
ENFORCING CHILD CARE REGULATIONS

**Richard P. Kusserow
INSPECTOR GENERAL**

TABLE OF CONTENTS

EXECUTIVE SUMMARY

INTRODUCTION 1

FINDINGS..... 4

EFFECTIVE PRACTICES 17

APPENDIX A-1

EXECUTIVE SUMMARY

PURPOSE

The purpose of this report is to provide an assessment of current State regulatory enforcement efforts in child care.

BACKGROUND

States have the primary responsibility for establishing and enforcing standards and regulations regarding child care. The Office of Human Development Services supports child care through the Social Services Block Grant (title XX). The Family Support Act of 1988 funds child care for Aid to Families with Dependent Children (AFDC) beneficiaries who take part in the Job Opportunities and Basic Skills (JOBS) program. Under both Federal programs, participating providers must meet applicable State standards.

There are three major kinds of child care settings in the United States. According to the U.S. Census Bureau, 41 percent of preschool children of working mothers spend their days in the homes of other mothers. This is known as family child care. Although 47 States regulate family child care, 13 States define it in such a way that large numbers of homes are not covered.

Twenty-one percent of children under age 5 are in organized child care centers or preschools. All States regulate child care centers and only two do not inspect centers annually.

The third type of arrangement, for 30 percent of those under age 5, is supervision in the child's own home by a nanny, sitter, friend, or relative. This type of care is not regulated in any State.

METHODOLOGY

We interviewed child care licensing administrators and inspectors in all 50 States, the District of Columbia, and New York City. In nine States and New York City, these interviews were conducted in person. On-site interviews were also held with resource and referral agency staff, child care providers, and child care experts from the private and public sectors.

FINDINGS

States Do Not Regulate Child Care In All Types Of Settings.

Patterns Of State Regulation Are Constantly Changing.

Frequent Visits Are The Best Way To Ensure Compliance. However, Only A Portion Of Facilities Are Monitored Regularly.

Legal Sanctions Are Time-Consuming And Difficult To Enforce, Even In Cases Of Imminent Danger.

Parental Involvement Is Considered The First Line Of Defense But May Be The Weakest Link In The Chain.

States Are Experimenting With New Ways To Improve The Oversight Of Child Care.

Resource And Referral Agencies Are Emerging As An Effective Source For Training, Technical Assistance, And Provider Networking.

EFFECTIVE PRACTICES

In our companion report to this volume, we describe a number of practices States might consider to improve their enforcement experiences. These practices include techniques to improve legal sanctions and procedures, inspections, monetary incentives and penalties, parental involvement, and training and technical assistance for providers. For more information, please refer to Office of Inspector General, "Effective Practices in Child Care Enforcement," OAI-03-89-00701.

INTRODUCTION

PURPOSE

The purpose of this report is to provide an assessment of current State regulatory enforcement efforts in child care. Our findings on effective practices by State licensing agencies are presented in a separate report.

BACKGROUND

States have the primary responsibility for establishing and enforcing standards and regulations regarding child care. The Office of Human Development Services supports child care through the Social Services Block Grant (title XX). The Family Support Act of 1988 funds child care for Aid to Families with Dependent Children (AFDC) beneficiaries who take part in the Job Opportunities and Basic Skills (JOBS) program. Under both Federal programs, participating providers must meet applicable State standards.

There are three major kinds of child care in the United States. For children under 5, the most common arrangement is family home care, in which toddlers are cared for in the homes of other mothers. According to the U.S. Census Bureau, 41 percent of preschool children of working mothers spend their days in such care. An additional 21 percent are in organized child care centers or preschools. The third type of arrangement, for 30 percent of those under 5, is supervision in the child's own home by a nanny, sitter, friend, or relative. The remaining 8 percent are in a variety of other care settings.¹

The Census Bureau also reports that in 1986 families with incomes above the poverty line paid an average of \$45 per week for child care or 6 percent of their income. Those families with incomes below the poverty line paid \$32 per week or 22 percent of their income.

Child care is one of the fastest growing segments of the American economy. The Small Business Administration reports that child care is now the number one new business start up. In 1986, the Census Bureau estimated that 9 million preschool children required care during the hours their mothers work. Yet, the 1986 National State of Day Care Regulation study found that State licensing agencies are increasingly unable to meet their own inspection requirements. As demand for and supply of child care escalates, State licensing agencies' responsibility in regulating child care facilities also increases.

Although previous national studies have delineated States' licensing requirements and regulations, none have looked at State regulatory enforcement. Consequently, this inspection focused on States' experiences in enforcing their child care regulations. Our findings are presented to increase congressional and Departmental awareness of the enforcement issue and inform State licensing agencies of developments across the nation.

METHODOLOGY

Data was collected from all 50 States and the District of Columbia through a combination of in-person and telephone interviews. In 41 States and the District of Columbia, we conducted telephone discussions with State administrators and inspectors. In Connecticut, officials in two State agencies which share child care regulation authority were interviewed. On-site interviews were conducted in nine States and New York City. (When referring to the number of States in this report, the total of 53 includes New York City, the District of Columbia, and two State agencies in Connecticut.)

Respondents included State administrators and inspectors, resource and referral agency staff, providers, and child care advocacy groups. Private and public sector experts were also interviewed. Finally, we reviewed two national studies on State child care regulations that have not yet been published.

Unless otherwise cited, all information contained in this report is based on interviews or review of State statutes and regulations.

Definition of Terms

In this report, we refer to three basic categories of regulation: licensing, certification, and registration. *Licensing* is the most comprehensive form of regulation. Generally, it involves fire, health, and State agency inspections prior to issuance of a license, and periodic inspections while the facility is in operation. Criminal and child abuse records are checked, and facility operating policies are developed and reviewed. *Registration* can range from self-certification by the provider with no outside inspections to a process as complex as licensing. *Certification* falls between licensing and registration.

We also refer to three types of facilities. *Child care centers* are non-residential facilities where providers care for a large (generally more than 12) group of children not related to them. A *family home* is usually a residence where one provider cares for one to six children. Half of the States have a third category, *group homes*, where 2 providers care for up to 12 children. (Specific definitions vary from State to State.)

In reality, there are substantial differences among the States in their definitions of these and other terms. The same terms can have different meanings in State regulations. For example:

- *Centers* can be located in “any home or facility” or restricted to “any place that is not the residence of the licensee.” Centers may serve “13 or more children under age 16,” “more than 5 children or infants,” or “21 or more children.”
- *Group homes* can care for “no more than 14 children,” “13 to 20 children,” or “not less than 7 or more than 12 children.” *Family homes* care for “1 to 6 children,” “no more than 10 children,” or “4, 5 or 6 children.” For both family and group homes,

licensed capacity can “include all children of any caregiver” or “exclude the caretaker’s own children.”

- *License revocation* does not necessarily mean “out of business.” Revocation can mean “the permanent removal of a center’s license” or the “formal act of closing a child care facility due to violation.” A provider whose license is revoked can apply for a new license “5 years following revocation” or “not for a period of at least 6 months.” In one large State, a provider whose license has been revoked can immediately reapply.
- *Suspension* of a license can occur when “a license holder’s failure to comply [with regulations] has placed the health, safety, or rights of persons served by the program in imminent danger” or for “repeated noncompliance that does not endanger the health and safety of children.”
- A *provisional license* can be issued for a facility “applying for initial licensure” or “when annual license expires and applicant is temporarily unable to comply.” It can be issued for a period “not to exceed 6 months” or “not greater than 3 years.”
- A *conditional license* may be issued “when the individual or agency fails to comply” or “to a new facility in order to permit applicant to demonstrate compliance.”

Readers should appreciate these differences in interpreting our findings.

FINDINGS

STATES DO NOT REGULATE CHILD CARE IN ALL TYPES OF SETTINGS.

All States license or certify centers, and 28 license or certify family homes. Another 11 States register family homes and 3 use both licensing and registration. Four regulate family homes only on a voluntary basis, 3 regulate only subsidized family homes, and 3 do not regulate them at all. Half of the States license, register, or certify group homes. The table below shows the number of facilities our respondents reported they regulate in each category.

Centers	65,728
Group Homes	6,309
Family Homes	163,078
Other	5,541
Total	240,656

Thirty States require a criminal record check of staff in centers and 27 require such checks for family homes. Child abuse registry checks are required for center providers in 17 States and for family homes in 18 States.² However, we found no clear consensus on whether such checks have been effective in identifying a significant number of potential violators.

Regulations can be waived under certain circumstances in 36 States. Grounds for waivers differ. While States do not waive health and safety requirements, waivers are frequently requested for capacity, staff qualifications, and outdoor space. A provider advocate noted, "There are a growing number of unqualified providers, particularly in centers, because States often waive education requirements so facilities can meet staff to child ratios."

Family Homes Are Often Exempt from Regulation.

One in six families live in States with very limited or no regulation of family homes. Only 15 States regulate providers caring for one child or more. In 13 States regulation of family homes begins with the enrollment of two, three, or four children. Eleven do not regulate family homes caring for fewer than five children. Three States don't regulate family homes at all. The remaining 10 either regulate on a voluntary basis or did not provide information on the number of children permitted in family homes.

The Census Bureau reports that of the 9 million preschool children in child care, 3.7 million (41 percent) are cared for in someone else's home.³ Based on reports from 34 States and the District of Columbia, we have calculated that almost 1.4 million preschool children are cared for in regulated family care. Accordingly, we estimate that over 2 million preschool children are being cared for in unlicensed or unregulated family homes.

Total Children Cared for in Family Homes	3,690,000
Children Cared for in Regulated Homes	1,371,383
Children Cared for in Unregulated Homes	2,318,617*

* See the appendix for more detail on the method used to calculate this figure.

Most Child Care Centers Are Regulated.

Nationwide, more than 65,000 centers and group homes have a combined licensed capacity of 2.9 million children. According to State administrators, States inspected 87 percent (56,800 of 65,000) of centers and 70 percent (4,400 of 6,300) of group homes in 1988.

States regulations are more strict for centers than for family homes. In 30 States, center directors must have at least some college education or an equivalent amount of work experience. Only five States have no educational or experience requirements for directors. Center staff must also meet minimum educational requirements in 17 States. Seven States have similar educational requirements for group home directors.⁴ Centers and group homes are also held accountable to more rigid health and safety standards than family homes.

However, many States exempt large numbers of child care facilities from licensing. In 28 States, programs approved by the Board of Education are exempt. Other States exempt part-time preschools (19), church affiliated programs (12), and hospital administered facilities (7). Only six States have no exemptions.

PATTERNS OF STATE REGULATION ARE CONSTANTLY CHANGING.

Over half of the States have significantly changed their regulations within the past 2 years.

Twenty-nine States have made major regulatory changes in the past 2 years in the area of child care. States are creating new categories within child care regulations to meet changing needs. A Plains State inspector explained, "Regulations have to be constantly changing and flexible." In 6 States, revisions have focused on alternate care programs such as before and after school, night and sick care. Night care is for children whose parents work night or irregular shifts. Sick care is a rapidly expanding new concept for children who are temporarily too ill for their usual child care.

In 1989, nine States were in the process of revising their regulations. Some are trying new approaches to developing regulations, such as public forums with parents and child care experts or appointing advisory councils of experts, elected administrators, advocacy groups, and parents.

Regulatory changes concern health and safety (22 States), provider training (8), provider qualifications (7), and staff to child ratios (7).

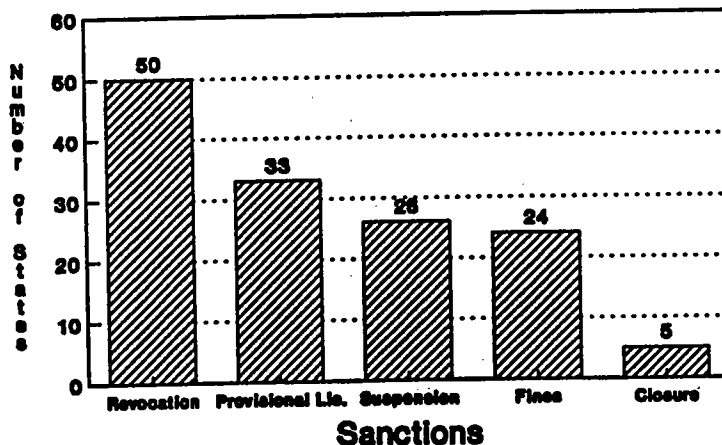
States are also increasing regulation of transportation services, outdoor recreation, and criminal background and child abuse checks of providers. Training requirements are also being raised for center directors and staff.

Seven States have changed staff to child ratio requirements. While most have increased the number of staff required, two States have reduced this number. Four States have added or strengthened regulations for infant and toddler care.

Most States place child care licensing agencies in social service departments. The following chart shows the types of departments in which States place child care licensing authority.

Available Sanctions

n = 53 States



Thirty-eight (of 53) States place child care licensing authority in a social services or human resources department, while eight are in a health department. Six are in umbrella agencies covering both health and social services. One is in a consumer and regulatory affairs department.

The administrative location of the child care licensing function may have an effect on which regulations are emphasized and the type of staff who inspect facilities.

According to respondents, social service or human resource agency staff may tend to emphasize child development, and have limited knowledge of building codes, sanitation, and nutrition.

In contrast, health department inspectors, generally registered nurses or persons with health backgrounds, tend to emphasize physical safety, nutrition, and health records; they have limited knowledge of disciplinary techniques and developmentally appropriate activities.

State health administrators indicated that they strongly believe health departments are the most appropriate department to handle child care regulation enforcement. According to one State health official, "Health and safety are the only major concerns in child care enforcement." However, a Northwestern inspector voiced the need to, "Think of day care as a social service."

While some inspectors in both health and social service agencies believe that health departments have greater enforcement powers, most health departments (6 of 8) had difficulty taking legal actions. Health departments did not report a greater number of sanctions imposed than other agencies.

Because of the lack of Statewide data in some licensing agencies, it was not possible to determine whether administrative location actually affects enforcement effectiveness. In 22 States, local agencies can play a major role in licensing and inspecting child care facilities. Sixteen States have home rule provisions, which allow cities or counties to regulate facilities if their standards meet State guidelines.

FREQUENT VISITS ARE BEST WAY TO ENSURE COMPLIANCE. HOWEVER, ONLY A PORTION OF FACILITIES ARE MONITORED REGULARLY.

Inspectors visit child care facilities to determine whether a license should be issued or renewed, monitor compliance, and investigate complaints. An inspection visit includes a health and safety check, a file review, and child-staff observation. It can last from 1 hour to 2 days depending on the size and condition of the facility.

All but one of the inspectors interviewed complete a regulatory checklist during a visit. In most cases, an exit conference is held with the provider to review the checklist and explain any deficiencies cited. If needed, the inspector prepares a corrective action plan which the provider signs. The inspector will either make a follow-up visit or ask the provider to inform

her or him when the correction has been made. This basic process involves considerable paperwork and follow-up with providers.

Many States inspect only a sample of licensed or registered family homes.

While 21 States inspect all family homes annually, administrators in 2 other States said few family homes are visited even though annual inspections are required. Nationwide fewer than half (71,000 of 163,078) of all licensed or registered family homes were inspected in 1988. Fifteen States inspect only a sample of homes each year, with samples ranging from 10 to 50 percent. Inspectors in seven States visit family homes only in response to a complaint.

States use a variety of other approaches to monitor family homes, including self-certification and multi-year inspections. Two States visit family homes only for the initial registration or licensing and do not return unless there is a complaint.

Respondents believe frequent visits are the best way get an accurate picture of a facility's operation.

Nearly half of inspectors (30) and one-third of State administrators (17) felt that frequent visits are the best way to maintain regulatory compliance. Over half of the resource and referral agency respondents (6 of 11) agreed.

Center and family home providers generally endorse State regulation and inspection. In fact, 20 percent of providers recommended more frequent inspections. One asserted, "Unless someone visits, there's not much point to having rules." A family home provider said, "Family child care is a safer environment due to inspections."

Inspectors said they faced obstacles in performing their duties.

Only one-third of inspectors feel they always have enough time to prepare and perform inspections. Areas they felt need more attention include observing the facility's daily program, offering training and technical assistance, and being involved in the initial application process to ensure that providers understand the regulations.

Several providers agreed, saying there is too much emphasis on record keeping and not enough on the care children receive. Providers also supported State education and training requirements. Fourteen (of 50) said they would like more training.

Both providers and inspectors felt that regulations covering appropriateness and quality of the child care program are vague and leave too much room for individual interpretation. According to a New England inspector, there is a "lot of latitude for interpreting [what a] developmentally appropriate program is."

Another obstacle mentioned by inspectors was the problem of "wearing two hats." They found it frustrating to relate to providers as both enforcer and technical consultant. Nearly

one-third of center providers (9 of 28) felt inspectors should be more supportive and less police-like. A Southern inspector said, "We're [expected to be] friend, consultant, and regulator to the staffs of facilities."

Inspectors in some States make unannounced visits. These visits allow inspectors to view a facility as it normally operates. Some inspectors (14) said they lack time to conduct unannounced visits.

While over half of the States (27) give providers advance notice (averaging 18 days) of upcoming inspection visits, three-quarters of inspectors (45 of 61) believe giving advance notice may allow providers to correct violations before the visit. A facility normally operating in violation of staff to child ratios, for example, could come into compliance for the day of the visit.

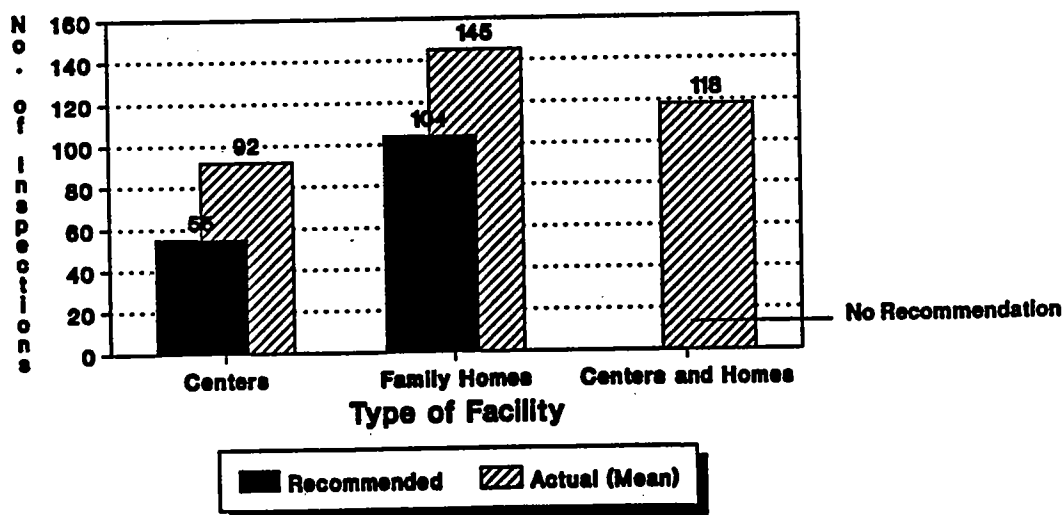
Inspectors often have large caseloads.

Although we found no national recommendations for child care inspection caseloads, time study data provided by a Midwest State administrator suggests a center caseload should be no greater than 55 facilities, and a family home caseload should be no more than 104 facilities.

The average yearly inspection caseload for inspectors of both centers and family homes was 118 facilities (60 centers and 58 homes). For inspectors who visit only centers, the average caseload was 92. Family child care inspectors had an average caseload of 145 facilities.

As shown in the following chart, the average center caseload reported was almost twice the recommended workload, while the average family home caseload was nearly one and a half times the recommended workload.

Inspector Caseloads



Some inspectors felt their caseloads were too large. Thirty-nine percent said more inspection staff are needed. One Western inspector said, "The caseload is physically impossible to keep up with." According to a State administrator, "The dilemma faced by regulatory agencies with clear enforcement mandates is that they would not have to be utilized as frequently if there were staff to carry out positive [measures] rather than negative sanctions."

According to inspectors, staff to child ratios and licensed capacity require the most monitoring to ensure compliance.

Exceeding staff to child ratios was the most common serious violation reported. Seventy percent of State administrators (37 of 53) and two-thirds of their inspectors (42 of 65) agreed.

Both center providers and resource and referral agency staff cited staffing as facilities' number one problem. Upgrading educational requirements tends to increase the cost of care and makes it more difficult to maintain staff to child ratios. While more States have increased or added staff qualifications to their regulations, a few States have reduced requirements in order to make more child care available.

Overcapacity was the second most frequent violation mentioned by inspectors. Some providers say it is difficult to hire the required number of qualified staff at current salary levels. A few enroll children over their licensed capacity because it is rare for all children to attend daily. Most providers said they want qualified staff but can't risk pricing themselves beyond the reach of parents.

Twenty State administrators cited exceeding group size as another common violation. Although a facility's overall capacity may be large, States may limit the size of different age groups under the supervision of each provider within the facility. Child care experts we interviewed felt that smaller group size improves quality of care without increasing its cost. Twenty-three States regulate group size.⁵

Inspectors also said supervision (18), safety (17), record keeping (11), sanitation (10), and staff qualifications (9) need frequent enforcement attention.

LEGAL SANCTIONS ARE TIME-CONSUMING AND DIFFICULT TO ENFORCE, EVEN IN CASES OF IMMINENT DANGER.

States can use a range of legal sanctions to address noncompliance. While terminology and application of sanctions varies by State, the most common penalties are fines, license restrictions, and license revocation.

Taking legal action against violators is a major problem.

State officials told us that bringing a violator to court is a lengthy and complex procedure. Documentation, supervisory approvals, due process hearings, and appeals are time-consuming and expensive.

Many respondents believe that State licensing agencies with their own staff attorneys are best able to take legal action against serious violators. However, few agencies have such staff. The four respondents who spoke positively about their legal support all had attorneys within their agency. In licensing agencies which do not have attorneys on staff, inspectors said that their legal representatives are unable or unwilling to prosecute child care regulation violators.

Most (42 of 66) inspectors cited a need for stronger and more immediate legal authority. Nearly a quarter (15) were concerned that they lack any authority in crisis situations. Inspectors say providers know that State regulations “lack teeth.” A few said they would like to be able to give providers tickets, similar to speeding tickets, for minor deficiencies.

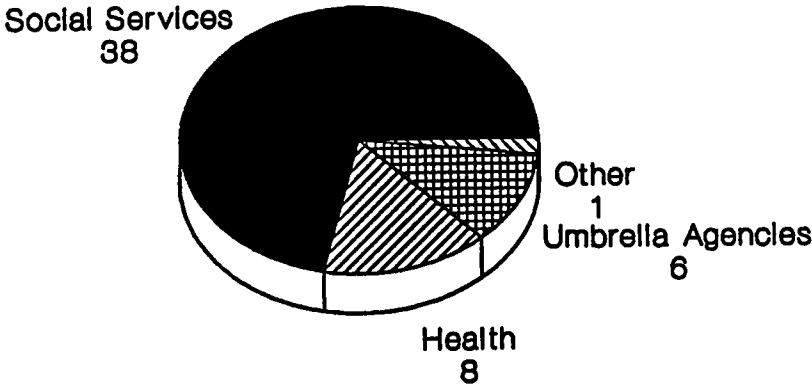
State prosecution authorities are inconsistent.

Prosecution authority varies from State Attorneys General to local sheriffs. According to respondents, local prosecutors are hesitant to take legal action unless children are in actual danger.

Other legal authorities vary as well. All but one State licensing agency have the power to deny a license. Twenty-six States can suspend a license and 24 have civil penalties or fining authority. Officials in five States can issue administrative closure orders.

The following chart illustrates the sanctions available as reported by State officials.

Administrative Location of Child Care Licensing Agencies
n = 53 States



Most providers comply when cited. Even for repeat offenders, inspectors usually rely on corrective action plans and follow up.

All States use corrective action plans. As previously noted, these are written or verbal plans with providers to achieve regulatory compliance. The plan sets out the timetable and actions required of the provider.

According to inspectors, most providers correct cited deficiencies in a timely manner. However, some providers continually teeter on the edge of compliance. Often these repeat offenders have neither the money nor the training to maintain compliance. A Southern State inspector referred to them as “squeaky wheels” who constantly require enforcement attention.

Twenty-four States can levy fines, but State licensing agencies do not agree on their effectiveness. Some agencies with fining authority rarely use it.

Officials in three States mentioned fines as a way to strengthen enforcement. Half of the inspectors from States without fining authority (14 of 29) believe that authority to levy fines would improve compliance. However, we found that fines are rarely used in the 24 States with such authority. Officials in eight of these States felt that fining is not an effective enforcement measure.

These respondents reported that fines are often difficult to levy. Some States require court approval, while others require daily inspection and documentation. One inspector in a large Eastern city said, “The fines are so low, they’re not effective.”

Fines range from \$5 to \$200 per day depending on the severity of the violation. Collecting fines can be difficult and they are often overturned or reduced on appeal. One State’s solution has been to withhold unpaid fines from State income tax refunds.

Some inspectors feel it is counterproductive to fine providers when the money would be better spent on care for the children. There is also a sentiment that wealthier providers could buy their way out of compliance.

Over half of the States have intermediate sanctions, such as provisional licenses.

Provisional licenses can be granted in 33 States. Two others use conditional licenses, and four can issue temporary licenses. In all but the most dire instances, States use corrective action plans, warning letters, and compliance conferences prior to seeking these sanctions.

Sanctions are used primarily for crisis intervention when children are in imminent danger. While all States can close facilities with serious violations, few are ever closed.

In 1988, sanctions were levied against fewer than 1 percent of all licensed, registered, or certified child care facilities. In the 27 States where records are maintained at the State level, 1,623 sanctions were issued against 142,522 facilities.

State administrators are reluctant to close a facility unless children are in danger. Rather than penalizing providers, they want to help them be the best caregivers possible. An Eastern State inspector said, "Enforcement is talking people into making changes, not revoking licenses."

Even though all States can revoke a license, in the 21 States where information was available, only 347 facilities were closed in 1988.

PARENTAL INVOLVEMENT IS CONSIDERED THE FIRST LINE OF DEFENSE BUT MAY BE THE WEAKEST LINK IN THE CHAIN.

Most States require parental access.

Thirty-four States have regulations regarding parental access. Regulation requirements range from unlimited access in all types of facilities to restricted visits to some facilities. Our interviews indicated that providers not only allow but encourage parents to visit regardless of State regulations. Most respondents consider parental participation an important means of assuring quality care.

Parents do care, but they often don't know what to look for in their child's facility.

Twenty-six State officials mentioned the need to educate parents about regulations and why they are important. Only two States mandate that parents receive classroom education about assessing their child's care facility.

Several respondents suggested that if parents knew what to look for and what to ask questions about, providers would be forced to take compliance with regulations more seriously. One State official commented, "Public awareness is really the key to the whole situation. Encourage parents to ask specific questions; then providers will have to gear up and take care of business."

Most administrators report that parents are the most frequent source of complaints. However, parents seldom call to report problems.

While few States keep detailed records about complaints, they report that most complaints are investigated and, if substantiated, included in the provider's licensure file. All States have a process for filing complaints, and most require their complaint procedures to be distributed to parents or posted in child care facilities.

State officials say that, due to their lack of knowledge, parents' complaints often deal with issues not covered by State regulations, such as disagreements with providers over child rearing matters and holiday or late fees. These complaints must still be investigated. Inspectors said responding to misdirected complaints can add to their already heavy caseloads.

States are trying to generate more parental participation.

Inspectors and providers indicated that there is a low level of parental participation at most facilities. Respondents said this was because parents of children in care must work. They rarely have the time or opportunity to visit the facility during the day. Respondents also told us that parents spend little time researching their care options. One Midwest State official said, "Parents spend more time shopping for a car than choosing their child's day care."

States want parents to act as their "eyes and ears" in the field. To generate parental participation, some States have created an array of materials to help parents make child care decisions. Other States require regulations to be posted in the facility.

Twenty-six States mandate some degree of parental participation in their children's care. State mandates can include regular progress reports (15), pre-admission meetings (10), and parent conferences (10). Five States include parents on State or facility advisory boards. One State administrator said, "Centers with parent advisory boards tend to be better."

STATES ARE EXPERIMENTING WITH NEW WAYS TO IMPROVE THE OVER-SIGHT OF CHILD CARE.

State encourage registration through incentives.

Providers are responding to incentives to register. These include the Agriculture Department's Child Care Program, training and technical assistance and cash grants. Half of the State administrators (27) consider the Agriculture Department's Child Care Food Program the best incentive for registration. Providers must meet State licensing or registration requirements to receive free meals and snacks for children in their care. A Western State official estimated applications for certification jumped 60 percent when this program was established.

Many State administrators (18) said provider training is one way to encourage registration. They feel training programs increase networking among providers. Experts consider networking an important factor in reducing turnover among family home providers.

At least six States offer other incentives for registration. Three States offer cash grants up to \$200; one lowers liability insurance rates. Others offer free smoke detectors or fire extinguishers.

These are just a few of the effective practices reported by respondents. More information is presented in our companion report "Effective Practices in Child Care Enforcement," OEI-03-89-00701.

RESOURCE AND REFERRAL AGENCIES ARE EMERGING AS AN EFFECTIVE SOURCE FOR TRAINING, TECHNICAL ASSISTANCE, AND PROVIDER NETWORKING.

Resource and referral agencies link up parents with appropriate providers. Some inspect homes; in a few places they are the only source of outside inspection.

Resource and referral agencies provide information, training, and referrals for parents, employers, and child care providers. Many States provide partial funding for these agencies. At least two national resource and referral brokers contract with individual agencies across the country to provide services for employees of large corporations. Typically, several resource and referral agencies cover the needs of one State.

A resource and referral agency generally gets information from parents to determine their child care needs. All agencies visited provide parents with educational material, including information on choosing quality care. Although only a few distribute copies of State regulations, most provide a readable summary. Agencies give parents a list of appropriate providers (usually three), making it clear that their referrals are not recommendations.

Several States contract with resource and referral agencies to either license providers or monitor subsidized care. These agencies frequently sponsor the Department of Agriculture Child Care Food Program. In carrying out their responsibilities under this program, they visit providers three times per year.

Of the 11 resource and referral agencies in our sample, 3 visited some of the providers they listed. Agency staff have a mixed view of their role in monitoring. The president of one Eastern resource and referral agency said, "Licensing agencies don't take advantage of services like ours which could assist in monitoring." However, at least two other resource and referral respondents were strongly opposed to a monitoring role.

Resource and referral agencies recruit and train new providers and offer a range of other services.

Resource and referral agencies view recruitment and retention as their main goal for family child care providers. Over half of the agencies interviewed (6) have established support groups to help reduce provider "burn-out." They report lower turnover and greater self-esteem among support group participants. Five family child care providers mentioned resource and referral services as an incentive to register. Seven said they belonged to a support group sponsored by a resource and referral agency.

Another major objective of resource and referral agencies is helping providers find qualified staff. Low salaries combined with a tight labor market result in high turnover. To address this problem, some resource and referral agencies maintain substitute worker pools.

Other resource and referral agency activities include offering providers group purchasing discounts, group liability and health insurance, advice in solving problems, and toy lending libraries. Two agencies in our survey offer financial assistance to their family child care providers.

EFFECTIVE PRACTICES

In our companion report to this volume, we describe a number of practices States might consider to improve their enforcement experiences. These practices include techniques to improve legal sanctions and procedures, inspections, monetary incentives and penalties, parental involvement, and training and technical assistance for providers. For more information, please refer to Office of Inspector General, "Effective Practices in Child Care Enforcement," OEI-03-89-00701.

ENDNOTES

1. U. S. Department of Commerce, "Child Care Costs Estimated at \$14 Billion in 1986, Census Bureau Survey Shows," Washington, U.S. Department of Commerce, 1989. pp. 1-2.
2. National Academy of Sciences, "Regulation of Child Care Under State Law," 1989. Unpublished data.
3. U.S. Department of Commerce, p. 1.
4. Morgan, G., pp. 4-1 - 4-6.
5. National Academy of Sciences, Unpublished data.

APPENDIX

Number of Respondents

State Administrators	53
Inspectors	66
Child Care Center Providers	28
Family Child Care Providers	22
Resource and Referral Agencies	11
Child Advocacy Groups	11

Number of Preschool Children in Unregulated Family Care Homes

Number of Children Cared for in Family Homes	3,690,000*
Number of Children Cared for in Regulated Homes	1,371,383**
<hr/> Total	<hr/> 2,318,617

* U.S. Census Bureau Estimates for 1986 (7/89)

** The reported capacity of regulated family child care homes is from 34 States and the District of Columbia which represent 76 percent of the total U.S. population for children under 5 years of age. In order to estimate the number of regulated facilities in the U.S., the following equation was used:

$$\begin{aligned} \text{Capacity Reported} &= 76 \text{ percent of Total U.S. Capacity} \\ 1,042,251 &= .76 (x) \\ 1,371,383 &= x \end{aligned}$$