

Illinois Early Learning Council (IELC)
Program Standards and Quality (PSQ)
Workforce Compensation Ad Hoc Work Group
April 2, 2015
10:00 AM – Noon
Telenet

Alice Giordano	Elva DeLuna	Karen Zehnal
Allison Lowe Fotos	Faith Arnold	Laurie Rhodes
Anne Wharff	Isolda Davila	Marcy Mendenhall
Christi Chadwick	Jill Bella	Pam Womack
Cindy Mahr	Joni Scritchlow*	Robert Hitchen
Debbie Rogers Jaye	Julie Lindstrom	Tonya Glaze
		Valerie Krajec*

*co-chairs

Welcome

- Joni Scritchlow welcomed members to the telenet.

Acceptance of the Meeting Notes (Attachment 1)

- Notes from the February 5, 2015 meeting were presented.
 - Laurie Rhodes moved to accept the notes.
 - Alice Giordano seconded the motion.
 - Notes approved.

Review of the Charge to the Committee

- Joni reviewed the Charge to the Committee from the current Early Learning Council Program Standards and Quality Committee work plan.

Transforming the Workforce for Children Birth Through Age 8: A Unifying Foundation

- Institute of Medicine and the National Research Council released a 500+ page report exploring the science of child development, looking at implications for the professional who work with children birth through age 8.
 - Valerie believes this will be the definitive report from a Federal perspective about the workforce for the next ten years. The report includes:
 - Definitions of the workforce.
 - Expectations for the competencies of the field.
 - Inclusion of mental health and home visiting.
 - Recommendations for higher education.
 - Compensation was not part of their charge.
 - Committee members would like to receive a link to the report and the webinar presentation.
 - The Committee will use the report as a reference for our work.
 - ELC PSQ Ad Hoc Committee member Faith Arnold was a part of the research process.
 - The report looks at how information is shared throughout the practitioner field. The study captured an array of professionals within the field, which makes the study representational and inclusive.

Report on Compensation, Benefits, and Workplace Conditions (Attachment 2)

- Sharing the report:
 - Once the Workforce Compensation Ad Hoc Work Group has finalized the report it will be shared with:
 - PDAC Steering and PDAC.
 - The report will be an agenda item for the ELC PSQ Committee in May.
 - Following the ELC PSQ Committee, the report will be shared with the ELC Executive Committee and the full ELC Council.
- Feedback, comments, and thoughts on the paper:
 - Inclusion of raising the minimum wage is a positive addition to the paper.
 - Need to intersect a compression scale. What is our internal salary scale if the minimum wage is higher than what we are currently paying teachers? The gap and additional expenses will have to be addressed.
 - The paper is focused on centered based work, but incorporates other aspects of early childhood settings and roles.
 - Compensation concerns extend beyond the center based teacher to include those involved in family child care, home visiting, etc.
 - A chart could be created to recognize these roles to get an average that represents the role by qualification.
 - In the definition we should explain who and why we are researching and at the end of the paper list next steps or an addendum of things that need to be further studied, so the reader understands this is a broad topic.
 - A chart or visual of the different roles that make up the field would be helpful.
 - Valerie has used the Illinois Staffing and Salary Survey throughout the paper.
 - Centers and people in the child care field can't fix all of the problems, it requires support from people outside the child care field.
 - The economic impact of the ECE field on the future workforce should be included in the document.
 - Information can be used to partner and engage other stakeholders to build partnerships.
 - Louisiana gives businesses who have given a monetary contribution to a high quality center program a tax deduction.
 - The document must have a range of ideas, suggestions, and solutions to put forward for consideration.
 - Must be creative in coming up with new strategies to get conversations started.
 - Should one of our ending recommendations include convening a task force to explore short term impact and long range planning?
- Salary, Benefits, and Workplace Conditions structure in the paper.
 - Start with benefits due to the new Affordable Care Act.
 - Place salary in the middle.
 - End with workplace conditions as it has more tangible outcomes and short term goals.
- Need for additional data collection and/or content review.
 - Need to link as much data to the work already completed in Illinois especially related to the ELC and PDAC to help connect information to our work.

Priorities, Next Steps, and Assignments

- Comments and suggestions will be incorporated into the document for review at our May telenet.
- If you have any additional data, information, or comments please forward to Joni or Julie at INCCRRA.

Next Meeting Date:

- A telenet will be held on May 6, 2015.

Adjourn

PSQ Compensation Ad Hoc Committee

Draft Brief Outline

Illinois' Early Childhood Workforce Compensation Considerations

Part 1: What Do We Know?

Part 2: What Can We Do?

"There is a cost to quality that must be factored into our work"

Introduction: Very brief background on early childhood services as critical for parents and children, social benefit, and how funded. Why we did this work.

"Child care is a vital foundational service that allows for employment and economic betterment for families. Without affordable quality care options, parents are less likely to effectively function at their jobs and children to receive the developmentally stimulating environments proven to benefit young children." Illinois Staffing and Salary Survey 2013.

- Charge to the Ad Hoc committee, line of authority
 - Review state and national workforce data and demographics that inform recruitment and retention of highly-qualified workforce
 - Develop suggested ranges for compensation parity aligned with qualifications/roles
 - Identify various strategies that can be combined to secure and retain a highly-skilled and professionally compensated workforce
- History of related work
 - Great START – recognized the need to address salaries
 - PDAC – focused on improving the qualifications, knowledge and skills of the workforce
 - Linkage to PSQ
 - Research on salaries
 - Strategic plan goals
 - 2013 Braided and Blended Funding Roundtables
 - National study and GAO report
 - Current focus on raising minimum wage at state and national levels
- Those contributing to the work
 - Members of committee
 - Staffing by INCCRRA

What Do We Know? Findings from research of each of 3 subgroups

- Compensation

Compensation for the EC and SA workforce is among the lowest for work requiring comparable skills in any field. Workplace conditions, compensation, and access to PD affect the recruitment and retention of staff in every role. Direct financial support and technical assistance (TA) to programs (centers and family child care) are needed to augment what parents can afford to pay, stabilize finances, and promote work

This information is not to be shared outside of the committee until a final draft has been approved.

environments that attract and retain effective educators. For centers to exceed basic requirements for teacher education levels required in State licensing and offer higher compensation, they either need to raise significant additional outside funding or expect a negative annual operating budget (Mitchell, 2010).

Workplace conditions, compensation, and access to PD affect the recruitment and retention of all EC and SA staff.

- Investment in high-quality EC and SA programs is smart economic development.
- High-quality programs require an effective workforce.
- Acquiring critical knowledge, skills, and dispositions can make educators more effective.
- Workforce turnover is detrimental to promoting stable, consistent relationships between educators and young children.

According to "Worthy Work, STILL Unlivable Wages" (2014), at least 50% of teaching staff indicated that they worried about their family's economic well-being on five out of six economic security items. Do a chart on these items.

What order should these appear in the brief?

- Salaries and wages: one sentence on research base for why it is important
The most important predictor of the quality of care children received, among the adult work environment variables, was staff wages. Worthy Work, STILL Unlivable Wages (2014)

What we found

- Graph with average Illinois salaries by degree – all jobs; average salary by degree for all ECE; average salary by degree for all teachers
- Table comparing Illinois qualifications by role to national stats
- Table comparing Illinois pay by role to national stats
 - Conclusions and considerations
- Benefits
 - One sentence on research base for why it is important.
Health insurance, paid leave, disability, and retirement benefits matter. "A combination of one or more of these benefits has been linked to EC workers' intention to stay in the field" (Cornille, Mullis, Mullis, Shriner, 2006; Holochwost, Demott, Buell, Yannetta, & Amsden, 2009).

What we found

- Health Insurance
 - (National Statistic) In 2012, about 75% of center- and home-based teachers and caregivers reported that they had some form of health insurance. (ref. 1)
 - (State Statistic) 77% of center staff have access to health insurance
 - (State statistic) 37.1% of centers provided health insurance for their staff. (ref.3)
- Compensation packages
 - Survey results found that a healthcare plan was the most valued class of benefits, accounting for almost one-third of the value prospective employees

This information is not to be shared outside of the committee until a final draft has been approved.

would place on a benefits package. Such a strong finding is consistent with past Monster employee benefit surveys which also showed how valuable healthcare is to job seekers and employees. <http://hiring.monster.com/hr/hr-best-practices/workforce-management/employee-benefits-management/job-offer.aspx> In general, the lower the income, the greater the importance of health care benefits. Some are willing to accept a lower hourly wage for better health coverage.

- Healthcare plan = 32%
- Vacation Time = 25%
- Pay Raise = 15%
- Employee Benefit = 10%
- Performance Bonus = 9%
- Retirement Plan = 8%
- Family-friendly policies
 - "All other things being equal, companies that provide family-friendly benefits to their hourly workforce are more likely to have higher employee retention rates, lower turnover, and a stronger pool of talent that enables them to promote from within," says Gaye van den Hombergh, president of Winning Workplaces, a not-for-profit that works with small and mid-size organizations to create great workplaces. <http://hiring.monster.com/hr/hr-best-practices/workforce-management/employee-benefits-management/family-friendly-benefits.aspx>
- Conclusions and considerations
- Workplace Conditions
 - One sentence on research base for why it is important

Teachers' work satisfaction is associated with characteristics of an organizational climate that promotes shared decision making, offers meaningful feedback on performance, and provides opportunities for joint reflection about ongoing PD and supports in the workplace (Bloom, 2010).

What we found

- Use Jill's data here with permission.
- Conclusions and considerations

Implications of what we found and intersections with public policy.

Good stewardship of public funds requires us to look at the costs to society for paying substandard wages and benefits to the early childhood workforce. It is imperative, not only for effective and efficient use of public funds, but also for the well-being of our youngest children and their families and to the future workforce that we address the compensation issue. Existing and potential opportunities for improving wages and workforce conditions are addressed in Part 2, "What Can We Do?"

According to the Illinois Staffing and Salary Survey of Licensed Child Care Facilities: FY 2013, dissatisfaction with pay was the most important reason for leaving a position for all early childhood roles

This information is not to be shared outside of the committee until a final draft has been approved.

except administrator (36% to 48%). For those in teaching positions this was followed by dissatisfaction with benefits and personal reasons (30% to 43% and 29% to 37% respectively). However, it is worth noting that directors reported that nearly 36% of teachers left because they were terminated. *How can public policy support retention of qualified staff and support director discretion in termination of those who shouldn't be working with young children?*

Tuition and parent fees make up an average of 62% of center revenue, with public funding comprising another 27%; 4% Head Start, 3% Preschool for All, and another 3% in donations and gifts. 2013 Staffing and Salary Survey, pps. 17-18. *If CCAP and under public subsidies make up 27% of center budgets, what would it mean if the reimbursement rate had to allow for the equivalent of paying a "prevailing wage" – as in state labor contracts?*

Offer competitive salaries or financial incentives linked to qualifications and skills. Strategies offering compensation parity and rewarding increased qualifications can attract and retain staff in centers (Torqued, Raikes, & Huddleston-Casas, 2007; Boyd & Wandschneider, 2004; Park-Jadeite, Golin, & Gault, 2002). For example, the WAGES® initiatives report turnover rates from 0–12% among participants (Child Care Services Association, 2012). *What do we know about retention in IL based on GS and scholarship program?*

Establish health insurance, paid leave, and disability and retirement benefits. A combination of one or more of these benefits has been linked to EC workers' intention to stay in the field (Cornille, Mullis, Mullis, & Shriner, 2006; Holochwost, Demott, Buell, Yannetta, & Amsden, 2009).

- All employees and family child care providers should now have access to health insurance through the ACA.
- Based on demographic information from the Registry (this may have to be based on GS and scholarship applications), describe typical scenarios for centers and FCC accessing and providing health care. The number of employees makes a difference in what employers must provide and employee access to subsidies.
- We should be able to describe how the ACA can make it possible for employers to offer healthcare at a lower cost to both employer and employee and shift savings to wages.

Improve directors' administration and leadership skills (Rohacek et al., 2010) and methods of proactively managing turnover (Cassidy et al., 2011). Program leaders with these skills are better fiscal managers and promote increased staff stability. *More here on workplace conditions. Use example from most recent Research Connections on various levels of intervention and their associated costs and outcomes.*

References

- Reference 1: Targeting Early Childhood and School Age Workforce Investments Document
- Reference 2: Gateways Registry Information
- Reference 3: Illinois Salary & Staffing Survey of Licensed Child Care Facilities FY11
- Reference 4: Gateways to Opportunity Registry, Illinois Salary & Staffing Survey FY11, Who's Caring for the Kids? 08.

This information is not to be shared outside of the committee until a final draft has been approved.

- Illinois Staffing Survey -<http://www.dhs.state.il.us/page.aspx?item=72057>
- Program Management, Standards, Business Practice –
https://childcareta.acf.hhs.gov/sites/default/files/strengtheningworkforce_tool.pdf
- Targeting Early Childhood and School Age Workforce Investments-
https://childcareta.acf.hhs.gov/sites/default/files/strengtheningworkforce_targeting_investments.pdf
- NSECE Brief - www.acf.hhs.gov/sites/default/files/opre/nsece_wf_brief_102913_0.pdf
- Monster.com survey results <http://hiring.monster.com/hr/hr-best-practices/workforce-management/employee-benefits-management/job-offer.aspx>
<http://hiring.monster.com/hr/hr-best-practices/workforce-management/employee-benefits-management/family-friendly-benefits.aspx>
- Worthy Work, STILL Unlivable Wages <http://www.irle.berkeley.edu/cscce/wp-content/uploads/2014/11/ReportFINAL.pdf>
- State by state wages, 2010 (most recent) <http://www.irle.berkeley.edu/cscce/2010/state-by-state-wage-data-ccw/>

(National Statistic) Center-based teachers and caregivers earn a median hourly wage of \$10.60. Preschool teachers' median hourly wage is \$11.90 and infant/toddler caregivers median wage is \$9.30. (ref. 1)

(State Statistic) The median hourly wage for a full-time Administrative Director was \$16.09. The median hourly wage for a full-time Early Childhood Teachers was \$11.50.

The median hourly wage for a full-time Early Childhood Assistant Teacher was \$9.00. (ref. 3)

(National Statistic) Fifty-three percent of center-based teachers and caregivers have college degrees, 35.5% have bachelor's or graduate/professional degrees. (ref. 1)

(State Statistic) 60,574 Gateways Registry Members

47% are teachers/teacher's assistants

15% self-report as working with infants and toddlers

Registry Member Education

77% of teachers working in licensed setting statewide have a college degree

28% hold Associates Degrees

40.2% hold Bachelor's Degrees

8.2% hold Graduate Degrees (ref. 4)

(National Statistic) In 2012, about 75% of center- and home-based teachers and caregivers reported that they had some form of health insurance. (ref. 1)

(State Statistic) 37.1% of centers provided health insurance for their staff. (ref.3), 77% have access to insurance

(National Statistic)The EC workforce is comprised of about 1 million center-based teachers and caregivers, 1 million paid, home-based teachers and caregivers, and an additional 2.7 million unpaid, home-based teachers and caregivers. (ref.1)

This information is not to be shared outside of the committee until a final draft has been approved.

(State Statistic) 60,574 Gateways Registry Members. (ref. 2)

A greater proportion of respondents participating in QRS also served CCAP families in their programs. Participation in QRS was significantly associated with serving CCAP families ($\chi^2 = 11.25$, $p < .001$) with 96.8 percent of QRS participating providers serving CCAP families versus 3.2 percent of QRS rated providers not serving CCAP families in their programs.⁴⁴

DRAFT