



Sheppard Pratt

Discovery Station Early Head Start Community Assessment Update Program Year 2022-2023



2022-2023 Community Assessment Update

This Family Services' Discovery Station Early Head Start (EHS) *Community Assessment Update Report for 2022-2023* is based on census data, program surveys, and relevant research reports. This report provides new information that should be considered as EHS seeks to meet community needs and maximize partnerships in the 2022-2023 program year.

Documents reviewed for this update included *Readiness Matters: The 2019-2020 Kindergarten Readiness Assessment Report (MSDE and Ready at Five, 2019)*; *Montgomery County Early Care and Education Strategic Plan 2017 (MCDHHS, 2017)*; *Montgomery County Early Care & Education Initiative Action Plan 2020(MCDHHS, 2019)*;

Self-Sufficiency Standard for Montgomery County, Maryland (Maryland Community Action Partnership 2023); *Early Care and Education Trends and Key Factors (Montgomery Moving Forward, January 2018)*; *Child Care Demographics 2022: Montgomery County Report (Maryland Family Network, 2020)*; *Child Care in Montgomery County (Office of Legislative Oversight, 2016)*; *Montgomery County Commission on Child Care Annual Report 2017-2018 (Commission on Child Care, November 2018)*; *Demographic Snapshot for Montgomery County, MD (Montgomery Moving Forward, Fall 2016)*; *Revised Head Start Program Performance Standards (Office of Head Start 2016)*; *Annual Update of the HHS Federal Poverty Guidelines (Department of Health and Human Services, January 2020)*; *Montgomery County Head Start Community Assessment (Montgomery County Community Action, January 2020)*; *Montgomery County Department of Health & Human Services FY17 Annual Report (July 2018)*; *Child Welfare Services Annual Report (MCDHHS, 2015)*; *COVID Trends Operational Child Care Operational Survey (Child Care Resource & Referral Center 2020*

Community Action Agency Community Needs Assessment (September 2019)

Meeting the Challenge: Maryland's Early Learning Response to COVID-19 (Ready at Five, 2020)

Economic Indicators for Montgomery County and Surrounding Jurisdictions, (Montgomery County Council January 2022)

State of Maryland Department of Health and Mental Hygiene (Essential Employee Definition)

Montgomery County Government, COVID-19 Information Portal

Montgomery County, July 14th EARP Private Pay Report

Point in Time Study <https://montgomerycountymd.gov/homelessness/Numbers.html>

Montgomery County Housing Opportunities Commission <http://www.hocmc.org/>

Montgomery County Housing First Plan Implementation Status Update April 2017

United States Census Bureau, Quick Facts (Population Estimates July 1, 2021)

Montgomery County Community Action Agency, Community Needs Assessment Executive Summary, 2019-2022

Maryland Department of Education, 2021-2022, Kindergarten Readiness Assessment Report

Strategic Planning for Early Care and Education in Montgomery County, MD

In 2017, Montgomery County's Early Care and Education Strategic Plan was released after significant research and study (MCDHHS, 2017). It was developed with input from many stakeholders in the early childhood community, including the Commission on Child Care, the Early Childhood Coordinating Council, and the Organization of Child Care Directors. The plan documents the population trends and school readiness concerns noted in the Community Assessment Report for 2015-16. Many of the same themes continue in our update report, but they are compounded by the lingering impact of the COVID-19 Pandemic. The County is experiencing increased diversity and significant needs among young families. There are growing numbers of families who are low income, who speak English as a Second Language, and who have children with disabilities. Many minority children are at risk of coming to school lacking the skills necessary for them to be successful.

The 2017 strategic plan, whose basic elements continue into the present, calls for the development of a system of early care and education to meet the needs of all the County's children with the following five goals:

1. All infants, toddlers, and preschoolers in Montgomery County experience high quality early care and education in formal and informal settings.
2. Montgomery County provides adequate resources to ensure eligible families can afford early care and education that is high-quality, accessible, and meets their needs.
3. The Montgomery County early childhood workforce is diverse, professionalized, well-compensated, and has access to ongoing professional development.
4. All infants, toddlers, and preschoolers in Montgomery County experience continuity in transitions as children develop and continuity across settings and sectors.
5. Montgomery County has the necessary infrastructure and funding to support a high-quality, affordable, accessible early care and education system.

Demographics

Montgomery County appears to be two divided communities contrasting great affluence with great poverty. According to the *2021 U.S. Census Bureau*, Montgomery County is the 5th largest county in Maryland with a population of 1,054,827. This figure represents a steady rate of growth since the census was taken in 2010 and recorded 971,777 residents, reflecting a continuous stream of new residents attracted to the County's outstanding services and generous social support system. The median household income in Montgomery County is \$117,345 as compared to \$91,431 in Maryland. Despite the strikingly high percentage (59.8%) of residents holding a bachelor's degree or higher, 8.4% of residents continue to live in poverty and 7.2% remain uninsured. This poses an interesting contrast with the metrics that 97.5% of residents own

a computer and 94.3% have access to Broadband Internet, which likely reflects the contributions of the generous government and non-profit sectors to the wellbeing of many poor residents.

According to 2021 U.S. Census Data, the largest ethnic groups in Montgomery County were:

- White (Non-Hispanic) (42.2%),
- Black or African American (Non-Hispanic) (20.4%),
- Asian (Non-Hispanic) (16.0%),
- Hispanic/Latino (20.1%),
- Two or More Races (3.6%).

Montgomery County qualifies as a “minority majority” community. While 59.1% of residents identify as “White,” 16.9% of this larger number are both White and Latino, making the “White Alone” category only 42.2%, as indicated above. 41.7% of the households in Montgomery County speak a non-English language at home as their primary language, and 32% of residents are foreign born. Spanish is the most frequently spoken primary language at home followed by Chinese.

The *Community Action Agency’s Community Assessment (2022)* recognizes Montgomery County’s status as one of the wealthiest counties in the nation. However, hidden amidst the great prosperity is a largely unnoticed population: 70,150 poor residents with food insecurity and an astonishing 13% with zero or even negative net worth. This context is important in a County with 67,600 children under 5 where pre-school childcare averages \$13,500 per year in 2022 dollars. 72% of families with children under 6 require childcare to sustain their employment. In fact, Montgomery Moving Forward (MMF) had identified early care and education as the key issue of 2018 for its collective action.

In the 2019 and 2022 Kindergarten Readiness Assessment Data, the disparity in kindergarten readiness between children of color and white children was significant. Within the context of 46% of kindergarteners achieving readiness on average in Montgomery County, white children surpass the average at 69% while black children fall slightly under at 44% and Latino children fall significantly behind at 22%. It is important to note that in 2022 that 35% of kindergarten children were Latino in the County whereas 25% were white, showing younger children in the region are disproportionately Latino children who lag behind their peers.

- In 2022, 35% of kindergarteners entering Montgomery County Public Schools (MCPS) were Latino, 25% were White, 21% were Black, 13% were Asian, and 6% were two or more races.
- 25% of kindergarteners are English Language Learners (ELL) by 2019 data.
- 33.8% of MCPS students were eligible for free or reduced meals (FARMS) by 2019 data. From 2007 to 2016, the County saw a large uptick in students qualifying for FARMS, increasing from 33,580 to 54,542 students.

Reflecting the wider County trends, the 2021-2022 Program Information Report for Discovery Station EHS revealed the growing poverty of the region:

- 82% of EHS parents had completed education equal to or less than a high school graduate degree.
- 81% of families spoke a language other than English as their primary language at home.

- Of the 161 families served, 75 were single-parent family homes.
- 82% of parents/guardians were unemployed at the time of enrollment.

The 2020 *Montgomery County Early Care and Education Strategic Plan* highlighted that four out of ten of Montgomery County’s young children are economically vulnerable living below 300% of the federal poverty level. Almost 7,000 children under age 6 in the County live at or below the Federal Poverty Level and 3,700 children under 5 live below the poverty level.

Self-Sufficiency Standard

The Maryland Community Action Agency just updated its Self-Sufficiency Standard for Maryland including information available by County; and it is clear that the COVID-19 Pandemic has had an extreme impact on the self-sufficiency standard and cost of living. This is compounded by the fact that healthcare costs and loss of life that disproportionately impacted poor families. However, pre-pandemic there were already wide structural gaps in the earning power of a poor, female headed household versus what was needed to live adequately in Montgomery County. By 2018, a poor female headed household was already making on average \$39,000 less than what it needed to earn on account of the County’s very high cost of living. Shockingly, in a County as wealthy as Montgomery County, 894 residents experience homelessness on any given day by 2017 data. The County’s Housing Opportunity Commission was only able to help about 13,000 of the 32,000 seeking housing assistance in 2017 and 1946 remained on a waiting list for rental cash assistance.

Montgomery Moving Forward’s *Demographic Snapshot* released in Fall 2016 noted that the cost of living in Montgomery County is the highest in Maryland and among the highest in the nation. The cost of housing in the county increased 62% from 2001 to 2014. The *Montgomery County Self-Sufficiency Report* found in 2023 that a family with two adults, one preschooler and one infant needed \$138,2017 per year to cover the basic costs of childcare, housing, food, transportation, health care, taxes, and essentials such as clothing, etc. This number represents 461% of the 2023 Federal Poverty Level. Housing, childcare and food accounted for more than half of the expenses with childcare exceeding the cost of housing by more than \$1,000 per month. It is very difficult for low-income families to afford to live in Montgomery County.

Child Care Needs and Quality

Like the Self-Sufficiency Standard, the state of affordable childcare in Montgomery County has not been analyzed by the Community Action Agency since 2018. At that time, the agency acknowledged that Montgomery County families paid the highest childcare costs in the state. A family with two children could pay close to \$2000 dollars per month in childcare—a cost that on average may exceed their monthly housing expenses. The County’s Head Start and subsidized Pre-K Programs only serve families at the very lowest end of the economic spectrum, leaving the “working poor” without any source of support for childcare.

Considering that the 2018 Self-Sufficiency Standard for one adult, one infant, and one preschooler is \$103,322, you can immediately see that the expense of childcare is even challenging for the middle class in Montgomery County. The ripple effect of this lack of

affordable childcare stifles upward mobility: When parents don't have access to affordable childcare, it directly affects their ability to participate in the workforce and the employers who rely on their skills. Some parents who would like to work are simply unable to do so. The desire to pursue new career paths and higher education can be curtailed because childcare is too expensive or not available.

Outside of the high cost of childcare in Montgomery County, there is a limited supply of regulated childcare slots. Sadly, what little is available is not evenly distributed by neighborhood, and the openings for newborns are even more limited. In 2018, The *Early Care and Education Trends and Key Factors Report* found that for the areas served by EHS Discovery Station, there were 2.3 children aged 2-4 and 5.5 children aged 0-23 months for each available slot offered by regulated childcare providers. As early as 2016, the *Child Care in Montgomery County* report, found how dire the situation was with approximately 10 children for every regulated slot available for children under 2 years old.

Locating care for children with special needs can be even more daunting. EHS Discovery Station served 39 children with special needs during 2021-2022. According to the *Child Care Demographics 2021: Montgomery County Report*, only 41% of family childcare providers and 61% of childcare centers in Montgomery County served children with special needs. There are approximately 60 Head Start slots available for 3-year-olds in a County of over 1 million residents. With limited regulated childcare and limited financial support, many families end up placing their children with unlicensed childcare providers where the quality and safety of the care is unregulated. In general, the number of regulated childcare programs have decreased, particularly Family Child Care Programs (FCCPs). In 2021, there were 743 FCCPs in Montgomery County, a reduction of 76 from the previous year. It is predicted that only 613 FCCPs will be in operation by 2026 according to the *Child Care Demographics 2021: Montgomery County Report*.

Child Care Cost and Subsidies

Many people believe Montgomery County in 2022 has a \$15 per hour minimum wage. While this is a widely held belief, it is not a universal reality. Many businesses with 50 or fewer workers can pay between \$14.50 and \$14.00 per hour. Tipped workers, who represent a significant segment of the labor force and include restaurant servers, can legally be guaranteed by their employers as little as \$4.00 per hour. While \$15.00 per hour is a step forward within a business community that had long fought against any increase, a single, minimum wage worker would need to devote her entire salary to afford the \$35,766 cost of childcare for an infant and a 4-year-old.

The *Early Care and Education Trends and Key Factors Report* found a year of childcare for a young child in Montgomery County on average costs more than in-state tuition at a public university. In 2022, there were 2,003 children in Montgomery County receiving Child Care Scholarships (previously the Child Care Subsidy Program) and 259 children receiving Working Parents Assistance (Montgomery County's local child care subsidy program) according to the *Child Care Demographics 2022: Montgomery County Report*.

Many families are unable to afford childcare even when receiving subsidies as they are unable to pay the mandated copay or any additional costs. In 2020, there were approximately 13.7 eligible children for every subsidized child receiving Child Care Subsidy and 44.1 eligible children for every subsidized child receiving Working Parents Assistance (WPA). Maryland is scheduled to continue to increase subsidy reimbursement rates over the next ten years.

School Readiness Data

Each year the Maryland State Department of Education releases its *Readiness Matters*. The data is based on the Kindergarten Readiness Assessment (KRA) administered to incoming kindergarten students each Fall. The report highlights the importance of quality early childhood education experiences for children to prepare them for the demands of school as achievement gaps start early. It is important to note that “kindergarten readiness” is a complex concept, and as many as 60% of kindergarteners in Maryland in 2022 were not ready as measured by the KRA. Early Childhood Specialists advise against using the KRA score as a reason to delay a child’s entry into kindergarten. The KRA represents a comparative data point that is useful in comparing the starting competencies of diverse groups, but it does not offer a “cut off” score for who is ready for kindergarten—which seems to cause misunderstanding around the meaning of the score.

In 2021-2022, 46% of Montgomery County kindergarten students demonstrated overall readiness compared to 40% for Maryland. While Montgomery’s average was higher relative to Maryland, it was lower compared to Howard (54%), Frederick (50%), and Worcester (62%). Baltimore City (25%), Prince Georges County (28%), and Dorchester (29%) were clearly significantly below Montgomery and established that our region is somewhat at a mid-level of kindergarten readiness in Maryland. However, there were more striking disparities between racial groups in Montgomery County in 2021-2022. White and Asian students showed significantly more readiness at 51% and 47% respectively, than Latino and Black students who scored much lower at 19% and 31%. It is inferred that the availability of pre-school experience can account for these racial disparities.

Additional Areas of Concern

Immigration Policies: With the end of the aggressive immigration enforcement policies of the Trump administration, fear within the immigrant community has diminished somewhat. However, residual fears may make some families hesitant to access services such as Early Head Start and Head Start, WIC, TANF, Infants and Toddlers Program and other available services. In addition, some families may be hesitant to access services such as ESOL classes and health clinics for similar concerns around leaving a “paper trail” of their undocumented status.

Strained Resources: Although Montgomery County offers more services for families and children than most other jurisdictions in Maryland, its resources are not unlimited, and the County is unable to support every poor resident with every need. In the past three years, EHS surveyed their families for needs, and almost universally, they reported needs in every category. Poor families need many human services to live in Montgomery County and transcend poverty.

The need for childcare may only be a sentinel need, signaling the necessity of many other services. Our three years of needs assessments can be summarized in that way.

COVID-19: Fortunately, vaccination and anti-viral medications have made the COVID-19 pandemic more manageable, but it left an unprecedented wake of mental health challenges for youth and families. With thousands of deaths in the County, mostly befalling the most economically vulnerable and oldest residents, it is hard to exactly gauge the human and economic cost of the last three years. Thankfully, life is returning to normal, if with intermittent waves of COVID-19, but we are learning to live with the virus.

Conclusion

The population that Discovery Station EHS serves continues to face challenges in accessing quality early childhood programs. Advocacy will be needed to increase the educational opportunities for the County's youngest residents. Since many are members of immigrant families, the intersection of this status and its implications must be a part of the advocacy. Even though a new administration is in Washington, families continue to fear deportation and are unable to access many services due to their undocumented status.

Based on parent surveys and conversations with staff, parents and stakeholders, there is a high need for support services in all areas. EHS will focus on building its capacity to provide services for diverse families, helping families apply for subsidies and building partnerships to strengthen the scope and quality of services. This includes partnering with the Community Action Agency, part of the Montgomery County Department of Health and Human Services to provide more Early Head Start slots in the community.



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