  

**ALICE and Child Care in Tennessee**



On September 20th, 2019, United Ways of Tennessee released *ALICE in Tennessee: A Financial Hardship Study.* This groundbreaking report reveals that more than one in three households in Tennessee struggle to meet basic needs.

**ALICE** stands for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed and represents households

that are working but cannot afford the basic necessities such as housing, food, child care, health

care, transportation and a smartphone. The report is a project of United For ALICE, a grassroots

movement of more than 600 United Ways and their corporate, government and nonprofit

partners that all use the same methodology for documenting financial need.

Of Tennessee’s 2,589,017 households, 15 percent lived in poverty in 2017, and another 24

percent were ALICE households. Combined, 39 percent (1,017,504 households) had income

below the ALICE threshold, an increase of 17 percent since 2007.

**Child care is consistently one of the top two expenses for ALICE households with**

**children in Tennessee.** With more than 66 percent of families with children under six

years old in the workforce, high quality child care is a necessity.

The cost, availability, and scheduling of child care are often barriers to employment. In fact,

52,896 parents of children 5 and younger in Tennessee have had to quit a job, not take a job, or

greatly change their job because of problems with child care. Mothers who live in

child care deserts have lower rates of workforce participation.

Child care for two children accounts for 21% of the household budget, making this the

family’s greatest expense, at an average of $898 per month in licensed registered home-based

care or $1011 per month for an accredited child care center. For many ALICE households, 21%

of what they earn isn’t enough to pay for even home-based child care, the least expensive

option with the fewest quality regulations. While child care reimbursement is available for

some working families in Tennessee, some ALICE families have earnings that exceed the

eligibility threshold, and others struggle to cover the difference between the subsidy and the

care provider fee.

**Availability and cost of child care varies throughout our state.** The least expensive home-

based child care for two children, an infant and a preschooler, is found in Perry County at $625

per month, and the most expensive is in Williamson County at $1,583 (the least expensive

options with the fewest quality regulations). In addition to many child care deserts in Tennessee,

there are limited child care options available during evening, night or weekend shifts.

Working 2nd shift, 3rd shift, and weekend hours is much more common among ALICE workers.

But when work schedules are unpredictable, and vary from week to week, as is common for

ALICE families, it can be hard for them to find child care when they need it.

**Out-of-School-Time Programming**

**While ALICE provides compelling data on child care, we know out-of-school-time**

**programming for children and youth is also critical for working parents, especially when**

**school is not in session.** The gap between families’ work and school schedules can be up to

25 hours per week. Out-of-school time programming provide a safe haven that helps kids avoid

risky behaviors online and offline from 3 to 6 p.m., which is when juvenile crime peaks. Add in

summer and work hours beyond the traditional 9 to 5, and families struggle even more.

Out-of-school-time programs give parents peace of mind, allow them to work a full

schedule, and help them be more productive on the job and successful in their careers.

**Quality programming beyond the cheapest available options can offer enriching**

**activities that spark kids’ interest in school and learning.** Teachers say students in

afterschool programs show more interest in class, behave better, and are more likely to

complete their homework assignments. Research shows that students participating in

high-quality afterschool programs:

 ◆ are less likely to abuse drugs or alcohol
 ◆ are more likely to advance to the next grade and graduate from high school
 ◆ earn higher grades and do better on standardized tests
 ◆ attend school more often
 ◆ have opportunities for physical activity and healthy snacks

Some out-of-school-time programs even provide opportunities for youth to gain employability skills, connect with local businesses, and explore possible careers.



***For every Tennessee student enrolled in an out-of-school-time program, two more would participate if a program were available. To support ALICE households, and indeed all families in Tennessee, greater access to affordable, quality child care and out-of-school-time programming is essential.***