

# Addressing compensation for the early education workforce: How salary supplements can make a difference for our field



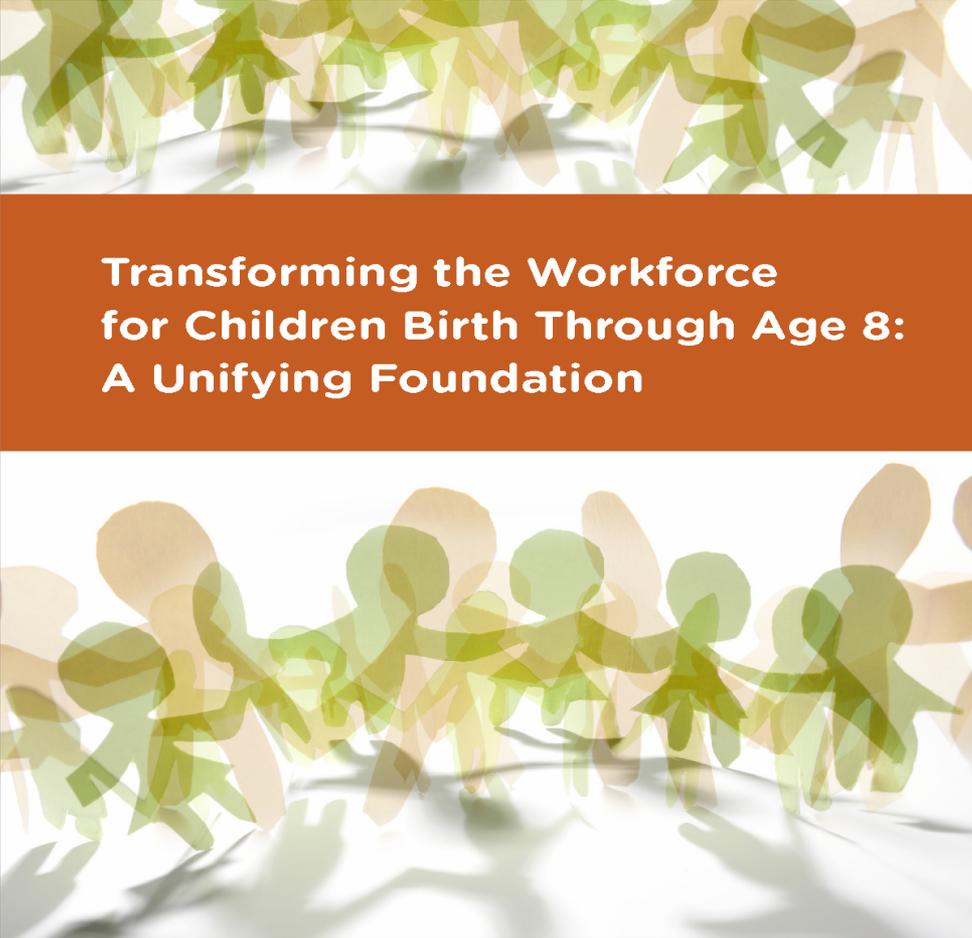
NAEYC 2015 National Institute  
for Early Childhood Professional  
Development, New Orleans  
June 7, 2015

# Presentation Overview

- Why are supplements needed?
- How does a supplement program work?
- What is Child Care WAGE\$® FLORIDA?
- What is INCENTIVE\$ Early Childhood NEW MEXICO
- What have been the national outcomes?
- What are our lessons learned?
- How can compensation initiatives like supplements advance education goals?



# Recommendation 2



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

**Develop and implement comprehensive pathways and multiyear timelines for transitioning to a minimum bachelor's degree qualification requirement, with specialized knowledge and competencies, for all lead educators working with children from birth through age 8.**

# Raising the Bar on Education and Compensation—The Challenge

- Low standards with few mandates

# Early Care and Education Standards Across the US

## IOM Recommendation: Bachelor's Degree in ECE

- Publicly Funded Pre-K
  - 57% of programs require a BA in ECE for lead teachers
- Head Start
  - At least 50% of teachers must have BA with ECE
- Early Head Start
  - CDA credential for Infant-Toddler Caregivers
- Minimum Child Care Licensing Standards
  - Lead Teachers: 1 state requires BA in ECE

# Raising the Bar on Education and Compensation—The Challenge

- Low standards with few mandates
- Low wages
- Wage stagnation

# Teacher Compensation

	Overall Median Hourly Wage	0-3 Teacher Median Hourly Wage	3-5 Teacher Median Hourly Wage
National Child Care Teachers	\$10.60	\$9.30	\$11.90
	High School plus College Coursework	Associate Degree	Bachelor Degree or more
National Child Care Teachers	\$9.30	\$11.00	\$14.70

# Raising the Bar on Education and Compensation—The Challenge

- Low standards with few mandates
- Low wages
- Wage stagnation
- Education barriers

# Personal Barriers to Accessing Higher Education

- Economic
  - Limited financial resources and incentives
  - Dependent children
- Time
  - Competing demands of work, family and professional development needs
  - Unsupportive work environment
- Educational
  - Limited academic skills
  - Unfamiliar with higher education options and system
  - No, limited or negative college experience
  - No familial precedent with college
  - Limited computer or technology experience
  - English as second language
  - Poor reading, writing and/or math skills
  - Confusing, unsupportive and/or unarticulated higher education system

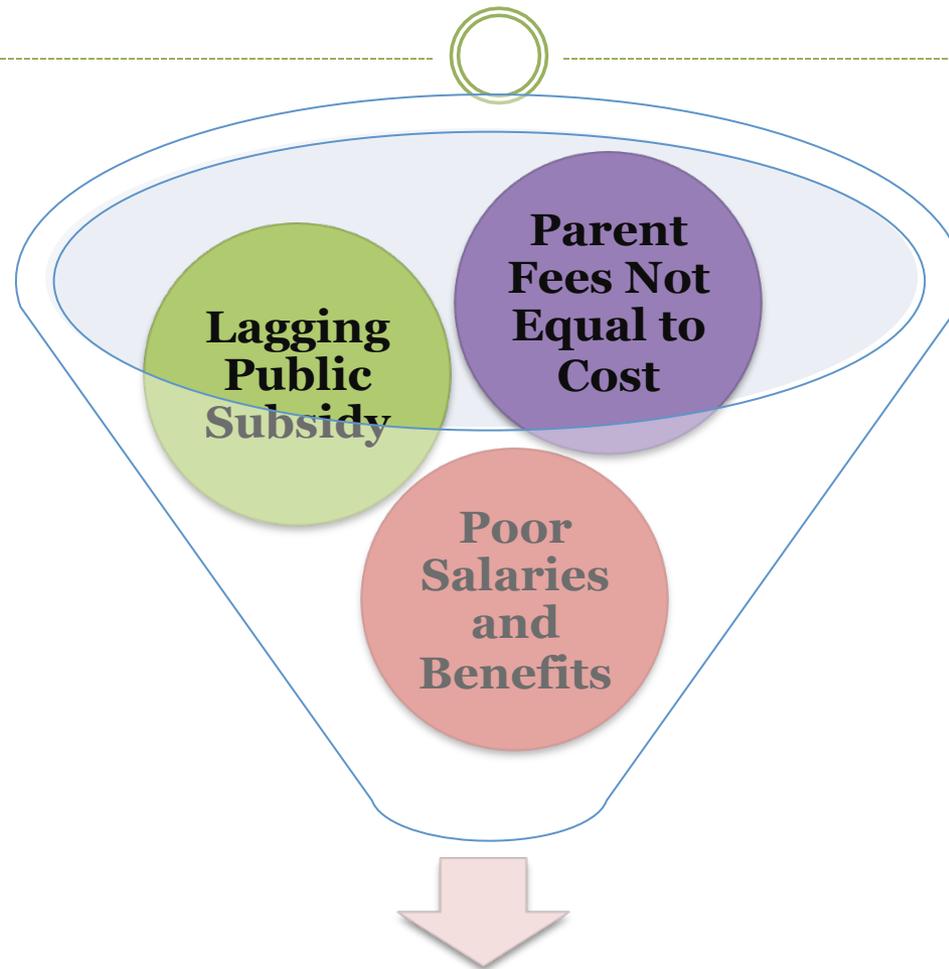
# Raising the Bar on Education and Compensation—The Challenge

- Low standards with few mandates
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- Education barriers
- Depressed subsidy payment rates
- Little recognition

# Raising the Bar on Education and Compensation—The Challenge

- Low standards with few mandates
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- Wage stagnation
- Education barriers
- Depressed subsidy payment rates
- Little recognition
- Inadequate compensation incentives

# The Need for Salary Supplements



**Turnover of Teachers**

# Child Care WAGE\$®

- Provides direct, graduated supplements that are logical and sufficient
- Encourages continuing education
- Requires consistency within same program
- Maintains marketplace competition for better salaries
- Focuses on outcomes



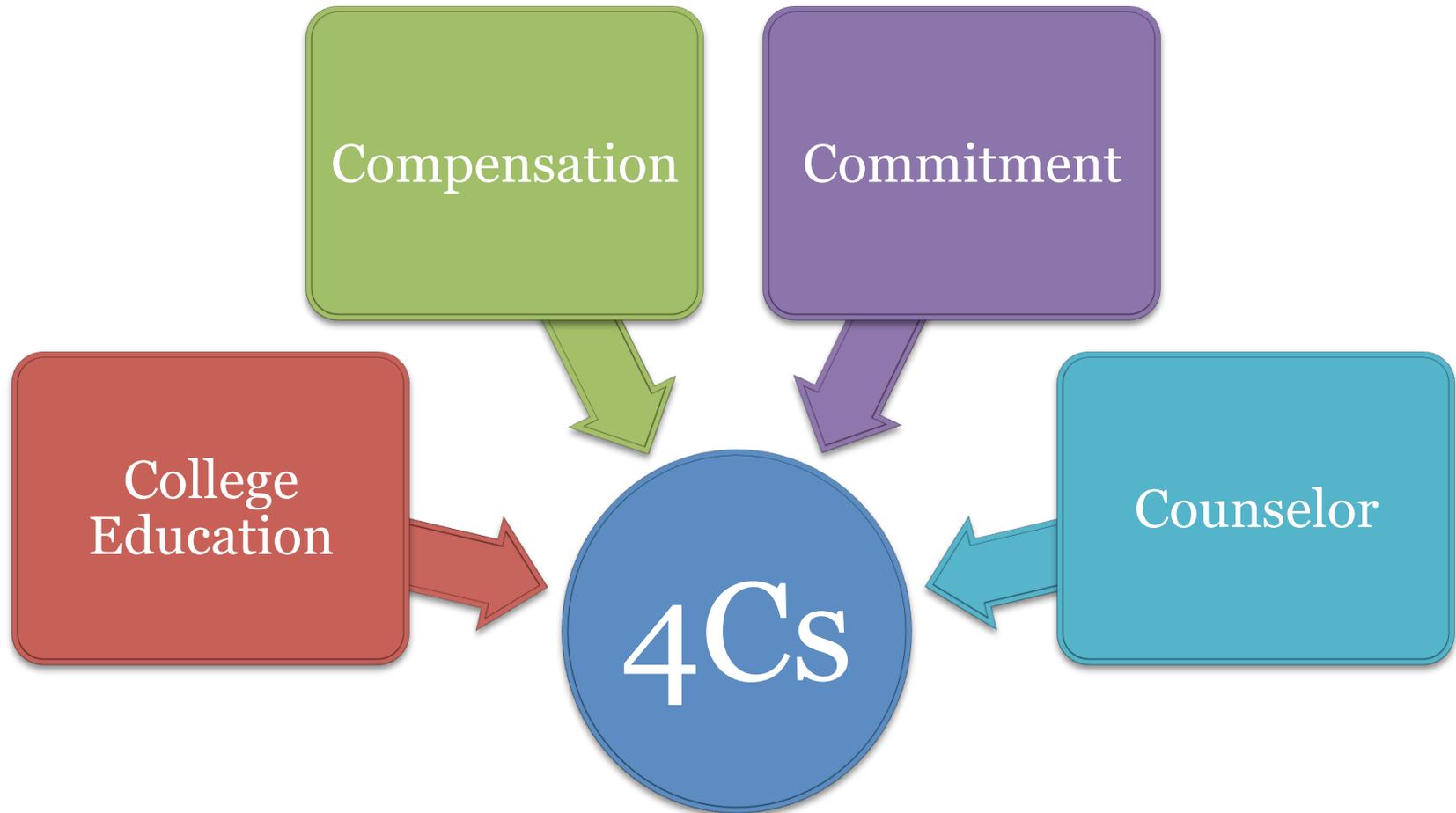
# Eligibility

May vary in states by:

- Geography
- Role
- Number of hours worked
- Income
- Age of child served
- Attained education
- Type of program



# WAGE\$ Components



# 4Cs: College education

- Minimum education floor set
- Early Childhood Education most valued
- Education in other fields recognized
- Incremental steps defined on pathway to degrees
- Optional temporary education levels

# 4Cs: Commitment

WAGE\$ payments are paid every six months based on

- Six-month retention in the same program,
- For the entire period,
- With employer confirmations required on work and earnings.

# 4Cs: Compensation

All state WAGE\$ supplements must be

- Paid directly to participant,
- Graduated based on individual's achieved education,
- Paid every six months based on retention, and
- Logical and sufficient to reflect achieved education.

# 4Cs: Counselor

A WAGE\$ counselor's role is to

- Process applications,
- Assess initial and ongoing eligibility for participation,
- Enter initial and ongoing education, demographic, employment, retention, contact notes and income data in WAGE\$ management database,
- Communicate regularly with participants and employers,
- Support participants in accessing further education and
- Conduct outreach sessions within ECE communities.

# How do WAGE\$ Projects operate?

## T.E.A.C.H. Early Childhood® National Center

- Licenses individual statewide nonprofits
- Provides Projects with training, technical assistance, policies, resources, databases, tools
- Holds Projects accountable to model fidelity, competencies and best practices
- Monitors, collects and reports on data from all states
- Provides public awareness about WAGE\$

# How do WAGE\$ Projects operate?

## State WAGE\$ Projects

- Identify and secure funding to support supplements
- Set policies and provide public awareness
- Assess education, verify eligibility and award supplements
- Support recipients
- Build partnerships with key stakeholders
- Collect, manage and report on data
- Use competencies to guide program

# Questions?



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# INCENTIVE\$ Pay Supplements

**NEW MEXICO ASSOCIATION FOR THE  
EDUCATION OF YOUNG CHILDREN**

**PRESENTER: DAN RITCHEY**

# New Mexico INCENTIVE\$

## **What brought INCENTIVE\$ about:**

- The success of T.E.A.C.H. scholarship program managed by the NMAEYC
- The longtime relationships among variety of early childhood advocates, who ended up backing budget amendment for INCENTIVE\$ in senate finance committee at end of one session
- The confidence of a small family foundation—Brindle Foundation—to pilot a program in Santa Fe County

# History

- **2006-2010:** Unsuccessful efforts to get state legislature to approve funds for INCENTIVE\$.
- **2010:** Brindle Foundation provides \$100,000 over three years to pilot INCENTIVE\$ in Santa Fe County.
- **2013-2014:** United Way of Central New Mexico joins Brindle in funding INCENTIVE\$ with \$75,000.
- **2014-2015:** Legislature passes budget amendment providing \$296,000 to make INCENTIVE\$ statewide because of great results in the two pilots in improving education and reducing teacher turnover.
- **2015-2016:** Legislature boosts INCENTIVE\$ to \$496,000 total in state funds. United Way funds INCENTIVE\$ again after year's lapse.

# Eligibility

- **State Funds:** Targeted at child care educators – teachers and directors – only. Educators must earn \$16 an hour or less and work with children under 5.
- **Brindle Foundation:** Focused on teachers of children under 3 because of Brindle’s interest in high quality care for the youngest children. Educators must earn \$16 an hour or less.
- **United Way of Central NM:** Targeted at child care and Head Start teachers as well as public school PreK assistant teachers. Educators must earn \$16 an hour or less and work with children under 5.

# Program Operation

- **Administration:** NM Association for the Education of Young Children.
- **Staffing:** Program Director (part-time), Outreach Director (full-time, currently by NM Public Ally) and Counselor (part-time).
- **Outreach:** Email Listserves, conference attendance, web site, outreach trips to far corners of state.
- **Application review:** Completeness, education verification, income verification, work verification.
- **Payments:** Occur twice a year with education updates and verification of employment and income

# Supplement Scale



## **Supplements have 10 levels of compensation**

- Levels range from \$300 a year for educators that have completed two college classes in the field of Early Childhood Education, to \$5,000 a year for those with a Bachelor's Degree and state licensure in Early Childhood Education.
- Typically, there is roughly a 12 credit-hour difference between one level of education and the next.

The annual supplement is paid in two 6-month installments based on number of hours worked at a child care center or home.

- **Visit the NMAEYC website for a complete list of supplement levels**  
<http://www.nmaeyc.org/professional-development/incentives/incentive-salary-supplements>

# NM Supplement Scale

## **Level 1 - \$300 / Year**

- 5 semester hours related to birth to five / Early Childhood Education.

## **Level 2 - \$600 / Year**

- 18 semester hours of well-rounded coursework including at least 4 birth to five focused semester hours OR
- NM Child Development Certificate OR
- CDA from Council for Professional Recognition with at least 11 birth to five focused semester hours OR
- 11 semester hours of birth to five classes

## **Level 3 - \$900 / Year**

- 24 semester hours of well-rounded coursework with at least 6 birth to five focused semester hours.

## **Level 4 - \$1200 / Year**

- 36 semester hours of well-rounded coursework including at least 11 birth to five focused semester hours OR
- One Year Vocational Certificate in Early Childhood Education OR
- Associate's Degree with fewer than 11 birth to five focused semester hours OR
- 70 semester hours of well-rounded coursework toward an ECE degree

## **Level 5 - \$1700 / Year**

- 45 semester hours of well-rounded coursework including at least 18 birth to five focused semester hours OR
- Associate's Degree plus or including at least 11 birth to five focused semester hours

## **Level 6 - \$2100 / Year**

- 57 semester hours of well-rounded coursework including at least 18 semester hours focused on birth to five

## **Level 7 - \$2500 / Year**

- Associate's Degree plus or including at least 24 birth to five focused semester hours OR
- Bachelor's Degree or Master's Degree with fewer than 11 birth to five focused semester hours

## **Level 8 - \$3400 / Year**

- 90 semester hours toward a Bachelor's Degree, including at least 18 birth to five focused semester hours OR
- Bachelor's Degree plus or including at least 11 birth to five focused semester hours

## **Level 9 - \$4500 / Year**

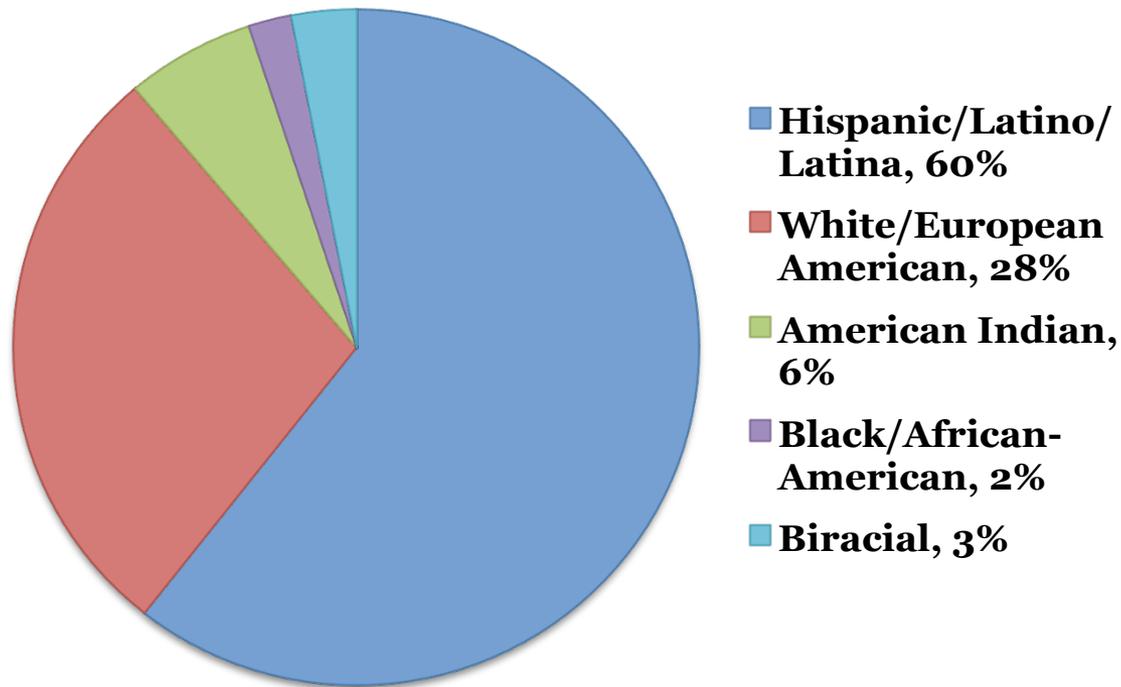
- Bachelor's Degree plus or including at least 18 birth to five focused semester hours OR
- Master's Degree plus or including at least 11 birth to five focused semester hours

## **Level 10 - \$5000 / Year**

- Bachelor's Degree & Licensure in Early Childhood Education

# Participant Demographics

## Demographics 2015



Supplements for 206 educators  
in FY 2016



# Funding

For FY 2016

- State of New Mexico: \$596,900
  - Brindle Foundation: \$35,000
  - United Way of Central New Mexico: \$30,000
- TOTAL: \$661,900

A young child with short brown hair is shown from the chest up, looking intently at a small toy horse. The child is holding the horse's front legs with their right hand. The background is a blurred indoor setting, possibly a playroom or classroom, with shelves and colorful items. The word "Outcomes" is overlaid in large, orange, serif font on the left side of the image.

# Outcomes

## Education Gains

- 62% reported taking coursework
- 29% increased a step on supplement scale

## Compensation Gains

- \$850 average six-month supplement

## Annual Turnover

- 13% left their program in a year

# Testimonials

*“INCENTIVE\$ gives recognition to the education that has been achieved and recognition to the quality care that is given to children.”*

- Karen Rodriguez, family child care home professional, Karen has split her supplement for the past two years with her two staff.

*“INCENTIVE\$ helps in many ways. My washer went out and I was able to replace it,” she said laughing. “I’m trying to get a computer now.”*

- Gabriela Sisneros, a YDI Head Start teacher, and single mom with three kids, 11, 16 and 17.

# Questions?



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# Child Care WAGE\$<sup>®</sup> FLORIDA & Afterschool WAGE\$ FLORIDA



In Florida, the WAGE\$ project is operated by the Children's Forum. The Children's Forum, founded in 1989, is a nonprofit that provides research, advocacy and direct services to the early care and education community. Other programs operated by the Forum include:

- T.E.A.C.H. Early Childhood<sup>®</sup> Scholarship Program
- Program Assessment Center
- Quality Counts Career Center
- 21<sup>st</sup> Century Community Learning Centers
- Child Care Evaluation Services
- Registry Services
- Refugee Child Care Microenterprise Development Project

# History

- Child Care WAGE\$<sup>®</sup> FLORIDA began as a pilot in 2004 operating in a single county with a \$50,000 investment. The Children's Forum provided the operational costs and the local early learning coalition provided the supplement dollars.
  - Afterschool WAGE\$ FLORIDA began in 2009, in Palm Beach County.
  - In Miami-Dade, WAGE\$ is an integral part of the Quality Counts System.
  - In Broward County, WAGE\$ is available to all providers.

# Eligibility

The program provides services to teachers and assistant teachers who:

- Work in a county that is participating in WAGE\$
- Work in a licensed/license-exempt child care/afterschool program
- Are continuously employed at the same program for a minimum of six months
- Work at least 10 hours per week with children ages birth to five
- Have a formal staff credential and/or some education beyond a high school diploma
- Earn less than \$17.50 per hour

# Program Operation

Staffing: a program manager, 3 counselors and an administrative assistant (2 bilingual)

Outreach: conferences, social media, mailings, Quality Counts career advisors, TA specialists

Application Review: completeness, education verification, income verification, Registry review

Payments: assess any new education, verification of employment and income, semi-annual

Approval: admin assistant to counselor then to manager, application process and payments

# Supplement Scale

Level	Early Child Care and Education Teachers (centers, Head Start, family child care homes or school-based programs)	Annual Supplement
8	Bachelor Degree plus or including at least 24 credits in ECE or CD Bachelor Degree in ECE or CD Masters Degree plus or including at least 18 credit hours in ECE or CD	\$3,000
7	Bachelor Degree plus or including at least 18 credit hours in ECE or CD 90 credit hours toward a Bachelor Degree in ECE or CD 90 credit hours of well-rounded coursework plus or including at least 15 credit hours in ECE or CD	\$2,250
6	Associate Degree plus or including at least 24 credit hours in ECE or CD Associate Degree in ECE or CD Bachelor or Masters Degree out of field	\$1,500
5	Associate Degree plus or including at least 12 credit hours in ECE or CD 45 credit hours toward an Associate Degree in ECE or CD 45 credit hours of well-rounded coursework plus at least 15 credit hours in ECE or CD	\$1,125
4	Associate Degree out of field At least 70 credit hours of well-rounded coursework (“C” or above a 2.0 GPA) 36 credit hours toward an Associate Degree in ECE or CD 36 credit hours of well-rounded coursework plus at least 12 credit hours in ECE or CD 36 credit hours of well-rounded coursework plus a Director Credential and Florida Staff Credential	\$750
3	24 credit hours toward an Associate Degree in ECE or CD 24 credit hours of well-rounded coursework plus at least 12 credit hours in ECE or CD	\$600
2	12 credit hours in ECE or CD National CDA Director Credential plus Florida Staff Credential	\$450
1	Florida Staff Credential 6 credit hours in ECE or CD	\$200

# Child Care WAGES<sup>®</sup> FLORIDA

## Demographics

- 99% female
- 1% male
  
- 16% African American
- 67% Hispanic
- 13% Caucasian
- 4% other
  
- 76% have been employed in their program for 5+ years

# Funding

- Broward County – Early Learning Coalition of Broward County - \$448,500
- Miami-Dade County –The Children’s Trust - \$1,098,000
- Palm Beach County – Prime Time – \$120,000
- Total - \$1,666,500

# Outcomes

- Education Gains
  - 16% reported taking coursework
  - 5% increased a step on supplement scale
- Compensation Gains
  - \$565 average six-month supplement
- Annual Turnover
  - 8% left their program in a year

# Florida Testimonials

“A year or so ago the economy was really bad, my husband’s business had been affected so greatly that we had to short sell our home and look for a place that wasn’t so expensive. The supplement helped us make it through the tough times.”

“We have experienced very low turnover at our site, partly because of WAGE\$. All ten participants have worked here for more than six years, and most of them are attending school.”

# Florida Testimonials

“The supplement checks to staff members helped maintained qualified employees at our school. It also helped encourage employees to seek better education. Having the availability of the T.E.A.C.H. Scholarship encourages employees to continue education with little financial support from the school and minimal out of pocket expense.”

“My supplement has helped me pay for tuition and books and I look forward to the next levels of the WAGE\$ supplement.”

# Questions?



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# WAGE\$ Nationally By the Numbers

- \$11.5 million in 5 states
- 6,220 teachers, directors & family child care providers
- 2,409 early care and education programs
- > 113,000 children
- 62% people of color
- 99% women
- 70% at less than \$12 an hour

# What difference is WAGE\$ making?

Increased stability and consistency for children

	Turnover Rate FY14
WAGE\$ participants nationally (five states)	<b>11%</b>

# What difference is WAGE\$ making?

“I cannot stress enough that Child Care WAGE\$® keeps me working in the field of early childhood. I continue to make just above minimum wage and could not have gone to school or continued in this field without WAGE\$.” (teacher)

“It does help the children in the child care programs by giving them stability, consistency, and comfort in knowing they have someone they trust and can count on to be there for them each day.” (teacher)

# What difference is WAGE\$ making?

## Increased education for early educators

	Education Results FY14
WAGE\$ participants nationally with the AAS ECE or higher	<b>64%</b>
WAGE\$ participants nationally with education below the AAS ECE who submitted evidence of new coursework	<b>41%</b>

# What difference is WAGE\$ making?

“I first started going back to school to help me in receiving WAGE\$. As I went along, I realized I could do this and I am now almost finished with my degree.” (teacher)

“It gives my staff motivation to strive for higher education. It also allows them to increase their knowledge, which means the children will benefit from this. They are able to apply what they have learned in the classrooms. This helps them to make our children kindergarten ready.” (director)

# What difference is WAGE\$ making?

## Better compensated early educators

	Compensation Results FY14
National average six-month supplement	<b>\$897</b>
Survey respondents nationally that say WAGE\$ helps relieve financial stress	<b>97%</b>

# What difference is WAGE\$ making?

“My WAGE\$ check has arrived at some dark moments when I was ‘scraping-bottom’ financially, and it helped me get my head back to work, and off the preoccupation of how I was going to pay my bills!” (director/teacher)

“It is difficult to stay in child care when you are underpaid. When you are paid competitively, it makes you feel successful and the enthusiasm then is transferred to the children. My life and the lives of my children have been forever changed with my educational level and the money.” (teacher)

# Why do these results matter?

- Early educators earn more and address financial challenges, increasing their ability to stay in early childhood and focus on their classrooms.
- Early educators increase their education and professionalism, improving morale and setting an example for their own children.
- Children have a better chance to succeed in school by having educated teachers who stay.
- Parents have increased peace of mind knowing their children are with stable and qualified teachers.
- Centers have a better opportunity to reach and sustain higher quality.

# What have we learned about supplements?

- The supplement scale must be fair and logical
- Supplement amounts matter
- Better educated teachers stay longer
- Participants and their employers can be great advocates
- Income eligibility should mirror mid-range public school teacher salaries
- Teachers and family child care providers should have priority eligibility
- Supplements have real economic meaning

# What have we learned about managing a supplement program?

- Quality matters
- Community, county or statewide implementation are possible
- Waiting lists are better than cutting supplement amounts
- Precise but flexible policies are ideal
- Community competition can leverage funding
- Data and stories make the case
- Efficient management with on-time supplements are critical to program's success

# Questions?

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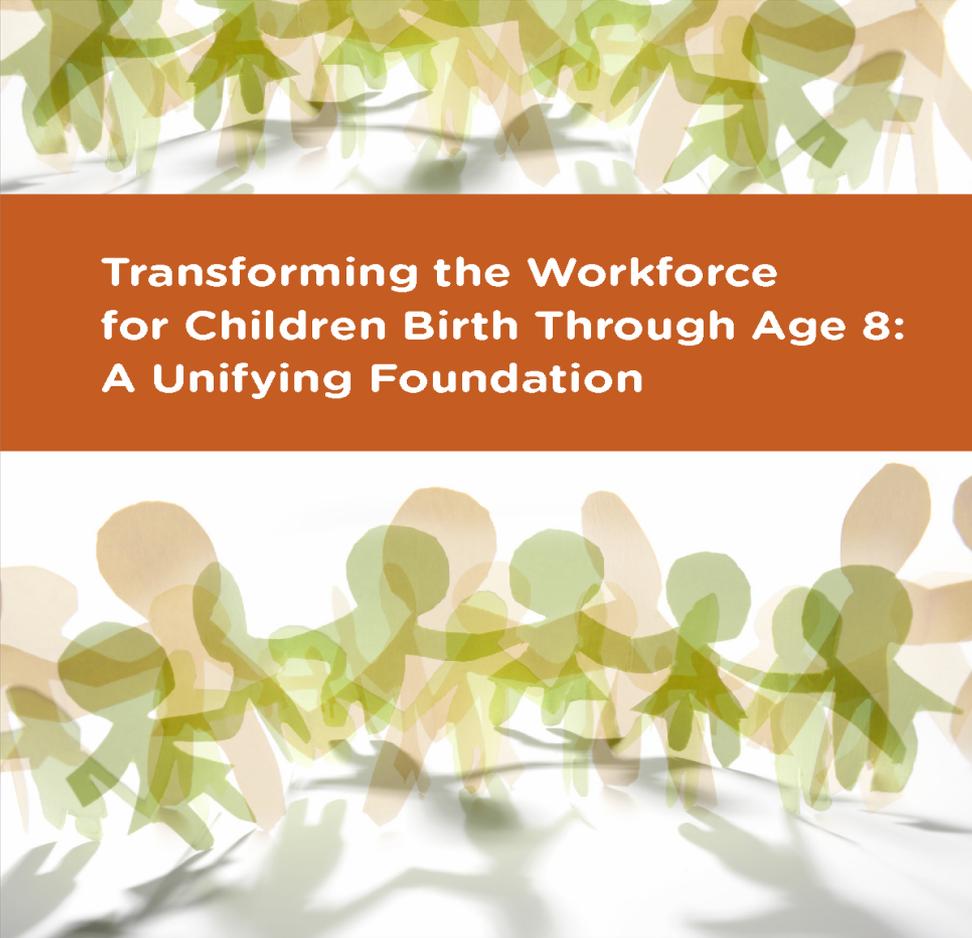


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What role can a compensation initiative like WAGES\$ play in reaching this vision in your state? What are your current opportunities and challenges?



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