

## Boost Georgia's Workforce with Affordable Child Care for Student Parents

By Jennifer Owens, Deputy Director and Jennifer Lee, Higher Education Policy Analyst

Georgia can help produce enough college graduates to meet employer demand and improve family incomes by increasing child care funding. Nearly 1,300 Georgia single parents with low incomes are already enrolled in college programs in high-demand career fields, but the state does not set aside money to help these parents with child care. This omission threatens parents' ability to secure college credentials and strengthen Georgia's workforce.

**For about \$7 million per year, Georgia can fund child care assistance for single parent students who receive the HOPE Career Grant.<sup>1</sup>** This grant is available to students enrolled in selected majors identified as strategically important to the state's growth.

Assisting parents with child care expenses is likely to help them stay in school, as supported by several surveys and studies. Without the help, parents can be forced to delay studies or quit pursuing higher education altogether. This is a loss for Georgia families as well as the state's workforce. Georgia needs another 250,000 college graduates with certificates, college diplomas, associate's degrees and bachelor's degrees to meet its workforce needs by 2025, according to the state's estimates.

The state can maximize its investment in the HOPE Career Grant program by devoting money to child care assistance for parents who receive the grant. The child care funding can be a down payment on a brighter future for Georgia's working families and its economy.

## Georgia Needs More Parents with College Certificates and Diplomas

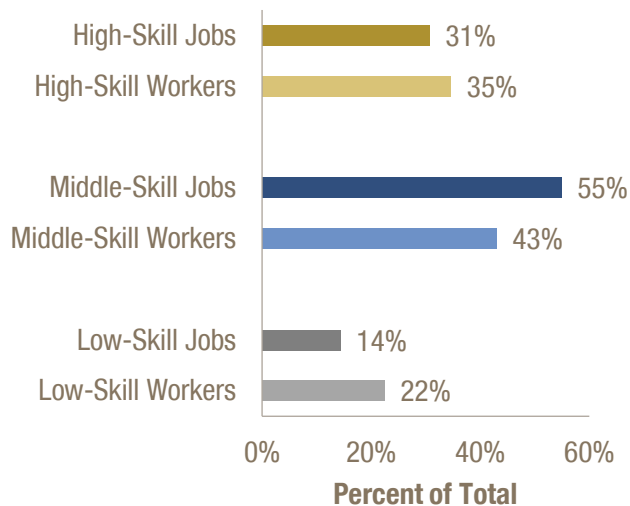
Georgia needs more workers with college credentials. More than 60 percent of Georgia jobs will require a certificate, college diploma, associate's degree or bachelor's degree by 2025, according to the Governor's Complete College Georgia initiative. Only 48 percent of the state's young adults hold one of those now<sup>2</sup> and Georgia will need to produce an estimated 250,000 additional graduates beyond the expected graduation rate to meet its workforce needs. Adults will be crucial to Georgia's 2025 workforce pipeline, according to the initiative.<sup>3</sup> To reach the state's goals, more than 20 percent of new credentials will need to be earned by adult students, according to analysis from Education Commission for the States.<sup>4</sup>

### Georgia's Middle Skills Gap

The state suffers from the effects of a workforce deficit commonly referred to as a middle-skill gap. Middle-skill jobs require education beyond high school but less than a four-year degree. Nurses, welders and electricians are examples of middle-skill jobs that require college credentials like certificates, diplomas and associate's degrees. Middle-skill jobs account for 55 percent of Georgia's labor market, but only 43 percent of the state's workers are trained to do them.

## Too Few Georgia Workers Fill Middle-Skill Jobs

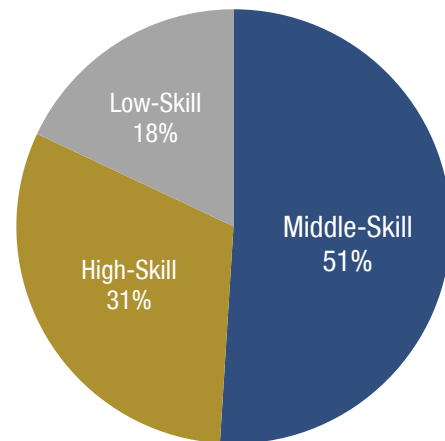
*Jobs and Workers by Skill Level, Georgia, 2015*



Source: National Skills Coalition analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2015 and U.S. Census Bureau American Community Survey data, 2015.

## Most of Georgia's Future Jobs Call for Middle Skills

*Jobs Openings by Skill Level, Georgia, 2014-2024*



Source: National Skills Coalition analysis of long-term occupational projections from Georgia Department of Labor.

Most of Georgia's *future* jobs will require at least some post-secondary education as well. Fifty-one percent of job openings between 2014 and 2024 are expected to be middle-skill jobs. Another 31 percent of job openings are expected to require at least a four-year college degree, while only 18 percent of job openings are forecast to require no education beyond high school.<sup>5</sup>

## HOPE Career Grant offers free tuition for students pursuing certain middle-skill credentials

One of Georgia's primary tools for closing the middle skills gap is the HOPE Career Grant. The HOPE Career Grant is the successor to the Strategic Industries Workforce Development Grant. It is a financial aid award designed to help students secure technical college credentials tuition-free.<sup>6</sup> It is available to students working toward a technical college certificate or diploma who qualify for the HOPE Grant<sup>7</sup> and enroll in majors identified as strategically important to the state's growth. Examples of these majors include computer engineering technology, commercial truck driving and practical nursing.<sup>8</sup>

## Parents Crucial to Filling the Skills Gap

Georgia parents are vital to filling the state's skill gap. Single parents represent about one in 12 students enrolled in the Technical College of System of Georgia – the system responsible for awarding the credentials needed to close the state's middle-skills gap.<sup>9</sup> Married parents are likely enrolled in the technical college system as well, making the total number of parents an even larger share of technical college enrollment.

The significant number of Georgia college students who are also parents reflects a larger nationwide trend. About 26 percent of all undergraduates nationwide are raising children. The number of student parents is up 30 percent from 2004 to 2012, or from 3.7 million to 4.8 million.<sup>10</sup>

Community colleges, also known as two-year colleges, enroll the largest share of parents in the United States. Thirty percent of community college students nationally are parents and 35 percent of all two-year students in the Southeast are parents.<sup>11</sup>

Colleges are also experiencing remarkable growth in the enrollment of single mothers, in particular. The number of single mother college students more than doubled from the 1999-2000 school year and 2011-2012 term. Nearly 2.1 million students, or 11 percent of all undergraduates, were single mothers in 2012, the latest year national data are available.<sup>12</sup>

# 1 in 12

**Approximate number of students in the Technical College System of Georgia who are single parents**

*Source: Author's calculation based on data received by the Technical College System of Georgia.*

## **Cost of Quality Child Care is a Significant Barrier for Student Parents**

Student parents work full-time and enroll in school part-time more than their childless counterparts, making child care a necessity.<sup>13</sup> Child care, however, is prohibitively expensive for students.

In Georgia, the average annual price of child care for a toddler in a child care center is \$7,311, while the average price for before- and after-school care for a school-aged child in a center is \$2,751.<sup>14</sup>

The high cost of child care presents an especially tough challenge for parents who are also college students. Student parents are more likely than other college students to live below the poverty level. Nearly two-thirds of student parents in Southeast states lack financial resources to pay for college expenses. These student parents are more than twice as likely as dependent students to lack money for college.<sup>15</sup>

# \$7,311

**Average annual price of child care for a toddler in a Georgia child care center**

*Source: Checking In: A Snapshot of the Child Care Landscape, CCAoA's Annual State Fact Sheets, "Child Care Aware of America, 2017.*

***Student parents are more likely than other college students to live in poverty.***

**-Institute for Women's Policy Research**

If students get the federal Pell Grant, that is a good indicator they count as low-income. The Pell Grant is a financial aid award available to some students with significant financial need. About 72 percent of Pell Grant recipients are in families that earn less than \$30,000 per year.<sup>16</sup>

The maximum Pell Grant for the 2015-2016 school year is \$5,775. Married student parents who earn low incomes are likely to fall short financially even with the maximum Pell Grant award. Families led by single parents are likely to struggle even more since they rely on only one breadwinner.

***More than three out of four parents in college relied on free child care from relatives; nearly half with young children reported they could not get the care they wanted because of cost.<sup>17</sup>***

The high cost of professional child care pushes many parents to rely on free child care provided by family, friends or neighbors, even though they may prefer a higher quality learning environment for their children. More than three quarters of parents in college relied on free child care from relatives in one study, while nearly half of the study participants with children ages 10 and under reported that they could not get the care they wanted for their children because it was too expensive.<sup>18</sup>

## **Georgia Now Offers Parents Few Affordable, Quality Child Care Options**

### **Georgia's Childcare and Parent Services Program Restricts Enrollment**

Georgia operates the Childcare and Parent Services (CAPS) program to help families with the high cost of child care. The program pays providers to care for some low-income children younger than 13 years old. The program is funded with \$150 million in federal money, \$53 million in state general fund money, and \$2.5 million in lottery money.

To qualify for child care assistance in Georgia, parents must meet residency, citizenship, immunization, activity and income requirements. Families must earn less than half of state median income based on their family size. For example, a family of three must earn less than \$29,677 per year to be eligible for the help.<sup>19</sup> Parents must also work or participate in job training courses to meet their activity requirement.<sup>20</sup>

***Beginning August 1, 2016, Georgia instituted a statewide funding restriction for the CAPS program. New applicants to the program who would otherwise be eligible based on income and activity requirements cannot receive child care assistance unless they are members of a limited list of priority groups.***

**-Georgia Department of Early Care and Learning**

Priority categories for child care assistance include parents of children involved with protection cases and children in Department of Family and Children Services custody, children enrolled in lottery-funded pre-kindergarten classes, children with special needs, families with incomes of less than half of the poverty level, grandparents raising grandchildren, minor parents, people experiencing domestic violence, homelessness, or a natural disaster; and families involved with the Temporary Assistance for Needy Families program.<sup>21</sup> There is no priority category for parents enrolled in college or parents who are working.

## Campus Child Care Centers Not a Viable Option for Most Student Parents

Campus child care centers offer little relief. Fewer than one in four Georgia technical colleges has campus child care.<sup>22</sup> These centers typically serve only a small share of student parents on campus.<sup>23</sup> Campus child care centers nationwide carry a waiting list of 80 children, on average.<sup>24</sup> Campus child care centers can also prove too expensive for student parents, many of whom are working entry level or part-time jobs while they attend school.

## Child Care Assistance Can Help Parents Secure College Credentials

Offering too few child care options for parents runs counter to the state's need to produce more college graduates. Child care helps parents persist in and complete college programs, according to research. Nearly 70 percent of students at one community college who used the campus child care center returned to school the following year, compared to slightly more than half of their counterparts who did not use the center.<sup>25</sup>

***Parents who accessed child care were also nearly three times more likely to graduate or go on to pursue a bachelor's degree within three years of enrollment.***

**-Monroe Community College Study**

Parents also report access to stable and affordable child care could help them avoid taking time away from college. Nearly 60 percent of Mississippi community college students with children age 10 and younger who report taking some time off said in a survey that help with child care might have kept them in school. Fifty-five percent of parents with children age 10 and younger reported that child care assistance is one of the top three helpful student parent supports.<sup>26</sup>

More recent nationwide data also indicate that child care can make a critical difference in keeping parents in college. About 43 percent of women and 37 percent of men at two-year institutions who live with children report they are likely or very likely to withdraw from college to care for them.<sup>27</sup>

## More Investment Needed to Propel Georgia's Student Parents to Completion

Georgia can help more of its student parents secure college credentials by providing them with child care assistance. For about \$7 million, Georgia can pay for child care for 1,288 of Georgia's low-income single parent students who receive the HOPE Career Grant.<sup>28</sup> These parents are now unable to access Georgia's child care assistance program unless they were already receiving the help before the state froze enrollment in August 2016.

**\$7 Million**

**Estimated amount needed to fund child care assistance for student parents receiving Georgia's HOPE Career Grant**

*Source: Author's calculation. See Methodology section.*

## More Than \$7 Million Needed to Pay for Child Care for Single Parents in Technical Colleges Receiving HOPE

Though the \$7 million needed is aimed at single parents with demonstrated financial need and enrolled in high-demand career majors, Georgia can dedicate enough revenue to provide child care assistance for all student parents in technical colleges receiving HOPE. The \$7 million figure is offered as a starting point. In 2017, 5,544 single parents enrolled in technical colleges and received HOPE. To cover all of these single parents balancing school and family requires an estimated \$30 million.

If Georgia started paying for child care assistance for parents receiving the HOPE Career Grant, it should also anticipate the need for increased funding in future years as more parents become aware of the available assistance. In nearly 188,000 low-income working Georgia families with children, neither parent is educated beyond high school.<sup>29</sup> More parents will likely seek college credentials to earn higher wages and provide brighter futures for their families if they know the state will provide quality care for their children while they are enrolled in school.

# 188,000

**Georgia low-income working families  
in which neither parent has any  
education beyond high school**

*Source: Working Poor Families Analysis of U.S. Census Bureau  
American Community Survey, 2015.*

## Georgia Can Follow Lead of Effective Nonprofit Effort to Support Student Parents

A nonprofit initiative now operating in several Georgia communities provides a roadmap for Georgia leaders who want to help student parents stay in school and afford quality child care. The Boost Program: Making College Possible, an initiative of Quality Care for Children, provides child care and tuition assistance for low-income college students with young children. It is now in place at Armstrong State, Clayton State and Columbus State, with an expansion to Savannah State set for early 2018.

Boost leverages private and philanthropic dollars to cover the costs of quality care and early learning for the young children while their parents attend school. It now serves 163 children, with a goal of serving 350 children by 2019. The program is designed as a two-generation strategy, which means the aim is to help both parent and child as a way to improve the family's trajectory and break the cycle of poverty. To date, 100 percent of participants remain enrolled with a 2.5 GPA or higher and are projected to graduate on time. Many are honors students in their program.

The Boost program can serve as a powerful and expandable example for Georgia policymakers to extend this critical support to student parents and their young children.

### Meet Karen Norton, a student parent at Columbus State on track to graduate from the nursing program

*" We were looking at daycare options, and it was like \$300 dollars for twin boys so there was no way that we could pay for it. My only option was dropping out of nursing school because there was no way we could afford it since we were only getting \$550 a week from my husband's job."*



Karen Norton, mother of 18-month-old twins Charlie and Chance, is a current recipient of the Quality Care for Children's Boost - Making College Possible scholarship. Norton learned she was pregnant with the twins while she was a pre-nursing student at Columbus State University. During her pregnancy, the school accepted her into the university's nursing program. As a new mother of twins pursuing her dream of becoming a registered nurse, she relied on a patchwork of friends, relatives, and neighbors for child care while she was in class. Eventually, her sister moved in with her to help.

This worked for a year until her sister decided to go back to school and could no longer care for Norton's twin babies during the day. As a family of four living on an income of \$550 a week, she knew she could not afford a licensed child care provider. She had no choice but to withdraw from school and it seemed her dreams vanished until she got a call from the academic center. The person who called told Norton she was selected to get child care scholarships for her twins from the Boost - Making College Possible Program. With the aid of the Boost scholarship, she continued her studies and is on track to achieve her dreams. Norton is now a senior and is on pace to graduate on time from Columbus State's Nursing Program.

## Conclusion

Helping parents secure in-demand college credentials by assisting them with child care benefits Georgia's families and the state's workforce. Child care assistance helps parents stay in school and secure college credentials.

Georgia can begin supporting thousands of parents pursuing college credentials and higher-paying jobs by dedicating more than \$7 million to fund child care for low-income parents who receive the HOPE Career Grant. This investment not only delivers help to improve incomes for Georgia families, but also produces a more skilled workforce ready to meet employer demand.



## Acknowledgements

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## Methodology

This analysis generates an estimate of how much money is needed to fund child care assistance for single parents receiving Georgia's HOPE Career Grant programs by using the following data:

- 1) The number of Georgia single parents receiving the federal Pell grant AND the HOPE Career Grant. About 1,595 single parents received both the Pell grant and the HOPE Career Grant in 2017, according to information received from the Technical College of Georgia.
- 2) The estimated number of children of HOPE Career Grant recipients in need of child care. The [U.S. Census Bureau American Community Survey](#) calculates that the average size for Georgia families led by single women and single men is approximately three people. We assume that each single parent has two children and estimate the children in need of child care based on the age distribution of all children in the state. Annie E. Casey Foundation's [KidsCount Data Center](#) calculates that about 71 percent of all Georgia children are younger than 13. The federal government subsidizes care for children younger than 13.
- 3) The average cost of Georgia's CAPS program per child. Georgia's Department of Early Care and Learning detailed in its [2016-2017 CAPS Stakeholder Engagement Process and Results Report](#) that \$150 million in federal funds are spent on CAPS in addition to \$53 million in state match and \$2.5 million in state lottery funds. The report also stated that CAPS serves 54,000 children. We divide the total dollar amount spent on CAPS by the number of children served to arrive at an average annual CAPS spend per child of \$3,806. We use total average costs – not just state costs – for our estimate because we cannot assume that additional federal funds will be allocated for subsidized child care in Georgia.

Methodology Formula, Child Care Assistance Estimate for Single Parents Receiving Hope Career Grant						
Number of Georgia single parents receiving the federal Pell grant AND the HOPE Career Grant	X	Assumed average children per single student parent	X	Estimated number of children younger than 13	=	Approximate number of children in need of care
1,288		2		71%		1,838
We multiply the estimated number of children in need of care by the annual cost of CAPS per child (\$3,806) to project total expenses of:						<b>\$6,992,776</b>



## Endnotes

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<sup>1</sup> This estimate is for HOPE Career Grant programs of study effective Fall 2017. It does not include any HOPE Career Grant majors that may be added to the program for Spring 2018. <https://www.wabe.org/gov-deal-pushes-expand-industry-specific-hope-grant/>

<sup>2</sup> [Complete College Georgia](#), University System of Georgia.

<sup>3</sup> “Georgia’s Higher Education Completion Plan 2012,” Complete College Georgia, November 2011.

<sup>4</sup> Education Commission of the States analysis described in appendix of Pingel, S., Parker, E., & Sisneros, L. (2016). Free community college: An approach to increase adult student success in postsecondary education.

<sup>5</sup> “[Georgia’s Forgotten Middle](#),” National Skills Coalition, February 6, 2017.

<sup>6</sup> [Technical College System of Georgia](#), Accessed November 15, 2017.

<sup>7</sup> An student must meet several requirements to be eligible for the Hope Grant including legal residency, academic achievement standards and enrollment requirements. “Hope Grant,” [GAfutures](#), Georgia Student Finance Commission.

<sup>8</sup> “Hope Career Grant,” [GAfutures](#), Georgia Student Finance Commission.

<sup>9</sup> Author’s calculation based on data received by the Technical College System of Georgia and the [Technical College System of Georgia System Scorecard](#) (Accessed November 15, 2017).

<sup>10</sup> Elizabeth Noll, Lindsey Reichlin, and Barbara Gault, “[College Students with Children: National and Regional Profiles](#),” Institute for Women’s Policy Research, January 2017.

<sup>11</sup> Elizabeth Noll, Lindsey Reichlin, and Barbara Gault, “[College Students with Children: National and Regional Profiles](#),” Institute for Women’s Policy Research, January 2017.

<sup>12</sup> Institute for Women’s Policy Research, “Single Mothers in College: Growing Enrollment, Financial Challenges, and the Benefits of Attainment, September 2017.

<sup>13</sup> Elizabeth Noll, Lindsey Reichlin, and Barbara Gault, “[College Students with Children: National and Regional Profiles](#),” Institute for Women’s Policy Research, January 2017.

<sup>14</sup> “Checking In: A Snapshot of the Child Care Landscape, CCAoA’s Annual State Fact Sheets,” Child Care Aware of America, 2017. [https://usa.childcareaware.org/wp-content/uploads/2017/07/GA\\_Facts.pdf](https://usa.childcareaware.org/wp-content/uploads/2017/07/GA_Facts.pdf)

<sup>15</sup> Elizabeth Noll, Lindsey Reichlin, and Barbara Gault, “[College Students with Children: National and Regional Profiles](#),” Institute for Women’s Policy Research (IWPR), January 2017. Nearly two-thirds of student parents in the Southeast (64.7%) have an Expected Family Contribution of \$0 to college expenses, as calculated by the federal government from data on the Free Application for Federal Student Aid (FAFSA). IWPR defines the Southeast states to include Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

<sup>16</sup> Jennifer Lee, [2017 Georgia Higher Education Data Book](#), Georgia Budget and Policy Institute, August 2017.

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<sup>17</sup> Cynthia Hess, Sylvia Krohn, Lindsey Reichlin, Stephanie Roman, and Barbara Gault. [Securing a Better Future: A Portrait of Female Students in Mississippi's Community Colleges](#). Washington, DC: Institute for Women's Policy Research and the Women's Foundation of Mississippi, June 2014.

<sup>18</sup> Cynthia Hess, Sylvia Krohn, Lindsey Reichlin, Stephanie Roman, and Barbara Gault. [Securing a Better Future: A Portrait of Female Students in Mississippi's Community Colleges](#). Washington, DC: Institute for Women's Policy Research and the Women's Foundation of Mississippi, June 2014.

<sup>19</sup> [CAPS Maximum Income Limits](#), Childcare and Parent Services Program, Georgia Department of Early Care and Learning.

<sup>20</sup> [CAPS Policy – Eligibility Requirements](#), Childcare and Parent Services Program, Georgia Department of Early Care and Learning, Effective October 1, 2016.

<sup>21</sup> [CAPS Policy – Priority Groups](#), Childcare and Parent Services Program, Georgia Department of Early Care and Learning, Effective October 1, 2016. Income eligibility for the Temporary Assistance for Needy Families (TANF) Program varies by family size and is beneath the poverty line. For example, a family of three must earn less than \$784 per month to qualify for TANF.

<sup>22</sup> Eleanor Eckerson et. al, [Child Care for Parents in College: A State by State Assessment](#), Institute for Women's Policy Research, September 2016. See also Go Back. Move Ahead. Childcare Services for Students, <https://www.gobackmoveahead.org/childcare-services-for-students/>

<sup>23</sup> Kevin Miller, Barbara Gault, and Abby Thorman. [Improving Child Care Access to Promote Postsecondary Success Among Low-Income Parents](#). Institute for Women's Policy Research, March 2011.

<sup>24</sup> “[Child Care Assistance for College Students with Children: An Opportunity for Change in Washington State](#),” Institute for Women's Policy Research, October 2017 (citing Noll, Elizabeth. forthcoming. “Supporting Campus Children's Centers: Findings from 2016 Campus Children's Centers Leaders Survey.”, Institute for Women's Policy Research.)

<sup>25</sup> Monroe Community College. [Inside IR](#). Monroe Community College, Spring 2013.

<sup>26</sup> Cynthia Hess, Sylvia Krohn, Lindsey Reichlin, Stephanie Roman, and Barbara Gault. [Securing a Better Future: A Portrait of Female Students in Mississippi's Community Colleges](#). Institute for Women's Policy Research and the Women's Foundation of Mississippi, June 2014.

<sup>27</sup> Institute for Women's Policy Research, “[Child Care Assistance for College Students with Children: An Opportunity for Change in Washington State](#),” October 2017. (citing IWPR analysis of data from the 2016 Community College Survey of Student Engagement (CCSSE) microdata)

<sup>28</sup> See Methodology section.

<sup>29</sup> Working Poor Families Project, Analysis of U.S. Census Bureau American Community Survey, 2015, (Washington, D.C.: Population Reference Bureau). “Families” are used in this analysis to represent married-couple or single-parent families with at least one child under age 18 present in the household. A family is defined as working if all family members age 15 and over either have a combined work effort of 39 weeks or more in the prior 12 months OR all family members age 15 and over have a combined work effort of 26 to 39 weeks in the prior twelve months and one currently unemployed parent looked for work in the prior 4 weeks. The “low-income” threshold varies by family size and number of children. In 2015, for example, a low-income family of three with one child earned less than \$38,156 per year.