actions can be taken to improve the availability of quality childcare in our area.



Graphic by: Child Care Aware® of America in their report "The US and the High Price of Child Care | 2019", 1515 N. Courthouse Road, 3rd Floor, Arlington, VA 22201; <https://www.childcareaware.org/>

Following is the specific recommendations proposed by The Childcare Task force for action by the Greater Island Council.

The Childcare Task Force proposes for the Greater Island Council to support the formation of the Beaufort County Childcare Centers Coalition (B4C). The Coalition would consist of Beaufort County childcare centers and supporting organizations. The purpose for B4C would be to advocate for the Centers, share resources, provide assistance and support, recruit volunteers, and help shine a light on the industry and its importance for the entire community. The Coalition would form a board of directors elected from the membership. Funding for an Executive Director, a critical component, would be provided by Beaufort County and its municipalities as a workforce initiative.

B4C would partner with various organizations throughout Beaufort County that work to support early childhood education. (Refer to the list of organizations in Section IV.E.) It would help organize reliable financial support from individuals, businesses, municipalities and other governmental agencies. It would also work with the chambers of commerce, United Way, residential neighborhoods, service, philanthropic and other organizations to facilitate communication and support for our childcare industry.

In addition to some of the ideas listed above, other examples of initiatives might include:

- partnering with the Community Foundation of the Lowcountry and the Coastal Community Foundation to sponsor scholarships for TCL students interested in pursuing careers in the childcare industry.
- Establishing a challenge called "Sponsor a Childcare Angel" that would enable businesses, organizations and individuals to fund a Beaufort County childcare employee's salary/benefits for one year, thus enabling more children to attend the center and allowing their parents/guardians to participate in the workforce.
- developing a program to provide dedicated volunteer coordinators at each facility that uses volunteers that can train and mentor volunteers to keep them engaged.

Should the Greater Island Council agree to support this initiative, an exploratory committee could be formed consisting of management from various childcare centers and supporting organizations, representatives from the County and municipalities, and GIC volunteers.

Following are some other ideas that could be pursued by the B4C or other individuals or organizations who might pursue them.

- Advocate for the Chambers of Commerce and the Town governments to validate the need for quality childcare by making solutions to this issue a priority.
- Advocate to ensure that childcare workers receive a living wage while ensuring that the additional cost can be funded without impacting fees for parents.
- Assist in developing additional sustainable sources of revenue through individuals, foundations, and community service organizations.
- Look at partnerships with businesses to provide childcare for their employees.
- Find a way to provide better staff benefit packages in the private sector.
- Point out to local government that adding private childcare centers brings taxes to the area – public schools don't.

- Ask local government to help with childcare center costs; e.g incentives like only charge \$25 for business license, not against estimated gross revenue for some number of startup years.
- Help to find staff. The Technical College of the Lowcountry training programs are great, but not many people know about them – they need ambassadors to talk about their program. Create incentives for people to have a second career.
- Facilities: Find unused buildings or space in churches or businesses to house childcare facilities. Ask existing childcare facilities to expand.
- Work with church childcare providers to expand their operations and number of children, if they have room. Churches may not be at full capacity because they are only communicating with their members but not advertising to the community at large. Also they may want to reach underprivileged children but do not know how to reach out to their parents.
- Direct potential volunteers to both the United Way and Community Foundation volunteer portals.
- “TEACH” Program – students/graduates have to work in a licensed center during or after the program.
- Advocate for more funding at all municipal levels.
- Get centers to sign up for First Steps 4K program. Get families to sign up their children.
- Maintain accurate data on the County’s childcare capacity and needs.
- Find a way to implement loan forgiveness for early childhood education degrees.

Appendices

Appendix A: Resources: Articles or Websites

Following are articles or websites which contain additional ideas for solutions or more insight into the childcare issues.

1. Subject: Will We Ever Solve the Childcare Crisis? We live in one of the most innovative and progressive regions in the country—not to mention one of the richest. Yet Massachusetts is also the state with the most expensive childcare in the nation, which is crippling families, mostly working moms. – Boston Magazine:

<https://www.bostonmagazine.com/news/2021/08/26/childcare-crisis-massachusetts/>

2. Subject: Child care crisis is now global economic fiasco – Island Packet from Bloomberg Law: "...The pandemic cost women globally at least \$800 billion in lost income in 2020." "You can't be a prosperous country with half of your workforce sitting on the sidelines."

https://edition.pagesuite.com/popovers/dynamic_article_popover.aspx?artquid=2450ded9-2a78-4e1f-a90a-a954544e5465

3. Subject: We are paying for childcare now but in a most inefficient way for lower quality than we need. – The Cut:

<https://www.thecut.com/2015/01/can-we-solve-our-child-care-problem.html>

4. Subject: Some out-of-the-box solutions – Working Mother Magazine:

<https://www.workingmother.com/10-out-box-childcare-options-that-are-changing-working-moms-lives>

5. Info about the Child Tax Credit

<https://www.whitehouse.gov/child-tax-credit/>

6. Return to work – Not with Childcare in Limbo Some Parents Say – NY Times:

<https://www.nytimes.com/2021/08/05/upshot/covid-child-care-schools.html>

7. Democrats poised to overhaul child care, with taxpayers paying - The Island Packet:

https://edition.pagesuite.com/popovers/dynamic_article_popover.aspx?artqid=ca181e74-0dc7-4e79-b9ae-166b73ae0ad8

8. 'The pay is absolute crap': Child-care workers are quitting rapidly, a red flag for the economy. Child care employment is still down more than 126,000 positions as workers leave for higher-paying positions as bank tellers, administrative assistants and retail clerks. Parents are struggling to return to work as daycare and after school programs dwindle. The Washington Post:

https://apple.news/AKzE2A3mhRhCh5fyG7heX_A

9. Our Foster Care System Is Fundamentally Broken – NY Times:

<https://www.nytimes.com/2021/09/16/opinion/foster-care-children-us.html?referringSource=articleShare>

9. Subject: Spotlight on Poverty & Opportunity: The Source for News, Ideas and Action - a non-partisan initiative that brings together diverse perspectives from the political, policy, advocacy and foundation communities to find genuine solutions to the economic hardship confronting millions of Americans. South Carolina data:

<https://spotlightonpoverty.org/states/south-carolina/>

10. Subject: In Quebec, Child Care Is Infrastructure: As U.S. policymakers consider ideas to improve child care affordability, a new report shows how Quebec's universal subsidized system enabled it to weather the pandemic - Bloomberg CityLab

<https://www.bloomberg.com/news/articles/2021-04-29/lessons-from-quebec-on-universal-child-care?srnd=citylab-economy>

11. Subject: Child Care as an Intergenerational Solution to Poverty - New America (dedicated to renewing the promise of America by continuing the quest to realize our nation's highest ideals, honestly confronting the challenges caused by rapid technological and social change, and seizing the opportunities those changes create)

<https://www.newamerica.org/education-policy/edcentral/child-care-intergenerational-solution-poverty/>

12. Subject: Child Care is in Crisis. New York Times

<https://www.nytimes.com/2021/03/31/us/child-care-centers-crisis.html?searchResultPosition=1>

13. Subject: Kids Count Data. The Annie E. Casey Foundation funds a nationwide network of state-level KIDS COUNT® (LA INFANCIA CUENTA™) grantees to track the well-being of children in the United States.

<https://datacenter.kidscount.org>

14. Subject: Can't Compete': Why Hiring for Child Care Is a Huge Struggle - The New York Times

<https://www.nytimes.com/2021/09/21/upshot/child-care.html?smid=em-share>

15. Institute for Child Success - SOUTH CAROLINA EARLY CHILDHOOD DATA REPORT DATA BRIEF: FAMILY ENVIRONMENT February 2019

<https://www.instituteforchildsuccess.org/wp-content/uploads/2019/04/Data-Brief-Family-Environment.pdf>

16. Subject: Child care crisis hampers pandemic economy – Island Packet from Associated press: October 28, 2021

https://edition.pagesuite.com/popovers/dynamic_article_popover.aspx?artquid=aa0bdb0b-45e4-4502-a02f-07435b38f3c2

17. Subject: For Our Future - South Carolina's Birth Through Five Plan by SC Early Childhood Advisory Council
“...a roadmap for optimizing our state’s early childhood system and moving toward a shared vision of success for every child. Led by the South Carolina Early Childhood Advisory Council, a collaborative body representing the state’s early childhood system, the plan was developed with input from thousands of families and service providers.*” from the Introduction of the report.

“The state’s child-serving agencies have come together to develop shared priorities for early childhood services in South Carolina over the next five years. Their efforts have resulted in **South Carolina’s first statewide Birth-through-Five Strategic Plan (note: a 5 year plan)**, now in draft form.”

The draft has been released for public input between September 17 and September 30th. The Council has final approval of the report scheduled for October 21, 2021.

Appendix B: Facilities Identified and Contacted

Following is the full list of facilities that we identified in our area.

Census District	Provider
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- 1.00 James J Davis Head Start
- 2.00 Beverly Hamilton
- 2.00 Elisa Nix-Jones
- 2.00 Our Children Daycare
- 2.00 Whale Branch Early College High
- 2.00 Whale Branch Middle
- 2.00 Whale Branch Elementary
- 3.00 Joseph S Shanklin Elementary
- 3.00 Joseph S Shanklin Head Start
- 5.01 Battery Creek High
- 5.01 Broad River Elementary
- 5.01 Felicia Ann Young
- 5.01 Life House Child Enrichment Station
- 5.01 Mary A Edwards
- 5.01 Valerie Jackson
- 5.02 Alpha Christian Development Center
- 5.02 Beaufort Christian School
- 5.02 Melonie Quimbley
- 5.03 Voncile S Brown
- 7.00 Child Enrichment Center
- 7.00 The Honeytree Preschool, LLC
- 8.00 Mossy Oaks Kindergarten Preschool
- 8.00 Wee Care Child Care Development Center
- 8.00 YMCA of Beaufort County
- 9.02 Beaufort Academy Kindergarten
- 9.02 BMH Hobbit Hill Learning Center
- 9.02 Coosa Elementary
- 9.02 Hobbit Hill The Learning Center
- 9.02 Lady's Island Middle
- 9.03 St Peters Catholic School
- 11.01 Linda J Johnson
- 11.01 St. Helena Elementary
- 11.01 St Helena Head Start
- 11.02 Creative Beginnings and Two Child Care LLC
- 11.02 Denise Palmer

11.02 Denise Palmer
11.02 Donna Simmons
11.02 Laverne Doctor
11.02 Penn Center P.A.C.E.
21.02 May River High
21.03 Pritchardville Elementary
21.05 Marie Simmons
21.05 River Ridge Academy
21.06 Alice Miller
21.06 Bluffton Elementary
21.06 Bluffton High
21.06 Cross Early Childhood Center
21.06 H E McCracken Middle
21.07 Amazing Creations
21.07 Bluffton Childrens Academy
21.07 Bluffton Middle
21.07 Camp Lowcountry Day
21.07 Camp Lowcountry Day
21.07 Kids College
21.07 Limitless Pediatric Solutions
21.07 Lowcountry Day Preschool
21.07 May River Montessori School
21.07 Michael C Riley Elementary
21.07 Monica Kidd-Coleman
21.07 Polly E Frazier
21.07 Red Cedar Elementary
21.07 Theresa Rene Frazier
22.01 Little Steps Daycare and Preschool
22.01 St Gregory the Great
22.02 Mary Medeline Silcox
22.02 Okatie Elementary
22.02 Raquel Cronin
22.02 St Gregory the Great Catholic School
104.00 HHI Early Childhood Center
104.00 The Childrens Center
104.00 Resurrection Church Childrens Corner
105.00 HHI Elementary School
105.00 HHI Elementary-Creative Arts
105.00 HHI High School
105.00 HHI Middle School
105.00 Hilton Head Boys & Girls Club
105.00 HHI Recreation Center
106.00 All Saints Episcopal Preschool

- 107.00 St Francis School
- 107.00 St Francis Catholic School
- 108.00 Sandalwood Head Start
- 110.00 First Presbyterian Day School
- 111.00 Christ Lutheran Preschool

The facilities listed below are those which responded to our inquiries.

- 1.00 James J Davis Head Start
- 5.01 Mary A Edwards
- 5.02 Alpha Christian Development Center
- 5.02 Beaufort Christian School
- 5.02 Melonie Quimbley
- 5.03 Voncile S Brown
- 7.00 Child Enrichment Center
- 7.00 The Honeytree Preschool, LLC
- 8.00 Mossy Oaks Kindergarten Preschool
- 8.00 Wee Care Child Care Development Center
- 8.00 YMCA of Beaufort County
- 9.02 Beaufort Academy Kindergarten
- 9.02 BMH Hobbit Hill Learning Center
- 9.03 St Peters Catholic School
- 11.02 Creative Beginnings Two Child Care and EC, LLC
- 21.06 Cross Early Childhood Center
- 21.07 Camp Lowcountry Day
- 21.07 Camp Lowcountry Day
- 21.07 Kids College
- 21.07 Limitless Pediatric Solutions
- 104.00 The Childrens Center
- 105.00 Hilton Head Boys & Girls Club
- 105.00 Hilton Head Island Recreation Center
- 107.00 St Francis Catholic School
- 108.00 Sandalwood Head Start
- 110.00 First Presbyterian Day School
- 111.00 Christ Lutheran Preschool
- 9501.00 Modestine Samuel
- 9501.00 Thomas Heyward Academy Daycare

Appendix C: Census Data – Birth to Five

Following is data collected from First Steps South Carolina:

FIRST STEPS SOUTH CAROLINA
BIRTH TO FIVE HIGH LEVEL DATA BY CENSUS TRACT
UPDATED AS OF JULY 7, 2021 FROM PROVIDER LOCATIONS AT MAY 25, 2021

Geo Area	Census District	Childcare Desert	CHILDREN UNDER AGE OF 6			Percent of Ages 3&4 Not in school	Capacity(1)	Providers	Deserts(2)	CHILDREN UNDER AGE OF 6			
			Percent Poverty	Percent Medicare	Population					Number in Poverty	Number eligible For medicare	Number in Desert	
NOB	1.00	N	8.7%	59.1%	230	0.0%		1		20	136	0	
NOB	2.00	Y	30.7%	59.1%	462	52.8%		6		142	273	462	
NOB	3.00	Y	5.0%	53.8%	860	60.7%		2		43	463	860	
NOB	5.01	N	14.7%	60.0%	652	77.4%		6		96	391	0	
NOB	5.02	N	38.8%	54.5%	547	56.0%		0		212	298	0	
NOB	5.03	N	14.9%	54.6%	469	13.4%		0		70	256	0	
NOB	6.00	Y	67.1%	67.1%	173	88.1%		0		116	116	173	
NOB	7.00	N	39.7%	49.3%	562	40.6%		0		223	277	0	
NOB	8.00	N	32.0%	86.9%	535	77.0%		0		171	465	0	
NOB	9.01	Y	8.8%	27.3%	194	51.6%		0		17	53	194	
NOB	9.02	Y	10.9%	38.1%	1,058	23.7%		4		115	403	1058	
NOB	9.03	N	54.5%	54.5%	154	48.4%		0		84	84	0	
NOB	10.00	Y	6.8%	52.7%	351	72.2%		0		24	185	351	
NOB	11.01	N	28.9%	56.9%	346	24.4%		3		100	197	0	
NOB	11.02	Y	34.8%	56.1%	431	32.9%		6		150	242	431	
NOB	12.00	N	0.0%	0.0%	13	0.0%		0		0	0	0	
DAUF	21.01	N	0.0%	0.0%	33	100.0%		0		0	0	0	
BLUF	21.02	Y	13.5%	31.7%	208	16.4%		1		28	66	208	
BLUF	21.03	Y	0.0%	15.1%	603	37.7%		1		0	91	603	
BLUF	21.05	Y	0.0%	42.8%	278	40.4%		2		0	119	278	
BLUF	21.06	N	0.0%	22.3%	593	47.1%		5		0	132	0	
BLUF	21.07	N	26.7%	57.4%	802	45.4%		14		214	460	0	
SOB	21.08	Y	13.9%	13.9%	223	38.7%		0		31	31	223	
SOB	22.01	N	0.0%	0.0%	257	27.0%		2		0	0	0	
SOB	22.02	N	0.0%	24.3%	140	70.4%		4		0	34	0	
HHI	101.00	N	0.0%	0.0%	66	0.0%		0		0	0	0	
HHI	102.00	N	55.0%	55.0%	260	57.8%		0		143	143	0	
HHI	103.00	N	0.0%	0.0%	116	0.0%		0		0	0	0	
HHI	104.00	N	15.1%	47.7%	193	14.8%		3		29	92	0	
HHI	105.00	Y	57.4%	63.8%	376	59.3%		5		216	240	376	
HHI	106.00	N	0.0%	0.0%	37	0.0%		1		0	0	0	
HHI	107.00	N	0.0%	0.0%	130	29.8%		2		0	0	0	
HHI	108.00	N	57.0%	77.2%	356	67.8%		1		203	275	0	
HHI	109.00	N	25.6%	41.0%	39	37.5%		0		10	16	0	
HHI	110.00	Y	0.0%	42.6%	47	45.5%		1		0	20	47	
HHI	111.00	N	15.9%	15.9%	63	0.0%		0		10	10	0	
HHI	112.00	N	66.7%	66.7%	9	0.0%		0		6	6	0	
HHI	113.00	N	0.0%	100.0%	11	0.0%		0		0	11	0	
Beaufort County	41				11,877			6,763	70	13	2,473	5,585	5,264
Colleton County	10				2,364			1,198	28	3			
Jasper County	5				1,947			619	23	3			
Hampton County	5				1,268			612	13	1			
Other SC Counties	1,042				324,521			190,651	2,277	436			
Total South Carolina	1,103				341,977			199,843	2,411	456			
DAUF	Daufuskie Island				33			-			0	0	
BLUF	Town of Bluffton				2,484			23			242	868	
HHI	Town of Hilton Head Island				1,703			13			617	813	
SOB	South of Broad River, other than above				620			6			31	65	
Subtotal					4,840			42			890	1746	
NOB	North of Broad River				7,037			28			1,583	3,839	
Beaufort County					11,877			70			2,473	5,585	

SOURCES OF ABOVE DATA:

- Data within report
- Calculated/Extracted from data within report

FOOTNOTES:

- (1) Capacity amount is determined by the State of SC based on facility square footage.
- (2) Desert is defined as a census tract with more than 50 children under five that:
 - A Contains no child care provider OR
 - B More than 3 times as many children under five as licensed child care slots

Appendix D: Notes on presentation from State Rep. Shannon Erickson to the Childcare Task Force (9/21/21)

Shannon has 34 years of experience in childcare as a teacher (Public and private school, running and owning schools.) She began working first with the state to improve the regulations and as a state representative has been on many committees related to childcare. She believes there is still a great deal of work to be done.

1. State childcare regulations were written with good intentions, but they won't work in the real environment. These regulations have caused 700 centers to reduce the number of kids they could have in their facility. E.g. One regulation looks at the # of kids vs. # of toilets but included the kids in diapers in the count, needlessly causing the centers to have to reduce the number they can care for. She helped correct this so that centers could increase the number of kids that had been removed due to this issue.
2. Shannon's childcare centers (3 locations) care for around 300 children. She should have 42 staff but right now only has 34.
3. The state decided we need better early childhood education to help kids be ready for school, so they created universal, free, 5-year-old kindergarten, but only in public schools. This caused 90% of the 5-year old kids in childcare centers (public, private, faith based, group homes, etc.) to move to the public schools. This, in turn, forced childcare centers to change their business model for 4-year old and younger children. The age group with the best financial returns for the childcare businesses was removed. And education is a business!
4. Regulators also decided the ratio of kids to adults needed to be lower. Other regulations regarding toilets, diapers, labeling bottle parts make it more difficult to run the centers now and the centers aren't getting a return on investment.
5. She has suggested that our state needs a more multi-dimensional delivery system for early childhood care/education (public, private, non-profit, etc.)
6. The state next decided that 4-year old children also needed universal kindergarten. It was supposed to be a public/private partnership, but due to a strong public school lobby, most of the money is going to the public, not the private sector. This pushed kids to the public sector, leaving out lots of private centers, for-profit, not-for-profit, group homes and faith-based centers, who are doing a great job, not getting equitable funding. Shannon believes that kids need different kinds of environments, small and large and that one public model is not sufficient.

As a result, parents cannot afford to pay for the actual cost of quality childcare and early year education with trained, licensed professionals.

7. The population of SC has grown by 15% in the last 10 years, but childcare center numbers have fallen. Beaufort County numbers are in line with these percentages

Type of Center	Number of centers in 2006	Number of centers in 2020
Childcare centers	1455	1424 (-2%)
Family home childcare centers	1087	667 (-39%)
Group home childcare centers	217	71 (-67%)

8. Rooms in centers are licensed by 5 variables (square footage, age, toilets, sinks, access to the outside) plus ration of children to teachers. This makes determining capacity very difficult. New rules require redoing entire capacity model.
9. Six different regulatory groups can come in and inspect a center at any time. These include First Steps, DSS, DHEC/Fire Marshalls, ABC, local Fire Marshall, and local DHEC. this is a very safe environment. How do we get more childcare centers in Beaufort County? Call off the excessive regulations. We make it too difficult for these centers to operate.
10. Creating a new site requires signoff on engineering and architectural plans, which often requires locating and getting signoff on older buildings being repurposed for childcare. Also, one of the biggest costs with affordable childcare centers is property tax.
11. Frontline/Essential workers lost childcare during the COVID-19 pandemic – DEHEC/DSS did help keep some open with subsidies and by providing PPE. Adult daycare was not helped during the pandemic. There used to be 1,000 adult care centers and now there are 47 in the state.
12. Most of the time, childcare centers were not included in LMOs so creating a new center often means seeking a variance to build one.
13. Staffing costs are \$15/hour – but that doesn't even get you a well-trained caregiver
14. Some solutions:
 - a. Loan forgiveness for early childhood education degrees. The Technical College of the Lowcountry has an excellent 2 year program for early childhood education. It rolls into the 4 year program at USCB. We are the only SC county to do this.
 - b. "Teach" Program – students/graduates have to work in a licensed center during or after the program.

- 15.Types of childcare centers:(See IV.A. Introduction/Types of Providers)
- 16.Stringent background checks are required for licensed and group childcare including staff and residents of the family group homes. Group homes have 2 visits/year, education requirements and must disclose liability insurance status. Background checks on childcare centers is more strenuous than for public school teachers and staff which don't even use the central registry of child abuse. Shannon would like driver's licenses to show people cleared to work with children so workers could be more portable.
- 17.There is a survey being done by First Steps which covers birth-5 years (long range plans). See Appendix A.15. There is also the Kids Count document that is done each year by state.
- 18.Centers are running at ½ to ¾ capacity due to COVID-19
- 19.What can the GIC do to help?
- a. First hurdle is having places to care for kids.
Facility: Find unused buildings or space in churches, places where people gather to house childcare businesses. Ask existing businesses to expand.
 - b. Ask local government to help with their costs; e.g incentives like only charge \$25 for business license, not against income for some number of startup years.
 - c. Need to find staff. The Technical College is great, but not many people know about it – they need ambassadors to talk about their program. Maybe incentives for people to have a second career
 - d. It all starts at the local level
 - e. Point out to local government that adding private childcare centers brings taxes to the area – public schools don't.
 - f. Staff needs better benefit packages in the private sector.
 - g. Look at partnerships with businesses (like Shannon partnering with BC Hospital to provide virtual learning during the pandemic with the hospital paying the rent)
 - h. You need approximately 5,000 square feet to care for 100 children – this is the space needed for a good business model.
 - i. First Steps has the private side of the model for 4K kids. It would be good to get some people to sign up for this. They would get \$4600 per child for a 6 ½ hour day, 180 days/year and replicate the public school system with stringent requirements. But hard to find teachers.

Contact Shannon for additional data (including from DSS) or if we run into regulation issues. These would help her point out the limiting factors in the childcare business.

Appendix E: Value of Child Care Letter

Dear all concerned:

As a parent of a child who has grown up on Hilton Head Island since pre-kindergarten and is now entering sixth grade, I believe that I can attest to the value and importance of childcare to the community. Early childhood education starting from infants to preschool helps provide the building blocks necessary for life in general. This includes reading, communication with peers and authorities and the value of outdoor play and exercise. Without quality early childhood education, between two parents who work full time which is the case for my wife and myself, our son would likely be sitting in front of a screen playing games the majority of the day and I would not be able to monitor him to be sure they are all educational. He would also not be able to make friends to play with outside and it would be difficult to play games by yourself outdoors. I am fortunate that I have the ability to work from home when need be with technology in the 21st century, but the majority of parents in the area do not. However, those of us who work from home are limited to what we can do with our children throughout the day as we still must get tasks done at work and thus cannot teach children ourselves.

When it comes to elementary school, childcare is still very important as the student's day ends while we are often still working. This brings us to afterschool programs, which are just as important. A focus on play, learning and communication expands. Thankfully we do have some sources of after school care, such as the Island Rec Center, or the Boys and Girls Club of Hilton Head, which is where we have sent our son up to this point for after school care. We see firsthand just how much volunteers and others in these facilities make a difference. Because of this, we need to expand resources for this type of education as local resources cannot keep up with demand.

It is very important to realize that quality childcare affects everyone ranging from retirees who may or may not have grandchildren here to young working parents. When I say this, what it refers to is it actually affects their lifestyle and pocketbooks. As mentioned above, childcare allows parents to work. If we do not have labor, we will not have restaurants to entertain people, grocery stores to feed people or landscapers to keep up the quality of our community, which is known to many as paradise. If you are in professional services such as myself, I rely on small business owners to help support my income and thus my family. If small business owners cannot find employees, they will go out of business which of course trickles down to myself.

In my opinion, it is very obvious that the value of quality childcare exceeds the costs, not just to some people, but all of us at any stage of life. Hopefully this provides a good way to help explain the value of childcare and why we must focus on it more heavily in our community than we currently do. It is important to note that there are many people who dedicate so much time to help and everyone in our community should be thankful to them. We have so many children who grow up in poverty that experience even more benefits from quality childcare than I do.

Signed,
A Caring Father

Appendix F: Letter from Beaufort County First Steps Executive Director Betty Washington

I've had the pleasure of working in the field of early education for more than thirty years and have seen some positive changes but also acknowledge that there is much more work to be done to ensure our children's success in school.

We as a community depend on our early care professionals to ensure the safety and well-being of our children, yet early education professionals are often underpaid and some still deem them to be mere "babysitters", not so. There is scientific data regarding the positive impact early education has on our children's lives through adulthood. Early education requires teaching professionals to meet the needs of each child to build well-rounded individuals.

The field of early education is necessary in our community - that was very evident during the pandemic and proves that childcare professionals are indeed front-line workers. When other businesses were closed, for the most part childcare facilities were open. Without our childcare professionals all other businesses could cease to exist because many parents would have to stay at home to care for their child.

One of the programs implemented through the First Steps office is Quality Enhancement, the program promotes quality in child care by providing early educators with one-on-one coaching and support. Classroom educators work with Technical Assistance Providers (TAPs) to set goals, review progress, and improve their strategies and skills over time.

Over a one-year period, participating classrooms receive rigorous quality assessments, on-site technical assistance at least twice monthly, a minimum of 8 hours of training, and funding for equipment and materials.

Appendix G: Survey Results from SERG Employees

The committee asked SERG if they would be willing to do a survey. They said they would do one. There were 19 responses to this survey. 1 responder equates to approximately 5%.

1. Do you use childcare? Yes: 79% No: 21%
2. Number of children under the age of kindergarten: 0: 16% 1: 37% 2: 47%
3. Age of kids: under 12 months: 32% 1 year: 16% 2 years: 21%
3 years: 47% 4 years: 16% 5 years: 5% 6 years: 5%
7 years: 11% 8 years: 11%
4. Home: Hilton Head Island: 26% Bluffton 68% Okatie: 5%
5. Type of Childcare:
Daycare/childcare center: 58%
In home: 16%
Nanny: 21%
Parents/Friends: 26%
Significant Other: 26%
6. How often do you use childcare: Part-time (1-3 days): 33%
Full time (4-6 days): 67%
7. Challenge to find daycare: Yes: 67% No: 33%
8. Is cost a challenge: Yes: 95% No: 5%
9. Average cost/week
\$0 - 100: 18%
\$101-200: 29%
\$201-300: 18%
\$301-400: 6%
\$401-500: 0%
\$501-600: 18%
\$601+: 12%
10. Total cost/year for all kids: Too much, under \$1,000, 2@ \$8,000,
\$2,500, \$15,000, \$13,900, \$18,000, 2@ \$9,000, \$13,000, \$24,000,
\$20,216, \$0 to parents, \$14,400
11. Annual Income: Under \$15,000: 0%, \$15,000-29,999: 11%
\$30,000-49,000: 17%, \$50,000-74,999: 33% \$75,000-99,999: 5%

\$100,000-\$150,000: 22% \$150,000+: 11%

12.Educational enrichment at your childcare: Yes: 50% No: 50%

13.Do you need educational enrichment: Yes: 59% No: 41%

14.Do you need evening childcare: Yes: 56% No: 44%

15.Do you need weekend childcare: Yes: 50% No: 50%

16.Concerns or challenges pertaining to childcare in your area:

- Yes. The reason we are very strict on where our children go to childcare is because everyone is forcing a mask on children. And that's abusive.
- Not enough options for full time care. Would like to see state funded Montessori option, need more full time
- Trusted, certified, and qualified people to watch children
- Reliable babysitters are hard to find for a price that is worth going to work for. And day care centers are only open until 6pm making night shifts hard
- The lack of options and waitlist times. Fortunately I have both kids in childcare at this point, but it has definitely been stressful getting to that point. There were times I found myself sending my kids to a facility I was not comfortable with, because it was the only place accepting
- Nature of jobs here are not great hours so it's always hard to find childcare.