

# 6. ALPHA, BRAVO, CHARLIE

## Reforming the Department of Defense Child Care Program

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Military installations are a microcosm of American society. They reflect most American communities in their composition, services, and infrastructure. In addition to the military mission, installations have hospitals, fire and police services, grocery and department stores, schools, recreation centers, and housing. The major difference between military installations and civilian communities is the round-the-clock nature of the military mission. Military installations face unique challenges, such as a much younger demographic, a highly mobile workforce, and a lack of extended family to support family functions. These factors all increased the demand for child care in the late 1970s that far outpaced the supply.

Although the military, to varying degrees, began to address the need for child care beginning in the late 1970s, Congress held hearings in December 1987 and passed the Military Child Care Act (MCCA) of 1989.<sup>1,2</sup> The MCCA put a spotlight on military child care and the inconsistencies among how services were provided by the Army, Navy, Air Force, and Marine Corps.<sup>3</sup>

After Congress passed the MCCA, the Department of Defense (DoD) began addressing the three major problems of child care that now confront the nation in the 21st century: cost, quality, and availability of care.<sup>4</sup> This case study describes how DoD, in coordination with each of the military services, used evidence to develop and implement policies required by the MCCA, to improve the quality of military child care, and to initiate corresponding strategies to ensure accountability for implementation.

## ISSUE BACKGROUND

Following the Vietnam War, in 1973 the nation established an all-volunteer military. This transformed the military from the “draft” to an all-volunteer force. To compete for the “best and the brightest” to operate increasingly high-tech weaponry, communications systems,

and equipment, the military had to expand its recruitment and retention strategies. The transition to an all-volunteer force made military families increasingly important to the performance of military readiness.<sup>5</sup> It was paramount to start retaining married individuals with families instead of prioritizing unmarried individuals without children.

Prior to the shift to an all-volunteer force, a typical military family consisted of senior officer wives and children, whom society expected to play a supporting role in their husbands' or fathers' careers. Even as the force began to change, service members were typically young unmarried men who served only briefly before rejoining the civilian world to begin their careers and start a family. Other demographic changes included an increase in the number of dual military couples and single parents serving in the military.

At the same time, women entering the workforce (and the military) sharply increased, and changes in military personnel policies allowed women to remain on active duty and have children. Most women on active duty are of childbearing age, and researchers estimate that at least 15 percent will become pregnant while on active duty. The proportion of women in the active component of the military has grown from about 2.5 percent in 1973 to 16 percent in 2018.<sup>6</sup> The enlistment of women resulted in a new requirement for full-time child care, especially for infants and toddlers, since the military required women to return to duty after a six-week maternity leave.

The quality of child care is dependent in large part on the quality of the interactions between children and their caregivers or teachers. Due to the needs of very young children, providing quality child care is labor intensive, and the cost of personnel is the single biggest cost driver in early childhood programs, accounting for approximately 80 percent of costs nationwide.<sup>7</sup> A critical indicator of the quality of child care is the stability and competency of the workforce. Before the MCCA, according to anecdotal reports, employee turnover was high. In a post-MCCA survey, 70 percent of the respondents said staff retention had been a major problem before the implementation of the MCCA.<sup>8</sup>

### **Accountability, quality, and cost challenges**

During the 1980s, the country confronted a series of child sexual-abuse scandals in child care settings. Military child care was no exception. However, the high profile of the allegations in military programs (the Presidio of San Francisco and West Point Military Academy) captured the attention of the national media and ultimately prompted congressional hearings. The spotlight on child safety was intense, and DoD had to address safety and resolve it promptly.

Concern about the quality of military child care facilities began to surface in the 1980s. The House Committee on Appropriations' Surveys and Investigations staff reported that some of the child care centers visited were in old buildings originally constructed for other purposes, such as barracks, dining halls, and bowling alleys. The staff concluded that the poor building conditions contributed to "program inadequacies."<sup>9</sup>

Also, during the 1980s, military service leadership recognized the need for more child care and considered transforming what had been the “nursery” model of hourly care (primarily provided by volunteers who supported social functions) to a full-day program for single parent and dual-working families. The quality of the programs became an issue because military parents needed child care regularly for longer days.

In addition to quality and availability concerns, parents were vocal about the costs, especially for lower-ranking enlisted personnel. Prior to the MCCA, individual installation commanders set child care fees high enough to cover the cost of operating the child care center, but military families, especially on the lower-income scale, struggled to be able to afford these costs.

## EVIDENCE AVAILABILITY

As with the current challenges facing child care across the country, improving the military’s child care was not a simple task, and neither were the solutions. Each proposed policy change had an impact on thousands of children, their parents, the child care workforce, and mission readiness—none of which could be taken lightly. The use of data and research was essential to support multimillion-dollar budget increases. The availability of evidence depended on the core area being addressed.

### Program and facility quality

Word about the lack of basic health and safety conditions in many child care facilities reached members of Congress. The Armed Services Committees (both House and Senate) asked the Government Accountability Office (GAO) to examine the condition of child care facilities, construction requirements, program operation, and methods for controlling costs. The GAO’s 1982 report, *Military Child Care Programs: Progress Made, More Needed*, found that “many child care centers currently in use are neither safe nor suitable... [A]dditional facilities are needed in the Marine Corps to accommodate demand. The majority of centers in the Army and Navy and 20 percent in the Air Force need upgrading.”<sup>10</sup>

The same 1982 GAO report also concluded that “DoD-wide minimum standards are lacking for important program elements including total group size, caregiver/child ratios, educational activities, staff training, and food service.”<sup>11</sup> When DoD designated child care centers as community facilities in 1978, it gave the services authority to develop their child care regulations.<sup>12</sup> Subsequently, the services began developing service-wide child care regulations based on state standards and the research and expertise of the major social welfare and professional early childhood organizations.

### Workforce

Anticipating that Congress would take steps to improve the child care workforce, DoD established a task force to study the issue and make recommendations for appropriate wage and training programs.<sup>13</sup> The task force examined data from the non-appropriated fund

and general schedule personnel databases from the military services and reviewed possible training and wages paid for equivalent work on installations.

## Costs

The 1982 GAO report also found the fees charged in military centers were generally lower than in civilian centers, often by as much as 25 to 50 percent. Commanders were charging low fees under the mistaken impression that much lower-ranking personnel were using the centers; in reality, few lower-ranking individuals had children.<sup>14</sup>

GAO had surveyed government agencies in the Washington metropolitan area and found that civilian centers often did set child care fees by family income, and private centers sometimes reduced rates for families whose income was not sufficient to cover the full cost of child care. GAO recommended that the military services increase the fees for most users in order to improve the quality of the care offered but continue to offer lower fees to ranks E-1 through E-3.<sup>15</sup>

## EVIDENCE USE

An advocacy group, the Military Family Wives Association, now the National Military Family Association, played a key role in bringing military families' concerns about cost and quality issues to DoD's attention.<sup>16</sup> A 1988 GAO report pointed to the variations in fees within the military services and even among bases within the same branch.

In response to issues of cost, quality, and availability of child care, Congress conducted hearings in 1988 and passed the MCCA a year later. The MCCA included 35 specific requirements. The DoD Office of the Inspector General conducted a second and lesser-known study of child care. Their report, issued in September 1990, contained 50 additional recommendations. The MCCA covered some, but there were new requirements for the military to address.

The use of evidence in the decision-making process was paramount. The decisions DoD leaders were making had major implications for the investment and use of taxpayers' dollars. Meeting the child care needs of more than a million active duty personnel and their families would ultimately require hundreds of millions of dollars. The allocated funds would affect the lives of over 3 million active duty and civilian personnel and their families. The military child care program was highly visible within Congress, and members were sure to closely scrutinize every decision. The MCCA itself required six major reports back to Congress, and DoD routinely provided briefs on the program to both Senate and House staff. The program was so visible that staff regularly apprised the secretary of defense and military leadership of its status.

The MCCA mandated changes to the child care program at a time when the defense budget was being reduced due to the fall of Communism.<sup>17</sup> Because the changes required significant funds and no appropriation accompanied the MCCA, funds had to be taken from already

shrinking accounts, leaving the program at odds with some military commanders and comptrollers.<sup>18</sup> To say there were tensions, as a result, would be a gross understatement.

While the MCCA dictated with some specificity the policies to follow to improve military child care, DoD had to use evidence from a variety of sources to achieve them. Evidence came from many sources, including the military services, the Defense Manpower and Data Center, GAO reports, civilian workforce data, both appropriated and non-appropriated fund budgets, research reports from Logistic Management Institute and RAND Corporation, military personnel reports, and research in early childhood education, children's health and nutrition, and effective training practices.

### Facility quality policies

As a result of the 1982 GAO report, *Military Child Care Programs: Progress Made, More Needed*, Congress approved DoD's request for appropriated funds to construct new child care facilities for the first time in the 1982 budget.<sup>19</sup>

Military officials, prompted by GAO recommendations, agreed that a uniform DoD-wide design guide for child care centers could reduce both the cost and the time required for construction of new facilities.<sup>20</sup> In developing the uniform design guide, program officials, as well as designated service engineers and architectural representatives, relied heavily on evidence-based fire standards for child care centers developed by the National Fire Protection Association. They also based the new facility requirements on the median of state licensing standards related to the number of square feet required per child as well as the number of toilet and other facility features required to provide child care.

### Program quality policies

Beginning in the late 1970s, the military services began developing service-wide child care regulations based on state standards and the research and expertise of the major social welfare and professional early childhood organizations. However, the 1982 GAO report concluded that "DoD-wide minimum standards are lacking for important program elements including total group size, caregiver/child ratios, educational activities, staff training and food service."<sup>21</sup>

In response, in 1988, DoD commissioned a review of state child care standards. A report from the Logistic Management Institute provided data on state standards for critical elements such as ratios, group size, and basic health and safety requirements.<sup>22</sup> A DoD instruction was issued in 1993, and based on the report, DoD decided to use the median of state standards. This is important because many still believe the DoD standards are higher than state standards. The distinction is that while the standards may be the median, the enforcement of them is very closely monitored. The services were required to modify their existing regulations to come into compliance with the DoD instruction.<sup>23</sup>

Further gains in quality were necessary to meet the MCCA's requirement for at least 50 military child care centers to become nationally accredited. To become accredited, the military services had to demonstrate they had achieved the quality of the National Association for the Education of Young Children Accreditation Standards. The association used current research to establish an accreditation standards to help parents identify high-quality early childhood programs.<sup>24</sup> Similar research was conducted by the National Association for Family Child Care to establish the accreditation standards for family child care homes and used by DoD to guide standards for family child care homes.<sup>25</sup>

## Workforce policies

The task force on personnel completed its work around the time Congress passed the MCCA. The MCCA had two directives. First, it standardized a training program. Second, it required completing the training as a condition of employment. The MCCA required “a program to test competitive rates of pay to improve the competency and stability of the workforce.” Based on the recommendations of the task force, DoD conducted a pilot program soon after passage.

To improve the competency of the workforce, DoD staff looked to the results of studies completed for the Department of Health, Education, and Welfare report *Children at the Center: Final Report of the National Day Care Study*.<sup>26</sup> The report demonstrated that child care-related education and training showed a moderately strong and consistent relationship to the measure of the quality of care but little relationship to cost. The study recommended that staff providing direct care to children receive training in child-related education and care. Because of the mobility of the military child care workforce, traditional training approaches, such as an institution-based certificates or diploma programs, could not be used.

In 1977, the Army received funding from the Department of Health and Human Services to develop staff training materials and administrative guides. By September 1980, the Army had developed 16 training manuals and guides. These materials covered child development from infancy through school-age, planned appropriate educational activities, and provided guidance on managing all aspects of military child care centers.<sup>27</sup> A few years later, the Navy funded a non-appropriated fund contract to develop training modules based on more current research. These modules were later expanded to family child care and school-age care with Army funding. In 1993 DoD adopted use of the modules to train all military child care workers.

## Accountability policies

In the late 1970s, prior to the MCCA passing, the military services had begun to conduct inspections of its child care centers so that the centers could participate in the U.S. Department of Agriculture (USDA) Child and Adult Care Food Program. To receive USDA funds to help pay for the cost of the meals and snacks served in child care centers, the military programs had to be state licensed. In lieu of this licensing, the services developed their own inspection and certification requirements in order to receive USDA funds.<sup>28</sup>

Later, in response to the MCCA, DoD established a system of accountability that included multilevel inspections.<sup>29</sup> Beginning in 1990, each military child-development program received a minimum of quarterly unannounced inspections, with one from a higher command specialist. In turn, each military service conducted at least one unannounced inspection in each major command, and DoD conducted one unannounced inspection of each military service. In cooperation with the military services, DoD developed and issued an inspection checklist based on the best-known indicators of quality in child care and, in large part, on the National Fire Protection Association's Life Safety Codes and *Caring for Our Children: The National Health and Safety Performance Standards: Guidelines for Out-of-Home Care*. The latter standards, published for the first time in 1992, were the product of a five-year national project funded by the U.S. Department of Health and Human Services and included a comprehensive set of health and safety standards. The resulting DoD standards became the minimum for all inspections. All military child-development specialists were trained in advance on the use of the inspection checklist.

Finally, some decisions to inspect specific installations were based in part on calls from parents and the public to the DoD Child Abuse and Safety Hotline, which the MCCA required. Substantiated calls required an unannounced follow-up inspection.<sup>30</sup>

### **Establish cost and achieve affordability**

All of the requirements in the MCCA were “unfunded mandates.” In other words, there was no increase in the DoD budget to fund the improvements, rather funding had to be identified and reprogrammed from existing operating and maintenance accounts.<sup>31</sup> Although in 1978, DoD had designated child care centers as facilities for which the federal government had responsibility, the programs were primarily viewed as services to be paid for by the user fees.<sup>32</sup> When the MCCA passed, the total appropriated budget for child care was \$89.9 million and included only 1,222 positions funded with taxpayer funds. Parent user fees paid most of the cost, and there was little expectation that funds appropriated for the military mission would go toward operating child care programs.

All of this was complicated by the fall of Communism in 1989 and the accompanying drawdown of the military both in numbers of active duty and in budgets.

The MCCA required parent fees based on total family income with those earning less paying less. The total revenue raised from parent fees had to match taxpayer dollars on roughly a dollar-for-dollar ratio that in turn was enough to pay for the general schedule child care staff. Although the pay scales for the actual military members were a matter of public record, the incomes of nonmilitary spouses were not available. DoD and the military services developed a variable income fee schedule designed to meet these requirements so that parents could pay based on their total family income.

Establishing the DoD child care fee structure required estimating the non-appropriated fund and parent fees cost of providing care under very dynamic conditions. During the initial years of the MCCA, the services sought to add appropriated fund positions for program

management and caregiving staff. Funding the program management and at least half of the caregiving staff was critical to reducing the cost of program operations that parent fees paid for. During the first years of the new fee structure, delays in obtaining funding for and filling appropriated fund positions while also setting parent fees based on income led to non-appropriated fund losses at some installations and disgruntled installation commanders and higher-ups at headquarters.<sup>33</sup>

## Increase availability

The MCCA required DoD to study the expected demand for child care for military and civilian personnel in order to provide a plan to meet demand and to estimate the cost. Using the 1989 GAO report *Military Child Care, Extensive, Diverse, and Growing* as the benchmark of how much care was available, DoD and the military services developed a formula based on available data from the Defense Manpower Data Center on military families to project the need. The formula used data on the total number of military personnel, the number of married military personnel, single parent military, military with civilian working spouses, the number of children by age category, and the number living on-base versus off-base. DoD staff tested the formula at select installations and made adjustments based on the findings. DoD then applied the formula to all military bases, and used the results to project the potential need for child care. Also, the military bases tracked waiting lists, which, while an imperfect measure, provided additional information. The baseline set for available care was reported to Congress and included a five-year plan to meet the need.<sup>34</sup> This document also served as a budget justification moving forward.

By 1995, more than 95 percent of all military child care programs were nationally accredited by the National Association for the Education of Young Children, compared with 10 percent nationwide at the time.<sup>35</sup> The accreditation then and now remains the gold standard in child care quality. The amount of care available to families had increased from 53,000 to 154,000 spaces, and staff turnover had been reduced to 30 percent (the average military family transferred about every three years).<sup>36</sup> Before the MCCA, employee turnover in military child care programs ranged from 65 to 300 percent.<sup>37</sup> In 1997, as a result of the work done, then-President Bill Clinton proclaimed the Military Child Care Program a national model.<sup>38</sup>

One policy decision stands out as the most critical and fundamental to the creation of a comprehensive, high-quality child care system: apply all requirements of the MCCA to all components of the system, including child care centers, family child care homes, school-age care, and part-day programs. The MCCA itself required many of the changes apply to centers only. After carefully considering the ultimate consequences of improving just one component, DoD decided that any child receiving care in a setting sponsored by the DoD must maintain certain levels of safety and quality. Had DoD not made that decision, the likelihood was high that all parents would abandon family child care or school-age programs in favor of the centers, creating yet another crisis.

## LESSONS

- ***Evidence-based policymaking requires multiple perspectives and flexibility.*** Fixing military child care required a commitment from Congress, DoD leadership, the military services and installation commanders. Data and research informed decisions to the extent possible. When data did not exist, DoD used proxies or conducted pilot programs to test approaches and determine the best course of action. When pilots yielded information, the department was willing to adjust policies to ensure the highest-quality care was available.
- ***Evidence can improve understanding of multifaceted policies.*** While tackling multiple issues at one time was challenging for the DoD and the military services, the goal of high-quality, affordable, and available child care for military families could not have been achieved by fixing only one piece of the system or one piece at a time. For example, paying staff more without requiring higher levels of training and competence would have increased parent fees without significant improvements to quality. Likewise, issuing standards without enforcing them would have achieved minimal improvements. Implementing a graduated-fee policy without significant underwriting of the cost of care from nonparent sources would have forced higher-income parents to subsidize lower-income families at such a high rate that they would leave the system—a common dilemma in civilian child care. Even with all these elements in place, effective management is necessary and having access to useable evidence was an aspect of this. Currently, few of these elements are in place in the civilian child care sector, and it is unlikely the civilian sector can duplicate the military’s success without major structural and funding changes at a national level.
- ***It is hard to make policy decisions when there are knowledge gaps.*** There were notable gaps in evidence when the DoD began implementing the MCCA. Chief among the gaps were the lack of data on the cost of care, the actual need for care, and how to measure quality. These gaps were ultimately closed as data became available during the process. Depending on the military service, the quality of the installation programs varied. There were no minimum DoD-wide health and safety standards, and no information available on the actual quality of experiences children were having. There was also no information on the demand for care and who was actually using the different types of care (center-based, after-school care, or family childcare). There were no nationally recognized, research-based instruments to determine quality. Perhaps the biggest gap concerned the actual cost to provide care in the various settings for the different age groups of children, making it difficult to develop budget projections. ■

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