



# Where Do Kids Go After the School Bells Ring?

December 2024

Finding and affording child care is challenging across Montana. Many families face severely limited options for child care, including care for school-age children, and ultimately pay high costs when they do find care. In our first report, "[Reaching Families: Assessing Best Beginnings' Impact on Montana's Communities](#)," we provide an in-depth analysis on the current landscape for accessing and affording child care, including how the Best Beginnings Scholarship is an opportunity to support families and providers. The second report in this series, "[Montana's Child Care Crisis: Workforce Solutions Are the Key to Progress](#)" provides an in-depth look at the child care workforce, including how to increase compensation and benefits for child care staff.

Child care for school-age children overlaps in many of the recommendations to improve Best Beginnings and the workforce in the first two reports. However, school-age care is also unique in Montana's landscape. As Montana leaders try to build a child care system that serves families and providers, special attention is needed to ensure school-age care is represented in solutions. Specific recommendations include:

- Restructure the licensing framework to create a category for school-age programs
- Invest state funding to support school-age programs

## Families Face Limited School-age Child Care Options

Many families across the state find it difficult to find and afford child care, including care for school-age children before or after school and during the summer. Working parents often need care for their school-age children after school, before school, on weekends, over holidays, or in the summer. Care for these children occurs in a variety of settings:

- Licensed or registered child care programs that serve younger children as well as accept some older children during part of the day;
- Programs organized by and offered at a school;
- Programs run by a community-based organization; or
- Sports and club activities that often have high costs and associated equipment needs.

The demand for afterschool programs in Montana greatly outpaces availability in communities. For every child in an afterschool program in Montana, four more children are waiting to get in.<sup>1</sup> More than half of parents report cost as the biggest challenge to accessing afterschool programs.<sup>1</sup> Parents report a lack of availability and transportation to programs as significant challenges to accessing afterschool and summer care.



National estimates show that American Indian families report similar challenges to accessing out-of-school programming, including limited availability, lack of convenient locations, and high costs.<sup>2</sup>

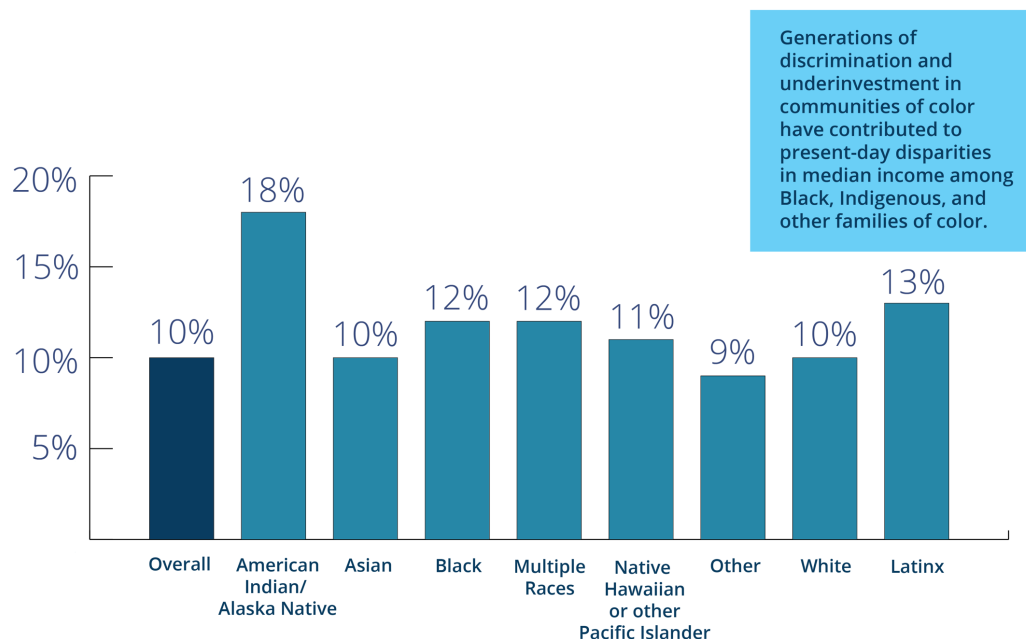
Additionally, American Indian families report challenges finding programs that include a cultural component, with 41 percent of parents reporting that a program their child attends does not include any cultural programming.

School-age child care programs are critical for working families who need a safe and reliable place for their older children while they are at work. Older children are more likely to have all parents in the workforce. In Montana, 75 percent of children age 6 and older have all parents working compared to 66 percent of children age 5 and younger.<sup>3</sup> Access to age-appropriate child care programs allows families to stay in or re-enter the workforce.

### Limited Funding for School-age Programs Hurts Parents and Providers

Funding for school-age programs depends on the type of program. More than half (54 percent) of programs report receiving funding from private grants and donors in Montana.<sup>4</sup> Programs also use federal, state, and local funding to run programs. One specific federal grant, the 21st Century Community Learning Grant, supports out-of-school time community learning centers. Grants like this are often temporary, one-time only, and competitive to receive. In the 2024-2025 school year, 26 applicants requested \$6,573,918 in funding for a 21<sup>st</sup> Century Community Learning Grant. However, only 13 grants totaling \$2,154,527 were awarded, meaning only about a third of the requested amount was funded.<sup>5</sup> The next round of 21<sup>st</sup> Century Community Learning Grant funding will take place in 2027. State funding for school-age programs is incredibly limited at this time. For programs that are licensed and can accept a Best Beginning Scholarship, programs receive a reimbursement specifically to cover the cost of care for those families. However, no dedicated state funding is available specifically for supporting school-age programs.

## The Cost of School-Age Care Makes Up a Larger Share of Income for Families of Color



Average cost of a summer program (\$160) compared to weekly median income by race. Latinx ethnicity includes any race. Source: Afterschool Alliance and U.S. Census Bureau Tables B19113A-1, 2018-2022.

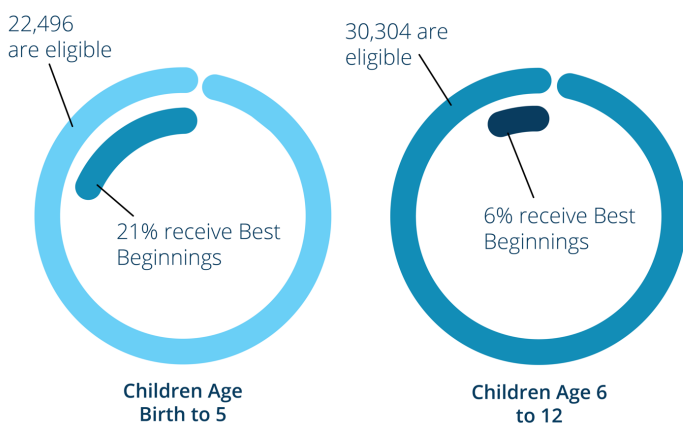
Many programs also charge parent fees to cover program costs. For example, the average cost per week for a summer program is between \$160 and \$170 in Montana.<sup>1</sup> A single parent working full time at \$17 per hour spends 23 percent of their weekly income for the summer program fee for one child. Summer programs are not always full-time, leaving working parents to cover additional child care during their work hours to fill in the gaps or cut their hours to care for their older children. Nearly half (44 percent) of parents report cost as a barrier for enrolling in summer programs.<sup>1</sup>

Access to affordable school-age care is a racial and economic justice issue. High costs for school-age programs puts them out of reach for many families, and they are disproportionately more unaffordable for Black, American Indian, Latinx, and other families of color due to generations of denied access to economic opportunities. The cost of a week of summer programming (\$160) makes up a larger share of a family's median income for American Indian (18 percent), Black (12 percent), Native Hawaiian or Other Pacific Islander (11 percent), Latinx (13 percent), and multiracial families (12 percent) compared to 10 percent overall.<sup>6</sup> When care for children is further out of reach for families of color, it perpetuates the cycle of parents of color having limited opportunities to work or continue their education.

## School-age Programs Are Currently Left Out of the Best Beginnings Scholarship

The Best Beginnings Scholarship helps families pay for child care when they are working or in school. During the 2023 session, policymakers expanded eligibility for the program up to 185 percent of the federal poverty level.<sup>7</sup> A family of four earning less than about \$58,000 a year is eligible.<sup>8</sup> Children are eligible for a Best Beginnings Scholarship through age 12, and families must use a program that is licensed or registered under the state's regulations. Current regulations do not fit school-age programs, making it challenging for the few programs that do become licensed. This leaves most programs unable to accept a Best Beginnings Scholarship even if a child in attendance is eligible. For parents needing help to afford school-age care, they are left with few options to piece together care for their older children. Some families send their older children to care that's not geared to their age, or unfortunately, have them stay at home unsupervised.

### Eligible School-Age Children Are Less Likely to Receive a Best Beginnings Scholarship



Source: MBPC analysis of data from Montana DPHHS by special request, U.S. Census Bureau American Community Survey, and U.S. Census Bureau Population Estimates Program.

During state fiscal year 2024, 6,554 children received a Best Beginnings Scholarship.<sup>9</sup> School-age children (age 6 to 12) made up 28 percent of the scholarship recipients.<sup>10</sup> Participation in the Best Beginnings Scholarship is lower among eligible school-age children with 6 percent of those eligible participating compared to 21 percent for children age 5 or younger.<sup>11</sup>

Creating a more streamlined and intentional pathway for school-age programs to become licensed with the state expands options for eligible families with older children and helps address the cost barrier many parents face across the

state. School-age licensure can also boost safety and quality in programs, providing baseline safety and training standards programs must meet.

In fall 2023, the Department of Public Health and Human Services introduced administrative rule change proposals in November 2022 and October 2023 that included a voluntary out-of-school-time license category.<sup>12,13</sup> Neither administrative rule has been approved, with the most recent version under a formal objection by the Children, Families, Health, and Human Services Interim Committee.<sup>14</sup> These rules are set to go into effect after the close of the 2025 legislative session.<sup>15</sup>

## Out-of-School-Time Programs Enrich Students' Skills and Experiences

Creating policies that make out-of-school programs more accessible for parents means more children attend high-quality programs that benefit them in a variety of ways. For example, the majority (79 percent) of afterschool programs serve meals or snacks to students.<sup>4</sup> The top activities offered by 21st Century Grant programs included a focus on STEM, arts and music, literacy, and physical activity.<sup>16</sup> Expanding school-age care also provides an opportunity to support the state's future workforce. Afterschool and summer programs can help students gain new skills and learn about new interests or professions.<sup>17</sup> Overall, out-of-school programs play an essential role for supporting children's growth and development while also meeting the care needs for working families.

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<sup>1</sup> Afterschool Alliance, "[Montana after 3pm](#)," 2020, accessed on Oct. 16, 2024.

<sup>2</sup> Afterschool Alliance, "[America After 3pm for Native American Families](#)," Jan. 2023.

<sup>3</sup> KIDS COUNT Data Center, "[Children with all available parents in the labor force by age in Montana](#)," 2019-2023.

<sup>4</sup> Montana Afterschool Alliance, "[Snapshot of Afterschool in Montana](#)," Oct. 2020.

<sup>5</sup> Wardisiani, K., Montana Office of Public Instruction, "RE: 21st century grants - applicants vs. awarded," email to Xanna Burg, Montana Budget & Policy Center, Oct. 25, 2024, on file with author.

<sup>6</sup> U.S. Census Bureau, "Median Family Income in the Past 12 Months (In 2023 Inflation-Adjusted Dollars), American Community Survey 5-Year Estimates, Table B19113A-B19113I, 2018-2022."

<sup>7</sup> O'Loughlin, H., "[HB 648: Bridging the Gap to Child Care](#)," Montana Budget & Policy Center, Jun. 27, 2023.

<sup>8</sup> Montana Department of Public Health and Human Services, "[Montana Best Beginnings Child Care Scholarship Child Care Sliding Fee Scale, effective 03-01-2024](#)."

<sup>9</sup> KIDS COUNT Data Center, "[Children receiving Best Beginnings Child Care Scholarship in Montana](#)," 2024.

<sup>10</sup> Montana Department of Public Health and Human Services, Early Childhood and Family Support Division, special data request by Montana KIDS COUNT, "Indicator 4, 5, 8 SFY 2024," on file with author.

<sup>11</sup> Estimates of children eligible for a Best Beginnings Scholarship is calculated by multiplying the percent of children in families making less than 185 percent of the federal poverty level by the number of children in the matching age groups. Poverty estimates are obtained from the U.S. Census Bureau, "Age by Ratio of Income to Poverty Level in the Past 12 Months, American Community Survey 5-Year Estimates, Table B17024, 2019-2023." Population estimates from KIDS COUNT Data Center, "[Child population by single year of age in Montana](#)," vintage year 2023.

<sup>12</sup> Administrative Rules of Montana, Department of Public Health and Human Services, proposed changes, [MAR 37-1020](#), Nov. 4, 2022.

<sup>13</sup> Administrative Rules of Montana, Department of Public Health and Human Services, proposed changes, [MAR 37-1044](#), Oct. 20, 2023.

<sup>14</sup> Montana State Legislature, Children, Families, Health and Human Services, Interim Committee, "[Minutes Log, March 12, 2024](#)."

<sup>15</sup> Allen, M., Montana Legislative Services Division, "RE: Rule package process," email to Xanna Burg, MBPC, Sep. 23, 2024, on file with author.

<sup>16</sup> Resendez, M., "[Nita M. Lowey 21st Century Community Learning Centers, Montana State Evaluation Report 2020-21](#)."

<sup>17</sup> Afterschool Alliance, "[Building Workforce Skills in Afterschool](#)," Nov. 2017.