

**Child Care Business Initiative**  
*Final Evaluation Report, FY I-III*

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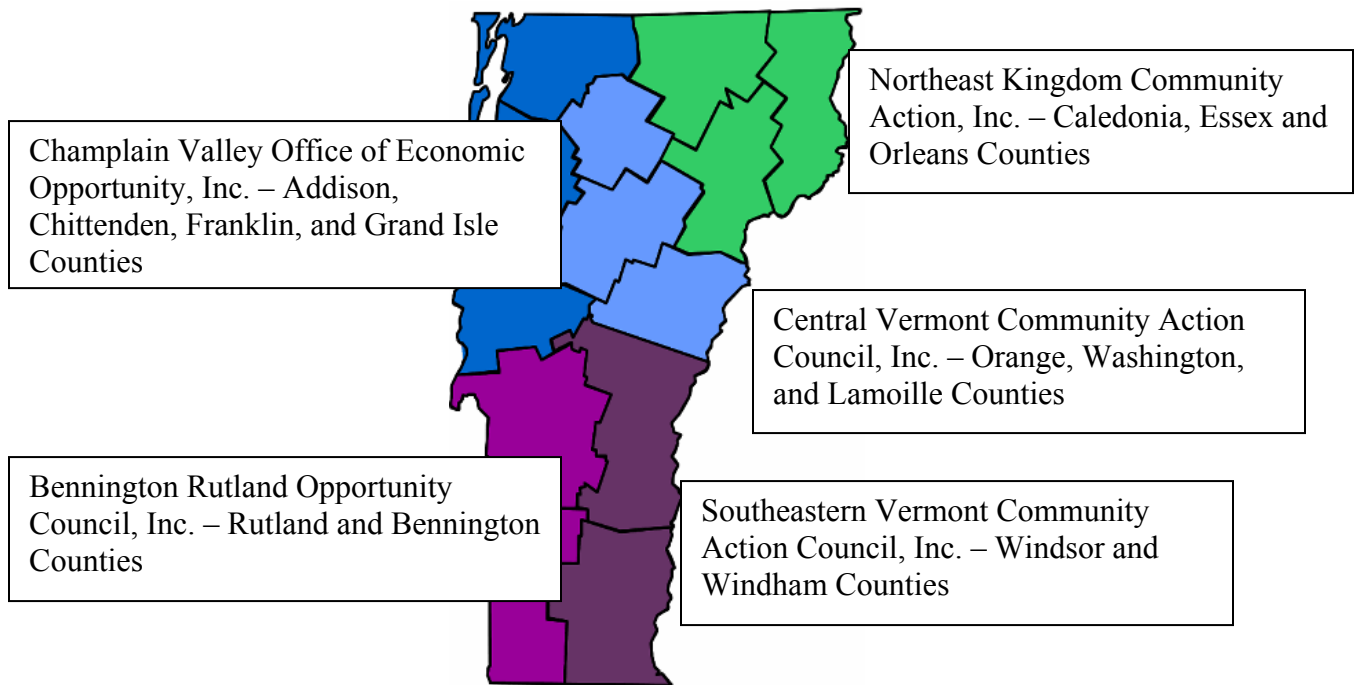
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***Introduction***

The Vermont Child Care Business Initiative (CCBI) is a statewide project of the Vermont Community Action Agencies' Micro Business Development Program (Grant number 90EO012). Four of the five Community Action Agencies in Vermont initially participated in CCBI, including: Central Vermont Community Action Council (CVCAC), Champlain Valley Office of Economic Opportunity (CVOEO), Southeastern Vermont Community Action (SEVCA), and Northeast Kingdom Community Action (NEKCA). During the final year of the grant, BROCC was replaced by Southeastern Vermont Community Action (SEVCA) at the discretion of the project director. These Community Action Agencies build on 13 years of business development experience to bring business expertise and resources to the vital sector of child care. CCBI was funded by the JOLI program from the Department of Health and Human Services, Office of Community Service for three years, from October 1, 2002 to September 30, 2005. A no-cost extension was received to extend the grant period for one year to September 30, 2006. A map of the five community action agencies is presented in Figure 1.



**Figure 1. Vermont Micro Business Development Program County Map**

### **About the Child Care Business Initiative**

The CCBI project provided business training to start-up and existing childcare businesses so that they may be better prepared to net more income and stay in business longer. Business training was provided through a 12-week course (meeting three hours one evening a week), with technical assistance and follow-up workshops offered based on participants' needs. The curriculum was tailored to the childcare sector through the use of the Kauffman Foundation's curriculum, *Developing Your Family Child Care Business*. Major anticipated outcomes of the grant were to assist clients to: start and retain new and existing businesses, complete a business plan, obtain funded as needed, demonstrate effective financial management and budgeting, and earn a livable income.

The Center for Rural Studies (CRS) at the University of Vermont provided evaluation services for the CCBI project for the three years of grant funding. The following report is the final evaluation report providing a cumulative summary of evaluation findings from October 1, 2002 to September 30, 2005. For more information about this study or to request additional copies of this report, please contact Michele Cranwell Schmidt, Evaluation Coordinator, at (802) 656-0256 or [Michele.Schmidt@uvm.edu](mailto:Michele.Schmidt@uvm.edu).

### ***Evaluation Goals and Objectives***

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The following are the evaluation goals and objectives for CCBI, which were revised as of September 30, 2003.

**Goal 1:** Enable low-income individuals, including Temporary Assistance for Needy Families (TANF) recipients to start and operate successful childcare programs

#### **Objectives (Intermediate Outcomes):**

- Train 160 individuals in child care business planning and operating curriculum (Kauffman's *Developing Your Family Child Care Business*).
  - (40 in FY 2003; 80 in FY 2004; 40 in FY 2005)
- Ensure that 75% (120) of individuals who start training complete training.
  - (30 in FY 2003; 60 in FY 2004; 30 in FY 2005)
- Ensure that 75% (120) of individuals who start training write a business plan.
  - (30 in FY 2003; 60 in FY 2004; 30 in FY 2005)
- Ensure that 75% (90) of individuals who write a business plan get capital, if needed, to start and successfully operate childcare businesses.
  - (23 in FY 2003; 45 in FY 2004; 22 in FY 2005)
- Ensure that each childcare business creates one FTE job providing a livable income. (90 jobs)
  - (23 in FY 2003; 45 in FY 2004; 22 in FY 2005)

- Ensure that 75% (90) of the individuals who receive training can demonstrate the ability to effectively budget and manage their monthly and yearly incomes (personal and business) 6 months after completing training.
  - (23 in FY 2003; 45 in FY 2004; 22 in FY 2005)
- Ensure that 50% of family child care businesses' net income is above \$15,000 after one year in business.
- Ensure that 60% of individuals who started childcare businesses have retained these businesses for at least one year after startup.

**Goal 2:** Enable existing family childcare businesses to operate more successful businesses

**Objectives (Intermediate Outcomes):**

- Train 100 low-income individuals, already operating a family childcare business in child care business planning and operating curriculum (Kauffman's *Developing Your Family Child Care Business*.) (50 in FY 2003 and 50 in FY2004)
  - (25 in FY 2003; 50 in FY 2004; 25 in FY 2005)
- Ensure that 75% (75) of individuals who start training complete training and write or rewrite a business plan.
  - (19 in FY 2003; 37 in FY 2004; 19 in FY 2005)
- Ensure that 75% (56) of the individuals who receive training can demonstrate the ability to effectively budget and manage their monthly and yearly incomes (personal and business) 6 months after completing training
  - (14 in FY 2003; 28 in FY 2004; 14 in FY 2005)
- Ensure that 50% of family child care businesses' net income is above \$15,000 after one year in business.
- Ensure that 60% of individuals who participated in childcare initiative have retained these businesses for at least one year after startup.

## *Methodology*

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This is a cumulative evaluation report for the three years of the CCBI project. The CCBI evaluation collected both process and outcome data. Process data was collected to document how activities and training were carried out, what worked, what did not work, and ways the program could improve services. Outcome data was collected to measure the effect of JOLI funded training on participants, based on the evaluation goals and objectives (Weiss, 1998). The following highlights the evaluation activities conducted over the course of the grant to collect outcome and process data.

### **Client Intake Data**

Client intake data was collected upon enrollment by the respective Community Action Agency to generate a baseline data of participants including wage, income, health care, childcare, reliance on public assistance, and assets. This form also helped participants identify their goals for being in the program.

### **Client Output Data**

Client output data was collected by the Child Care Business Specialists (CCBS) at the end of each CCBI course. Data collected included: number of participants who enrolled, number who received five or more hours of services, number who started the course and completed the course, number who completed a business plan, number of business start-ups, and client jobs created. Data for JOLI eligible clients are compared to the grant objective numbers for each category to determine the extent that the CCBI project met its intended objectives.

### **Client Telephone Follow-Up Survey**

A total of four client follow-up surveys were conducted by CRS at the University of Vermont, with two each conducted in the second and third fiscal years. Table 1 depicts the survey time frames and cycles contacted over the course of the grant.

**Table 1. Survey Time Frame and Cycle**

<b>February-March 04</b>	<b>September 04</b>	<b>March 05</b>	<b>December 05</b>
Cycle 1 – 6 mo	Cycle 1- 1 yr	Cycle 1- 1.5 yrs	Cycle 1 – 2 yr
	Cycle 2 – 6 mo	Cycle 2 – 1 yr	Cycle 2 – 1.5 yrs
		Cycle 3 – 6 mo	Cycle 3 – 1 yr
			Cycle 4 – 6 mo

Clients were surveyed about services received and satisfaction, business financing, business development, job creation, income changes, skill development, social and human capital development, and program feedback. The survey instrument was developed in collaboration with the CCBI project coordinator and staff, using the models of previous surveys conducted by CRS (Cranwell and Kolodinsky, 2003a and 2003b) and the Aspen Institute in the area of micro enterprise development (Clark and Kays, 1999; Klein, Alisultanov, and Blair, 2003). This study used a reflexive control design, similar to that of other researchers (Clark and Kays, 1995 and 1999; Klein, Alisultanov, and



Blair, 2003; Rugg, 2002), where participant outcomes after microenterprise training were compared to the baseline collected before they received program services.

Both of the surveys were administered at the University of Vermont using computer-aided telephone interviewing (CATI). Trained interviewers conducted the survey during the daytime and evening hours from 8:00am to 9:00pm. Up to eight attempts were made on each telephone number and callbacks were conducted as needed. Surveyors used local, state, and national telephone directories in attempts to track clients down when phone numbers were not current or not in service. Univariate and bi-variate analyses were carried out using the Statistical Package for the Social Sciences (SPSS 14.0) and Microsoft Excel 2003.

**Survey population, sample and analysis**

Table 2 depicts the calling outcomes of all client follow-up surveys conducted for this project. This report presents the data collected from clients at intake, six months and their final survey (between one and two years post intake) (see Table 1).

**Table 2. Survey Population and Calling Outcomes**

	<b>Cycle 1 6 Months- 2/04-3/04</b>	<b>Cycles 1-2 9/04</b>	<b>Cycles 1-3 3/05</b>	<b>Cycles 1-4 12/05</b>
<b>Target population<sup>+</sup></b>	<b>85</b>	<b>173</b>	<b>177</b>	<b>278*</b>
<b>Completed surveys</b>	<b>53 (62%)</b>	<b>85 (49%)</b>	<b>102 (58%)</b>	<b>56 (20%)</b>
Refused	8 (9%)	34 (20%)	33 (19%)	33 (12%)
No answer	10 (16%)	17 (10%)	17 (10%)	135 (49%)
Moved/wrong number/ not in service	13 (32%)	37 (21%)	25 (14%)	58 (21%)

<sup>+</sup>Target population excludes those who refused the survey at a previous time or whose number was not in service, a wrong number, or had moved.

\*All clients were attempted to be reached for the final survey.

Table 2a shows the number of respondents who are included in the longitudinal data set after all data collected were combined into one file. A total of 170 participants answered the follow-up surveys, with 87 completing only the six month follow-up (to be compared to intake data), 12 completing the one to two year follow-up only (to be compared to intake data) and 71 completing both the six month and the one to two year follow-up survey (to be compared to by the two points in time and intake data).

**Table 2a. Number of Respondents Included in the Longitudinal Dataset**

<b>Data available</b>	<b>N</b>
Intake and six month follow-up	87
Intake and one to two year follow-up	12
Intake, six month and one to two year follow-up	71
<b>Total respondents</b>	<b>170</b>

### **Client Focus Groups**

A total of 14 client focus groups were held over the course of the grant with 42 participants. These were conducted on an annual basis in September and October 2003, 2004, and 2005. The focus groups were designed to collect qualitative case study data from clients about their business, services received, impact of services, and program feedback (Appendix A). Six were held with NEKCA, with three each in St. Johnsbury and Newport, Vermont. Four were held with CVCAC, with three in Barre and one in Morrisville, Vermont. Three were held with CVOEO, with one in Milton and two in Burlington, Vermont. One was held with BROCC in Rutland, Vermont. Other focus groups for clients of BROCC were cancelled due to lack of client registration to attend. Because SEVCA entered the grant during the final year of the grant, focus groups were not held at this location. The CCBS's recruited all active clients to attend the focus groups by sending out invitations and calling clients. Dates and times were selected based on the majority of clients' availability. This qualitative data were analyzed using a standard approach of coding data and searching for common themes (Glesne, 1999). This information provided data on both project process and outcome.

### **Staff Focus Groups**

The initial staff focus group was held in June 2003 to establish baseline data on project process. A subsequent questionnaire was administered via the CCBS electronic mail listserve in October 2003 to follow up with staff on these areas. Staff focus groups were also held in August 2004 and June and July 2005 to follow up with the CCBS on any changes in how the project was implemented, compared to the previous year (Appendix B). The discussions concentrated on: marketing, recruitment, and enrollment strategies, participant assessment, coordination with project partners, training, and technical assistance and support. The information collected provides qualitative data on project process, best practices, and lessons learned for improving the project, which is discussed in this report. This qualitative data were also analyzed using a standard approach of coding data and searching for common themes (Glesne, 1999).

## *Evaluation Findings*

The following section of this report presents the evaluation findings for the entire duration of the CCBI grant. This section of the report details 1) the characteristics of clients who received services, 2) services provided, 3) project implementation strategies, 4) project objectives, 5) client outcomes and impacts from the surveys and focus groups, and 6) client feedback on improving services.

### ***Client Characteristics***

Table 3 highlights client demographic information collected at intake for all clients who participated in the CCBI project. Of the 329 clients who participated, 43% (139) were low-income and 58% (190) were above low-income. Overall, 82% (268) of clients were 70% of Housing and Urban Development (HUD) median income. Thirty-two percent received food stamps at intake, 10% received housing assistance or lived in public housing, and 5% have a disability. Almost all clients served (95%) are women, 18% are from an ethnic background and 82% are Caucasian.

**Table 3. CCBI Client Demographic Profile**

<b>Demographic</b>	<b>%</b>	<b>n</b>
Low-income	42%	139
100% poverty AND TANF	15%	48
100% poverty NOT TANF	23%	76
70% HUD median income	82%	268
Received food stamps	32%	106
Received housing assistance/public housing	10%	32
Women	95%	313
Men	5%	16
Minorities	18%	60
Individuals with disability	5%	17

### **Status in the Labor Force**

Including all clients, 30% (97) were employed in a wage job, 37% (123) were self-employed, 16% (51) were unemployed, and 18% (58) were not in the labor force. The breakdown of client status in the labor force by income groups is presented in Table 4.

**Table 4. Status in the Labor Force**

<b>Labor Force</b>	<b>Low-Income</b>	<b>Above Low-Income</b>
Employed	20% (28)	36% (69)
Self-employed	24% (33)	47% (90)
Unemployed	28% (39)	6% (12)
Not in Labor Force	28% (39)	10% (19)

**Gender**

Ninety-five percent (313) of clients served are female and 5% (16) are male. Of the low-income group, 97% (134) are female and 3% (4) are male.

**Ethnicity**

Eighty-two percent (269) of participants identified their ethnic background as Caucasian, 6% (20) identified as African American, 2% (7) Asian, 2% (6) Hispanic, 2% (6) were of mixed decent, .6% (2) were Native American, 4% (12) identified as “other” with no specification, and 2% (7) did not respond. Of the low-income group, 76% (106) were Caucasian, 22% (30) were of a minority group, and two did not respond.

**Age**

The overall range of clients’ age was from 16 years to 64 years old. The average age for each income group was similar, as low-income clients averaged 33 years and above low-income clients averaged 35 years of age (Table 5).

**Table 5. Age Statistics**

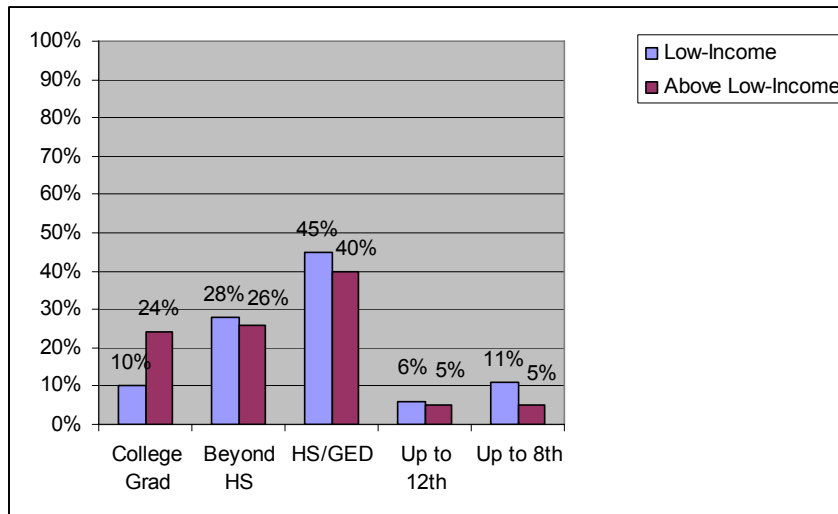
Age Statistics	Low-Income	Above Low-Income
Mean	33	35
Median	32	33
Range	18-62	16-64

(n=327)

**Education**

Of all clients, 55% (182) surveyed had a high school degree or less education at their intake to the program. Twenty-seven percent (88) had additional education beyond high school, and 18% (59) had a college degree from 2 or 4 years in school. Figure 2 reports client education level at intake by income group. Overall, education levels by income group were similar, however more above low-income clients had an advanced degree.

**Figure 2. Highest Level of Education Achieved at Client Intake by Income Groups**



**Family Characteristics**

CCBI client family characteristics are presented in Table 6. Family size of participants ranged from 1 to 8 people with an average family size of three people for both income groups.

**Table 6. Family Size Characteristics**

<b>Family Size</b>	<b>Low Income</b>	<b>Above Low-Income</b>
Range of family members	1-7	1-8
Average number of family members	3	3
Family size of 1-3	61% (85)	52% (100)
Family size of 4-6	37% (51)	45% (85)
Family size of 7+	1% (2)	3% (6)

Table 7 shows CCBI clients’ family structure by the income groups. The majority of low-income families served were single females with children (62%). The majority of above low-income families were two parent households (52%).

**Table 7. Family Structure by Income Groups**

<b>Family Structure</b>	<b>Low-Income</b>	<b>Above Low-Income</b>
Two Adults, no children	2% (3)	10% (19)
Two parent household	27% (37)	52% (99)
Single female with children	62% (85)	21% (40)
Single male with children	4% (6)	5% (10)
Single person, no children	4% (6)	6% (11)
Other	1% (1)	6% (12)

**Housing Status**

Over three quarters of low-income clients rented their residences (38%), while over half of above low-income clients owned their own home (52%) at intake (Table 8).

**Table 8. Housing Status of CCBI Clients**

<b>Housing Status</b>	<b>Low-Income</b>	<b>Above Low-Income</b>
Own	29% (39)	52% (99)
Rent	38% (53)	25% (48)
Housing assistance	12% (17)	2% (3)
Public housing	7% (9)	2% (3)
Homeless	1% (1)	0
Other, not specified	4% (5)	5% (9)

**Poverty and Public Assistance**

Client information on poverty and public assistance is presented in Table 9. Forty-two percent of all CCBI participants met the JOLI requirements of being 100% at or below the federal poverty level, a TANF recipient, dislocated worker, or an unemployed person. Eighty-two percent of CCBI clients are 70% of HUD median income, 32% receive food stamps, and 18% receive TANF benefits.

**Table 9. Poverty Statistics**

100% below poverty	42% (139)
70% of HUD median income	82% (268)
Food stamps	32% (106)
Receive TANF	18% (55)

**Participant Income**

Table 10 reports clients’ annual income statistics by the income groups. The annual income of low-income clients ranged from \$0 to \$24,400 a year at intake. The average annual income for low-income clients was \$8,200 and median was \$8,100.

**Table 10. Annual Income Statistics at Intake by Income Groups**

	Low-Income	Above Low-Income
Average annual income	\$8,200	\$32,000
Range of annual income	\$0 to \$24,400	\$4,000-\$80,000
Median	\$8,100	\$30,000

Figure 3 compares categorized participant income by the income groups. The majority of low-income clients (69%) reported earning less than \$10,000 at intake, 23% reported earning between \$10,001 and \$15,000, 3% between \$15,001 and \$20,000, and 5% reported earning between \$20,001 and \$30,000.

**Figure 3. Client Income at Intake Compared by Income Groups, Categorized**

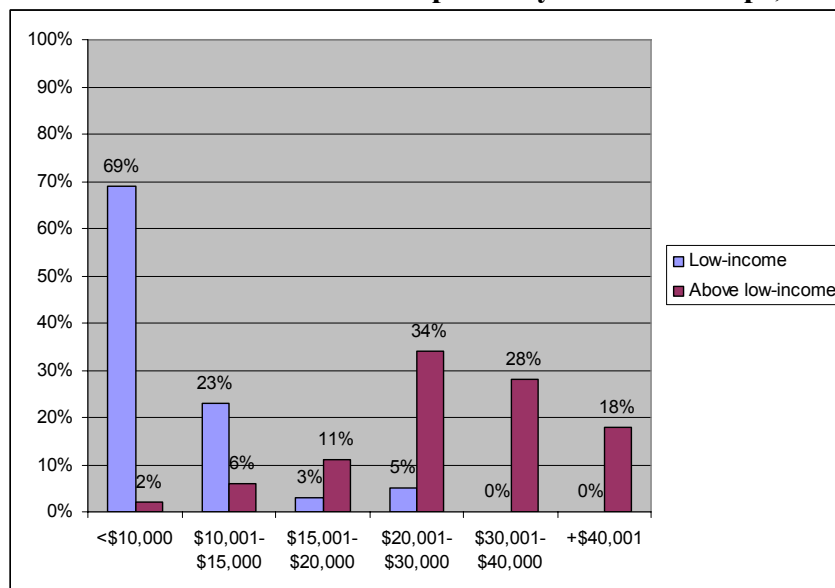


Table 11 shows a comparison of client income groups by family size groups for all clients. More than half of clients with one to three family members reported earning from \$0 to \$15,000 at intake. The majority of clients with a family size from four to six members reported earning \$20,001 to \$40,000 at intake. And the majority of clients with more than six family members earned \$30,000 or more at intake.

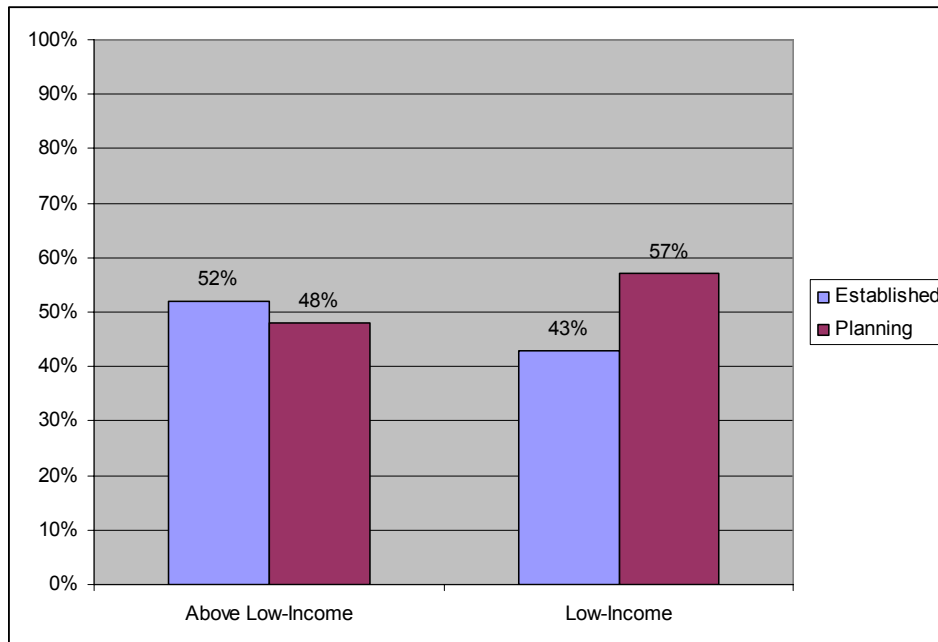
**Table 11. Comparison Of Client Income Groups By Family Size Groups, All Clients**

	<b>1-3 family members</b>	<b>4-6 family members</b>	<b>More than 6 family members</b>
<\$10,000	40% (73)	19% (25)	13% (1)
\$10,001-\$15,000	14% (25)	13% (17)	0
\$15,001-\$20,000	10% (18)	4% (5)	13% (1)
\$20,001-\$30,000	20% (37)	25% (33)	13% (1)
\$30,001-\$40,000	9% (16)	26% (34)	38% (3)
+\$40,001	7% (13)	14% (19)	25% (2)
Total	182	133	8

**Business Stage at Intake**

Figure 4 shows that 57% of low-income and 48% of above low-income clients were in the planning stage of their business at their intake to the program. While 43% of low-income and 52% of above low-income clients had an established business at their intake into the program (n=162, based on survey data).

**Figure 4. Stage of Business at Intake by Income Groups**



(n=162)

### ***Services Provided to Clients***

Throughout the course of the grant, the CCBI project provided the Kauffman Child Care Business Training, one-on-one technical assistance and business counseling, and follow-up workshops. A total of 329 clients received CCBI services throughout the grant. One hundred and forty-one clients (43%) who were 100% below poverty level, including TANF recipients, dislocated workers, and unemployed individuals (herein referred to as “low-income”), participated in the CCBI project. A total of 188 (57%) of clients served were slightly above this threshold (herein referred to as “above low-income”).

### **Reasons for Clients to Contact and Enroll in CCBI services**

Based on results of the client follow-up survey, the following are the main reasons why clients decided to contact CCBI and partake in services. To:

- Start a childcare business
- Expand their current childcare business
- Obtain further education for established childcare provider
- Learn the business aspect for established provider
- Learn more information about becoming a childcare provider
- Register a childcare business
- Conduct a senior project in high school
- Become a licensed childcare provider
- Access childcare services for themselves
- Learn about VT Tax regulations
- Access assistance with loan/financing
- Utilize childcare business as a source of income
- Change careers
- Improve their current business

### **Client Referral to Program**

Table 12 depicts the referral sources that participants’ (who completed the survey, n=113) cited as their initial referral source to CCBI. The most common referral source (based on the “total” percentage) was word of mouth referrals (25%) from friends, family members, and other childcare providers. This source was followed by the Vermont Association of Child Care Resource and Referral Agencies (VACCRRA) and internal referrals through the Community Action agency. The top referral sources for low-income clients were word of mouth referrals (19%), Community Action (15%), and the Department for Children and Families, Economic Services Division (the state TANF office) (9%).



**Table 12. Referral Source to CCBI**

<b>Referral Source</b>	<b>Low-Income (n=41)</b>	<b>Above Low-Income (n=72)</b>	<b>Total (n=113)</b>
Word of Mouth	19% (8)	28% (20)	25% (28)
VACCRRA	2% (1)	14% (10)	10% (11)
Community Action	15% (6)	6% (4)	9% (10)
Newspaper	5% (3)	11% (9)	8% (12)
Dept for Children and Families (TANF)	9% (4)	1% (1)	4% (5)
Flyer/poster	2% (1)	1% (1)	2% (2)
Dept of Employment and Training	7% (3)	3% (2)	4% (5)
Self-referral	2% (1)	0	.5% (1)
Vocational Rehabilitation	2% (1)	0	.5% (1)
Vermont Community Loan Fund	0	1% (1)	.5% (1)
Childcare Provider Group	2% (1)	0	.5% (1)
Other Childcare Service	2% (1)	0	.5% (1)

### **Courses and Technical Assistance Received**

Table 13 shows the services that clients received throughout the course of the grant. A total of 138 clients received one-on-one technical assistance and counseling, with 52% low-income and 48% above low-income participants. One hundred and eighty-two clients participated in the Kauffman Child Care Business Course, with 44% low-income and 56% above low-income. The cumulative course completion rate for all clients is 64%. Broken down by income, low-income clients had a completion rate of 79% and above low-income clients had a completion rate of 54%.

### ***Post start-up workshops***

Post start-up workshops are held by the CCBS on an as needed basis to provide further, more in-depth information about a particular topic for new or established childcare providers. Table 13 shows that 54 clients participated in workshops by the end of the grant period, with 41% low-income participants and 59% above low-income participants. Workshops included, but are not limited to, the following topics:

- Goal Setting
- Parents and childcare businesses
- Marketing your childcare
- Creating an image for your childcare
- Designing a flyer or brochure
- Tax planning for your childcare
- Developing a bookkeeping system
- How to set up your books
- Tax preparation for childcare providers

**Table 13. Client Services Received for Total Grant Period**

	<b>One-on-one Technical Assistance and Counseling</b>	<b>Kauffman Child Care Business course</b>	<b>Course Completion Rate % (n)</b>	<b>Post Start-up Workshops</b>
<b># Of low income participants</b>	<b>52% (72)</b>	<b>44% (80)</b>	<b>79% (63 completed)</b>	<b>41% (22)</b>
Total hours	414	938	-	97
Average # of hours per participant	5.75	16.1	-	4.4
<b># Of above low-income participants</b>	<b>48% (66)</b>	<b>56% (102)</b>	<b>54% (55 completed)</b>	<b>59% (32)</b>
Total hours	193	1727	-	113
Average # of hours per participant	2.9	16.9	-	3.5
<b>Total participants served</b>	<b>138</b>	<b>182</b>	<b>64% (118 completed)</b>	<b>59% (54)</b>

***CCBI referrals***

Another service that the CCBS provided to clients was to refer them to other resources to meet their needs, such as other Community Action programs or external agencies. Based on client responses to the surveys, 67% (98) of clients who completed the follow-up surveys were referred to other services through the CCBI program. An equal percentage of both income groups (67%) reported being referred to other resources. Table 14 shows the different places where clients were referred, organized by the percentage of low-income clients who reported the source. For both groups, the top type of referral was a funding source, an Individual Development Account (IDA) or other financial literacy services. For low-income clients only, 16% also indicated being referred to their local childcare provider’s network and 11% were referred to VACCRRRA. Other referral areas not categorized below include: a homeownership program, credit repair, food program, and having received a list of resources in community.

**Table 14. Referred Services**

<b>Service</b>	<b>Low-Income (n=38)</b>	<b>Above-Low Income (n=60)</b>
Funding resources/IDA/Financial literacy	16% (6)	18% (11)
Childcare Provider’s Network	16% (6)	5% (5)
VACCRRA	11% (4)	8% (5)
Child Care Licensor/Registration	5% (2)	3% (2)
Department for Children and Families (TANF)	5% (2)	3% (2)
Community Action services	3% (1)	3% (2)
Vocational Rehabilitation	2% (1)	3% (1)
Small business assistance services	0	10% (6)
Vermont Adult Learning	0	2% (1)

(n=98)

Clients interviewed during focus groups reported that they were referred by the CCBI program staff to financial resources, the MBDP food program, other courses and workshops for continuing education, and local childcare provider networks.

***Financial referrals***

Several of the JOLI participants were referred to an Individual Development Account program in their area, Tangible Assets and Assets for change. They enrolled in the savings matching program to buy a new home for their business or make renovation to their current one. One JOLI participant applied for and received a Job Start loan with assistance from her CCBS during the course to build an addition on her house and purchase materials for her childcare business. Another woman also noted that she was referred to the Vermont Community Loan Fund to apply for a loan. Both JOLI and non-JOLI clients were also provided with information on insurance companies for their business.

***Child Care Food Program***

Both JOLI and no-JOLI clients reported that their CCBS referred them to the MBDP childcare food program to subsidize the cost of the food for their business.

***Continuing education***

All focus group participants, regardless of income, reported that their CCBS referred them to follow up CCBI workshops as well as other Community Action or MBDP workshops and classes that would be helpful for their business. Several were also referred to the Women’s Business Center for materials and to use the computers to write their business plan and parent handbook.

***Connection to community Childcare Provider’s Network***

All of the clients with an established business were involved or had an active leadership roles in their local childcare provider network. Thus, through relationships made during the course, and with the mix of business stages, new providers were introduced to the network and instantly had a support group of childcare providers.

## ***Project Implementation***

As part of the process evaluation, a total of five staff focus groups were held throughout the course of the grant with the Project Directors and the Childcare Business Specialists (CCBS). The Evaluators and Project Directors also met with the statewide directors of the Vermont Department of Prevention, Assistance, Transition, and Health Access (PATH). Process evaluation data was also collected during client focus groups. The following provides a cumulative report of the CCBI program implementation strategies.

### **Recruiting and Enrollment Strategies**

The CCBS used several strategies to recruit the JOLI eligible population to enroll in the CCBI course. Table 12 on page 17 shows the source that clients' who responded to the follow-up surveys self-reported as their referral source to the CCBI program. Strategies utilized by staff included:

#### **Collaborate with Partners and Agencies**

- Work with the Department of Children and Families (DCF)
- Contact specific DCF caseworkers who have agreed to assist in recruitment
- Partner with VACCRRRA
- Work with Refugee MED program staff
- Make visits to the DCF waiting rooms
- Email DCF, Department of Employment and Training (DET), and Child Care training personnel to raise awareness of the CCBI project
- Recruit clients during their intake into the Child Care Food Program
- Recruit clients internally through other Community Action Agency (CAA) programs.

#### **Attend Meetings**

- Meet with DCF, DET and Vocational Rehabilitation (VR)
- Meet with the Childcare Network groups
- Attend Sustainable Housing meetings
- Attend DCF orientations for new client intakes
- Attend New Provider Orientations

#### **Make Presentations**

- Speak at "Futures" Classes
- Make presentations to Section 8 Housing tenants
- Offer workshops before classes start, to get people interested

**Mailings**

- Mail fliers statewide to Reach-Up (TANF) participants
- Mail fliers to microbusiness development program clients
- Mail fliers to recipients of the Child Care Food Program

**Post Fliers**

- Women, Infant, and Children (WIC) clinics
- Place tear-off fliers in DCF office
- Mail fliers to churches, Planned Parenthood, and Spectrum Youth and Family Services office
- Post fliers at other childcare providers – home and center based

**Other Advertisements**

- Advertise on busses
- Advertise in newspapers

**Recruit from Current and Previous Students**

- Invite previous students who did not complete the class to try again
- Word-of-mouth advertising through students who participated in the course in the past.
- Ask new students to bring a friend with them to the class.
- 25% of clients reported being referred to CCBI through word of mouth referrals.

***Most effective recruitment strategies include***

- Working with DCF staff
- Partnering with VACCRRRA
- Attending various trainings and orientation sessions that target low income clients
- Holding face to face meetings with project partners
- Word-of-mouth referrals through CCBI participants

***Suggested strategies from DCF Staff persons***

- Stop in and visit DCF offices
- Talk at Reach-up Orientations
- Develop and distribute Reach-Up specific CCBI packet of info that can be provided at Work Ready and/or Employability Assessments, as this is the skill exploration phase
- Distribute information to food stamp recipients through DCF or the Food Program newsletter

## **Issues Encountered in Recruitment and Enrollment**

Issues that the CCBS encountered in recruiting and enrolling clients include barriers related to federal and state welfare regulations, barriers to starting a childcare business, issues in retaining JOLI eligible clients, and issues with referral sources.

### ***Barriers related to federal and state changes to TANF regulations***

During a final staff focus groups conducted in July 2005, the CCBS reflected overall on the difficulty of recruiting low-income clients in part due to changes in federal and state TANF regulations. The CCBI grant was written and submitted to OCS prior to federal changes in welfare legislation in Vermont that took place in 2001. These changes, unforeseen at the time the grant was written, negatively impacted the recruitment of the target audience, low-income clients. The following provides a brief background on this issue and reasons why these changes impacted the CCBI project.

The federal welfare program, TANF, is carried out in Vermont through the Reach-Up Financial Assistance (Reach-Up) program out of the Vermont Department for Children and Families (DCF), Economic Services Division (ESD), as mandated by Vermont Act 147, in the form of cash benefits and case management. Act 147 was enacted on July 1, 2001, rather than 1996 with the passage of TANF, because Vermont was participating in a TANF demonstration project from 1996 to 2001. With the shift in welfare legislation to TANF, this new legislation required recipients to meet work requirements and set a maximum five year time limit for receipt of benefits. With the new work requirements in place, some TANF recipients have chosen to pursue self-employment to meet these requirements. Research conducted in the United States shows that changes in welfare legislation have both positively and negatively impacted MED programs and self-employment opportunities for these individuals. TANF allows states to use Maintenance of Effort (MEO) funds to provide MED training and have discretion on maximum time limits and the treatment of business income and assets. However, the law's emphasis on work requirements, caseload reduction, and discouragement of longer-term education and training are factors that result in a less supportive climate for TANF recipients to pursue self-employment (Blair & Klein, 2001; Greenberg, 1999; Greenberg & Plimpton, 1999; Patel & Greenberg, 2002).

Table 15 summarizes the Reach-Up legislation as it pertains to self-employment in Vermont, addressing areas that both support and are a barrier to MED. In a study conducted by the authors of this report on Vermont MED and Reach-Up regulations, findings show that Vermont is a “self-employment friendly” state because the legislation does not impose the federal five-year time limit and allows the use of work requirement milestones for self-employed persons to accommodate for business development and start-up and the potential for limited earnings during this period (Schmidt, Jewiss, Koliba and Kolodinsky, 2006). Even though self-employment is supported as an option, a common theme noted in interviews is that there is a discrepancy between how much Vermont supports self-employment yet has to adhere to the national “work first” philosophy to meet work participation rates and caseload reduction. Self-employment may not be the most expeditious option for clients to move off of public assistance, as earning enough business revenue to meet work requirements and no longer be eligible for

benefits may take a person more time compared to a client who enters a pre-existing job slot that immediately pays an hourly rate.

**Table 15. Summary of Vermont Reach-Up Financial Assistance legislation and key areas that support or pose a barrier to self-employment**

Area	Legislation	Support	Barrier
<b>Time Limits</b>	<p>Vermont does not impose the five year federal time limit. Reach-Up will subsidize client benefits through Maintenance of Effort funds</p> <p>Vermont has a 20% hardship rate of clients who do not need to be meeting work requirements</p>	<ul style="list-style-type: none"> <li>No time limit supports all clients</li> <li>20% hardship rate supports clients who cannot meet work requirements due to hardship</li> </ul>	<ul style="list-style-type: none"> <li>Federal “work first” philosophy imposes urgency to move off of Reach-Up as quickly as possible. Self-employment may not be most expeditious route.</li> </ul>
<b>Work Phases and Milestones</b>	<p>Pre-work ready – Lasts up to 12 months, requires client to participate in training or activity to enhance skills</p> <p>Work Ready – Lasts for up to 12 months, self-employed clients must incrementally meet milestones</p> <p>Employment Stage – All clients must meet their full work requirement</p>	<ul style="list-style-type: none"> <li>Milestones are in place to support incremental increase in business income over a one year period and subsidize self-employed clients during their start-up stage</li> </ul>	<ul style="list-style-type: none"> <li>Time limit within work phases may not allow enough time for business plan and start-up.</li> <li>When business plan is completed, automatically move into work ready stage and need to meet milestones</li> <li>The work phase that a client is in can impact if a client is allowed to pursue self-employment as a Reach-Up goal</li> <li>If client does not meet work requirements with self-employment, they have to patch their income with other wage work, which can detract from business, or discontinue self-employment and pursue other goals.</li> <li>Phases are for a lifetime and a client cannot re-enter a phase later on.</li> </ul>
<b>Treatment of Income and Assets</b>	<p>Reach-Up uses self-employed clients net income to determine their benefit amount, defined as gross income less expenses</p>	<ul style="list-style-type: none"> <li>Reduces earning amounts which means clients will have more financial support from Reach-Up</li> </ul>	
	<p>Loans are not counted as income and loan interest is counted as expense against gross income</p>	<ul style="list-style-type: none"> <li>Reduces earning amounts which means clients will have more financial support from Reach-Up</li> </ul>	
	<p>Business depreciation is not counted as an expense because it does not have a direct cash value</p>		<ul style="list-style-type: none"> <li>Does not reduce earning amount for self-employed</li> </ul>

**Table 15. Summary of Vermont Reach-Up Financial Assistance legislation and key areas that support or pose a barrier to self-employment (continued)**

Area	Legislation	Support	Barrier
<b>Treatment of Income and Assets</b>	All clients have a standard \$1000 asset limit for program eligibility. Assets disregarded include one vehicle per adult, a house, and other assets attributable to business income	<ul style="list-style-type: none"> <li>Allows for asset development without reducing the amount of financial support from Reach-Up</li> </ul>	
<b>Sanctions</b>	If clients fail to comply with work requirements, they go through a conciliation process and if not reconciled, will lose an increasing amount of their grant award over time		<ul style="list-style-type: none"> <li>Self-employed clients may have to pursue other work activities to meet work requirements during periods of low revenue</li> </ul>
	Housing protection clause – Reach-Up will pay clients rent directly to the landlord out of their benefits to avoid eviction	<ul style="list-style-type: none"> <li>Beneficial to all clients to avoid eviction</li> </ul>	<ul style="list-style-type: none"> <li>Client will lose control over funds as most of Reach-Up funds will go towards housing</li> </ul>

Source: Vermont Act 147, 33 V.S.A § 1101, 2001; Personal communication with interviewees.

The Vermont study showed that DCF District Managers support self-employment and almost all interviewees expressed neutrality in preference for this option for clients. However most observed that getting clients into a mainstream job is an easier route than self-employment. One person described, “It is easier for caseworkers to refer clients to regular employment over self-employment because it helps meet our numbers a lot quicker. We really are numbers driven and if we don’t do this, we will lose TANF funds for Vermont.” This person explained that since Vermont has a lot of employment available, it is quicker to have someone enter a minimum wage job and close their case then to try self-employment. Furthermore, some District Managers commented that Case Managers, who work directly with clients often hesitate to refer clients to self-employment for several reasons. These reasons include: their own prejudgment about the client’s ability to successfully pursue this option, an increased work load to track clients’ milestones and self-reported hours/wages, and limited success in clients moving off of Reach-Up through self-employment. As a result, low-income persons who receive welfare benefits may not be readily referred to MBDP and CCBI by the state DCF offices. Low numbers of referrals from DCF, the expected primary source for low-income client referrals, was observed by the CCBS, as discussed below in regards to relationships with referral sources.

In addition to the above mentioned changes and concomitant impact, several MBDP coordinators interviewed for the Vermont study also noted that the welfare-to-work legislation decreased the pool of JOLI eligible clients for the CCBI grant by placing welfare recipients who were able to work in jobs, either self-employment or other, and moving them off the system. Thus, the remaining Reach-Up recipients and pool for the CCBI JOLI eligible clients shrunk to the “harder to serve” clients, who face multiple barriers and life issues that impede their ability to successfully start an in-home childcare



business (Schmidt et al, 2006). This notion was expressed by the CCBS and their project directors during the final staff focus group in July 2005.

***Barriers relating to referral sources***

At the beginning of the grant a common barrier mentioned in recruiting low-income participants was the resistance of some DCF social workers to refer clients to the program for the reasons discussed above. The CCBSs anecdotally reported that they are often resistant to self-employment as a feasible option for a low-income person to earn a living. As income may be low in the start-up stage of a childcare business, DCF workers often preferred to encourage more mainstream employment where the person will immediately earn a livable wage. One CCBS also commented during a focus group that the CCBI mailing that went to approximately 4500 DCF clients yielded a total of ten referrals. The CCBS speculated that interest was low because the flier came with other DCF information and involved a lot of reading. By the end of the first and second grant years, most CCBS commented that their relationship with the local DCF office and workers had improved but referrals remained low. In response to low referrals from DCF, many CCBS changed their approach to networking with the local VACCRRRA and childcare Provider Associations for referrals by speaking at their meetings and mailing them material for their newsletters.

The CCBS noted the following strategies they used to improve the relationship with all project partners.

- Counter the stereotype and bias of low-income people by highlighting success stories of TANF recipients
- Increase the use of emails to communicate
- Meet with collaborators and answer questions they have about CCBI
- Include PATH and DET in CCBI email communication as appropriate
- Increase communication and support with MBDP peers
- Hold weekly meetings with supervisor to keep them informed and involved
- Present positive outcomes of the CCBI project at PATH meetings

***Barriers to recruitment relating to low-income persons starting a childcare business***

CCBS also reported that low-income participants often faced several barriers to starting a childcare business, thus hindering their recruitment and enrollment in the project. The CCBS noted that many low-income persons who desired to start an in-home childcare business were not able to do so for three main reasons. First, a registered childcare business cannot be operated in a home where any member of the household has had a prior criminal record. Second, many low-income clients rent their living space and their landlords would not permit them to have a childcare business on site. The CCBS tried to work with Section 8 housing to find landlords who were willing to have a childcare business on site; however this was not that successful. In a focus group, one CCBS commented, “It is difficult for a client to move into another apartment for a tentative business. And often family members don’t want to move.” Third, many low-income housing units do not pass state inspection for childcare registration and are deemed to be unsafe for children.

***Issues in starting a childcare business***

In addition to barriers that are out of a client's control, such as state and federal regulations and landlord requirements, the CCBS also noted that clients face other barriers concerning the cost and risk involved in starting a childcare business. Anecdotally, several CCBS noted that clients who are recipients of Reach-Up are concerned that they will not be able to meet their work requirements through a childcare business. Or they have to have found work and be earning an income within 30 days, which can be difficult with a start-up business. Further clients are concerned that the earning potential of childcare business is low and they will not be able to meet the cost of their family needs. Other barriers low-income participants are concerned about in starting a child care business include: the cost of insurance, cost to purchase or renovate house adequate for business and cannot meet state standards, and having poor or no credit.

***Issues in retaining low-income clients***

The CCBS reported that retaining low-income clients in the program was an issue faced at times. They commented that clients who self-referred to the program and remained in it, most often did not meet the income eligibility. While referrals from other sources, such as DCF, that were income eligible often did not complete the program. One CCBS noted anecdotally that her JOLI dropout rate for one session was about 44% compared to 31% of above low-income clients. Consistent with this, another CCBS noted that almost half of students referred from DCF actually attended the class, even with persistent follow up. Often low-income clients who were faced with multiple barriers in life dropped out of the class because of family, health, or other life issues or they decide to get a job instead. Furthermore, the above low-income clients were often more motivated to complete home work outside of class, even if they missed a class. However, the low-income clients often did not have the skills or motivation to catch up on their own. All of the CCBS noted that they worked closely with low-income clients in particular and consistently followed-up with them and offered additional assistance to support their work. CCBS also found that having classes with mixed levels of socio-economic backgrounds and experience in the childcare industry was another successful strategy to keep participants from dropping out. Those with experience in running a childcare provided support to those starting one up. One CCBS commented that in the future, if grant funds are not available to cover the cost of classes, clients should be required to purchase their workbooks for the class to better ensure that clients will attend.

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## **Preparation and Retention**

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Once participants were recruited into the CCBI project, they met with the CCBS to discuss the project, their goals, objectives, and barriers, complete paperwork, and were referred to other service providers.

### **Initial Meeting with Participants**

Once an individual was referred to the CCBI project, the CCBS met with potential participants to review general MBDP services, the CCBI project and service offerings. The CCBS also asked the participant why they were interested in starting a childcare business, their business goals, and barriers or challenges they faced to starting one. One CCBS specifically noted that she discussed the issue of criminal records and landlords up front with potential clients so that they understood the parameters within which they must operate to start a childcare business. CCBS also called clients prior to attending this meeting to obtain background information such as criminal records to ensure that they were eligible to start a childcare business in their home. Several CCBS noted that this was often a drop out point for participants as they realized this may not be a feasible option or did not want to commit time to the course.

As needed, the CCBS held second meetings with clients where they reviewed the criteria for starting a childcare business, discussed the state registration packet, and administered the CCBI assessment forms. The CCBS and participant then reviewed their responses to the assessment forms and talked about their goals for their participation in the program. Once the individual agreed to enroll in the CCBI project, they obtained their intake data and had the participant sign a contract informing them of the CCBI evaluation and gaining permission to contact them for this purpose (informed consent form). During this meeting, participants were often referred to other service providers to assist them in addressing barriers to starting a childcare business. One CCBS reported that she tried to visit the homes of JOLI eligible clients to assess their readiness with them in the environment where the business would take place.

### **Completion of Paperwork**

CCBS reported several methods for having participants complete the intake and assessment forms. One reported that she gave forms to the participants to take home for completion and two had clients fill out the forms during the initial meeting with clients. One CCBS noted that she used the questions as a guideline, rather than a formal questionnaire, so to not intimidate clients or overwhelm them with paperwork. She noted that if the participant was wavering, she would use the form to determine barriers, however if the participant is a strong candidate, she would ask questions in a free form manner.

### **Preparation Prior to Class**

All of the CCBS referred clients to their local VACCRRRA or their local Childcare Provider Network prior to attending the first class to get information about the business. Clients also received the state childcare registration packet. As needed, the CCBS

arranged childcare and transportation for clients and worked on gaining the support of their family members to starting this type of business. Furthermore, participants who were in the Reach Up program most likely made the course a part of their plan.

### **Strategies for JOLI Participant Retention**

All of the CCBS reported that they worked specifically to retain JOLI eligible clients by giving them a lot of individual attention and calling several times to follow up if they did not show up after enrollment or missed class. One CCBS noted that she would schedule individual appointments with students if she sensed that they were not coming to class because the material was moving too quickly for them. She would call to reschedule this appointment up to three times if they student did not show up to this meeting. Another CCBS reported that she would try and make as many accommodations as possible to retain JOLI eligible clients. She would hold “make-up” or “catch-up” classes for those who missed classes or started the program late. One CCBS reported that they used a “wide net” recruitment strategy in that they enrolled all clients who were interested in the course with the idea the word of mouth would spread the word about the course through the childcare provider networks. The CCBS also offered reimbursement for childcare and transportation costs and some provided childcare on site. The CCBS have also utilized referral services as an incentive, such as the Childcare Food Program or an Individual Development Account for JOLI eligible clients to participate in the training.

Even though many CCBS have had difficulty in recruiting and retaining JOLI eligible clients, several noted that they followed up with clients who did not complete a Cycle and invited them to enroll in the following Cycle.

### **Barriers Participants Faced upon Enrollment**

In addition to barriers discussed above that hindered starting a childcare business, the CCBS also discussed other barriers that low-income participants faced upon enrollment. These barriers included:

- Lack of childcare and transportation
- Childcare business is new and different to them
- Participants are not entrepreneurial and find the business aspect challenging
- Participants are concerned that they will not make enough money running a childcare business
- Poor literacy skills or low education
- Family or life issues, such as children with ADHD, personal disabilities, and family problems
- Poor credit
- Funding for improvement to home

To address the barrier of childcare and transportation, the CCBS offered participants reimbursement for these expenses. To address other barriers, CCBS referred clients to landlords who were supportive of childcare businesses in their buildings, VR, and the Credit Counseling Service of Vermont and New Hampshire. Clients who had funding issues for home improvement were recommended alternative low cost options for

improvement, especially fencing. Clients were also referred to various budgeting programs through Community Action.

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### **Course Implementation and Curriculum**

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The CCBS stated that the curriculum for each class varied depending on the students' level of experience with a childcare business and goals and expectations of the class. The CCBS used the Kauffman *Developing Your Family Childcare Business* book, however they also incorporated many other supplemental materials to go into more depth for certain subjects, such as taxes and cash flow analysis. The instructors focused more on the business aspect of running a childcare business as the majority of providers had experience working in the field. The CCBS also gave their students materials that would be useful for their business, such as notebooks, calculators, writing utensils, calendars, Calendar Keepers, bankers box, hanging files, business card holders, gift items, food, the *Parent's Companion Book* from State of Vermont, and folders to hold documents relating to other trainings that they have attended. Their folders became a portfolio that the providers could share with parents for credibility and as a marketing tool. The CCBS noted that even though a business plan and parent handbook were the ultimate deliverables of the class, several students only wanted to complete one or the other, depending on their needs. The following are examples of common class topics.

#### ***Common class topics***

- Assertiveness training
- Pricing policies
- Communication with parents
- Resources for childcare providers such as the food program, state subsidies, apprenticeship program, mentor program, network leaders providers groups, and support system for providers group.
- Record keeping
- Taxes
- Cash flow analysis – instructors work individually with students to develop and understand their personalized cash flow analysis.
- Business card development and other marketing tools
- Business plan and parent handbook development

#### **Changes to the Kauffman Curriculum**

CCBS were asked whether or not they made any changes to the Kauffman curriculum or planned to use other material in future classes.

- All of the CCBS reported that they used supplemental material to teach the curriculum on finances, as the Kauffman course did not go into enough depth in this area. All developed spreadsheet templates for students to use in developing their budgets and cash flow analyses.
- One teacher developed her own curriculum for two classes on bookkeeping and taxes as these were popular topics with students and the Kauffman guide did not adequately cover this section as well. This teacher also used the “Power Pay”

software to teach personal finances as it calculated the savings of larger or extra payments of debt, especially credit card debt.

- Several made changes to the first through third lesson plans, by combining them into fewer classes or focusing less on them in general.

***Positive aspects of the Kauffman curriculum***

- Broke business plan into manageable pieces
- Disk provided templates for course deliverables
- Stories and case studies were provided to illustrate various points
- Repetition in book was helpful for students

***Negative aspects of the Kauffman curriculum***

- CCBS needed to condense the first four curricula into the first and second class in order to pick up the pace of their curriculum
- Facilitator's guide was not helpful
- Curriculum was more tailored for larger classroom sizes
- Writing a business plan and parent handbook was difficult for some students
- Financial section needed to be taught in more depth than presented in book

**Co-Teacher Role**

In the first year of the grant, the CCBS actively recruited an individual to play the role of the co-teacher, based on the Kauffman curriculum recommendation. This person's role was to provide insight and instruction on the childcare aspect to compliment the business aspect of the CCBS. In the first year, two of the CCBS recruited the co-teacher from the VACCRRRA staff and a Child Care Provider group leader. One CCBS recruited a co-teacher from participants in each of the classes. She waited two to three weeks after starting the class to see who emerged as a leader in the group, then asked that person to be the co-teacher.

However, in the second and third years of the grant, the CCBS felt that they did not need a co-teacher role because so many students in their classes had experience as a childcare provider. Thus, it was more beneficial for the class to focus on the business aspect, rather than specifically on the childcare aspect. The CCBS noted that all JOLI clients were connected with their local VACCRRRA and their local Provider's Network to answer specific questions about the childcare portion.

### **Other Course Presenters**

Several of the CCBS noted that they invited people with various expertise to speak with the students in class. These people included:

- Child Care Trainers
- Child Care Food Program staff
- Persons with expertise in personal and business financing, such as accountants and Community Action Outreach specialist
- Childcare Resource and Referral agency specialist
- Vermont Community Loan Fund
- Insurance Agencies
- Individual Development Account representatives
- Credit repair specialists

### **Issues in Conducting the Class**

The CCBS faced several issues in the running the CCBI course. These issues included:

- Difficulty in retaining some students – many decide to not pursue a childcare business, feel the course is too overwhelming, or do not return to subsequent classes.
- Low enrollment at start of class
- Poor attendance by some students
- Reimbursement for child care and transportation are not well-utilized
- Difficulty in serving rural communities during certain times of the year

### **Course Benefits to Students**

During staff focus groups, the CCBS were asked to discuss the impact they perceived the CCBI course has on their students. The following highlight these discussions.

- Many noted that this course should be a requirement for all start-up businesses because of the business plan and parent handbook exercise.
- The CCBI course gave students' practical knowledge and confidence to start a childcare business. However, the cash flow analysis showed some that their chances of earning enough money in childcare to support themselves was slim, and they would decide to not start this type of business. Deciding to not start a business was considered a success if that was the right move for the participant. Participants already in business were able to understand the business element and handling parent relationship better, and improved their existing business.
- The CCBI course helped students to be more focused and attentive to professionalism and the business aspects of their childcare business. It helped students become more aware of the needs of their own families and how to keep the business from interfering with their family life as much as possible.

- The CCBI course assisted providers to be more assertive, self-respectful, and empowered to view themselves as professionals, rather than thinking of themselves as “babysitters.”
- The CCBI curriculum gave students insight into the detail they needed to consider and the tools to start dealing with obstacles they faced. For instance, in reviewing the contents of a business plan, students were at first confused, and then realized how this experience clarified their business for them.
- Because running a childcare business is such a “personal” business, any improvement in their business was likely to improve their personal lives.
- Instruction on pricing policy enabled some providers to increase their rates and earn more money through their business.
- The course prepared providers for the state childcare registration process. Students knew what to expect when the Licensor came for a site visit.
- Knowledge and experience from writing a business plan helped students gain skills and confidence in other areas such as grant writing and loan applications.
- Providers learned of community resources and the value of their local provider networks as a resource and source of support.
- All noted that the students bonded with one another and benefited from the interaction of both new and experienced providers.



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### **Technical Assistance and Support Outside of Class**

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The CCBS offered one-on-one technical assistance (TA) and business counseling with participants outside of the classroom, for both additional assistance and catching up on missed material or if the course was moving too fast. They assisted participants outside of the classroom in developing, editing, and revising their business plans, writing contracts, and developing their parent handbooks. They also assisted students in conducting a market analysis to determine if there is a need for their business in their community. Many also provided assistance with the development of marketing materials, such as business cards and posters, financial analysis, and applying for a loan. They also referred clients for issues such as credit counseling, business name registration, licensing and registration in general, legal issues, and business time/space percentages. The CCBS also worked individually with clients if a class was not offered at all or at a convenient time when they were interested in taking it.

- One CCBS reported that she offered TA with students for the cash flow analysis part of the curriculum. The analysis covered a twelve-month period and required a lot of estimating, especially for start-up childcare providers. If the participant was currently in business, she traveled to their home to help them with this analysis at home. If students did not have access to a computer, she assisted them in word-processing their Parent Handbooks and supplied them with a printed document for them to copy.
- Another noted that she made sure the client worked to the best of their capabilities even though she provided assistance. If she did not know the answer to a question, she would consult one of her co-workers to get the answer.

### **Follow-up Workshops**

The CCBS discussed various areas that participants requested for follow-up workshops. These topic areas included:

- Bookkeeping system (most popular)
- Taxes
- Marketing
- Financial management
- Insurance
- Legal
- Retirement
- Developing an effective brochure
- Goal setting
- Grant writing
- Hiring employees
- Record keeping
- Updating your parent handbooks and contracts.

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## **Relationship with Project Partners**

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As previously discussed, project partners played an important role in the CCBI project, in providing referrals, client assistance, guest lectures in class, and referring co-teachers. Several issues that were encountered in the beginning of the project subsided by the end of the second grant year.

### **Communication with other CCBS**

All of the CCBS reported having occasional contact with one another, with communication occurring primarily by telephone or email and at grant meetings. CCBS contacted one another to provide support and discuss an issue or problem solve for when they are confronting a problem.

### **Project Partners**

Throughout the grant, DCF, VACCRRRA, DET, Child Care services, and other Community Action services were the main project partners. The major role these partners played was as a source of referral and technical support for clients. DCF provided childcare and transportation for some students. VACCRRRA provided a variety of support, including curriculum development, Calendar Keepers, referral of Co-Teachers, and emotional support. Furthermore, the MBDP food program was a major support to childcare providers. CCBS reported communicating with project partners by making site visits, email, and sharing success stories.

Over the course of the grant, CCBS reported improving their relationships with their local DCF offices and VACCRRRA agencies through relationship building strategies and networking, by meeting with staff, attending trainings, and presenting on the CCBI course at trainings and meetings. They also sent information on the CCBI course and workshops to network leaders and encouraged them to use the CCBS as a speaker. The CCBS noted that their relationships with DCF and VACCRRRA also improved because of student word-of-mouth about the high quality class. Two CCBS commented that they frequently communicated and attended staff meetings of DCF and DET, specifically when they were recruiting for a class. They spoke with counselors, case managers, and district managers, and kept them up to date on workshops, the course, and student progress.

### ***Success in working with project partners***

The following are examples of successes CCBS had with project partners.

- One CCBS reported that she organized a half-day, statewide Internal Revenue Service “Train the Trainer” meeting for all CCBS and invited all VACCRRRA agencies to attend. The training covered areas of interest for childcare providers, such as where and how to find additional information, and presented a guide to childcare providers’ on completing their tax returns. Approximately fifteen people attended from the CCBI project and VACCRRRA from around the state.
- CCBS partners showed more support for the CCBI project because of the steady flow of information about the project offerings.

- One CCBS commented that by working together with project partners, they provided a comprehensive safety net for the needs of people entering the childcare business.
- All of the CCBS noted that working with VACCRRRA was very successful for this grant. They continually referred clients, allowed CCBS to attend their new provider orientation, gave ideas for curriculum development, answered questions, and sold materials such as Calendar Keepers in their office. They also provided classroom space and access to various space and equipment.

**Meeting Project Objectives**

The CCBI project measured client success through various outcomes. These include business accomplishments, loans received, client outcomes compared to the grant objectives, and impact of the CCBI project on client business, personal, and financial life. This section highlights client outcomes and impact for duration of the grant. The following data compares the CCBI grant objectives for all three fiscal years with the actual outcomes achieved. It should be noted that the FY 2005 data comes from cycle three and four clients who participated in the follow-up survey. Thus, clients who refused the survey or were not able to be reached, yet met these objectives are not included numbers below.

The goal of the CCBI grant is to enable low-income individuals, including TANF recipients, to start and operate successful childcare businesses. The following outcomes presented for low-income and above low-income clients, provide an indicator of project success. The proposed grant outcome is measured against the low-income client outcomes only, with the percentage of meeting the outcome indicated in parenthesis. Overall, the program outcomes are less than the anticipated grant objectives, when just looking at the low-income population. However, when the above low-income population is included in the outcomes, several of the goals are met.

**Course training**

Train 160 individuals in childcare business planning and operating curriculum (Kauffman’s *Developing Your Family Child Care Business*).

Objective	Low income	Above low income	Total
FY 03 = 40	22 (55% of objective)	16	38
FY 04 = 80	35 (43%)	66	101
FY 05 = 40	23 (58%)	39	62

**Course and business plan completion**

Ensure that 75% of individuals, who start the CCBI training, complete the training and write a business plan.

Objective	Low income	Above low income	Total
FY 03 = 30 complete training	11 (37%)	6	17
FY 04 = 60 complete training	20 (33%e)	14	34
FY 05 = 30 complete training	15 (50%)	28	43
FY 03 = 30 complete business plan	10 (33%)	3	13
FY 04 = 60 complete business plan	20 (33%)	14	34
FY 05 = 30 complete business plan	6 (22%)	9	15

***Access to capital***

Ensure that 75% of individuals who write a business plan get capital if needed to start and successfully operate childcare businesses. Over the course of the grant, only a few of CCBI clients accessed capital through loans. It should be noted that when the grant goals were written the project directors anticipated that child care business owners would need to access capital to start-up their business. However, follow-up evaluation with clients shows that 82% of low income and 87% of above low-income clients reported that they did not need to access a loan to start or operate their childcare business. In-depth interviews with clients during focus groups also confirmed that many clients did not want to take out a loan to start an in-home child care business. This reason explains the large discrepancy between the objective number and actual number observed.

<b>Objective</b>	<b>Low income</b>	<b>Above low income</b>	<b>Total</b>
FY 03 = 23	1 (4%)	1	2
FY 04 = 45	4 (8%)	3	5
FY 05 = 23	6 (26%)	3	9

***Self-employment creation***

Ensure that each childcare business creates one FTE job providing a livable income (90 jobs).

<b>Objective</b>	<b>Low income</b>	<b>Above low income</b>	<b>Total</b>
FY 03 = 23	7 (30%)	6.5	13.5
FY 04 = 45	25 (56%)	24	49
FY 05 = 23	13 (56%)	31.5	44.5

***Demonstrate effective budgeting and financial management skills***

Ensure that 75% (120) of the individuals who receive training can demonstrate the ability to effectively budget and manage their monthly and yearly incomes (personal and business) 6 months after completing the training. To evaluate if this goal was achieved, the evaluators developed a series of questions that indicate effective budgeting and financial management skills for both business and personal finances. These include 1) use of a cash flow, budget, or spending plan, 2) maintain expense records, and 3) compare actual with planned expenses on a regular basis. The number of times a client said yes to any of these three items indicated successful skill development.

***Business Budgeting Skills***

<b>Objective</b>	<b>Low income</b>	<b>Above low income</b>	<b>Total</b>
FY 04 = 60	9 (15%)	12	21
FY 05 = 60	10 (33%)	15	25

***Personal Budgeting Skills***

<b>Objective</b>	<b>Low income</b>	<b>Above low income</b>	<b>Total</b>
FY 04 = 60	10 (16%)	24	34
FY 05 = 60	21 (35%)	32	53

***Net income***

Ensure that 50% of family childcare businesses’ net income is above \$15,000 after one year in business. This data was collected through self-reported data on gross business income for those businesses that have been in business for one year at the time of the survey. Based on the September 2004 survey results, 3 low-income and 4 above low-income clients came to CCBI at the pre-business stage and started their business one year prior to the survey. Sixty-six percent (2/3) of low-income and 25% (1/4) of above low-income clients reported a gross annual income of their business to be higher than \$15,000. Based on the September 2005 survey results, 70% of low income clients (seven out of ten) and 33% (one out of three) of above low-income clients reported their gross income to be above \$15,000 after one year of being in business.

<b>Objective</b>	<b>Low income</b>	<b>Above low income</b>	<b>Total</b>
FY 04 = 50%	38% (3/8)	63% (10/16)	13
FY 05 = 50%	57% (8/14)	80% (17/21)	25

***Business retention***

Ensure that 60% of individuals who started childcare businesses have retained these businesses for at least one year after start-up. This data was collected through self-reported data from the follow-up survey. According to the 2004 survey, 100% of both low-income (3) and above low-income (4) clients who started came to CCBI in the pre-business stage and started their business one year ago, remain in business. In 2005, 37% or ten of the 27 low-income businesses that started up while working with CCBI were retained. Ten closed their business, three remained in the planning stage and four decided to not pursue their business. For those above low-income, two out of ten or 20% were retained, while one started and then closed, three remained in the planning stage, and four decided to not pursue their business. Overall, 32% of start-up businesses were retained after one year.

<b>Objective</b>	<b>Low income</b>	<b>Above low income</b>	<b>Total</b>
FY 04 = 60%	100% (3)	100% (4)	100% (7)
FY 05 = 60%	37% (10)	20% (2)	32% (12)

**Client Survey Results**

A total of four client follow-up surveys were conducted by CRS at the University of Vermont, with two each conducted in the second and third fiscal years. Clients were surveyed about services received and satisfaction, business financing, business development, job creation, income changes, skill development, social and human capital. Table 16 depicts the calling outcomes of all client follow-up surveys conducted for this project. This report presents the data collected from clients at intake, six months and their final survey (between one and two years post intake) (see Table 1).

**Table 16. Survey Population and Calling Outcomes**

	<b>Cycle 1 6 Months- 2/04-3/04</b>	<b>Cycles 1-2 9/04</b>	<b>Cycles 1-3 3/05</b>	<b>Cycles 1-4 12/05</b>
<b>Target population<sup>+</sup></b>	<b>85</b>	<b>173</b>	<b>177</b>	<b>278*</b>
<b>Completed surveys</b>	<b>53 (62%)</b>	<b>85 (49%)</b>	<b>102 (58%)</b>	<b>56 (20%)</b>
Refused	8 (9%)	34 (20%)	33 (19%)	33 (12%)
No answer	10 (16%)	17 (10%)	17 (10%)	135 (49%)
Moved/wrong number/ not in service	13 (32%)	37 (21%)	25 (14%)	58 (21%)

<sup>+</sup>Target population excludes those who refused the survey at a previous time or whose number was not in service, a wrong number, or had moved.

\*All clients were attempted to be reached for the final survey.

Table 17 shows the number of respondents who are included in the longitudinal data set after all data collected were combined into one file. A total of 170 participants answered the follow-up surveys, with 87 completing only the six month follow-up (to be compared to intake), 12 completing the one to two year follow-up only (to be compared to intake) and 71 completing both the six month and the one to two year follow-up survey.

**Table 17. Number of Respondents Included in Longitudinal Data**

<b>Data available</b>	<b>n</b>
Intake and six month follow-up	87
Intake and one to two year follow-up	12
Intake, six month and one to two year follow-up	71
<b>Total respondents</b>	<b>170</b>

Of all clients who completed the surveys (N=170), 40% of clients were low-income and 60% were above low-income. This section of the report discusses client outcomes based on these two income groups.

**Business Characteristics and Growth**

Fifty-four percent (87) of clients came to CCBI in the planning process to start a business and 46% (75) entered the program with an established childcare business.

Of those who entered the program in the planning stage:

- 13 (14%) started a business and then closed it
- 29 (30%) started and retained this business
- 23 (26%) remained in the planning stage
- 25 (29%) decided to not pursue this business

Of the clients who entered CCBI with an established business

- 64 (85%) retained this business
- 11 (15%) closed this business

Table 18 shows program’s overall business accomplishments broken down by income qualifications.

**Table 18. Client Business and Job Creation Statistics by Income Groups**

	<b>Low income</b>	<b>Above low income</b>	<b>Total</b>
Child care businesses started	12 (19%)	14 (14%)	26 (16%)
Child care businesses retained	19 (30%)	45 (45%)	64 (39%)
Of retained, number of businesses expanded	6	14	20
Child care businesses started then closed	6 (10%)	8 (8%)	14 (9%)
Established business closed	4 (6%)	7 (7%)	11 (7%)
Client remains in planning stage	11 (18%)	12 (12%)	23 (14%)
Client decided to not pursue business	11 (18%)	15 (15%)	26 (16%)
Full time equivalent <i>owner</i> jobs created and supported	29	57	86
Full time equivalent <i>other</i> jobs created and supported	5	24	29
<b>Total FTE jobs created and supported by CCBI</b>	<b>34</b>	<b>81</b>	<b>115</b>



**Type of Childcare Business**

Of the clients with an existing childcare business at the end of the grant, 91% (79) were registered home-based childcare businesses, 4% (4) were legally exempt childcares (LECC), 2% (2) was a center-based business, and 2% (2) had another type of business. Similarly, 82% (27) of those still planning to open were planning on opening a registered home-based business, 6% (2) were going to open a center-based business, and 12% (4) were going to open another type of childcare business that was not specified. For sold businesses, 75% (9) were registered home-based and 25% (2) were LECC. Table 19 shows that the majority of clients, regardless of income, operate a registered home childcare business at the time the grant ended. Only above low-income clients operated center based or other types of childcare businesses.

**Table 19. Type of Client Business by Income, current businesses only**

	<b>Low income</b>	<b>Above low income</b>	<b>Total</b>
Registered home-based	93% (28)	90% (51)	91% (79)
LECC	7% (2)	4% (2)	4% (4)
Center-based	0	4% (2)	2% (2)
Another type	0	4% (2)	2% (2)

**Length of Time in Business**

Clients with a current business at the end of the grant reported that their business had been open from less than one year to 25 years, with an average of 7 years and median of 5 years. Low-income clients in business at the end of the grant reported having been in business for less than one year to 25 years with an average of 5 years and median of 3.2 years. Above low-income clients reported having been open for two to twenty one and a half years, with a higher average of 7.8 and median of 5.5 years. Prior to selling their businesses, clients with a closed business were open an average of 2.5 years (3 years low-income and 2 years above low-income) and a median of 1 year (1 year low-income and 8.5 months above low-income).

***Planning to open a childcare business***

For those in the planning stage by the end of the grant, 23% (7) planned to open their childcare business in less than 6 months (4 low-income, 3 above), 42% (13) planned to open in 6 to 12 months (8 low-income, 5 above), and 36% (11) planned to open in 12 months or more (3 low-income, and 8 above).

**Reasons to Start a Childcare Business**

The reasons that clients gave for why they wanted start a childcare business were consistent throughout the grant. The main reasons, as indicated below was to stay at home with their children, they enjoyed working with children, and they needed employment. The main categories of reasons given are listed below.

- Stay at home with children
- Enjoy working with children
- Wanted new employment
- Background or Degree focused on early childhood education

- Be self-employed
- Could not find quality/low cost childcare in area
- Watch neighbors children
- Interested in working in a childcare center
- Wanted to start a childcare business
- Change careers due to injury
- Limited employment options in Vermont

**Enrollment Capacity**

Table 20 shows that the majority of clients surveyed, regardless of when they took the CCBI course, were operating their childcare business at full to three quarters capacity at the time of their last survey. Clients who were surveyed at 1.5 years post the CCBI training reported being the most satisfied with their business capacity and those surveyed six months post their training were the least satisfied, although three quarters reported being satisfied with their enrollment.

**Table 20. Childcare Enrollment and Satisfaction by Time of Survey**

	<b>Full capacity</b>	<b>Three-quarters capacity</b>	<b>Half capacity</b>	<b>Less than half capacity</b>	<b>% Satisfied with Enrollment</b>
<b>6 Month (n=37)</b>	57% (21)	19% (7)	14% (5)	11% (4)	76% (28)
<b>1 Year (n=29)</b>	38% (11)	31% (9)	17% (5)	14% (4)	86% (25)
<b>1.5 Years (n=12)</b>	58% (7)	17% (2)	17% (2)	8% (1)	92% (11)
<b>2 Years (n=9)</b>	67% (45)	22% (2)	0	11% (1)	89% (8)

Table 21 presents the breakdown of childcare business enrollment status and satisfaction with enrollment by the income groups. A little less than half of low-income clients were operating at full capacity compared to 56% of above low-income clients. More low-income clients (27%) were operating at three quarters capacity compared to 21% of above low-income clients. Twenty three percent of low-income clients were operating at less than half capacity. Overall, 80% or more of each group were satisfied with their childcare business enrollment.

**Table 21. Childcare Enrollment and Satisfaction by Income**

	<b>Full capacity</b>	<b>Three-quarters capacity</b>	<b>Half capacity</b>	<b>Less than half capacity</b>	<b>% Satisfied with Enrollment</b>
<b>Low-Income (n=30)</b>	43% (13)	27% (8)	7% (2)	23% (7)	80% (24)
<b>Above Low-Income (n=57)</b>	56% (32)	21% (12)	18% (10)	5% (3)	84% (48)

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**Business Financing and Loans**

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**Business Loans**

A total of 26 CCBI clients, or 22% of those interviewed, said that they needed to apply for a loan for their childcare business. The other 78% did not feel they needed to apply for a loan. Of those who wanted to apply for a loan, 35% (9) were low-income and 65% (17) were above low-income. Six of the low-income clients reported receiving their loan, one had not yet heard back from their loan officer, one did not receive the loan, one had not applied by the time of the survey. The range of loans received by low-income clients was \$600 to \$32,000, with an average of \$12,150 and median of \$8,000. Of those above poverty, eleven received their loan, three did not receive it, and one had not yet applied. The range of loans received by above low-income clients was from \$500 to \$59,000, with an average of \$20,477 and median of \$17,000. Table 22 shows the summary of client loan accomplishments, including the number of loans made and the total and average amount of loans received.

**Table 22. Client Loan Summary**

	<b>Low income</b>	<b>Above low income</b>	<b>Total</b>
Loans received	6	11	17
Total amount of all loans received*	\$48,600	\$183,000	\$231,600
Average amount of loans received*	\$12,150	\$20,477	\$17,915

\*Two low-income and two above low-income clients did not report the dollar amount of the loan received.

**Sources of Business Capital**

Table 23 shows the sources of start-up capital that clients reported using or planning to use for their childcare business, differentiated by income source and in total. Respondents were allowed to select all options that applied to them. Data showed that the sources of business capital slightly shifted over the course of the grant for low-income clients from personal savings to business revenue. The FY04 report showed that 48% of low-income clients from Cycles 1 and 2 used personal savings to finance their business compared to 44% currently. Further, 33% of low-income clients used business revenue I 2004 compared to 43% by the end of the grant. This increase may reflect improved business revenue over time. Low-income clients only also relied on bank loans, Trickle-up, grant funds, and no sources of funding.

**Table 23. Sources of Start-up Capital by Income and Total**

<b>Capital Source</b>	<b>Low- Income (n=48)</b>	<b>Above Low- Income (n=85)</b>	<b>Total (n=133)</b>
Personal Savings	44% (21)	48% (41)	47% (62)
Business revenue	43% (18)	41% (32)	42% (50)
Bank Loan	10% (5)	5% (4)	7% (9)
No Sources of Funding	4% (2)	7% (6)	6% (8)
Grant funding	4% (2)	7% (6)	6% (8)
Trickle Up	4% (2)	1% (1)	2% (3)
Family or Friend Loan/donations	0	4% (3)	2% (3)
Individual Development Account	0	2% (2)	2% (2)
Vermont Economic Development Authority	2% (1)	0	1% (1)
Other: tax return, VT Community Loan Fund, small business loan, child support, workers compensation	6% (3)	8% (7)	8% (10)

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### **Business Income**

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Over the course of the grant, clients were asked to report their gross annual income from their business, business status, business activity, and owner's draw from their business. This information is compared over time where available.

#### **Gross Annual Revenue from Business**

The gross annual revenue (self-reported) from childcare businesses of all clients ranged from \$2,400 to \$67,200 with an average gross annual income of \$22,900 and median of \$22,200 (n=92).

#### ***Low-income gross annual revenue from business***

- Range of \$2,700 to \$67,200
  - Mean of \$21,900
  - Median of \$18,200
- (n=34)

#### ***Above low-income gross annual revenue from business***

- Range of \$2,400 to \$50,400
  - Mean of \$23,600
  - Median of \$24,000
- (n=58)

Twenty nine clients had annual income data that could be compared from six months post their training to the end of the grant. In total, change from these two points in time showed a range of \$-16,800 to \$21,000, mean of \$1,900 and median of \$900 (n=29). Data from low-income clients showed a range of \$-9,600 to \$3,000, mean of \$-1,922 and median of \$-1,200 (n=9). Data from above low-income clients showed overall greater

gains in gross annual income over time with a range of \$-16,800 to \$21,000, average of \$3,660 and median of \$900 (n=20). No significant difference was found in comparing six month data (mean revenue \$20,489) to follow-up survey data (mean revenue \$22,417).

**Owner Business Activity**

Table 24 shows that the majority of respondents (91%, 95) reported working full time for their childcare business, defined as 40 or more hours per week. More above-low income clients (94%) reported working full time compared to low-income clients (84%). **Low-income clients worked a range of 20 to 75 hours per week with a mean of 53 hours per week and median of 57 hours per week.** This is slightly less than the self-reported hours for the above-income subpopulation. No significant difference was found in comparing self reported hours spent on their business at six months post training (mean is 52) and at the time of the follow-up survey (mean is 54). A total of 101 full time equivalent (FTE) owner jobs were created or supported by the CCBI project.

**Table 24. Owner Business Activity by Income and Total**

	<b>Low Income (n=37)</b>	<b>Above-Low Income (n=68)</b>	<b>Total (n=105)</b>
Full Time, 40+ hours/week	84% (31)	94% (64)	91% (95)
Less than full time, <40 hours/week	14% (5)	4% (3)	8% (8)
Less than half time, 1-19 hours/week	3% (1)	2% (1)	2% (1)
Range	20-75	13-90	13-90
Mean	53	58	56
Median	57	58	58

**Owner’s Draw from Business**

Clients were asked to indicate whether or not their childcare business provided income to their household, defined as owner’s draw or other paying other household expenses from business income. Of low-income clients, 92% (33) reported taking an owner’s draw from their business. Similarly, 93% (63) of above low-income clients reported taking a draw from their business.

Of those who reported receiving an owner’s draw from their business, clients were asked to indicate this dollar value and whether this was weekly, monthly, or annually. As the majority of clients reported monthly data, the following reports data on monthly owner’s draw. Monthly figures were calculated for those who provided weekly or annual data.

Table 25 shows that low-income clients reported earning a slightly less average monthly owner’s draw of \$1,300 compared to those above low-income who reported earning an owner’s draw of \$1,470. Using monthly data, the calculated annual owner’s draw of low-income clients averaged \$15,295 compared to \$17,746 for above low-income clients. Hourly figures calculated to be an average of \$6.66 per hour for low-income clients and \$7.30 for above low-income clients. A paired sample T-test did not indicate any significant change in monthly average owner’s draw for clients who completed both the six month and follow-up surveys.

**Table 25. Owner’s Monthly Draw from Childcare by Income and Total**

	<b>Low Income (n=25)</b>	<b>Above Low Income (n=39)</b>	<b>Total (n=64)</b>
Range	\$300-\$3,000	\$200-\$4,000	\$200-\$4,000
Mean	\$1,300	\$1,473	\$1,400
Median	\$1,200	\$1,500	\$1,200

**Sources of Income and Income Changes**

Table 26 depicts the self-reported income sources for ALL clients regardless if they started a childcare business or not, differentiated by the income groups and the total population. Clients were asked to indicate all sources of personal income that applied to them. Clients reported receiving their personal income from 1 to 3 different sources, with a median of 1 source for both income groups. The most commonly mentioned source of income was the client’s childcare business; however a higher percentage of above low-income clients named this as a source. Slightly more than one third (39%) of low-income clients and almost two-thirds (62%) of above low-income clients reported receiving income from their childcare business. For low-income clients only, 36% reported earning an income through wage employment, 21% rely on another form of self-employment and 15% rely on Reach-up. In comparing client’s sources of income reported at six months post their training and at the follow-up survey, no significant difference was found. This suggests that clients’ sources of income have remained fairly consistent over the course of the grant.

**Table 26. Sources of Income for All Clients by Income and Total**

	<b>Low-Income (n=67)</b>	<b>Above Low- Income (n=102)</b>	<b>Total (n=169)</b>
<b>Childcare Business</b>	<b>39% (26)</b>	<b>62% (63)</b>	<b>53% (89)</b>
Other Employment	36% (24)	29% (30)	32% (54)
Other Self-Employment	21% (14)	15% (15)	17% (29)
Reach-up (TANF)	15% (10)	2% (2)	7% (12)
Unemployment	5% (3)	3% (3)	4% (6)
Disability Income	3% (2)	2% (2)	2% (4)

Other sources: Spouse’s income, retirement, and child support.

Table 27 shows the sources of income for clients who were in business at the time of their final survey. Almost all of clients in business were earning an income from their business, with 84% of low-income and 97% of above low-income clients earning an income from their childcare business. The next major source of income was another self-employment business, followed by other employment, and disability income. Interestingly, few self-employed clients rely on TANF and unemployment as a part of their income. Seventy-four percent (67) of clients said that their childcare business provides the majority of their income, with 68% of low-income and 78% of above low-income client stating this.

**Table 27. Sources of Income for Clients in Business Only by Income and Total**

	<b>Low-Income (n=31)</b>	<b>Above Low- Income (n=59)</b>	<b>Total (n=90)</b>
<b>Childcare Business</b>	<b>84% (26)</b>	<b>97% (57)</b>	<b>92% (83)</b>
Other Self-Employment	32% (10)	14% (8)	20% (18)
Other Employment	10% (3)	9% (5)	9% (8)
Disability Income	7% (2)	0	2% (2)
Reach-up (TANF)	3% (1)	0	1% (1)
Unemployment	0	0	0

Table 28 examines clients’ sources of income compared by whether or not they started or retained a business while working with CCBI and those who did not start or closed a business by the end of the grant. Of the clients with an active business at the end of the grant, 85% (22) of those who started their business during CCBI and 95% (61) of those who remained in business reported earning an income from their childcare business. Seven percent of clients without a childcare business at the end of the grant reported earning an income from this type of business. The researchers speculate that this is due to having earned income from a previous childcare business that is now closed. Fifteen percent of those who started a business during CCBI and 6% of those who entered the program in business patch their income with wage employment. On the other hand, 60% of those not operating a business at the end of the grant reported earning an income from wage employment. The data suggests that the self employed clients in this study are less likely to rely on other wage employment ( $\chi^2=47.92$ ;  $p\leq.01$ ), Reach-Up ( $\chi^2=7.62$ ;  $p\leq.01$ ), unemployment ( $\chi^2=7.79$ ;  $p\leq.01$ ).

**Table 28. Client Sources of Income by Business Status**

	<b>Business Started during CCBI</b>	<b>Business Retained</b>	<b>No Business</b>
<b>Childcare Business</b>	<b>85% (22)</b>	<b>95% (61)</b>	<b>7% (5)</b>
Other Employment	15% (4)	6% (4)	60% (43)
Other Self-Employment	23% (6)	19% (64)	14% (10)
Reach-up (TANF)	0	2% (1)	11% (8)
Unemployment	0	0	8% (6)
Disability Income	0	3% (2)	3% (2)

Table 29 shows the source of income that provides the most of the clients’ personal income. Almost half of above low-income clients (48%) compared to 32% of low-income clients rely mainly on their childcare business for income. A fairly similar percentage of both income groups rely on wage employment and other self-employment for their income. More low-income clients (12%) rely on federal welfare dollars for income compared to 1% of above low-income clients.

**Table 29. Source Providing Most of Client Income by Income and Total**

	<b>Low-Income (n=109)</b>	<b>Above Low-Income (n=59)</b>	<b>Total (n=168)</b>
<b>Child care business</b>	<b>32% (21)</b>	<b>48% (49)</b>	<b>42% (70)</b>
Other Employment	30% (20)	27% (28)	29% (48)
Other Self-Employment	8% (5)	7% (7)	7% (12)
Reach-up	12% (8)	1% (1)	5% (9)
Disability income	3% (2)	6% (6)	5% (9)
Unemployment	3% (2)	2% (2)	2% (4)
Other	12% (8)	8% (8)	10% (16)

**Monthly and Annual Client Income**

Tables 30 and 31 present the change in clients’ monthly and annual income data, comparing the range, mean, and median dollar figures collected at intake to the time of the survey. This includes monthly household income at intake and at the survey, annual household income at intake and at the survey, and the change in client income from intake to survey. The average monthly and annual income amount for low-income clients increased over time from an average of \$762 per month and \$8,225 per year at intake to \$2,447 per month and \$23,697 per year at the time of the survey. Similarly, the median



values increase as well. Above low-income clients saw increases in their average monthly and annual incomes over time, with less drastic changes compared to the low-income group. A paired sample t-test comparing monthly and annual household income figures of clients from their intake to the time of the follow-up survey showed significant increases over time, as indicated in the Tables.

**Table 30. Change in Monthly Income from Intake to Survey by Income Groups**

	Range	Mean	Median	n	t
Poverty – Intake	\$0-\$3,600	\$762	\$684	69	-6.71***
Poverty – At survey	\$380-\$7,500	\$2,447	\$2,000	59	
Above poverty - Intake	\$950-\$6,600	\$2,800	\$2,532	101	-1.84*
Above poverty – At survey	\$900-\$8,300	\$3,069	\$2,500	81	

\*=p≤.10; \*\*\*p=≤.01

**Table 31. Change in Annual Income from Intake to Survey by Income Groups**

	Range	Mean	Median	n	t
Poverty – Intake	\$0-\$24,432	\$8,225	\$8,040	67	-4.25***
Poverty – At survey	\$0-\$85,000	\$23,697	\$20,000	48	
Above poverty - Intake	\$11,400-\$80,000	\$33,834	\$30,984	103	-3.35***
Above poverty – At survey	\$12,000-\$100,000	\$40,161	\$35,000	73	

\*=p≤.10; \*\*\*p=≤.01

**Changes in Household Income because of Business**

CCBI participants were asked if their average monthly household income had increased, decreased, or stayed the same because of their business. Table 32 shows that 58% of low-income clients and 64% of above low-income clients reported that their average monthly household income increased because of their childcare business. Few clients reported a decrease and roughly twenty percent of both income groups said their income stayed the same. One low-income person indicated that it was too early in their business to determine this at the time of the survey.

**Table 32. Change in Average Monthly Household Income because of Childcare Business, Differentiated by Income and Total**

	Low-Income (n=31)	Above low-income (n=61)	Total (n=92)
Increased	58% (18)	64% (39)	62% (57)
Decreased	13% (4)	8% (5)	10% (9)
Stayed the same	23% (7)	21% (13)	22% (20)
Too early to tell	3% (1)	0	1% (1)

Tables 33 and 34 report the average monthly increase and decrease, respectively, in clients’ household income because of their childcare business. For low-income clients, the range of the increase in average monthly household income is from \$300 to \$5,000, with an average of \$1,200 and median of \$1,000. For low-income persons who reported

a decrease, the amounts ranged from \$225 to \$3,300, with an average of \$1,600 and median of \$1,750.

**Table 33. Average Reported *Increase* in Monthly Household Income because of Childcare Business Only, Differentiated by Income and Total**

	<b>Low-Income (n=15)</b>	<b>Above low- income (n=32)</b>	<b>Total (n=47)</b>
Range	\$300-\$5,000	\$50-\$4,000	\$50-\$5,000
Mean	\$1,200	\$923	\$1,000
Median	\$1,000	\$475	\$600

**Table 34. Average Reported *Decrease* in Monthly Household Income because of Childcare Business Only, Differentiated by Income and Total**

	<b>Low-Income (n=6)</b>	<b>Above low- income (n=7)</b>	<b>Total (n=13)</b>
Range	\$225-\$3,300	\$100-\$1,000	\$100-\$3,300
Mean	\$1,600	\$578	\$1,000
Median	\$1,750	\$500	\$800

**Change in Family Childcare and Transportation Expenses**

Tables 35 and 36 show clients’ self-reported change in their family childcare and transportation expenses, respectively, since they started their childcare business. These data are compared by the income subgroups and the total. The majority of clients, regardless of income group, reported that their family’s childcare expenses had decreased or stayed the same since they started their business. Thirty-one percent of low-income clients, compared to 16% of above low-income clients, said that their transportation expenses increased since they started their childcare business. However, overall the majority of both groups said their transportation expenses had stayed the same over time.

**Table 35. Change in Family Childcare Expenses since Started Childcare Business by Income and Total**

	<b>Low- Income (n=30)</b>	<b>Above Low- Income (n=56)</b>	<b>Total (n=86)</b>
Increased	13% (4)	25% (14)	21% (18)
Decreased	27% (8)	41% (23)	36% (31)
Stayed the same	53% (16)	27% (15)	36% (31)
Do not have children	7% (2)	7% (4)	7% (6)

**Table 36. Change in Family Transportation Expenses since Started Childcare Business by Income and Total**

	<b>Low-Income (n=20)</b>	<b>Above Low-Income (n=23)</b>	<b>Total (n=43)</b>
Increased	31% (9)	16% (9)	21% (18)
Decreased	21% (6)	23% (13)	22% (19)
Stayed the same	48% (14)	61% (34)	57% (48)

**Public Assistance**

Overall, 59% (97) of all clients reported that they have relied on public assistance at some point in their life. Specifically, 75% (48) of the low-income group and 46% (49) of the above low-income group have once relied on public assistance. Table 37 shows the change in clients’ reliance on public assistance from the time when they started with CCBI to the time of their final survey. Of the low-income clients surveyed, 58% reported that their reliance on public assistance had decreased, 31% reported that it stayed the same, and 10% reported their reliance had increased. Overall, the majority of all clients (90%) reported that their reliance on public assistance had decreased or stayed the same since they started their business. Commonly reported reasons for why clients decreased their reliance in public assistance include, they:

- Started their childcare business
- Got a job
- Used less or no benefits or were no longer eligible
- Increased income from personal or partner's income
- Graduated high school

**Table 37. Change in Reliance on Public Assistance by Income and Total**

	<b>Low-Income (n=48)</b>	<b>Above Low-Income (n=47)</b>	<b>Total (n=95)</b>
Increased	10% (5)	9% (4)	10% (9)
Decreased	58% (28)	57% (27)	58% (55)
Stayed the Same	31% (15)	34% (16)	33% (31)

**Assets Gained**

Clients were asked if they gained assets such as a home or post-secondary education since they started working with the CCBI program. Table 38 shows that a higher percentage of above low-income clients reporting purchasing a home or completing education compared to the percentage of low-income clients. Overall, three quarters everyone surveyed reported that they had not done either. Types of post secondary education achieved by 9% of low-income and 20% of above low-income included: college course work in nursing, an associates degree for early childhood education, continuing education classes in the area of early childhood, a business class, and one participated in an apprenticeship program.

**Table 38. Assets Gained Since Started Working With CCBI by Income and Total**

	<b>Low- Income (n=65)</b>	<b>Above Low- Income (n=103)</b>	<b>Total (n=168)</b>
Purchased a Home	8% (5)	15% (16)	13% (21)
Completed Post-Secondary Education	9% (6)	20% (21)	16% (27)
Neither	85% (55)	69% (71)	75% (126)

**Financial Savings**

Nine percent (6) of low-income clients and 19% (19) of above low-income clients reported participating in a savings program through their local Community Action program such as an Individual Development Account (IDA) or Tangible Assets. Further, 41% of all clients said that they have saved money on a monthly basis during the time of their survey. This includes 30% (19) of low-income clients and 48% (49) of above low-income clients. The average monthly amount saved by low-income clients was \$217 and median of \$200 (n=19). The average monthly amount saved by above low-income clients was slightly higher at \$272, with a lower median value of \$116.

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**Job Creation**

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A goal of the CCBI program was to create jobs for micro business owners, but also for these businesses to create other jobs for community members.

**Self-Employment Job Creation**

- 55% (90) of all clients surveyed reported having a business that was anywhere from the start-up phase to in the process of expanding through additional financing (31 low-income, 59 above low-income)
- A total of 86.35 full time equivalent (FTE) self-employed jobs were created and supported by the CCBI grant (28.5 FTE for low-income clients and 57.85 FTE for above low-income clients).
- Of the 90 businesses, 29% (26) were in the planning process at intake and were established at intake and 71% (64) were an established business at intake.
  - 92% (83) of those who reported having a business indicated that their childcare business provides *a source of income* for them.
  - 78% (70) reported that their childcare business is source from which they receive the *most* of their annual household income.

**Other Job Creation**

Of all respondents, 30% (31) of respondents reported having created other jobs, in addition to their own, with 10 being low-income and 21 being above low-income. Eight of these clients were in the planning stage at their intake to CCBI and 23 entered the program as an established business. Table 39 depicts the part and full time job creation statistics for the CCBI project in FY 2004 by the two income groups. In total:

- **38 part time employees** were hired by 27 CCBI business owners, paying an average wage of \$7.62/hour for an average of 15 hours a week. Two of these positions were filled by people who were known to be TANF recipients.
- **12 full time employees** were hired by 5 CCBI business owners, paying an average wage of \$9.85/hour for an average of 43 hours a week. One of these positions was filled by a person who was known to be TANF recipient.
- **A total of 29 FTE employees were hired by CCBI business owners.**

**Low-Income**

- **9 part time jobs** were created by 8 clients at an average wage of \$7.81/hr for an average of 12 hours a week. All but one of these part time employees were hired after the client participated in CCBI.
- **2 full time jobs** were created by 2 clients at an average wage of \$9.12/hr for an average of 40 hours a week. One full time employee was hired before CCBI and 1 was hired after CCBI.

**Above Low-Income**

- **29 part time jobs** were created by 19 clients at an average wage of \$7.54/hr for an average of 17 hours a week. Seven part time employees were hired before the CCBI project and 22 were hired after the client participated in CCBI.
- **10 full time jobs** were created by 3 clients at an average wage of \$10.55/hr for an average of 45 hours a week. All ten full time employees were hired after the business owner participated in the CCBI course.

**Table 39. Part and Full Time Job Creation Statistics, Hired Employees Only**

Statistics	Low-Income		Above Low-Income	
	Part Time Jobs	Full time Jobs	Part Time Jobs	Full Time Jobs
Number of other jobs created	9	2	29	10
Number of businesses that created jobs	8	2	19	3
Average hourly rate	\$7.81	\$9.12	\$7.54	\$10.55
Average number of hours per week	12	40	17	45
Number of employees hired before CCBI	1	1	7	0
Number of employees hired after CCBI	8	1	22	10
Number of FTE jobs created	4.8		24.25	

**Health Benefits from Business**

One low-income client indicated that their business provides them with medical and health benefits but they did not disclose the monthly cost of these benefits. Eighty two percent (74) of all micro business owners surveyed reported having medical and health benefits from another source. Looking at all clients, regardless if they started a business or not, 88% (57) of low-income clients and 85% of above low-income clients reported having access to medical and health benefits. None of the employers provide either part or full time employees with medical or health benefits.

**Kauffman Child Care Learning Goals**

CCBI participants who completed the Kauffman Child Care course were asked about meeting various learning goals of the course. These learning goals included: completing a parent handbook and business plan, using of a cash flow, budget, or spending plan for their business and household finances, maintaining and comparing expenses records to actual expenses for both business and household finances, and using a method to track their business and household budgets. Clients were also asked to rate their confidence and improvement in various skills areas for both their business and household finances.

**Business Learning Goals**

Table 40 shows that 78% of the total population surveyed completed their parent handbook, with completion by 77% of low-income clients and 79% of above low-income clients. Using the scale from 0 to 10, with 0 being 0% confident and 10 being 100% confident in their skills, both income groups reported an average confidence rating of 8.6, indicating high confidence to complete a parent handbook. Regarding clients’ business plan, 55% completed this, including 58% of low-income clients and 53% of above-low income clients. On the same confidence scale from 0 to 10, low-income clients showed a slightly higher average confidence rating of 8 compared to 7.6 of above low-income clients. A paired sample t-test showed no significant changes in clients’ confidence from the six month to the follow-up survey. However the average confidence rating increased over time from 7.8 to 8 for the business plan and from 8.9 to 9.2 for the parent handbook.

**Table 40. Parent Handbook and Business Plan Learning Goals by Income and Total**

	<b>Low- Income</b>	<b>Above Low- Income</b>	<b>Total</b>
<b><i>Parent Handbook</i></b>	<b><i>(n=35)</i></b>	<b><i>(n=61)</i></b>	<b><i>(n=96)</i></b>
Completed	77% (27)	79% (48)	78% (75)
In process of writing	17% (6)	15% (9)	16% (15)
Incomplete	6% (2)	7% (4)	6% (6)
Confidence in skill to complete handbook	8.6	8.6	8.6
<b><i>Business Plan</i></b>	<b><i>(n=40)</i></b>	<b><i>(n=70)</i></b>	<b><i>(n=110)</i></b>
Completed	58% (23)	53% (37)	55% (60)
In process of writing	28% (11)	24% (17)	26% (28)
Did not get far enough into course to complete	15% (6)	23% (16)	20% (22)
Confidence in skill to complete business plan	8	7.6	7.8

Table 41 shows almost half of both income groups used a cash flow, budget or spending plan for their business finances. A slightly lower percentage of low-income clients (46%) reported using this, compared to 49% of above low-income clients. However, low-income clients had a higher average confidence rating to develop a monthly cash flow projection with an average of 7.6, compared to the above low-income groups average of 6.9. No significant change in confidence level was shown over time, based on a paired sample t-test.

**Table 41. Use of Cash Flow, Budget, or Spending Plan for Business by Income and Total**

	<b>Low-Income (n=18)</b>	<b>Above Low- Income (n=26)</b>	<b>Total (n=44)</b>
Yes	46% (13)	49% (24)	48% (37)
No	32% (9)	39% (19)	36% (28)
Working on it	14% (4)	10% (5)	12% (9)
Confidence rating in skill to develop monthly cash flow projection	7.6	6.9	7.2

Table 42 shows 86% of low-income clients and 90% of above low-income clients maintain expense records for their business. A few clients do not and a few are working on doing this. Slightly more low-income clients (42%) compared to 40% of above low-income clients reported comparing their actual business expenses with planned expenses on a regular basis.

**Table 42. Maintain and Compare Expense Records for Business by Income and Total**

	<b>Low-Income</b>	<b>Above Low- Income</b>	<b>Total</b>
<b><i>Maintain expense records for business</i></b>	<b><i>(n=14)</i></b>	<b><i>(n=30)</i></b>	<b><i>(n=44)</i></b>
Yes	86% (12)	90% (27)	87% (39)
No	7% (1)	7% (2)	7% (3)
Working on it	7% (1)	3% (1)	5% (2)
<b><i>Compare actual with planned expenses on regular basis</i></b>	<b><i>(n=26)</i></b>	<b><i>(n=48)</i></b>	<b><i>(n=74)</i></b>
Yes	42% (11)	40% (19)	21% (30)
No	46% (12)	58% (28)	54% (40)
Working on it	12% (3)	2% (1)	5% (4)

Table 43 shows that the majority of low-income clients record their business expenses on a monthly basis (52%), followed by weekly (28%) and 12% do this daily. Overall, the majority of the total group (42%) reported recording expenses on a monthly basis.

**Table 43. Frequency of Recording Business Expenses by Income and Total**

	<b>Low-Income (n=25)</b>	<b>Above Low- Income (n=46)</b>	<b>Total (n=71)</b>
At time of purchase	4% (1)	15% (7)	11% (8)
Daily	12% (3)	9% (4)	10% (7)
Weekly	28% (7)	22% (10)	24% (17)
Monthly	52% (13)	37% (17)	42% (30)
Annually	4% (1)	17% (8)	13% (9)

Table 44 shows that a quarter of all clients, and each income group, have a separate bank account for their childcare business. One low-income client has a separate credit card. A few of both income groups have both a separate bank account and credit card, but the majority do not have either.

**Table 44. Have Separate Bank Account and/or Credit Card for Childcare Business by Income and Total**

	<b>Low-Income (n=28)</b>	<b>Above Low- Income (n=49)</b>	<b>Total (n=77)</b>
Bank account	25% (7)	25% (12)	25% (19)
Credit card	4% (1)	0	1% (1)
Both a bank account and a credit card	11% (3)	10% (5)	10% (8)
Neither	54% (15)	61% (30)	58% (45)



Table 45 depicts clients’ usage of various methods to keep track of their business budget. Clients were allowed to select all the methods that applied to them, thus the percentages do not equal 100%. The most commonly used method by both income groups was paper records followed by the Calendar Keeper.

**Table 45. Methods Used to Keep Track of Business Budget by Income and Total**

	<b>Low-Income (n=19)</b>	<b>Above Low- Income (n=32)</b>	<b>Total (n=51)</b>
Calendar Keeper	37% (7)	38% (12)	37% (19)
QuickBooks	5% (1)	9% (3)	8% (4)
Other Accounting Software	5% (1)	13% (4)	10% (5)
Spreadsheet	16% (3)	16% (5)	16% (8)
Paper Records	58% (11)	44% (14)	49% (25)

Clients were also asked if they learned about the appropriate IRS tax forms for their childcare business through the CCBI program. Table 46 indicates that 58% of low-income clients reported having learned about this. However, 72% of above low-income clients learned about tax forms.

**Table 46. Learned about IRS Tax Forms by Income and Total**

	<b>Low-Income (n=38)</b>	<b>Above Low- Income (n=57)</b>	<b>Total (n=95)</b>
Yes	58% (22)	72% (41)	66% (63)
No	42% (16)	28% (16)	34% (32)

Table 47 shows that almost 90% of all clients surveyed use parent contracts for their childcare business, with slightly fewer above low-income clients (86%) using this compared to 93% of low-income clients.

**Table 47. Use of Parent Contracts by Income and Total**

	<b>Low-Income (n=29)</b>	<b>Above Low- Income (n=55)</b>	<b>Total (n=84)</b>
Yes	93% (27)	86% (47)	88% (74)
No	7% (2)	15% (8)	12% (10)

Table 48 shows that slightly more above low-income client (87%) used state childcare subsidies for their business compared to 82% of low-income clients. Overall, 86% of all clients surveyed are set up to receive childcare subsidies from the state.

**Table 48. Use of State Childcare Subsidies by Income and Total**

	<b>Low-Income (n=28)</b>	<b>Above Low- Income (n=55)</b>	<b>Total (n=83)</b>
Yes	82% (23)	87% (48)	86% (71)
No	18% (5)	13% (7)	15% (12)

**Confidence in Skills**

Clients who completed the CCBI course were asked to rate their confidence in business related skills after completing the program, on a scale from 0 to 10 where 0 is 0% confident and 10 is 100% confident in the given skill. Clients were also asked to rate their improvement in their business budgeting skills on a scale from 0 to 10 as a result of the CCBI course, with 0 being no improvement, 5 being some improvement and 10 being a lot of improvement. Table 49 is presented in order of highest to lowest average ranking areas for low-income clients. Low-income clients reported higher confidence ratings for the skill areas of break even point, bookkeeping, and determining time-space percentages. Overall, the skills rated the highest for all clients included determining the food cost per child per week and bookkeeping skills.

**Table 49. Mean Confidence Ratings in Business Related Skills after CCBI by Income and Total**

	<b>Low-Income</b>	<b>Above Low- Income</b>	<b>Total</b>
Break even point	8	7.1	7.5
Bookkeeping	8	7.4	7.6
Food cost/child/week	7.5	7.7	7.7
Time-space percentages	7.3	6.9	7.1
Cost/child	7.1	7.5	7.4
Improved budgeting skills	6.6	7.2	6.9

**Household Budgeting Skills**

In addition to developing financial skills for clients’ businesses, the CCBI grant had the goal that clients would develop and improve their skills for their household finances. Table 50 shows that 63% of low-income and 71% of above low-income clients (68% for the total group) reported using a budget or spending plan for their household expenses. Approximately a quarter of each group was not using this for their household expenses and a few were working on this skill.

**Table 50. Use of Budget or Spending Plan for Household Expenses by Income and Total**

	<b>Low-Income (n=49)</b>	<b>Above Low- Income (n=87)</b>	<b>Total (n=136)</b>
Yes	63% (31)	71% (62)	68% (93)
No	27% (13)	24% (21)	25% (34)
Working on it	10% (5)	5% (4)	7% (9)

Clients were also asked if they maintain expense records for their household and compare their actual household expenses with planned expenses on a regular basis. Table 51 shows that slightly more low-income clients (77%) reported maintaining expense records for household expenses, compared to 70% of above low-income clients. Almost half of low-income clients and 40% of above low-income clients noted that they compare actual household expenses with planned expenses on a regular basis.

**Table 51. Maintain and Compare Expense Records for Household Expenses by Income and Total**

	<b>Low-Income (n=39)</b>	<b>Above Low- Income (n=69)</b>	<b>Total (n=108)</b>
<b><i>Maintain expense records for household expenses</i></b>			
Yes	77% (30)	70% (48)	72% (78)
No	15% (6)	22% (15)	19% (21)
Working on it	8% (3)	9% (6)	8% (9)
<b><i>Compare actual with planned expenses on a regular basis</i></b>			
Yes	49% (19)	40% (27)	43% (46)
No	44% (17)	56% (38)	51% (55)
Working on it	8% (3)	4% (3)	6% (6)

On the same scale of 0 to 10 with 0 being 0% confident and 10 being 100% confident, clients were asked to rate their confidence in their ability to develop and maintain a household budget because of the CCBI course. Low-income clients reported a slightly higher average confidence level in regards to developing and maintaining their household budget, however they reported a slightly lower average for improved household budget skills (Table 52).

**Table 52. Mean Confidence and Improvement in Household Budgeting Skills After CCBI by Income and Total**

	<b>Low-Income</b>	<b>Above Low-Income</b>	<b>Total</b>
Develop and maintain household budget	7.9	7.5	7.7
Improved household budgeting skills	6	6.3	6.2

Table 53 depicts the methods clients reported using to keep track of their household budget. The majority of clients reported using paper records for their household budget (78% low-income, 63% above low-income, and 68% total), which is consistent with responses given for the previous survey and for tracking their business budget.

**Table 53. Methods Used to Keep Track of Household Budget by Income and Total**

	<b>Low-Income (n=33)</b>	<b>Above Low-Income (n=69)</b>	<b>Total (n=98)</b>
Accounting Software	24% (8)	15% (10)	18% (18)
Spreadsheet	21% (7)	23% (15)	22% (22)
Paper Records	64% (21)	68% (44)	66% (65)

**Other Skills Learned through the CCBI Course**

Clients were also asked to indicate other skills that they gained through the CCBI course. The top four skills gained included financial management through budgeting and record keeping, tax information, and improved confidence as a childcare provider and business and business start-up skills. Several participants also expressed that they improved their communication skills with parents and changed their policies with parents such as pricing and late fees. They noted that because of the CCBI course, they are now firmer with parents in following through with policies. Most of these skills are consistent with those reported in previous evaluation reports for this project.

***Other Skills Gained through CCBI Course***

- Financial management
- Tax information
- Confidence
- Business start up skills
- Improved communication with parents
- Improved parent management through contracts and policies
- Learned value of services
- Childcare policy and contracts
- Financial policies
- Interpersonal skills
- More professional
- Networking with other providers
- Organization
- Maintain business
- Parent handbook
- Resources
- Be realistic in expectations
- Better understand children in program
- Business plan
- Credit reports
- Handling children
- Handling other businesses
- Loan for transportation
- Marketing skills
- Obtained teaching license
- Self-assertive
- Use of childcare forms

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**Social and Human Capital Gains**


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An important component of the CCBI training and MBDP training in general, is to improve clients' social and human capital, which sets a good foundation for success in their business. Cycle 1 and 2 clients were asked about improvements in their personal, family, and community life, changes in attitude, and if they are better off today because of the CCBI program.

**Personal, Family, and Community Life Changes**

Clients were asked to rank the level to which their personal, family, and community life has improved on a scale from 0-10 as a result of the CCBI training and counseling, with 0 being no improvement and 10 being a lot of improvement (Table 54). Low-income clients rated their community life as most improved because of CCBI, which was defined as social capital including civic engagement and the development of social networks.

The next highest area for improvement because of their work with CCBI was their personal life, followed by their family life.

**Table 54. Average Improvement Ratings in Personal, Family, and Community Life Because of CCBI by Income and Total**

	<b>Low-Income</b>	<b>Above Low-Income</b>	<b>Total</b>
Community Life	5.9	5.2	5.5
Personal Life	5.6	5.3	5.5
Family Life	5.4	4.8	5

**Changes in Attitude because of CCBI**

Clients were also asked to report any changes in attitude because of the CCBI program. Clients were allowed to select all of the areas that applied to them. Table 55 shows that the area of increased self-confidence received the highest response from all clients, regardless of income, with 41% low income and 40% above low-income reporting this change. This finding was consistent for all of the previous evaluation surveys and focus groups. For low-income clients, this was followed by being more motivated and encouraged.

**Table 55. Changes in Attitude Because of CCBI by Income and Total**

<b>Attitude Area</b>	<b>Low-Income (n=54)</b>	<b>Above Low-Income (n=93)</b>	<b>Total (n=147)</b>
Increased Self-Confidence	41% (22)	40% (37)	40% (59)
More motivated and encouraged	26% (14)	23% (21)	24% (35)
Improved personal outlook	15% (8)	4% (4)	8% (12)
Increased self-esteem	13% (7)	18% (17)	16% (24)
Broadened scope of possibilities	11% (6)	14% (13)	13% (19)
Less Fearful	11% (6)	2% (2)	5% (8)
More responsible	7% (4)	9% (8)	8% (12)
Improved overall quality of life	4% (2)	1% (1)	2% (3)

**Better Off Today**

In total, 91% (129) of clients reported that they are better off today because of their work with the CCBI project, which is consistent with 88% received at the last two surveys. This included 92% (46) of low-income clients and 90% (83) of above low-income clients.

**Impact of Childcare Business on Local Community**

Respondents were also asked to indicate the impact that their childcare business has had on their local community. The most commonly reported answer, consistent with previous evaluation reports for this project, is that they provide childcare for working parents in their community. Another consistent response was that providers are more involved in their community now that they run their business. A new response for this report is the response that one's childcare business fulfills a need in their community. Providers also noted that they provide quality childcare in their area.

***Impact of childcare business on local community***

- Provide child care for working parents
- Childcare in need in my community
- More involved in the community
- Providing quality childcare
- Business has earned a good reputation
- Provide a local childcare/convenient location
- Support other providers
- Created four jobs in area
- Leader of childcare provider's network
- Attend Provider meetings
- Started a childcare network in area
- Networking
- More of a team player
- Provide evening childcare
- Satisfied customers
- Take children on field trips
- Viewed as business owner and professional
- None
- Not sure

### ***Focus Group Results***

A total of 14 client focus groups were held over the course of the grant with 42 participants. These were conducted on an annual basis in September and October 2003, 2004, and 2005. The focus groups were designed to collect qualitative case study data from clients about their business, services received, impact of services, and program feedback (Appendix A). This qualitative data were analyzed using a standard approach of coding data and searching for common themes (Glesne, 1999). This information provides data on both project process and outcome.

#### **Reasons Participants Started a Childcare Business**

All of the *JOLI eligible participants* decided to start a childcare business because they needed employment, could not afford the cost of childcare for their own children, enjoyed working with children, and wanted to work at home and be with their children. In addition, several had a background in the childcare field or early childhood education. Starting a childcare business was a feasible solution to their situation. Several of the women were single parents and needed to find employment where they could care for their children and earn a primary source of income. Of the *above low income participants* interviewed, most wanted to start an in-home childcare business for employment, while being able to spend time at home with their children. Many of these clients also previously worked in a childcare and/or education setting before going into business for themselves. All of the participants interviewed enjoyed the freedom of being their own boss, determining their own hours, and the benefits for themselves and their family members of working outside of a mainstream work environment.

#### **Reasons for Initial Enrollment into CCBI**

*Regardless of client income qualification*, clients cited different reasons for enrolling in the CCBI course depending on their business stage.

#### ***Start-up business***

Clients in the business start-up stage or who were thinking about starting a childcare business enrolled in the CCBI course to learn how to start a childcare business, including both the business and childcare aspects. Many were interested in hearing from established providers on whether or not a childcare business could provide a livable income for their family. They were also interested in learning how to register their business with the state and meet state regulations for the in-home childcare registration. Further, many needed assistance in completing the registration forms. Several JOLI clients in the start-up phase were interested in starting a childcare business to provide a primary or secondary source of income.



***Established business***

Clients already in business at the start of the program were interested in learning or refreshing their skills on the business aspect of being a childcare provider. They were also looking to network with other childcare providers to find out if they were doing anything new or using new materials. Many were also interested in learning about tax preparation relating to self-employment, budgeting information, and childcare policies through developing a childcare handbook. A few mentioned that they were looking for funding options to expand their business. Three students who were experienced providers also had high leadership positions in their local and state provider network and VACCRRRA. They specifically noted that they enrolled in the course to share information with other community providers, in efforts to improve the quality of childcare businesses throughout Vermont. Through their leadership position in these agencies, they hoped to encourage other experienced providers to enroll in the course to benefit from the information.

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**Knowledge and Skills Gained from the CCBI Course**


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Areas of knowledge and skills gained included developing a business plan and parent handbook, registration of start-up businesses, understanding state regulations, and gaining financial and business management skills. The following outcomes are distinguished for both JOLI and above low-income participants as applicable.

**Business Plan Development**

All CCBI clients, regardless of income qualification, worked on completing a business plan. Many *JOLI clients* who were starting their business noted that the exercise of writing a business plan was extremely useful. One woman noted that she would not have known how to start a childcare business without the experience of writing a business plan. Further, several JOLI clients said that the business plan would be useful if they needed to apply for a loan at a future point in time.

**Parent Handbook Development**

In addition to the business plan, all CCBI clients worked on completing a parent handbook. This experience was useful for both JOLI and above income students alike. It helped new and experienced businesswomen establish or revise their parent handbook, business philosophy, policies, payment and fee schedule, and other forms, such as a child injury report form.

**Childcare Business Registration**

Many of the new JOLI providers learned about the paperwork, requirements, and process to become childcare provider that is registered with the state of Vermont. All commented that their CCBS assisted them with this process by helping them complete the forms and make the necessary phone calls to set up the appointments. Providers who were just starting out also noted that it was helpful to hear about the registration process of experienced providers through this discussion.

### Learning State Regulations

Several JOLI clients commented that because they were just starting their business, they were not yet familiar with the Vermont state regulations governing childcare businesses. They learned about this topic through the CCBI course while discussing the state registration process. One woman noted that the students in the class received a checklist from the state of things to do to ensure that they meet regulations through the course. One person said that she put up a fence around the perimeter of her yard and “child-proofed” her backyard after learning about these requirements in class.

### Financial Management Skills

- **Business income information** – Many *JOLI clients* who were starting their businesses benefited from learning about potential income generation figures from running a childcare business based on the experience of the established providers. One woman expressed that she realized that until the business is established, she might run the risk of not earning a lot of money now and then, until her child slots are to capacity and clients come on a regular basis. However, once the provider was past this start-up stage, a person could earn a livable income with a childcare business.
- **Business feasibility** – Through the process of business budgeting and financial management, many JOLI providers initially asked the question of whether or not a childcare business would work for them. By the end of the course, three were registered and started their business and two were in the process of registration. One decided to continue to think about it (she just had a baby) and one decided to remain a legally exempt childcare provider so she would have the flexibility to keep her second job until her business became more established and stable. Thus, most of the JOLI participants determined that a childcare business was a feasible option for them.
- **Tax information** – All clients, regardless of income qualification, learned a lot of helpful information regarding business taxes. This section of the curriculum was so well received that most of the sites offered a follow-up workshop on managing business taxes. Specific comments providers noted about taxes included that they learned to save receipts and what expenses could be deducted from their earned income for their taxes.
- **Bookkeeping and budgeting** – As part of the CCBI curriculum, all students developed a business budget, cash flow plan, and profit and loss spreadsheet based on their actual or estimated expenses. All of the students learned from this activity, as most had not done this type of in-depth financial analysis before. Many of the experienced providers commented that they had not separated their business expenses from their family expenses, and never really knew how the business was doing. This exercise encouraged them to set up a separate checking account to track their business expenses. All commented that they became more aware of their inflows and outflows, and how to improve their business profitability by monitoring and adjusting this. One experienced provider noted that

with her newfound financial management skills, she was now able to do her own payroll and most of her taxes, thus reducing her expenses to outsource these activities.

- ***Loan application and enrolling in a savings program*** – As discussed below, many JOLI and non-JOLI clients stated that the CCBS referred them to an Individual Development Account or assisted them in applying for a loan.

### **Business Management Skills**

- ***Business policies*** – Both new and established providers learned a lot about policies that childcare business providers should have for their and the parents protection. Example policies that students implemented included: parent contracts, discipline policies, travel and activity authorization form, accident and injury form, and parent late fee agreement.
- ***Organization*** – All of the women interviewed regardless of income, learned a lot about how to better organize their business through improved filing and receipt management systems. Many noted that they were much less stressed because they knew that they were saving their business receipts and had this organized for when they needed to complete their income taxes. Several people stated that their CCBS provided them with a file organizing box to assist them with their filing system.
- ***Time/space organization*** – Several clients, including a few JOLI clients, noted that their business benefited from the time/space percentage organization of their in-home childcare business.
- ***Payment policies*** – After taking this course and learning about the current, standard rates that other childcare providers charge, many established providers decided to change their rates, pay structure, or payment schedule to improve their income.
- ***Working with parents*** – Most participants also commented that they became firmer in their policies for parents, such as late payments or late pick-up fees. All reported feeling more confident in their skills and ability to be more assertive in handling parent related issues and not letting parents take advantage of them. This assertiveness was related to being more professional, more confident, as well as setting new pricing and other policies because of the CCBI course.
- ***Business insurance*** – Several JOLI clients learned about the importance of having business insurance and received a recommended list of companies to contact for this purpose.
- ***Flexibility*** – New providers (JOLI clients) benefited by learning from experienced providers that a childcare businesses needs to be flexible in dealing with parent's and children's schedules and lives.

- **More professional** – All of the providers remarked that after taking this course, they were more business-minded and thought of themselves as a self-employed, professional and not a babysitter.

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### **Benefits of Collaborative Learning and Networking Opportunities**

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All CCBI clients, specifically JOLI clients, reported gains from a collaborative learning environment and working with others who had different experiences and backgrounds, such as different experience in running a business and socio-economic backgrounds.

#### **Benefit of a Mixed Level, Group Learning Environment**

All but one JOLI client interviewed came to the CCBI program as a start-up business. They reported that the networking experience and opportunity CCBI offered was invaluable to their business planning and start-up. Specifically, the women noted that they benefited from the mix of business stages and different levels of experience. All noted that they learned a lot about how to run a business and the high and low points of running an in-home childcare business from other more established and experienced providers. Further, they noted that a class with just start-up students would probably not generate as much discussion, ideas, networking, and sharing as a mixed environment did. Experienced providers, mostly clients above the JOLI income threshold, remarked that they also benefited from the networking opportunities and group learning from a mixed level class.

#### **Networking Opportunities**

Participants commented that they benefited from the opportunity to network with other providers, both new and experienced, and make new friends with providers in their community because of the CCBI class. Many of the students became involved in their local child care provider network. Thus, new providers were introduced to this professional network through the course.

#### **Referral of Parents and Children to New Businesses**

Several new childcare providers, who became friends with experienced providers through the CCBI course, said that the experienced providers assisted their start-up by referring clients to them. One woman commented that as a new provider in a small, rural community, it was difficult to become established because everyone knew who the “good” providers were already. However, an experience provider in her community, who was going on maternity leave, began referring her current parents and those interested in enrolling in her program to this new woman’s business. This reference immediately provided credibility for her and her business, which was needed when competing for clients against experienced providers in a small town.

#### **Reduced Isolation and Social Interaction**

Many of the women who lived in more rural areas, specifically the NEKCA and CVCAC clients, noted that this course helped to reduce their feeling of isolation from being self-employed and working out of the home in rural Vermont. Group discussion also confirmed that other providers shared similar issues and concerns for both their business

and personal life. Many enjoyed discussing ideas and sharing business and personal issues with others who understood their situation. Furthermore, the group learning environment provided adult interaction for women who work with children on a regular basis.

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### **Impact of CCBI on Social and Human Capital**

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Both JOLI eligible and above low income clients reported various impacts that the CCBI course had on their personal life, financial situation, family situation, and community life.

#### **Personal Life**

- Improved self esteem
- Empowered
- More professional
- Confident in ability to run business
- Motivated to stay with childcare business
- Enjoy staying at home with children
- Recognized that business location, training and experience made providers highly qualified to run a registered childcare business
- Recognized the importance of childcare to themselves and their community members

#### **Financial Situation**

- Over the course of the grant, many JOLI clients who were in the start-up stage at intake began to make a decent living through their childcare business. At the beginning, some struggled with the risk of leaving a full time job with benefits, especially those with families. However, many were confident that this would be a feasible business for them, thus they sought registration and have begun to advertise their services.
- As previously stated, most established providers commented that this course greatly improved their bookkeeping, organizational skills, budgeting, and cash flow management. This positively impacted their financial situation by becoming more aware of income and expenses and knowing ways to save money through the use of their spreadsheet and tax deductions.

#### **Family Situation**

- Improved family relations because of more time spent at home with family and children
- Improved family disposition because of new career
- Providers were able to watch children learn and grow every day as they are a part of their childcare business
- Some children had mixed emotions about seeing other children in their home

### **Community Life**

- All made friendships and built relationships with new and established providers through the CCBI course
- JOLI clients reported being more active in their community with neighbors, schools, and parents because of their business start-up and involvement in the childcare provider network
- Many made new connections in the Community Action program and through referrals

***Client Satisfaction and Feedback to Improve CCBI Services***

Participants were asked to provide feedback on all services received in both the follow-up surveys and the focus groups.

**Participant Feedback from Surveys**

Survey participants were asked to provide feedback on the CCBI course, instructors, and materials. They were also asked to discuss any topic areas that they would like to see covered more in depth through workshops.

**Client Satisfaction**

Clients reported high levels of satisfaction with both the CCBI course and one-on-one technical assistance and business counseling (TA). Clients were asked to indicate their satisfaction level on a scale from 0 to 10 with 0 being 0% satisfied with the area and 10 being 100% satisfied with the area. Satisfaction with overall CCBI services (Table 56) and one-on-one technical assistance and business counseling (Table 57) received an average rating ranging from 8.25 to 9 and median rating of 10 from both income groups, indicating high satisfaction levels.

**Table 56. Overall Satisfaction with Services by Income**

<b>Statistic</b>	<b>Low-Income (n=55)</b>	<b>Above Low-Income (n=86)</b>
Range	0-10	2-10
Mean	8.25	9
Median	10	10
Mode	10	10

**Table 57. Overall Satisfaction with One-on-One Technical Assistance and Business Counseling**

<b>Statistic</b>	<b>Low-Income (n=45)</b>	<b>Above Low-Income (n=61)</b>
Range	0-10	0-10
Mean	8.4	8.6
Median	10	10
Mode	10	10

Table 58 shows client satisfaction ratings for the child care course, TA, workshops and referrals, based on responses from the follow-up survey. Almost all clients reported high levels of satisfaction with services received, with only a few people who reported being somewhat dissatisfied with services. In total, 93% were somewhat to very satisfied with the course, 91% were somewhat to very satisfied with TA, 85% were somewhat to very satisfied with the workshops, and 91% were somewhat to very satisfied with the referrals made to other resources.

**Table 58. Client Satisfaction with CCBI Services**

	<b>Very Dissatisfied</b>	<b>Somewhat Dissatisfied</b>	<b>Neither Dissatisfied nor Satisfied</b>	<b>Somewhat Satisfied</b>	<b>Very Satisfied</b>	<b>N</b>
Child Care Business Course	0	2% (2)	5% (4)	19% (17)	74% (66)	89
Technical Assistance	0	6% (2)	3% (1)	11% (4)	80% (28)	35
Workshops	0	7% (2)	7% (2)	14% (4)	71% (20)	28
Referrals	0	1% (1)	8% (7)	17% (16)	74% (68)	92

Table 59 shows clients level of agreement and disagreement with three statements concerning the business specialists, materials covered, and the workshops, for all. Very minor differences were found in agreement and disagreement levels by income groups, thus this is not presented. Overall, 73% reported agreement or strong agreement that working with the Childcare Business Specialists aided in their success of their childcare business development. Likewise, 74% indicated agreement and strong agreement that the materials covered provided the skills and knowledge needed to start their business. Finally, 80% reported agreement and strong agreement that follow-up workshops offered by CCBS specialists provided the necessary on-going training to meet their business needs. High levels of satisfaction with the CCBI course, CCBS, TA, workshops, and materials are consistent across the three years of the grant.

**Table 59. Level of Agreement and Disagreement with Feedback Statements, All Clients**

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neither Disagree nor Agree</b>	<b>Agree</b>	<b>Strongly Agree</b>	<b>n</b>
Working with Childcare Business Specialists aided in success of business development	3% (4)	10% (13)	15% (19)	44% (57)	29% (37)	130
Materials covered in course provided skills and knowledge needed to start business	4% (5)	9% (11)	14% (17)	35% (43)	39% (48)	124
CCBI workshops provided necessary on-going training to meet needs	6% (6)	7% (7)	8% (8)	45% (47)	35% (37)	105



### **Positive Aspects of Training**

Participants provided a variety of different responses when asked what areas of the CCBI course worked well for them. Many people provided more than one response. The top responses given include: the Kauffman book and computer tools, financial management skills, the business counselor, class times, parent handbook, and tax information.

#### ***Categorized areas of the CCBI course that worked well for clients***

- Kauffman book and computer tools
- Financial management skills
- Business counselor
- Class times
- Parent handbook
- Tax information
- Everything
- Marketing skills
- Resources
- Networking
- Not sure
- Parent contracts
- Support and resources
- Business skills
- Childcare facilities on-site
- Financial management
- Raising rates
- Working with students from community
- Computer skills
- Funds
- Guest speakers
- Hands-on learning
- Information on forms
- Interesting topics
- Interpersonal and communication skills
- More informed
- Not much
- One-on-one work
- Organizational skills
- Policies and contracts
- Sample business plan
- Topics covered in class
- Writing a business plan

### **Areas of Training that Did Not Work Well for Clients**

The majority of respondents indicated “nothing” when asked what specific things about the CCBI program did not work well for them. A variety of other responses were received, as presented below.

#### ***Categorized aspects of the CCBI that did not work well for clients***

- Time conflicts
- Business plan not useful for experienced provider
- Could not figure out cash flow projection
- Did not start a childcare business
- Did not use a loan
- Would like more focus on larger scale childcares
- Home work due in short amount of time
- Lives in NH and VT regulation information was not applicable
- Not having someone from same community taking the course with participant
- Not sure
- Not sure if childcare would provide income
- Slow pacing of course topics
- Computer experience needed
- Some material repetitive

### **Suggestions and Recommendations to Improve CCBI Services**

Clients provided a variety of different suggestions and recommendations for improving the CCBI course, as itemized below in categories. Most clients indicated that they did not have any suggestions or recommendations for improving the program.

#### ***Suggestions to improve CCBI services***

- Course focusing on licensed childcare providers
- Spread course over longer period of time
- Alumni who have successfully completed course as guest speakers
- Computers available in the classroom
- Focus on in-home childcare business
- Monthly follow-up with students
- More emphasis on parent handbook
- More groups discussion and less reading from book
- More information on in-home registered childcare businesses in book
- More information on taxes
- More information related to rural businesses
- Offering a condensed version of the course
- Require for all childcare businesses
- Site visits to existing childcare providers businesses
- Weekend classes
- Workshops in Bennington
- Separate training manual into writing and contracts

***Recommendations for future CCBI services***

- Computer use/skills
- Taxes
- Financing to start business
- Any other topics on in-home childcare
- Assistance in registering childcare business
- Budgeting for health insurance, retirement, and savings
- Developing business websites
- Expand the IDA course
- Grant writing
- More convenient class times
- More workshops
- Not sure
- Refresher courses
- Specific class for newly registered childcare providers
- Workshops for childcare Directors
- Continued communication outside of class
- More resource information

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**Participant Feedback from Focus Groups**


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Focus group participants were asked to provide feedback on the CCBI course, instructors, and materials. They were also asked to discuss any topic areas that they would like to see covered more in depth through workshops.

**Course Strengths**

As indicated throughout the outcomes section of this report, the CCBI course strengths enable participants to work towards and establish their business and personal goals.

Specific course strengths include:

- Hands on learning to develop business plan and parent handbook based on own business
- Students were encouraged to discuss ideas and share business and personal issues, stories, and questions with other students and the CCBS
- Networking opportunity between new and established providers
- Knowledgeable and supportive instructors
- Co-teacher as a resource
- Benefits from mix of business stages in group – enabled both new and experienced to learn from others experiences
- Focus on writing business plan helped students to develop this skill

### **Positive Feedback on CCBS Instructors**

CCBI clients provided very positive feedback on course instructors. Specific feedback on instructors includes:

- Very supportive and helpful
- Business expertise
- Great resource
- Felt comfortable asking questions or challenging their point of view
- Personal experience of some CCBS in running a childcare business
- Very knowledgeable and would find out answers if they did not know them at the time
- CCBS connected the book and case studies to the providers real-life situation
- Consistent and continuous follow up kept participants involved and felt appreciated
- Benefited from one-on-one interaction to develop and revise business plan and develop budget and cash flow plan
- Benefited from knowledge, experience, and information of child care co-teacher in the areas of:
  - State registration
  - Business start-up
  - Pricing and other policies
  - Developing business plan and parent handbook

### **Helpfulness/usefulness of Materials and Presentations**

Most participants provided positive feedback on the helpfulness and usefulness of materials and presentations. Specific comments include:

- Co-teacher was useful to provide childcare expertise
- Presenters and handouts were very useful
- The disk templates were very useful
- CCBS provided templates and forms that were not available on the disk or in the book.
- Kauffman guide is a great resource
- Kauffman guide was helpful to write the business plan
- Some case studies in the Kauffman guide were useful

### **Overall Satisfaction with CCBI Course**

All participants interviewed reported that they were very satisfied with the CCBI course and that it met or exceeded their expectations.

### **Suggestions for Improving the CCBI Course**

Various suggestions were made during client focus groups to improve the CCBI course content, materials, and instructors.

#### ***Course content***

- Several clients suggested that the course should be longer to allow for more time to cover specific areas in-depth.
- CCBS should make expectations on completing course assignments more firm. Several students noted that if they are not held accountable, they have difficulty completing the task.
- Some students noted that the business plan should be broken down into manageable chunks that are completed every week, so in the end the student has a complete business plan.
- Some students asked that CCBS assist new business providers in estimating numbers to complete their financial spreadsheets, so they have an idea of what it takes to keep a business going.
- Course should provide a specific section on running a childcare business in Vermont or specific to the type of community (i.e. rural) in which the Community Action agency is located.
- Several people indicated that CCBS should cover the parenting handbook piece of the curriculum in the beginning of the course, as this is the most applicable and immediately useful deliverable to starting a business. Others suggested that CCBS cover business finances in the beginning as this is more difficult and requires more time.

#### ***Course materials***

- A few clients felt that the course material was too in-depth and that it might be difficult for new providers to stay in the class without being overwhelmed.
- The Kauffman book would be more useful if it was in loose-leaf, binder format so that students could insert their own notes and handouts.

#### ***Instructors***

- Students suggested that if the co-teacher needs to leave their position during the course, that another person should be identified and hired to fill this position because they provide a necessary perspective on running a childcare business.
- Three clients who are highly involved in their Provider Network meetings suggested that their regional CCBS hold follow-up workshops at these meetings.

#### ***Other suggestions***

- The CCBI project should provide time (either in or outside of course) for providers to talk and network with one another.
- New providers should be encouraged to try and start their business without going into debt for loans. Inexpensive and creative option should be used to start the business. Loans are not necessary.

**Topic Areas to Cover More In-depth**

CCBI clients indicated that the following topic areas should be covered more in-depth, either through the course or follow-up workshops.

- Tax information
- More detailed financial information than what is presented in the book.
- Communication with parents
- Describe a day in the life of a childcare business provider (for start-up providers)
- More focus on in-home childcare business
- More focus on issues facing childcare businesses in rural Vermont – curriculum was too center-based focused in more urban areas

## *Conclusions and Recommendations*

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The Vermont Child Care Business Initiative (CCBI) was a statewide project of the Vermont Community Action Agencies' Micro Business Development Program (Grant number 90EO012). Four of the five Community Action Agencies in Vermont initially participated in CCBI, including: Central Vermont Community Action Council (CVCAC), Champlain Valley Office of Economic Opportunity (CVOEO), Southeastern Vermont Community Action (SEVCA), and Northeast Kingdom Community Action (NEKCA). During the final year of the grant, BROK was replaced by Southeastern Vermont Community Action (SEVCA) at the discretion of the project director. These Community Action Agencies build on 13 years of business development experience to bring business expertise and resources to the vital sector of child care. CCBI was funded by the JOLI program from the Department of Health and Human Services, Office of Community Service for three years, from October 1, 2002 to September 30, 2005. A no-cost extension was received to extend the grant period for one year to September 30, 2006.

The CCBI project provided business training to start-up and existing childcare businesses so that they may be better prepared to net more income and stay in business longer. Business training was provided through a 12-week course (meeting three hours one evening a week), with technical assistance and follow-up workshops offered based on participants' needs. The curriculum was tailored to the childcare sector through the use of the Kauffman Foundation's curriculum, *Developing Your Family Child Care Business*. Major anticipated outcomes of the grant were to assist clients to: start and retain new and existing businesses, complete a business plan, obtain funding as needed, demonstrate effective financial management and budgeting, and earn a livable income.

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### **Project Outcomes and Impacts**

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The following highlights the major project outcomes and impacts based on client surveys, client and staff focus groups, and intake and data tracked over the course of client participation.

#### **Course Training**

A total of **182 clients participated in the Kauffman Child Care Business** course over the course of the grant, with 44% (80) being low-income and 56% (102) being above low-income. **Sixty-four percent (118) of clients completed the course**, with 63 low-income clients and 55 above low-income clients completing this course.

#### **Business Plan and Parent Handbook**

**Fifty-five percent of clients completed their business plan**, including 58% of low-income clients and 53% of above-low income clients.

- On the same confidence scale from 0 to 10, low-income clients showed a slightly higher average confidence rating of 8 compared to 7.6 of above low-income clients.

**Seventy-eight percent of all clients surveyed completed their parent handbook**, with completion by 77% of low-income clients and 79% of above low-income clients.

- Using the scale from 0 to 10, with 0 being 0% confident and 10 being 100% confident in their skills, both income groups reported an average confidence rating of 8.6, indicating high confidence to complete a parent handbook.

### **Access to Capital**

A total of 26 CCBI clients, or 22% of those interviewed, said that they needed to apply for a loan for their childcare business. Main sources of business capital for low-income clients included personal savings (44%), business revenue (43%), and a bank loan (10%).

- **17 clients received loans for their business**, with 6 low-income clients and 11 above low-income clients receiving a loan.
- The amount of all loans received totaled \$231,600, with \$48,600 received by low-income clients.
- The average amount of the loans received was \$17,915, and loans received by low-income persons averaged \$12,150.

### **Business Statistics**

Fifty-four percent (87) of clients came to CCBI in the planning process to start a business and 46% (75) entered the program with an established childcare business.

Of those who entered the program in the planning stage:

- **29 (30%) started and retained this business**
- 13 (14%) started a business and then closed it
- 23 (26%) remained in the planning stage
- 25 (29%) decided to not pursue this business

Of the clients who entered CCBI with an established business

- **64 (85%) retained this business**
- 11 (15%) closed this business

### **Self-Employment and Hiring**

A total of 86 full time equivalent self-employment jobs were created and supported by CCBI for business owners. Twenty seven of these jobs were held by low-income clients and 57 were held by above low-income clients.

- **38 part time employees** were hired by 27 CCBI business owners, paying an average wage of \$7.62/hour for an average of 15 hours a week. Two of these positions were filled by people who were known to be TANF recipients.
- **12 full time employees** were hired by 5 CCBI business owners, paying an average wage of \$9.85/hour for an average of 43 hours a week. One of these positions was filled by a person who was known to be TANF recipient.
- **A total of 29 FTE employees were hired by CCBI business owners.**
- **In total, 115 owner and employee jobs were created and supported by CCBI, with 34 by low-income clients and 81 by above low-income clients.**



**Business Income**

The gross annual revenue (self-reported) from childcare businesses of all clients ranged from \$2,400 to \$67,200 with an average gross annual income of \$22,900 and median of \$22,200 (n=92).

Low-income gross annual revenue from business

- Range of \$2,700 to \$67,200
  - **Mean of \$21,900**
  - Median of \$18,200
- (n=34)

Above low-income gross annual revenue from business

- Range of \$2,400 to \$50,400
  - **Mean of \$23,600**
  - Median of \$24,000
- (n=58)

**Ninety-two percent of clients running a childcare business reported earning an income from this business, with 84% of low-income and 97% of above low-income clients earning an income from their childcare business.** The next major sources of income were another self-employment business, other employment, and disability income. Interestingly, few self-employed clients rely on TANF and unemployment as a part of their income.

- **Seventy-four percent (67) of clients said that their childcare business provides the majority of their income,** with 68% of low-income and 78% of above low-income client stating this.

**Income Changes**

Sixty-two percent (57) of clients stated that their personal income increased because of their childcare business. This included 58% of low-income and 64% of above low-income clients.

- The average monthly household income for low-income clients increased over time from \$762 per month at intake to \$2,447 per month at the time of the survey. A paired sample t-test comparing monthly household income figures of clients from their intake to the time of the follow-up survey showed significant increases over time, as indicated in the Table.

**Change in Monthly Income from Intake to Survey by Income Groups**

	<b>Range</b>	<b>Mean</b>	<b>Median</b>	<b>n</b>	<b>t</b>
Poverty – Intake	\$0-\$3,600	\$762	\$684	69	-6.71***
Poverty – At survey	\$380-\$7,500	\$2,447	\$2,000	59	
Above poverty - Intake	\$950-\$6,600	\$2,800	\$2,532	101	-1.84*
Above poverty – At survey	\$900-\$8,300	\$3,069	\$2,500	81	

\*=p≤.10; \*\*\*p=≤.01

### Public Assistance

Overall, 59% (97) of all clients reported that they have relied on public assistance at some point in their life. Specifically, 75% (48) of the low-income group and 46% (49) of the above low-income group have once relied on public assistance.

- **58% of low-income clients reported that their reliance on public assistance had decreased since they started their business**, 31% said it stayed the same, and 10% said it increased. Commonly reported reasons for why clients decreased their reliance in public assistance include, they started their business or got a job, used less or no benefits or were no longer eligible, their own or their partner's income increased, and they graduated high school

### Skill Development

Clients reported gaining many skills through the CCBI course, including budgeting skills, how to register their childcare business and state childcare regulations, financial management, tax preparation, record keeping, organization, business policies, insurance, and skills to work with parents.

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### Concluding Reflections

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The following are overall lessons learned from this evaluation of the CCBI grant, focusing on client recruitment and retention, services provided to clients, and reflection on a childcare business as a source of self-employment.

### Recruiting, Retaining and Serving Low-Income Clients

A main conclusion drawn from the CCBI project is that staff had a difficult time recruiting and retaining low-income clients for a variety of reasons. Of the 329 clients who participated in the project, 43% (139) were low-income, or met the JOLI eligible requirements. The other 58% (190) of the population were above this JOLI threshold; however the majority of these persons (82%) were 70% of the HUD median income.

One of the compounding reasons for difficulty in recruiting low-income clients was the changes to the federal and state TANF regulations that occurred after the CCBI grant was awarded. These changes, including new work requirements and time limits to receive welfare benefits, negatively impacted the recruitment of the target audience. Vermont is considered a “self-employment friendly state”. However, research shows that there is a discrepancy between how much Vermont supports self-employment yet has to adhere to the national “work first” philosophy to meet work participation rates and caseload reduction. Self-employment may not be the most expeditious option for clients to move off of public assistance, as earning enough business revenue to meet work requirements and no longer be eligible for benefits may take a person more time compared to a client who enters a pre-existing job slot that immediately pays an hourly rate. TANF case managers may also hesitate to refer clients to self-employment because of prejudgment about the client's ability to successfully pursue this option, an increased work load to track clients' milestones and self-reported hours/wages, and limited success in clients moving off of TANF through self-employment.

Further, the welfare-to-work legislation decreased the pool of JOLI eligible clients for the CCBI grant by placing welfare recipients who were able to work into jobs, either self-employment or other, and moving them off the system. Thus, the remaining TANF recipients and pool for the CCBI JOLI eligible clients shrunk to the “harder to serve” clients, who face multiple barriers and life issues that impede their ability to successfully start an in-home childcare business. These issues include residing in a rental unit where the landlord does not allow this operation, rental or housing units not passing inspection for registration, and family members with prior criminal backgrounds. All of these compounding issues, unforeseen at the grant onset, hindered the ability of CCBI staff to effectively recruit and retain the target population to meet the grant objectives.

To counter these obstacles, the CCBS employed several successful strategies to enroll clients, including:

- Collaborating with project partners, such as DCF staff and caseworkers, VACCRRRA, DET, other Community Action programs, and refugee programs.
- Holding face to face meetings with project partners
- Attending various trainings and orientation sessions that target low income clients
- Word-of-mouth referrals through CCBI participants and advertising through mailings, brochures, fliers, and in newspapers.

DCF caseworkers also suggested strategies that CCBI staff could use to increase enrollment from the DCF pool. These included:

- Stop in and visit DCF offices
- Talk at Reach-up Orientations
- Develop and distribute Reach-Up specific CCBI packet of info that can be provided at Work Ready and/or Employability Assessments, as this is the skill exploration phase
- Distribute information to food stamp recipients through DCF or the Food Program newsletter

Even though the CCBI project did not meet grant objectives in serving only low-income clients, both low-income and above low-income clients noted anecdotally that they appreciated the mixed level learning environment brought about by offering this course to more than just income eligible people. Data collected for this evaluation showed that low-income persons were more likely to be in the start-up stage at intake (61%), while above low-income persons were more likely to be experienced providers (51%). By offering this course to both income groups, this learning environment allowed people to interact with and learn from other childcare providers who were operating at different stages of business. Further, all participants, regardless of income, indicated that by working with the CCBS and taking the course, the quality of their childcare has improved, ultimately impacting the quality of life for children and working families in their communities.

### **Services Provided to Clients**

All of the services that the CCBI grant intended to provide to clients were carried out by the CCBS over the course of the grant. These services included the Kauffmann Child Care Course, technical assistance and business counseling services, workshops on specific topics, and referrals to resources such as social services and loan packaging. The CCBS made personalized adjustments to the Kauffmann curriculum, such as covering a topic more in-depth with their own information (e.g. tax preparation) and also kept the class interesting by bringing in guest speakers and encouraging open dialogue among students, specifically those with experience in operating an in-home childcare business.

Overall, 64% of all clients completed the Kauffmann course, with 79% of low-income participants and 54% of above low-income clients completing this. To retain students and assist in their learning, the CCBS took measures such as offering extra assistance, following up with clients who missed classes, making home visits to help students make up work, providing materials such as calculators and organizers, and reimbursing childcare and transportation fees or providing childcare on site. CCBI clients stressed that the CCBS went above and beyond their duties to provide additional assistance and support so the client could succeed in meeting their goals, such as writing a business plan, developing a cash flow spreadsheet, applying for and receiving a loan, and improving current childcare business policies to benefit the business owner.

Clients also consistently commented on how supportive and knowledgeable their instructors were, which facilitated their learning and success. Students benefited from the mixed level, collaborative learning environment that the course offered, developing a business plan and parent handbook that could be directly applied to their business, and the increased confidence, motivation, and professionalism they experienced. Students remarked that they felt more confident in their skills and as a business owner, rather than considering themselves a “babysitter.” Clients, who entered the CCBI program in the start-up stage, learned about the steps to start a childcare business, state regulations, and the feasibility of running this type of business. Students, who came to CCBI already in business, improved their business management skills, such as formalizing pricing and other policies to benefit the owner. The class also provided a forum for students to socialize with adults in similar situations, network, learn from each others experiences, and support one another.

Almost all clients reported high levels of satisfaction with the CCBI services received. In total, 93% were somewhat to very satisfied with the course, 91% were somewhat to very satisfied with TA, 85% were somewhat to very satisfied with the workshops, and 91% were somewhat to very satisfied with the referrals made to other resources.

### **Reflections on the Childcare Industry as a source of Self-Employment**

The National Women’s Law Center (2001) states that childcare providers, who work in both center and home-based settings, are among the nations lowest paid workers, despite the critical role they play in the lives of children. The Bureau of Labor Statistics (2006a) reported that in 2005, the national average hourly wage that childcare service providers earned was \$7.84 per hour, with an average annual wage of \$16,320. In Vermont, the

BLS (2006b) reported that in 2005 childcare workers earned an average of \$9.97 per hour worked or \$20,740 annually. Comparing these figures to CCBI client average wage rates, participants in this study reported earning an average hourly rate of \$7.41 and annual wage of \$17,582. This rate is lower than both the Vermont and national average. This rate is also significantly lower than the estimated livable wage in Vermont that ranges from \$10.61 to \$21.79 per hour worked, depending on family size (2006, VT Livable Wage Campaign). Even though the pay to work in the childcare field is not that lucrative, the data collected in this report shows that running an in-home childcare business can be a feasible employment option for the right individuals.

The CCBS noted that a childcare business is a feasible option for a person who has safe and adequate housing, which they either own or they have a landlord allows a business to be run on the property. In addition, persons need to have the support of family members and none of the family members living in the unit can have a prior criminal record. Childcare providers interviewed in this study reported that they entered into this profession, primarily because they needed employment, could not afford the cost of childcare for their own children, enjoyed working with children, and wanted to work at home and be with their children. In addition, several had a background in the childcare field or early childhood education. Several of the women were single parents and needed to find employment where they could care for their children and earn a primary source of income. All of the participants interviewed enjoyed the freedom of being their own boss, determining their own hours, and the benefits to themselves and their family members of working outside of a mainstream work environment.

In addition, 36% of business owners reported that their family's childcare expenses decreased since they started their business, which is a savings to the family. Further, being self-employed in this study was significantly related to not receiving TANF and unemployment benefits. Statistical tests also showed that being low-income was not a factor that kept persons from successfully starting a business. The researchers speculate that the benefits of running an in-home childcare business and potentially patching one's income with another wage job or other self-employment outweigh the fact that most are underpaid for the important work they do. Overall, starting a childcare business was a feasible solution to each client's unique situation.

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## **Recommendations for Future Improvement**

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Overall, the evaluation demonstrates that the CCBI project and process to provide training is effective in empowering clients to start and maintain successful childcare businesses. The following are recommendations for future improvement of the CCBI project or replicating this type of project elsewhere.

### **Take Steps to Improve Recruitment and Retention of JOLI Eligible Clients**

CCBI administrators and staff should determine ways to increase enrollment and retention of JOLI eligible clients. Based on discussion with staff, recommendations include:

- Improve relationship with DCF through consistent communication and site visits.
- Continue to communicate with DCF workers on a regular basis about the program, when courses and workshops will be held, and client success stories (specifically those they referred).
- Continue to present evaluation findings and highlight TANF recipient success story to DCF workers to overcome barriers of referring clients to CCBI.
- Recruit clients at Reach-up Orientations
- Ask specific clients to tell their DCF worker about the impact and benefit the CCBI program had on their business, life, and financial situation.
- Continue to refer MBDP clients to the CCBI course
- Develop and distribute Reach-Up specific CCBI packet of info that can be provided at Work Ready and/or Employability Assessments, as this is the skill exploration phase
- Distribute information to food stamp recipients through DCF or the Food Program newsletter

### **Focus on Moderate and Low-Income Providers**

The main issue encountered in this grant is that the target population of JOLI eligible clients may not be best suited for self-employment in the childcare industry, for reasons documented throughout this report. As required by the funding source, the evaluators recommend that this project continue to work with low-income clients. However we recommend that the project, and any future endeavor in the childcare field, focus on working with moderate-income people (150% to 200% of poverty) to assist them in establishing and maintaining quality childcare facilities in the state of Vermont.

### **Enroll Clients with Various Business Stages and Incomes**

CCBS should continue to enroll above income clients in the CCBI course. As indicated throughout the outcomes section, new and experienced providers alike benefit from the mix of business experience and socio-economic status. This specifically provides a meaningful and useful experience for JOLI clients who are most likely going to be in the start-up phase of their business.

### **Develop Curriculum Based On Student Goals and Objectives**

Based on a variety of student comments, the CCBI curriculum and timing of lessons should be flexible to meet student needs and interests. CCBS should provide classes with an overview of the course offerings and then ask students what their goals are for taking the course. The curriculum should be tailored to meet the needs and goals of current students.

### **Incorporate Client Suggestions for Improving the CCBI Course**

Based on specific client suggestions from focus groups, the CCBI project should consider making the following changes to the course content, materials, and instructors.

- Course focusing on licensed childcare providers
- Spread course over longer period of time
- Alumni who have successfully completed course as guest speakers
- Computers available in the classroom
- Focus on in-home childcare business
- Monthly follow-up with students
- More emphasis on parent handbook
- More groups discussion and less reading from book
- More information on in-home registered childcare businesses in book
- More information on taxes
- More information related to rural businesses
- Offering a condensed version of the course
- Require for all childcare businesses
- Site visits to existing childcare providers businesses
- Weekend classes
- Workshops in Bennington
- Separate training manual into writing and contracts

### **Recommended Areas for Other Services**

- Computer use/skills
- Taxes
- Financing to start business
- Any other topics on in-home childcare
- Assistance in registering childcare business
- Budgeting for health insurance, retirement, and savings
- Developing business websites
- Expand the IDA course
- Grant writing
- More convenient class times
- More workshops
- Not sure
- Refresher courses
- Specific class for newly registered childcare providers

- Workshops for childcare Directors
- Continued communication outside of class
- More resource information

### **Hold Workshops to Cover Specific Topic Areas More In-Depth**

CCBI clients indicated that the following topic areas should be covered more in-depth, either through the course or follow-up workshops.

- Tax information
- More detailed financial information than what is presented in the book.
- Communication with parents
- Describe a day in the life of a childcare business provider (for start-up providers)
- More focus on in-home childcare business
- More focus on issues facing childcare businesses in rural Vermont – curriculum was too center-based focused in more urban areas

### **Ensure Co-Teacher role as Necessary**

CCBS should continue to recruit and hire an experienced childcare business provider to be the CCBI course co-teacher, when it will be most beneficial for the class. This will depend on the level of experience and expertise of the students as well as the size of the class. The CCBS should be clear on their role, responsibility, expectation, and payment prior to starting the course. CCBS should continue to recruit the co-teacher from the local Network groups, as this introduces new providers to a well-respected, established childcare business professional from their community. This background will provide important networking and mentoring opportunities for start-up businesses, as well as provide family referrals to their new business. This benefit to start-up businesses will most likely impact JOLI clients as they are significantly more likely to enroll in the start-up phase.



### ***Appendix A. Client Focus Group Questionnaire***

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I would like to welcome you to the CCBI focus group. Through this focus group, we would like to find out about your business, what services you have used, how they have helped you and your feedback on how to improve services. Your responses will be kept confidential and will be used to improve services as well as show the impact of CCBI services on the community members. We appreciate your time in talking with us.

#### **Business Questions**

1. Please tell me a little bit about yourself and why you decided to start a childcare business.
2. Please describe your childcare business:
  - a. Stage of your childcare business. Are you in the planning stage, start-up, stabilizing, stable but not growing, growing?
  - b. Business location – home based? Describe the type of community in which your business operates. (rural, urban, suburban)
  - c. How many children you serve, pricing plan, any special features, etc.
  - d. If business was already started prior to CCBI, how many years have you been in this current business?
3. Why did you initially contact CCBI to enroll in the childcare business course? Who referred you to the program?
4. For how long have you worked with CCBI? What was your course dates?
5. Did you attend a CCBI workshop? What was the topic and was it useful for your business?
6. Did you work one-on-one with the CCBS? What did you work on and was this useful for your business?
7. What other, if any, MBDP or Community Action provided services have you used for your business? Where these helpful for your business? Such as...
  - Tangible assets, Assets for Change, or other financing programs
  - Business Readiness Training/NxLevel Business Basics
  - Recipe for Success

### **Program Impact and Feedback**

8. What knowledge and skills did you gain from the childcare business course? (Such as business plan, regulations, etc)
9. Did the childcare business course meet your business needs and expectations for taking this course? What specific areas were most helpful to you and your business?
10. How helpful/useful were the materials provided? How helpful was the information presented?
11. Have you been able to network with other childcare business owners through the program? What benefits have you experienced from this networking? (i.e. building supportive networks)
12. Did the CCBS refer you to other community agencies/services to address other business or personal needs? If yes, which ones? How did they help meet your needs?

### **Impact on Social and Human Capital**

13. We'd like to understand how your participation in these services improved your life outside of your business or work life. What effect did your participation have in this course and the progress you have made (or not made) had on your personal life, financial situation, family life, and community life?
  - a. **Personal life** (health, Increased self esteem, Change in attitude, Increased motivation)
  - b. **Financial situation** (Income changes, Health care, Child care)
  - c. **Family situation** (parenting skills, improved family relations)
  - d. **Community life** (building supportive networks, involvement in community, neighborhood, friends, etc.)

### **Feedback on CCBI Course**

Now I'd like to ask you to provide feedback on the childcare course. (Invite CCBI specialists back in if participants agree)

14. Please discuss the strengths and weaknesses of the course instructor.
15. What parts of the childcare business course did not work well for you?
16. Do you have any suggestions on ways the course, materials, or presentation may be improved? I.e. class timing, length of class (longer or shorter), topics covered, materials, etc.
17. What are topic areas that should have been covered more in depth?
18. What services or topic areas would you like to see covered in future courses by the program?

## ***Appendix B. Childcare Business Specialist Questionnaire***

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### **Marketing, Recruitment, and Enrollment strategies**

- What marketing and recruitment strategies are being used to reach the JOLI target population?
  - Are there any new strategies being used to reach your population?
  - What strategies have been the most effective in recruiting people?
- What problems have you encountered in the recruitment and enrollment process? Have they been overcome? If so, how?
  - How have you addressed or overcome the problems of recruitment and retention? Specify JOLI eligible clients.
- Who refer participants to your program? Are there any new referral sources?

### **Participant Assessment and Overcoming Barriers**

- How do you assess client readiness to participate in the CCBI course? How are the project intake forms received by participants?
- What type of preparation, if any, do clients engage in before beginning the CCBI course?
- What are the major barriers participants face at enrollment? How have you worked with them to overcome these barriers? What organizations/programs, if any, do you refer clients to in order to address these barriers?

### **Course Development and Curriculum**

- Have you successfully recruited a childcare co-teacher? How did you recruit this person and what was their role? If not, why not?
- Do you involve any other partners or collaborators in training? Please describe.
- What new strategies have you or do you plan to use to carry out the CCBI course? What changes, if any, have you made to the CCBI curriculum and why? Have you developed any tools (i.e. visual aids) for training?
- What problems/limitations have you faced in conducting the CCBI course? Have they been overcome? If yes, please explain how they were overcome.
- Are barriers such as transportation and childcare needs being addressed for training participants? How so?
- What types of follow up workshops have you held? How did you select the topic?

- Will future CCBI courses be offered in any other locations in your region?
- How does the CCBI course impact participants businesses and lives?

#### **Technical assistance and support**

- (If applicable) What type of technical assistance and support outside of the classroom has been offered thus far? How is technical assistance matched up to clients needs? What TA is the most beneficial to clients needs? Does one-on-one specific training supplement course work or other training?

#### **Communication with CCBI's**

- How do you communicate with other CCBI's and project staff to address needs, voice concerns, discuss accomplishments, etc.?
  - What is the level of contact you have with other CCBI's (i.e. daily, frequent, occasional, rarely, never)?
  - What is the purpose for contacting other CCBS?

#### **Coordination with Partners**

- Have you built/improved relationships with project partners? R&R's, PATH, DET, etc?
- Which ones are involved in the CCBI training? This can be either direct or indirect involvement (i.e. VT Child Care Services, Child Care Resource and Referral Agencies, Child Care Provider Network, PATH). What role do they play?
  - How do the partners assist in meeting the needs of participants?
- How do you communicate with partners to effectively meet participant needs?
  - Is communication regular and frequent with partners?
- What has been effective/successful about collaborating with project partners?
- What problems/limitations have arisen in working with collaborators?
  - How have these problems been overcome or how do you plan to overcome them?

*Appendix C. Client Follow-up Survey*

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Due to the length and complex logic of the client follow-up survey, the survey instrument will be made available to interested parties upon request.

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