



Legislative Budget and Finance Committee

A JOINT COMMITTEE OF THE PENNSYLVANIA GENERAL ASSEMBLY

Offices: Room 400 • Finance Building • Harrisburg • Tel: (717) 783-1600

Mailing Address: P.O. Box 8737 • Harrisburg, PA 17105-8737

Facsimile (717) 787-5487

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Salary Levels and Their Impact on Quality of Care for Child Care Workers in Licensed Child Day Care Programs

A Report in Response to House Resolution 472

June 1999

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Summary and Options for Consideration

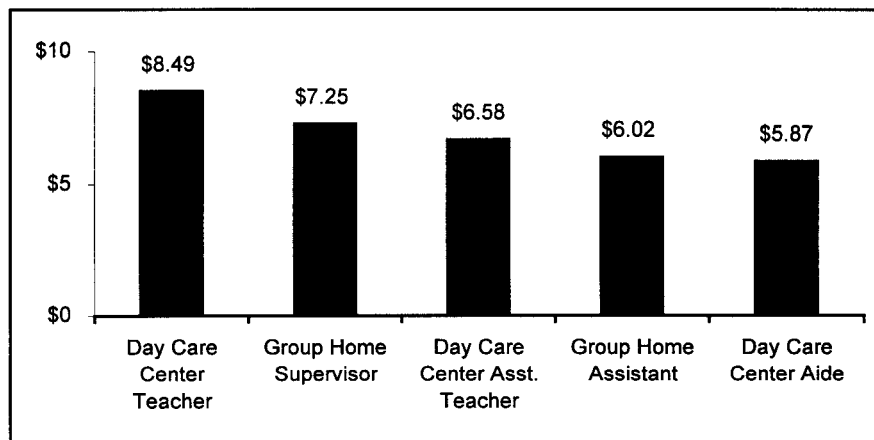
The information in this report is based primarily on 1,494 questionnaires sent to a 50 percent random sample of licensed and regulated child day care facilities (1,165 centers and 329 group homes) in fall 1998. Neither regulated family child day care homes nor unregulated child day care settings (typically, relative and neighbor care) were included in the survey.

Responses were received from 541 centers and 122 group homes, for an overall response rate of 44 percent. The respondents provided information on:

- 2,289 child day care center teachers
- 2,997 child day care center assistant teachers
- 1,164 child day care center aides
- 83 group home supervisors
- 158 group home assistants

Finding Highlights

Hourly salaries for child day care center workers averaged \$8.49 for teachers, \$6.58 for assistant teachers, and \$5.87 for aides. Average hourly salaries for group child day care home supervisors and assistants were \$7.25 and \$6.02, respectively.



Average Hourly Salary

Child Day Care Centers

Teachers at child day care centers earn an average of \$8.49 per hour or \$16,556 annually, slightly above the federal poverty guideline of \$16,450 (\$8.44 per hour) for a family of four. Assistant teachers and aides earn well below poverty levels, at \$6.58 per hour (\$12,831 annually) and \$5.87 per hour (\$11,427 annually) respectively.

- Fifty-nine percent of the teachers surveyed earned less than the 1998 federal poverty guidelines for a family of four (\$8.44 per hour or \$16,450 annually). For assistant teachers, 68 percent earned less than \$7.00 per hour, which places them below the federal poverty guidelines for a family of three (\$13,650 annually). Fully 91 percent of aides earned less than \$7.00 per hour.
- On average, teachers earn 55 percent of the average earnings of all Pennsylvanian's covered under the unemployment compensation program (\$15.53 or \$30,284 annually). Assistant teachers and aides earned 42 percent and 38 percent respectively.
- Average wages for teachers have increased by about 39 percent since mid-1988, from \$6.12 per hour to \$8.49 per hour. Wages for assistant teachers and aides have increased by 39 percent and 42 percent respectively over the past 10 years. These increases are slightly greater than the cost of living (CPI), which increased 37 percent between September 1988 and September 1998. As a second point of comparison, the average hourly earnings for all Pennsylvanians increased by 44 percent between the first quarter of 1988 and the first quarter of 1998.
- Teacher salaries are lowest in the state's more rural areas, \$7.29 per hour compared to the statewide average of \$8.49. However, this amounts to 61 percent of what other workers earn in the state's more rural areas. On this relative basis, teachers in the Pittsburgh MSA area are the least well paid in the state, earning only 50 percent of the average earnings of other workers in that region.
- Head Start teachers, assistant teachers, and teacher aides reported starting wages of \$8.74, \$6.67, and \$6.00 per hour respectively, with turnover rates of 23 percent, 27 percent, and 11 percent, respectively. Nursery school¹ teachers, assistant teachers, and teacher aides reported starting salaries of \$9.82, \$6.96, and \$6.24 per hour respectively with turnover of 31 percent, 30 percent, and 38 percent, respectively. Average starting wages for child day care center teachers, assistant teachers, and day care aides were \$7.61, \$6.14, and \$5.82 per hour, respectively, with turnover of 31 percent, 34 percent, and 51 percent, respectively.

¹Nursery schools are licensed by the Department of Education.

Child care workers in for-profit centers earn less than similar workers in nonprofit centers.

- As shown in the table below, average salaries are lower in for-profit center than in nonprofit centers. This appears due, at least in part, to longer lengths of service in nonprofit centers. Teachers in nonprofit centers, for example, had an average tenure of 55 months compared to 42 months for teachers in for-profit centers.

	<u>Teacher</u>	<u>Assistant Teacher</u>	<u>Aide</u>
For-Profit	\$7.98	\$6.36	\$5.75
Nonprofit	8.73	6.68	5.92

- Average salaries were slightly higher in church-related nonprofit centers than independent nonprofits for teachers (\$8.92 per hour vs. \$8.67 per hour) and assistant teachers (\$6.79 per hour vs. \$6.64 per hour), but aide salaries were essentially the same (\$5.91 per hour vs. \$5.93 per hour). Some of this difference may be attributable to the average teacher tenure being slightly longer in church-related nonprofits (57 months) than independent nonprofits (55 months).

Two out of three child day care center teachers have at least a bachelor's degree.

- Eight out of ten child day care center teachers (82 percent) have post high school degrees. Sixty-seven percent have a bachelor's degree. Five percent also have a master's degree.

Employee benefits are modest, with only 59 percent of the responding day care center reporting that they offer any type of employee health care benefits.

- More than two-thirds of the responding centers reported that full time employees receive paid vacations (83 percent), child day care (75 percent), and paid sick leave (68 percent). Fifty-nine percent reported offering their employees some form of health care benefits. Such benefits may require a substantial employee contribution. Only 31 percent offer any type of family health care benefits.

Child day care center turnover rates are high, particularly for aides.

- Turnover rates for teachers, assistant teachers, and aides were 31 percent, 34 percent, and 51 percent, respectively. These figures are close to the national averages reported by the 1997 National Child Care Staffing

Study, which found teacher turnover to be 27 percent and assistant teacher turnover to be 39 percent.

- Turnover rates have changed little since our 1989 study, when rates were 37 percent, 31 percent, and 47 percent for teachers, assistant teachers, and aides, respectively.
- The teacher turnover rate was highest in for-profit centers (36 percent), with independent nonprofit centers and church-related nonprofits reporting turnover rates of 30 percent and 23 percent respectively. For-profit centers also had higher turnover rates for assistant teachers (40 percent compared to 34 percent for independent nonprofits and 26 percent for church-related nonprofits) and aides (72 percent compared to 39 percent for independent nonprofits and 27 percent for church-related nonprofits).
- There was no statistically significant correlation between teacher salary levels and turnover rates. Centers that paid their day care teachers relatively well were as likely to have high turnover rates as centers that paid their teachers relatively poorly (see Appendix F). This finding is consistent with our 1989 study, which also found little correlation between salaries and turnover, and with most other studies on the effect of salaries on turnover rates. Typically, such studies find that salaries are only one of many factors affecting employee turnover.

Eighty percent of the day care centers reported participating in DPW's subsidized day care program. In these centers, an average of 22 percent of the children served were in the DPW subsidized program.

- The 431 centers reporting they participate in the Department's subsidized program reported serving 26,899 private pay children (78 percent) and 7,388 DPW subsidized children (22 percent).

Group Child Day Care Homes

Salaries of group home supervisors and group home assistants are also low, averaging \$7.25 per hour and \$6.02 per hour respectively.

- Group home supervisors and assistants provide licensed, regulated care in home settings. They receive very few benefits, with only 13 percent of the group homes responding to our questionnaire indicating they offered any type of employee health care to their full-time employees.
- Twenty-five percent of group home supervisors reported having an Associate degree and an additional 37 percent reported having at least a bachelor's degree.

- Group home supervisors had the longest average length of service--74 months--of all the positions surveyed.

Funding

Federal and state funds for child day care services, excluding the child day care component of the AFDC and TANF programs, increased at an average annual rate of 7.5 percent between FY 1988-89 and FY 1998-99. The number of children served through the subsidized program increased at an annual rate of 7.2 percent during this period.

- Funding for DPW's child day care services program increased by 132 percent between FY 1988-89 and FY 1998-99, from \$72.3 million to \$167.4 million. The number of children served has also increased significantly, from 27,823 in FY 1988-89 to an estimated 55,817 in FY 1998-99. As a result, the average cost per child has increased relatively little, from \$2,599 in FY 1988-89 to \$2,837 in FY 1998-99.
- Child care assistance is also available to families in the TANF (Temporary Assistance to Needy Families) program, as it was to AFDC families. Because of the way the benefits were structured in the AFDC program, information is not available on the value of AFDC child care services. In the TANF program, the Department has available \$162.9 million in FY 1998-99 to subsidize child care services for 64,120 children, at an average cost per child of \$2,541.
- Combined funding for child care services (both the child day care services program and the TANF program) is \$330.3 million in FY 1998-99.

The Department provided a 3 percent across-the-board increase to the subsidy ceiling in January 1999. This was the first increase since 1994.

- DPW pays 100 percent of the day care provider's charges up to a ceiling equal to the amount 75 percent of the providers in that county charge for similar services. The ceiling, however, has not been adjusted since the federal government in 1996 delegated to state governments the authority to set the ceiling. The information needed to determine the subsidy amount yielded by the application of the 75 percent ceiling to each of the five service setting types in each county was last collected by DPW's contractor in 1994. The Department did, however, provide a 3 percent across-the-board increase in January 1999.

Provider Suggestions for DPW and Legislative Consideration

We received many suggestions from child day care providers for steps the Department of Public Welfare and the General Assembly could take to increase the compensation package provided to child care workers, including:

Subsidize salaries and/or benefits. Many providers reported that they simply cannot offer the level of salaries and benefits needed to attract well-qualified workers without help from the state or federal government. Several suggested that early childhood day care be funded similar to public schools, citing recent research on the importance of early brain development. Others cited programs such as the T.E.A.C.H. and W.A.G.E.\$ programs, which were developed in North Carolina to encourage higher education among day care workers and to address the problem of low wages and high turnover.

The T.E.A.C.H. (Teacher Education and Compensation Helps) Early Childhood Project, first developed in North Carolina, provides a variety of educational scholarship opportunities for people working in child care centers and homes. Participants receive scholarships to earn an associate degree in the field of Early Childhood Education and can receive increased compensation as a result of earning such a degree. Funding for the program is shared between the participant, the sponsoring child care program, and the T.E.A.C.H. Early Childhood Project. Funding for the T.E.A.C.H. portion of the cost comes from foundations, corporate contributions, and a mix of state and federal funds. T.E.A.C.H. program administrators report that participants complete an average of 18 credit hours, receive a 6 to 13 percent raise, and have a turnover rate of less than 10 percent per year.

The Pennsylvania Association of Child Care Agencies has entered into a licensing agreement with the North Carolina Day Care Services Association to implement a T.E.A.C.H. program in the southeastern counties of the state. The Pennsylvania program, which is funded with a \$500,000 state grant through DPW, closely follows the North Carolina T.E.A.C.H. model. The Pennsylvania T.E.A.C.H. program has provided scholarships to participants in 21 counties. State funds are used to pay 80 percent of the participant's tuition. The individual and the day care center where the individual works each pay 10 percent. The T.E.A.C.H. program also reimburses the center for 75 to 80 percent of the release time costs incurred while the employee is missing from work to attend classes (up to six hours a week at \$6 per hour).

Several other programs have been developed in Pennsylvania in conjunction with the T.E.A.C.H. program. For example, Child Care Matters, funded with a William Penn Foundation grant of \$300,000 for each of three years, provides funds to day care centers to provide a bonus or salary increase to T.E.A.C.H. program

participants. Similar projects operate in Allegheny (Allegheny Early Childhood Initiative) and York (Focus on our Future) Counties.

North Carolina's Day Care Services Association has also developed the Child Care W.A.G.E.\$ Project. W.A.G.E.\$ is intended to build on the T.E.A.C.H. model. Whereas T.E.A.C.H. rewards those seeking more education, W.A.G.E.\$ rewards those who have already attained advanced degrees. Counties that participate in the W.A.G.E.\$ program, for example, provide a \$450 annual supplement for a teacher, assistant teacher, or family child care provider who has attained an Early Childhood Certificate or its equivalent. They can earn supplements of up to \$3,000 per year with a BA/BS degree in Early Childhood Education or its equivalent. Supplements are disbursed in six-month increments, after the recipient has spent a continuous six-month period in the same child care setting. The North Carolina Day Care Services Association reported that since the W.A.G.E.\$ program began in Orange County, North Carolina, annual turnover rates have dropped from 36 percent to 9 percent. Similar results are reported in at least several other counties.

The W.A.G.E.\$ program currently operates in 18 counties in North Carolina and is funded through "Smart Start." Smart Start funds are primarily (80 percent) state funds allocated to counties to improve services to children under age 6. Local nonprofit boards decide how to spend these funds for their county. The program is to be offered statewide to all 100 counties beginning in July 1999 with additional state funds. (See Appendix K for additional information on the W.A.G.E.\$ program.)

Increase the state subsidy. In FY 1989-90, \$2 million was appropriated to increase the fees paid to subsidized day care providers, with the stipulation that these fees had to be used to improve the wage structure of those day care staff that work directly with children.² This effort was done as part of a larger effort, funded at \$6.9 million in FY 1989-90 and about twice that amount in FY 1990-91, to increase personal care worker salaries in a broad range of program areas. These areas included mental health and mental retardation, children and youth, attendant care, rape crisis, domestic violence, and county programs for the homeless.

Many providers, responding to our recent questionnaire, again cited the need for the Department to increase the fee it pays to subsidized providers. Although the Department increased the ceiling by 3 percent in January 1999, prior to that it had not been adjusted since 1994. The Department, through its Child Care Information System (CCIS) contractor, is currently in the process of updating the data used to determine the subsidy amount yielded by the application of the 75 percent ceiling to each of the five service setting types in each county. It is unclear whether the Department will also consider modifying the 75 percent ceiling itself.

²The Department reported that, while such language was included in its contracts with child care providers, some providers found it problematic because it would have required some providers to renegotiate labor agreements and it caused dissention with the day care staff that did not work directly with children.

Mandate annual market surveys. Because the Department does not update its market surveys regularly, several providers recommended that the General Assembly mandate annual (or biennial) surveys to ensure that the Department's rates remain reasonably current. New federal regulations require that the database be updated within, but no sooner than, the two years prior to the date the Department submits a reimbursement rate plan to the federal government. The Department reviewed provider reimbursement rates in July 1998 and expects to submit the plan to the federal government in July 1999. The Department will apply the new data to reimbursement rate ceilings in January 2000. Money is included in the FY 1999-00 budget to begin incurring the additional expenditure at that time.

Allow promotion in day care centers to teacher/group supervisor without a degree. Department regulations require that new teachers/group supervisors working in child day care centers have an associate's or bachelor's degree and requires that certain child development courses be taken when obtaining that degree. Several providers noted that they have good, experienced assistant teachers/assistant group supervisors and aides that they believe would make good teachers/group supervisors but that do not have the educational requirements. Because they cannot be promoted, it is difficult to increase their salaries significantly.

Increase the loan forgiveness program. Act 1993-73 established the Early Childhood Education Professional Loan Forgiveness Program. The program's objective is to stabilize and improve child care services in the Commonwealth by forgiving up to \$2,500 annually in Pennsylvania Higher Education Assistance Agency (PHEAA) loans for qualified child care professionals earning less than \$18,500 annually. However, only about 10 percent of the eligible candidates receive any benefit from the program. For example, in FY 1997-98, PHEAA received 393 eligible applications for an average loan payment of \$1,950. A total appropriation of \$766,000 would have been necessary to provide awards for all eligible applicants. Since only \$100,000 was appropriated, a random lottery (as provided for under the law) was held to select the 38 recipients whose loans could be forgiven based on the funding level. In FY 1998-99, PHEAA received 454 eligible applications, but the appropriation remained at \$100,000.³ (There is no renewal entitlement provision in the law, so award recipients are reprocessed each year and placed into the random lottery along with first-time applicants.)

Comments made by child day care providers regarding these and **other suggestions** (including increased funds for training, creating incentives for businesses to invest in child care, a public awareness campaign, and tax breaks for day care centers and workers) can be found in Appendix J.

³ The Early Childhood Education Professional Loan Forgiveness Program received no appropriation for FY 1999-00.

I. Introduction

In June 1998, the House of Representatives passed House Resolution 472 calling on the Legislative Budget and Finance Committee to update our 1989 study on salary levels for child contact workers in licensed child day care programs and the impact such salaries have on quality of care (see Appendix A).

Most of the information contained in this report was collected during the autumn of 1998 through questionnaires (see Appendix B) sent to a random sample of half of the 2,988 licensed child day care programs in Pennsylvania (2,330 licensed centers and 658 licensed group homes). We received responses from 663 of the 1,494 organizations surveyed (a 44 percent response rate) providing information on 6,691 child care workers. This includes responses received from 541 of the 1,165 day care centers surveyed (a 46 percent response rate) providing information on 6,450 child care workers and 122 of the 329 group homes surveyed (a 37 percent response rate) providing information on 241 child care workers.

We also surveyed the education directors of selected private academic nursery schools in Pennsylvania as well as the directors of Head Start programs in Pennsylvania that provide child day care services.

We appreciate the cooperation we received from Department of Public Welfare Deputy Secretary JoAnn Lawer and her staff in the Office of Children, Youth and Families. We also appreciate the assistance we received from the Pennsylvania Association of Child Care Agencies and, most importantly, from the many child day care providers who took the time to complete our detailed surveys.

This report was developed by Legislative Budget and Finance Committee staff. The release of this report should not be construed as indicating that the Committee's members endorse all the report's findings and recommendations.

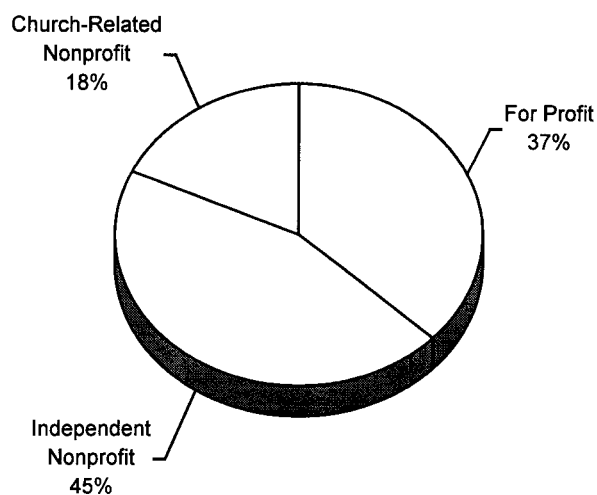
Any questions or comments regarding the contents of this report should be directed to Philip R. Durgin, Executive Director, Legislative Budget and Finance Committee, P.O. Box 8737, Harrisburg, Pennsylvania 17105-8737.

II. Child Day Care Centers and Their Workers

Child Day Care Centers

Responses were received from 541 child day care centers employing 6,450 child care workers as follows: 2,289 teachers/group supervisors, 2,997 assistant teachers/assistant group supervisors, and 1,164 child day care aides.

Type of Organizational Structure



Accreditation by the National Association for the Education of Young Children (NAEYC)

Yes.....	9% (48 centers)
No.....	74% (402 centers)
No, but have begun accreditation process.....	12% (63 centers)
Did not respond.....	5% (28 centers)

Child Day Care Centers (Continued)

**Percent of Child Day Care Centers
Offering the Following Employee Benefits***

	<u>To Full-Time Employees</u>	<u>To Part-Time Employees</u>
Paid Vacations.....	83%	36%
Child Day Care.....	75	60
Paid Sick Leave.....	68	30
Paid Personal Days.....	62	31
Parental Leave.....	61	40
Employee Health Care.....	59	14
Prescription Plan.....	50	10
Educational Expense Reimbursement.....	41	31
Dental Benefits.....	34	8
Family Health Care.....	31	8
Life Insurance.....	31	8
Disability Benefits.....	30	13
Vision Care.....	24	6
Pension Plan (other than Social Security)...	24	15

*See Appendix I for center operator comments regarding benefit limitations.

**Percent of Centers Reporting How the Following Factors
Have Changed Over the Past Five Years**

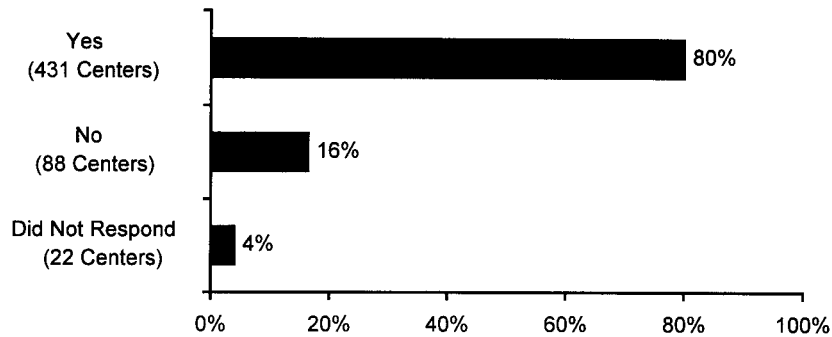
	<u>Increased</u>	<u>Remained the Same</u>	<u>Decreased</u>
Behavioral Problems of Children.....	62%	33%	5%
Duties and Responsibilities of Child			
Contact Workers.....	46	53	1
Employee Turnover Rates.....	34	52	14
Quality of Staff Hired.....	27	50	23
Percent of Workers Who Are Part-Time..	25	63	11
Use of Substitutes.....	22	56	23
Evening and Weekend Hours.....	16	82	2
Quality of Staff Applicant Pool.....	12	42	45

**Percent of Child Day Care Centers Reporting Change in
the Number of Children Served Over the Past Five Years**

	<u>Increased</u>	<u>Remained the Same</u>	<u>Decreased</u>
Infants.....	57%	26%	17%
Toddlers.....	54	38	9
Preschoolers.....	37	47	17
School Age.....	56	29	15

Child Day Care Centers (Continued)

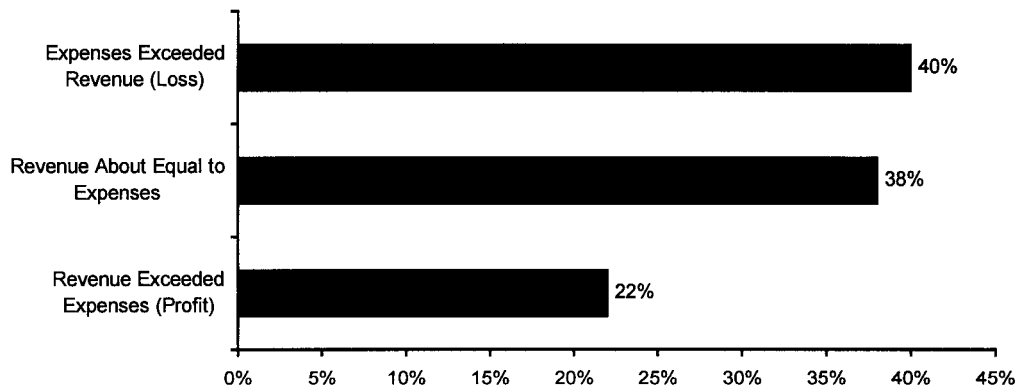
**Center Participates in the Subsidized Child Day Care Program
Operated Through the PA Department of Public Welfare
(519 Centers Responding)**



If you provide DPW subsidized child care, how many of your children . . .

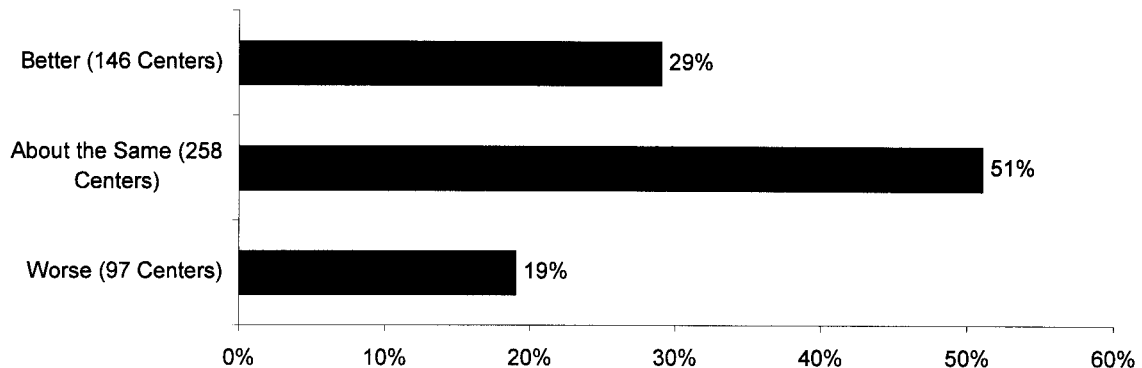
currently are: (405 centers responding)	private pay - 78% (26,899 children)	DPW subsidized – 22% (7,388 children)
5 years ago were: (288 centers responding)	private pay – 77% (16,873 children)	DPW subsidized – 23% (4,911 children)

**1997 Child Day Care Center Revenue/Expense Ratios
(496 Centers Responding)**



Child Day Care Centers (Continued)

Percent of Centers Who Predict Their 1998 Revenue/Expense Ratios Will Be: (501 Centers Responding)



The Top Issues Child Day Care Centers Face in Trying to Provide Quality Care*

1. **Hiring Quality Staff** (quality of applicant pool)--131 centers identified this as their top issue.
2. **Staff Pay** is too low--102 centers.
3. **Staff Turnover** is excessive. Retaining quality staff is difficult. This limits consistency and stability for the children--73 centers.
4. **Expense of Staffing** to the day care center is a major problem--48 centers.
5. **Quality of Existing Staff**--Competence, dependability, caring attitude toward children, and/or educational background is less than desired--42 centers.
6. **Other Nonspecified Expense Issues**--33 centers.
7. **Parents Ability to Pay** limits level of tuition charged to private pay clients. This in turn limits day care center income, staff pay, and/or quality of services provided to children--26 centers.
8. **Other Specified Expense Issues**--22 centers.
9. **Employee Benefits** are minimal, poor, or nonexistent--18 centers.
10. **Problems With Parents**--14 centers.
11. **Reimbursement Rates for Governmentally Subsidized Children** do not cover costs--9 centers.
12. **Competition** is keen among day care centers for the volume of clients (children) needed to cover costs--8 centers.
13. **Staff-Child Ratio Issues**--Maintaining the ratio during after-school hours, and during vacations and sick leave, is a problem. Other ratio issues exist related to specialized day care--7 centers.
14. **Training the Existing Staff** is desirable, but it occurs infrequently, increases costs, and necessitates that the center pay backup staff for times permanent staff is at training--7 centers.
15. **We Need More Space**--6 centers.

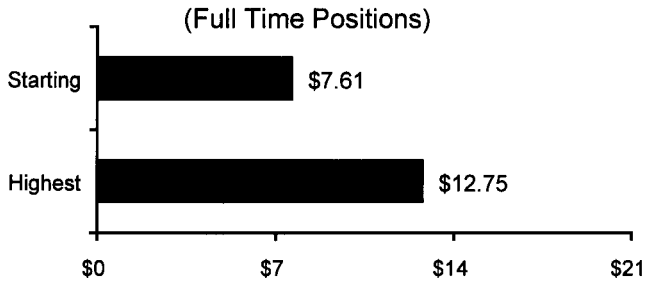
*These issues were cited in response to an open-ended question asking child day care center survey respondents to describe the most significant issues they face in providing quality care. Only the top issue cited by each center is counted here. Frequently, however, we count that issue in more than one of the areas here presented. For example, "hiring and retaining quality staff" is counted under both "hiring quality staff" and "staff turnover."

Child Day Care Center Position Profile: Teacher/Group Supervisor

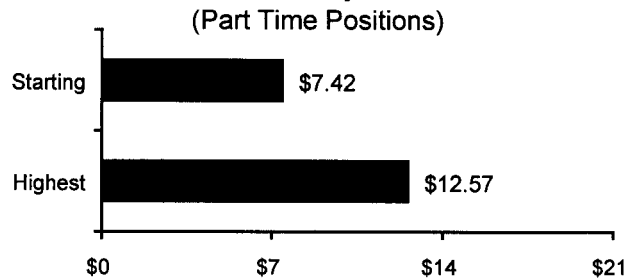
Position Description: Typical responsibilities are to plan and implement daily program activities, such as learning and outdoor activities; to promote children’s cognitive growth; to assess and maintain records on children’s development; to attend and maintain reports on children/parent conferences; and to coordinate and assign duties and activities for other teachers and aides.

Information Collected on: 2,289 child day care center teachers/group supervisors.

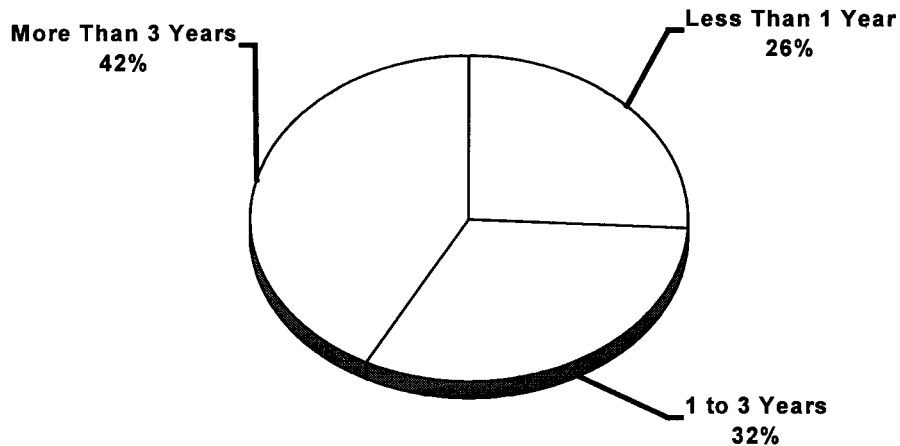
Avg. Starting and Avg. Highest Hourly Salary
(Full Time Positions)



Avg. Starting and Avg. Highest Hourly Salary
(Part Time Positions)



Time With Organization



Education Level

No high school diploma	0%
High school diploma or GED	18%
Associate degree	15%
Bachelor’s degree.....	62%
Master’s degree or higher	5%

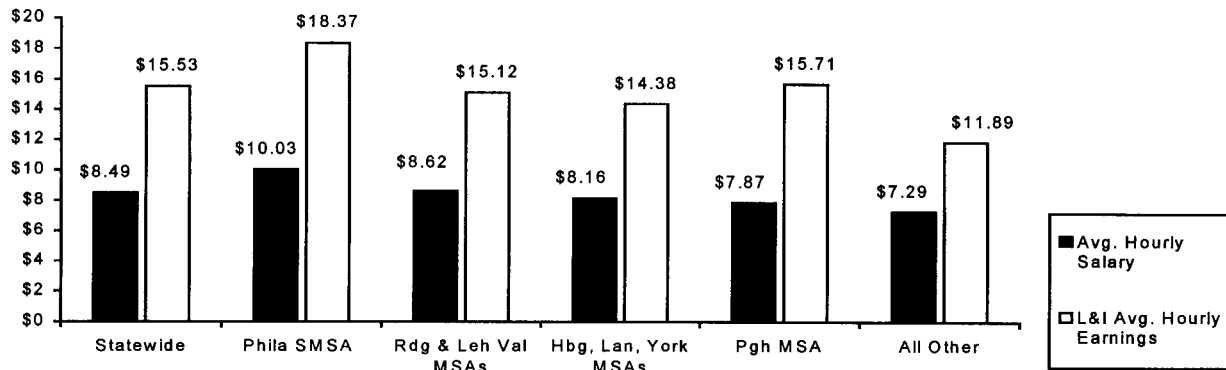
Turnover and Vacancy Rates

Avg. turnover rate	31%
Percent of positions vacant	6%
Avg. weeks to fill a position	5
Avg. months with organization.....	51

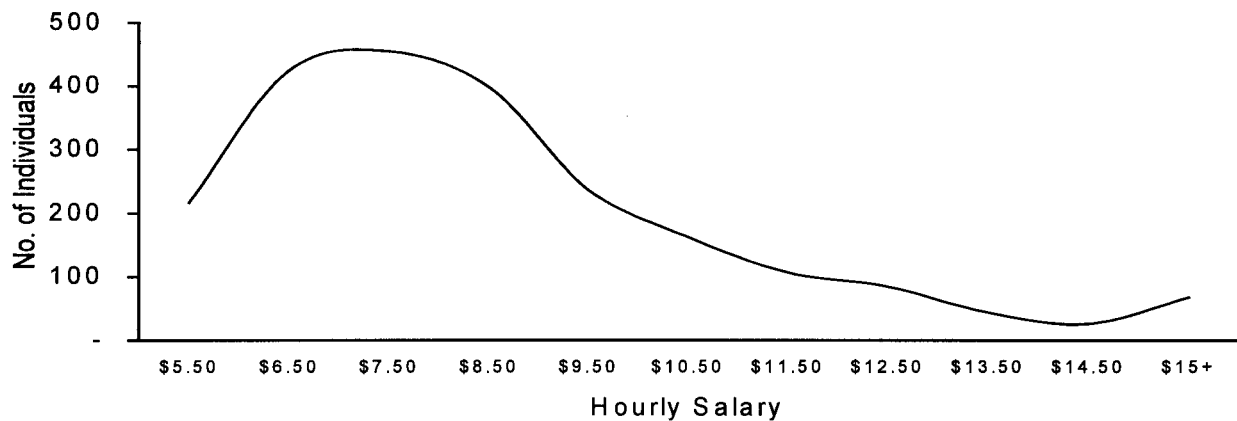
Percent who are certified Child Care Professionals (CCPs) or certified Child Development Associates (CDAs): 7%

Center Teacher/Group Supervisor (Continued)

Average Hourly Salary by Labor Market Area



Distribution of Hourly Salaries



Average Hourly Salary by Type of Organizational Structure*

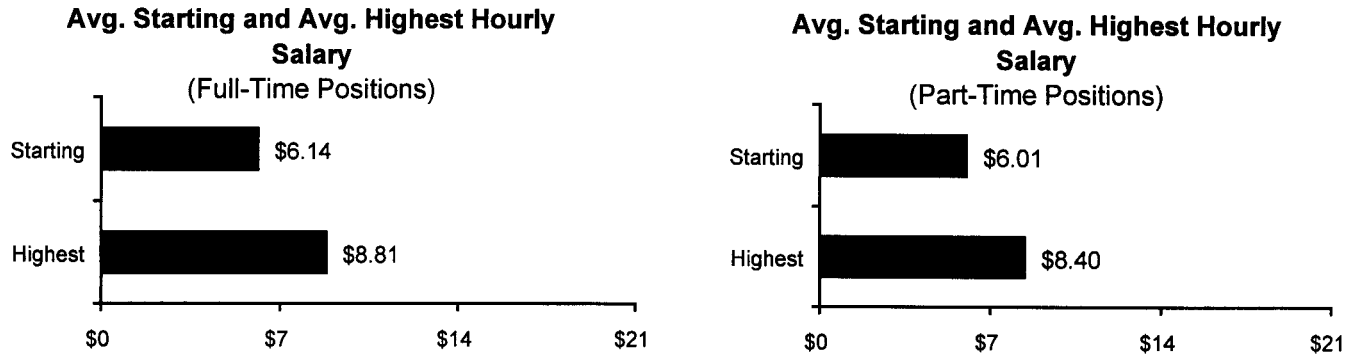


*"For-profit" includes both independent for-profit entities and for-profit chains. Only 10 centers operated by for-profit chains responded to the questionnaire.

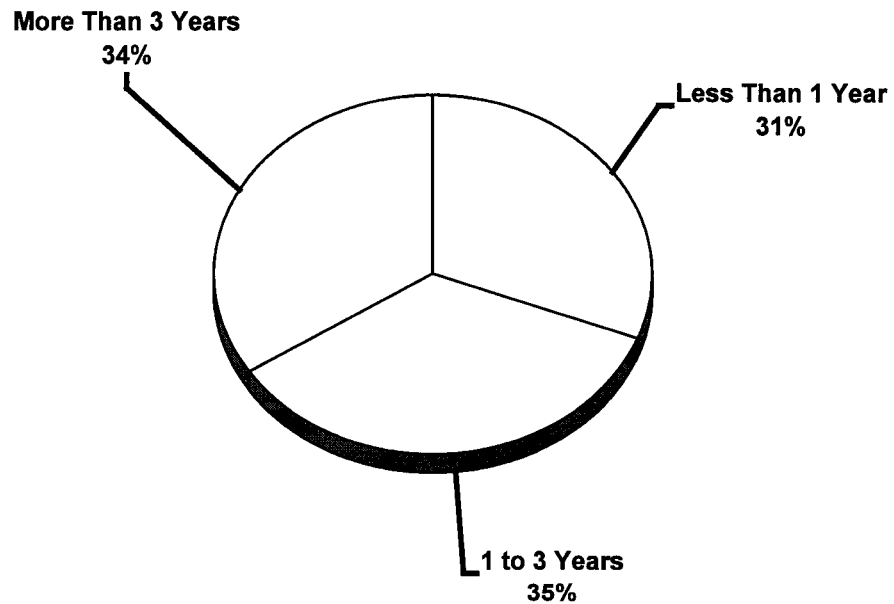
Child Day Care Center Position Profile: Assistant Teacher/Assistant Group Supervisor

Position Description: Typical responsibilities are to help implement daily program activities, such as learning and outdoor activities.

Information Collected on: 2,997 child day care center assistant teachers/assistant group supervisors.



Time With Organization



Education Level

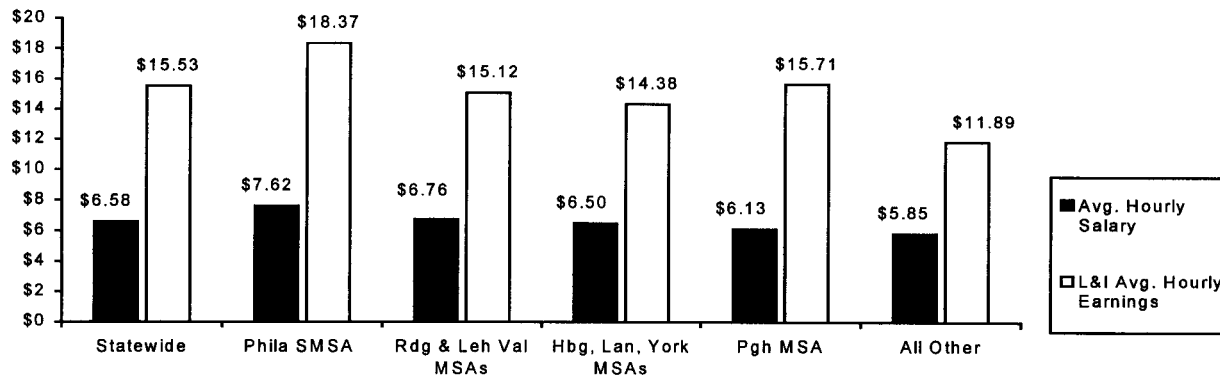
No high school diploma	0%
High school diploma or GED	84%
Associate degree	7%
Bachelor's degree.....	9%
Master's degree or higher	0%

Turnover and Vacancy Rates

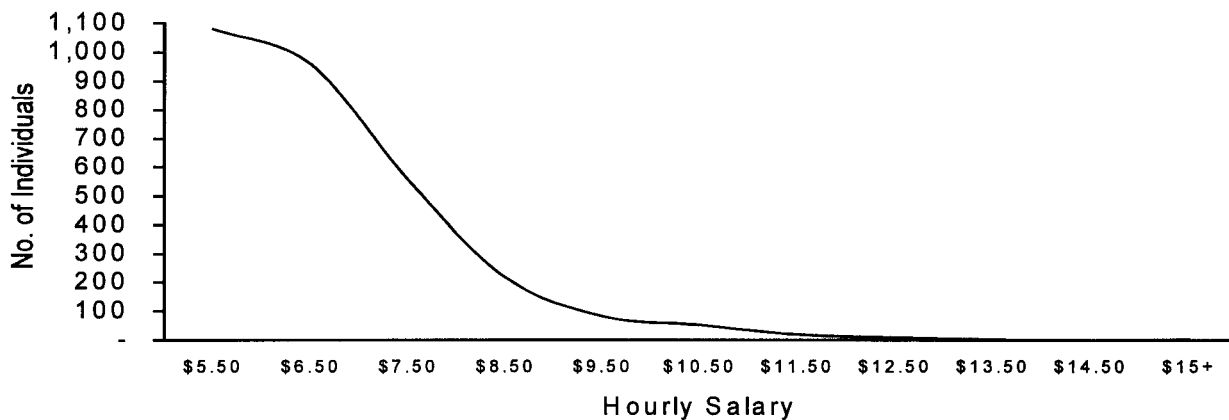
Avg. turnover rate	34%
Percent of positions vacant	7%
Avg. weeks to fill a position	5
Avg. months with organization	41

Center Assistant Teacher/Asst. Group Supervisor (Continued)

Average Hourly Salary by Labor Market Area



Distribution of Hourly Salaries



Average Hourly Salary by Type of Organizational Structure*

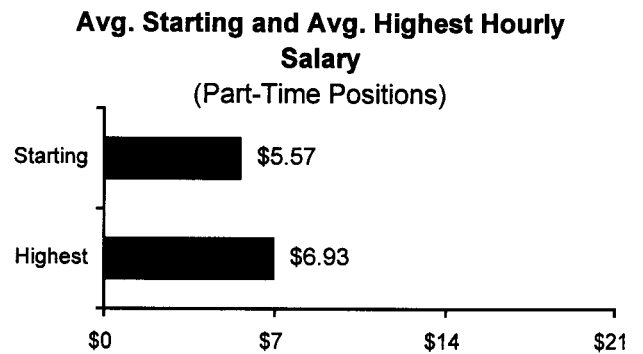
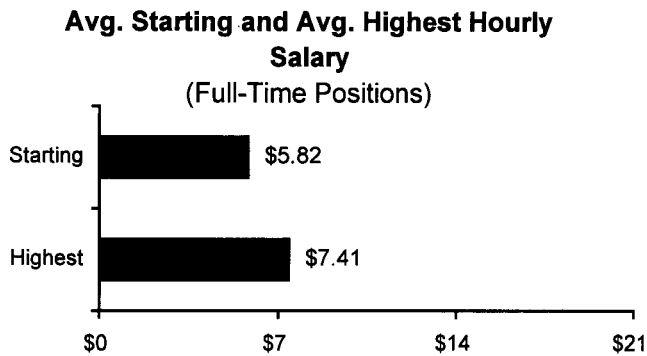


*"For-profit" includes both independent for-profit entities and for-profit chains. Only 10 centers operated by for-profit chains responded to the questionnaire.

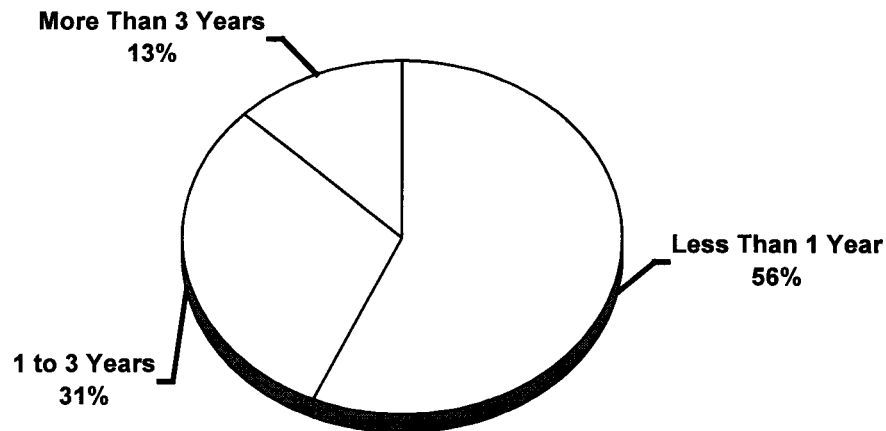
Child Day Care Center Position Profile: Child Day Care Aide

Position Description: Typical responsibilities are to assist in the implementation of daily classroom and outdoor activities; to assist in the supervision of playground activities under the direction of a teacher or assistant teacher; to observe classroom situations; and to assist in enforcing classroom rules and daily routines.

Information Collected on: 1,164 child day care center aides.



Time With Organization



Education Level

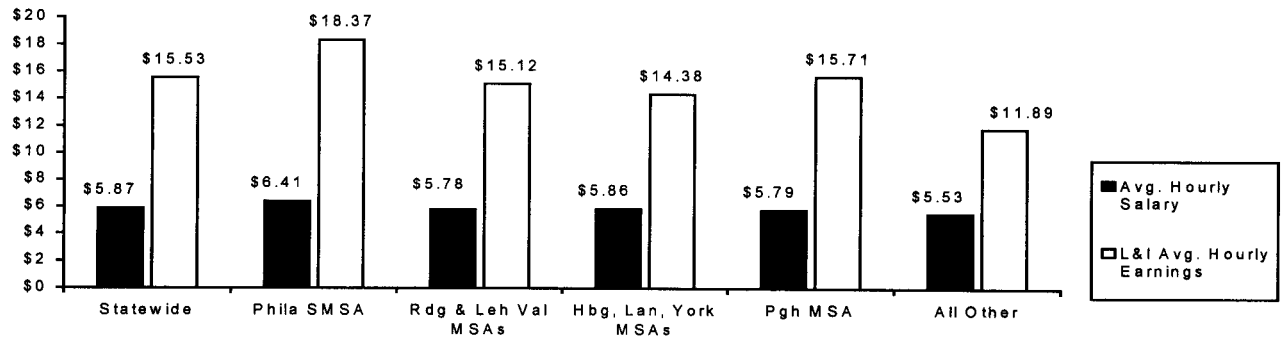
No high school diploma	6%
High school diploma or GED	88%
Associate degree	4%
Bachelor's degree.....	2%
Master's degree or higher	0%

Turnover and Vacancy Rates

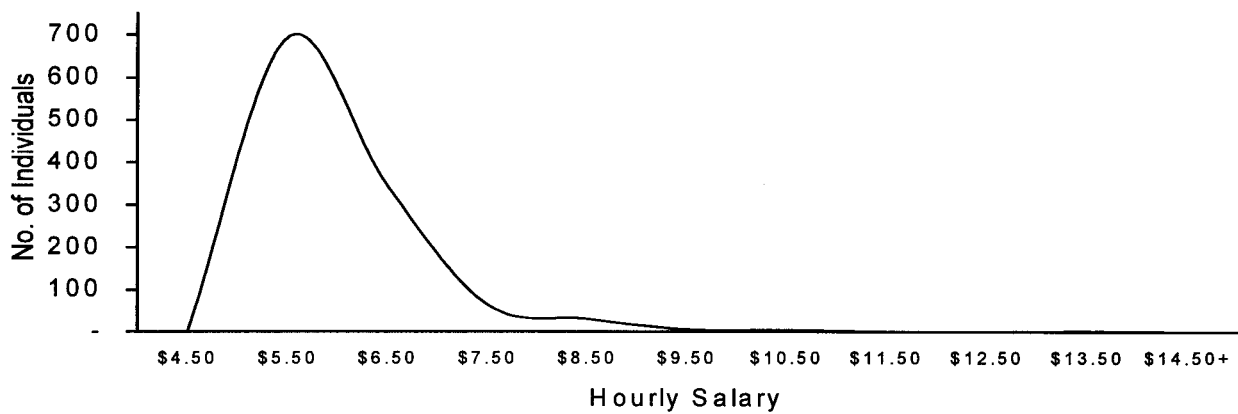
Avg. turnover rate	51%
Percent of positions vacant	10%
Avg. weeks to fill a position	4
Avg. months with organization.....	18

Center Aide (Continued)

Average Hourly Salary by Labor Market Area



Distribution of Hourly Salaries



Average Hourly Salary by Type of Organizational Structure



*"For-profit" includes both independent for-profit entities and for-profit chains. Only 10 centers operated by for-profit chains responded to the questionnaire.

III. Group Child Day Care Homes and Their Workers

Responses were received from 122 group child day care homes employing 241 child care workers as follows: 83 group home supervisors and 158 group home assistants.

Home Participates in the Subsidized Child Day Care Program Operated Through the PA Department of Public Welfare

Yes	82% (100 group homes)
No	15% (18 group homes)
Did Not Respond	3% (4 group homes)

Accreditation by the National Association for the Education of Young Children (NAEYC)

Yes.....	11% (14 group homes)
No.....	77% (94 group homes)
No, but have begun accreditation process.....	7% (9 group homes)
Did not respond	4% (5 group homes)

Percent of Group Child Day Care Homes Offering the Following Employee Benefits*

	<u>To Full-Time Employees</u>	<u>To Part-Time Employees</u>
Child Day Care.....	47%	40%
Paid Vacations.....	46	20
Educational Expense Reimbursement...	40	37
Paid Personal Days	34	9
Paid Sick Leave	25	9
Parental Leave	20	15
Employee Health Care	13	2
Prescription Plan.....	11	2
Life Insurance	10	1
Disability Benefits.....	7	5
Family Health Care.....	6	2
Vision Care	5	1
Pension Plan (other than Social Security)	5	3
Dental Benefits.....	3	1

*See Appendix I for group home operator comments regarding benefit limitations.

Group Child Day Care Homes (Continued)

**Percent of Group Homes Reporting How the Following
Factors Have Changed Over the Past Ten Years**

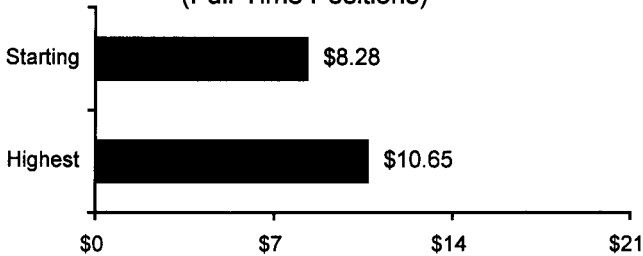
	<u>Increased</u>	<u>About the Same</u>	<u>Decreased</u>
Duties and Responsibilities of Child Contact Workers.....	48%	49%	3%
Behavioral Problems of Children.	46	47	8
Evening and Weekend Hours.....	37	51	12
Quality of Staff Hired.....	23	56	21
Employee Turnover Rates.....	19	64	17
Quality of Applicant Pool	19	54	27
Use of Substitutes	17	49	34

Group Child Day Care Home Position Profile: Group Home Supervisor

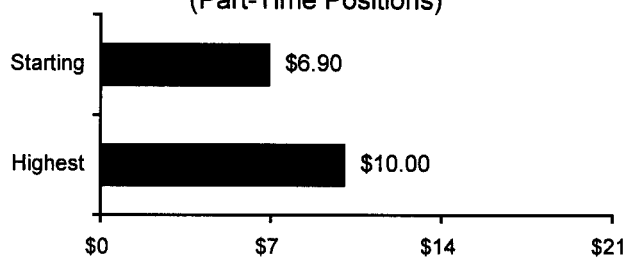
Position Description: The group home supervisor operates and supervises, and often lives in the residence used as, a group child day care home.

Information Collected on: 83 group home supervisors.

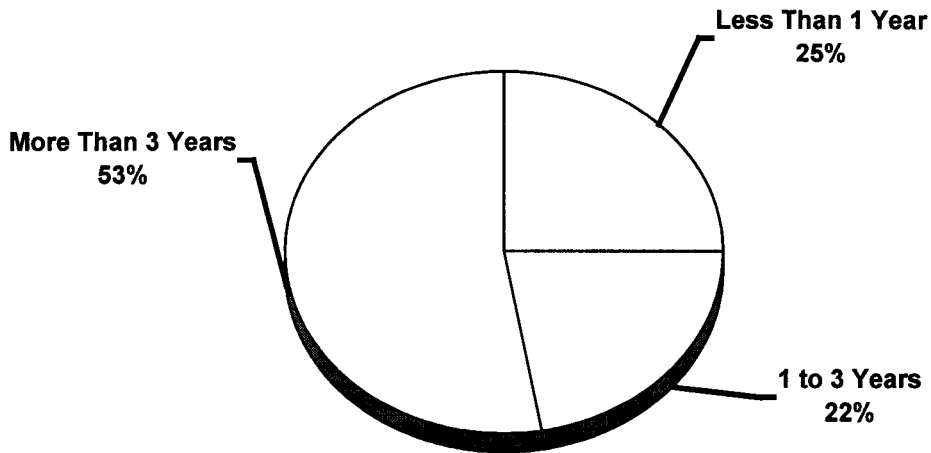
Avg. Starting and Avg. Highest Hourly Salary
(Full-Time Positions)



Avg. Starting and Avg. Highest Hourly Salary
(Part-Time Positions)



Time With Organization



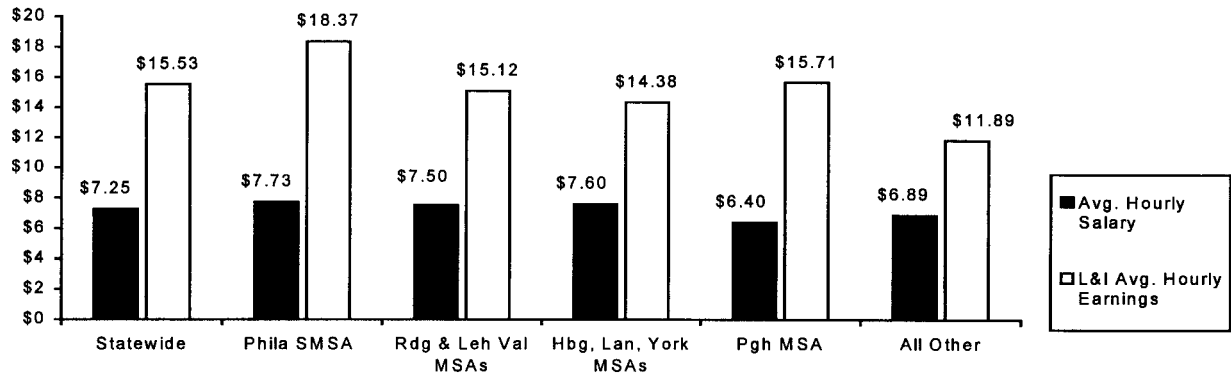
Education Level

No high school diploma	1%
High school diploma or GED	38%
Associate degree	25%
Bachelor's degree.....	35%
Master's degree or higher	1%

Avg. turnover rate	32%
Avg. months with organization.....	74

Group Home Supervisor (Continued)

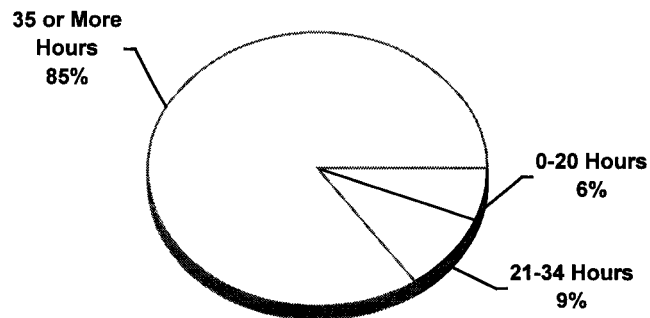
Average Hourly Salary by Labor Market Area



Distribution of Hourly Salaries



Group Home Supervisor Work Week

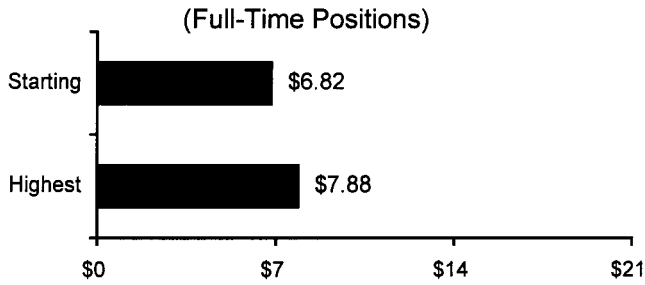


Group Child Day Care Home Position Profile: Group Home Assistant

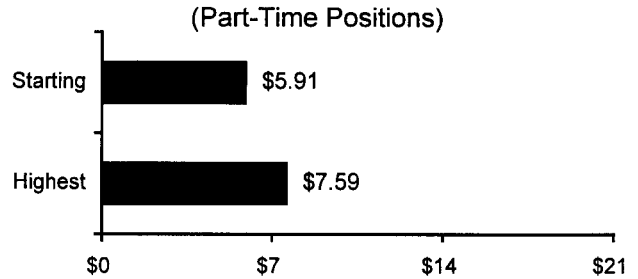
Position Description: The group home assistant helps operate a group child day care home.

Information Collected on: 158 group home assistants.

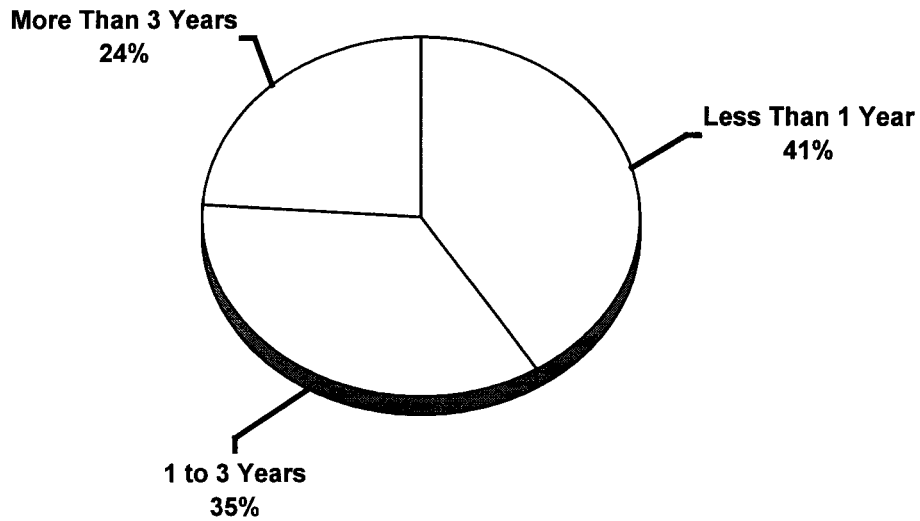
Avg. Starting and Avg. Highest Hourly Salary
(Full-Time Positions)



Avg. Starting and Avg. Highest Hourly Salary
(Part-Time Positions)



Time With Organization



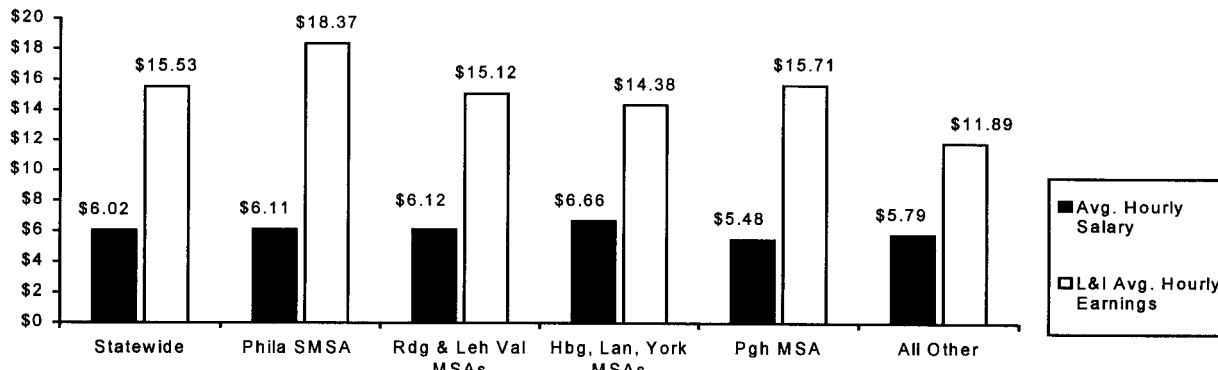
Education Level

No high school diploma	6%
High school diploma or GED	78%
Associate degree	6%
Bachelor's degree.....	10%
Master's degree or higher	1%

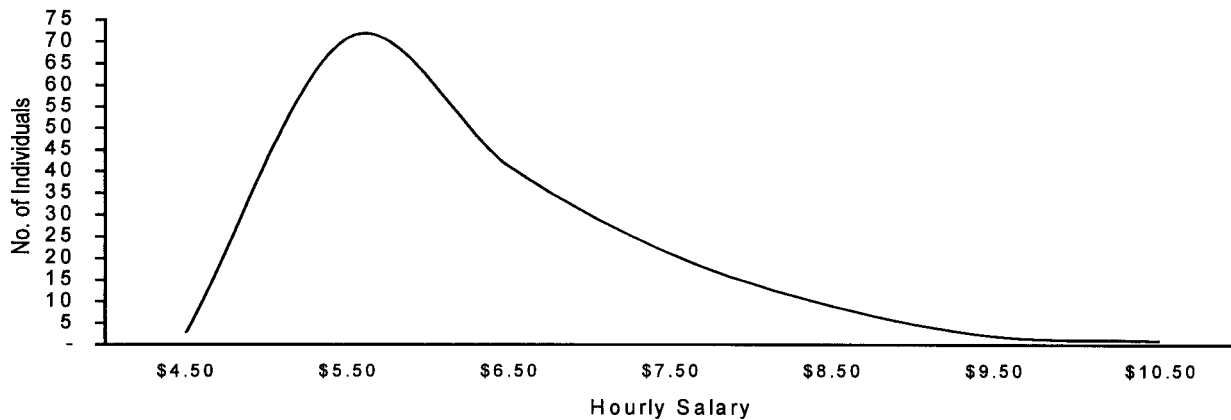
Avg. turnover rate	23%
Avg. months with organization.....	33

Group Home Assistant (Continued)

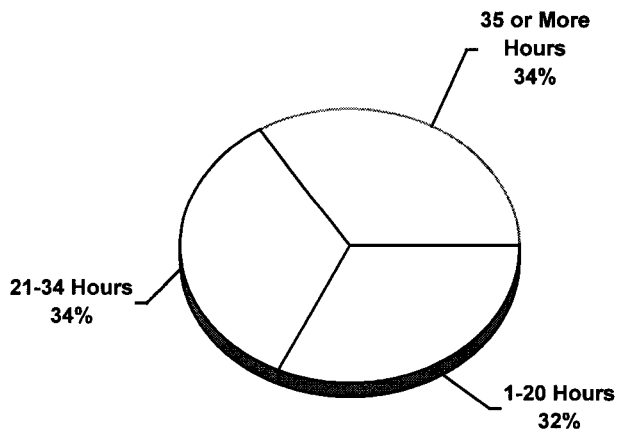
Average Hourly Salary by Labor Market Area



Distribution of Hourly Salaries



Group Home Assistant Work Week



IV. Background Information

Child day care in Pennsylvania is provided in licensed and regulated child day care centers and group child day care homes, in regulated family child day care homes, and in unregulated settings. Each of these four service settings is described below:

Child Day Care Center. The premises in which licensed, regulated care is provided at any one time for seven or more children unrelated to the operator. Child day care centers are licensed and regulated.

Group Child Day Care Home. The premises in which licensed, regulated care is provided at any one time for more than six but fewer than 16 older school-age level children or more than six but fewer than 13 children of another age level who are unrelated to the operator.

Family Child Day Care Home. A home other than the child's own home operated for profit or not-for-profit, in which regulated child day care is provided at any one time to four, five, or six children unrelated to the operator. Family child day care homes are regulated but not licensed. They must be registered with the Commonwealth of Pennsylvania.

Unregulated Child Day Care Settings. Legally unregulated child day care providers are relatives, neighbors or other caregivers that care for three or fewer children. They are not regulated and are neither licensed by nor required to register with the Commonwealth of Pennsylvania.

Children include infants, young toddlers, older toddlers, preschool children, young school-age children, and older school-age children. Each of these six age level groupings is defined below:

- *Infant* - A child from birth through 12 months of age.
- *Young toddler* - A child from 13 through 24 months of age.
- *Older toddler* - A child from 25 through 36 months of age.
- *Preschool child* - A child from 37 months of age through the date the child enters 1st grade of a public or private school system.
- *Young school-age child* - A child from the 1st grade through the 3rd grade of a public or private school system.
- *Older school-age child* - A child from the 4th grade of a public or private school system through 15 years of age.

Approximately 256,000 children are in regulated care (47,920 subsidized children plus 208,080 nonsubsidized children), with an additional 71,880 subsidized

children in unregulated care. The number of nonsubsidized children in unregulated child day care settings is not known (see Table 1 below).

Table 1

**Estimated Number of Children in Child Day
Care Settings in Pennsylvania***
(March 1999)

	# Children in Regulated <u>Care^a</u>	# Children in Unregulated <u>Care^b</u>	TOTAL
# of Subsidized Children^c	47,920	71,880	119,800
# of Children Not Subsidized	<u>208,080</u>	d	d
TOTAL	256,000	d	d

*The number of children in child day care in Pennsylvania changes daily. The numbers presented here reflect the March 1999 estimates of DPW officials. Minor differences between the number counts on this table and the number counts in the next section of this chapter on Table _ (Number of Children Receiving Subsidized Child Day Care in Pennsylvania) are attributable to the point in time in which the count is taken. Differences between the similar number counts on both tables and the number of licensee addresses provided by DPW to LB&FC staff in late summer 1998 occur because many licensees provide child day care at multiple settings.

^aRegulated service settings include 3,551 licensed child day care centers serving a total of 213,060 children (an average of 60 children per center), 701 licensed group child day care homes serving a total of 9,113 children (an average of 13 children per group home), and an unknown number of legally unlicensed family child day care homes serving an estimated 33,827 children.

^bLegally unregulated child day care providers are relatives, neighbors, or other caregivers that care for three or fewer children. They are not regulated and are neither licensed by nor required to register with the Commonwealth of Pennsylvania.

^cSubsidized child day care is a day care service to children paid for in part or in full with state or federal funds.

^dThe number of nonsubsidized children in unregulated child day care settings is not known.

Source: Developed by LB&FC staff from information provided by DPW officials.

Subsidized Child Day Care Funding in Pennsylvania

Subsidized child day care may be purchased from regulated child day care centers, group child day care homes, family child day care homes, and from legally unregulated child care providers or relative/neighbor caregivers who care for three or fewer children. All children served in the subsidized child care program are from low-income families as defined by Department regulations. Based on identified needs and available funds, some services are also provided to special populations who need child care.

Families with children in day care in Pennsylvania, until recently, were eligible for subsidized child day care if their family income did not exceed 235 percent of the poverty level. This threshold was tightened to 185 percent of the poverty level in March 1999.

Federal mandates, until recently, tied subsidy payment ceilings for these eligible families to 75 percent of the county market rate for each of several service types--infant, toddler care, preschool care, school-age care (all year or summer only), and special needs care.¹ The federal government, beginning in 1996, allowed state governments to set these subsidy payment ceilings. The Pennsylvania Department of Public Welfare initially chose to retain the ceiling at 75 percent. (Thus, if 75 percent of the children in a particular age group in county A are charged no more than, say, \$21 per day, the subsidized ceiling for that service in that county would be \$21 per day.) Any required family copayment (see Appendix H) is deducted from this ceiling.

The information to determine private market fees used to set the 75 percent ceiling for each of the five service setting types in each county¹ was last collected by DPW's contractor in 1994. DPW, through its Child Care Information System (CCIS) contractor, is currently in the process of updating this data.

The Commonwealth, during FY 1998-99, is providing \$330.3 million in federal and state funds to subsidize child day care for an estimated 119,937 eligible children at an average cost of \$2,754 per child (see Tables 2 and 3). The FY 1999-00 appropriations provide \$349.6 million in federal and state funds to subsidize an estimated 138,985 eligible children at an average cost of \$2,515 per child. Table 3 provides information on the number of children receiving subsidized child care and the average program cost per child.

The child day care component of the Income Maintenance Program provides federal funding to serve the children of current and former TANF² recipients. A separate Child Day Care Services Program provides federal and state funding to serve the children of other low income families. Costs for both programs are presented on Table 2. In October 1997, as required as a condition of the federal Child Care Development Fund Block Grant, the Department developed an integrated child care system for low-income families. The plan, known as *Child Care Works*, is designed to integrate these two funding streams into an unified program. Under *Child Care Works*, similar rules and fee scales are used for both welfare and non-welfare families.

¹In Philadelphia County, the process is further disaggregated into five separate geographic areas. The remaining 66 counties in Pennsylvania are actually divided into 54 geographic areas; a few are multi-county. DPW officials plan to disaggregate the Pittsburgh city area of Allegheny County into three separate geographic areas next year.

²The U.S. Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 eliminated the open-ended federal entitlement program for Aid to Families with Dependent Children (AFDC), and created a new time-limited federal program called Temporary Assistance for Needy Families (TANF). Pennsylvania's welfare-to-work legislation (Act 35 of 1996) implemented many of the provisions of PRWORA, and--with the financial flexibility afforded under the TANF Block Grant--intends to encourage personal and parental responsibility, and self-sufficiency through work. Child care, supportive services, and other employment and training activities are provided to aid in the transition from welfare to self-sufficiency.

Table 3

Number of Children Receiving Subsidized Child Day Care in Pennsylvania

Fiscal Year	CHILD DAY CARE SERVICES PROGRAM Serves low income children				CHILD DAY CARE COMPONENT OF INCOME MAINTENANCE PROGRAM ^a Serves children of present and Former AFDC and TANF recipients				GRAND TOTAL ^a	
	Program Funding (\$000)	# of Children Receiving Subsidized Child Day Care	Average Program Cost Per Child	Program Funding (\$000)	# of Children Receiving Subsidized Child Day Care	Average Program Cost Per Child	Combined Funding (\$000)	# of Children Receiving Subsidized Child Day Care	Average Combined Cost Per Child	
									Program Funding (\$000)	# of Children Receiving Subsidized Child Day Care
1988-89.....	\$ 72,325	27,823	\$2,599							
1989-90.....	76,314	28,945	2,637							
1990-91.....	76,351	28,945	2,638							
1991-92.....	98,539	36,141	2,727							
1992-93.....	110,464	34,468	3,205							
1993-94.....	111,461	34,468	3,234							
1994-95.....	113,607	34,468	3,296							
1995-96.....	121,023	50,000	2,420							
1996-97.....	122,923	54,009	2,276							
1997-98.....	149,344	54,039	2,764	\$ 57,123	46,640	\$1,225	\$206,467	100,679	\$2,051	
1998-99 (Available).....	167,418	55,817	2,999	162,920	64,120	2,541	330,338	119,937	2,754	
1999-00 (Available).....	171,872	60,580	2,837	177,688	78,405	2,266	349,560	138,985	2,515	
2000-01 (Estimated) ^b		60,580			79,200			139,780		
2001-02 (Estimated) ^b		60,580			85,100			145,680		
2002-03 (Estimated) ^b		60,580			86,200			146,780		
2003-94 (Estimated) ^b		60,580			86,200			146,780		

^aThe child day care component of the federal Cash Grants appropriation did not exist prior to FY 1997-98. Former and current AFDC and TANF recipients using child day care services were instead eligible to receive a "disregard" on the amount deducted from their Cash Grant check. Information is not available on the total amount of Cash Grant check "disregards" attributable to child day care services during these years. Information on the child day care component of the Income Maintenance Program in Pennsylvania prior to FY 1997-98 is therefore not available and not presented. Accordingly, grand total information for these years is not meaningful and not presented.

^bThe Governor's Budget Office and DPW report only estimated state funding beyond FY 1999-00; estimated federal funding is not reported. Accordingly, estimated program funding information for these years is not meaningful and is not presented. The average estimated cost per child is similarly not available and not presented.

Source: Developed by LB&FC staff from information contained in (a) the *Blue Book* prepared by the Department of Public Welfare each fiscal year presenting detailed information consistent with the Governor's Executive Budget, and (b) the Governor's Executive Budget.

The Department contracts with 59 Child Care Information Services (CCIS) agencies, formerly known as Local Management Agencies (LMAs), covering all 67 counties to operate the *Child Care Works* program. The general activities of the CCIS agencies are to: (a) determine eligibility for subsidized child care funding; (b) manage a waiting list of eligible children; (c) provide resource and referral services, including child care information and consumer education materials to parents; and (d) manage the disbursement of subsidized child care funds in each county by paying the market rate for service.

Measuring the Quality of Child Day Care Services

A 1995 study entitled *Cost, Quality and Child Outcomes in Child Care Centers* rated 410 centers in four states and found the quality of care to be poor to mediocre, with almost half of the infant and toddler rooms having poor quality. The study found that only one in seven centers provide a level of quality that promotes healthy development.

This and other studies have raised concerns about the quality of child care, but effective steps to improve the quality of care remain elusive. Several studies have found statistically significant correlation between higher staff-to-child ratios, staff education and training, and teaching wages, but these correlations are typically quite modest. This has led some to conclude that, for all but the poorest quality centers, it is not feasible to improve quality of care by manipulating these “structural” characteristics.

NAEYC “Characteristics” of High Quality Early Childhood Programs

The National Association for the Education of Young Children is the nation’s largest organization of early childhood educators. The NAEYC, through its National Academy of Early Childhood Programs, administers a national, voluntary, professionally sponsored accreditation system for all types of preschools, kindergartens, child care centers, and school-age child care programs. The six characteristics that NAEYC associates with high quality early childhood programs are summarized below:

1. *Are the children in the program generally comfortable, relaxed, and happy, and involved in play and other activities?* Happy, relaxed children who are enjoying themselves as they play and learn is one of the best signs of a good program. See if there is an ample variety of materials for children of this age group. Would your child enjoy this setting?
2. *Are there sufficient numbers of adults with specialized training in early childhood development and education?* The younger the child, the more individualized attention is needed. The Academy’s Criteria recommend that all groups have at least two teachers. Infants should be in groups of no more than six to eight children; 2- to 3-year olds should be in groups of 10 to 14

children; and 4- to 5-year-olds should be in groups of 16 to 20 children. Specialized training in child development and early education helps assure that staff understands how children grow and learn so they can be more effective teachers and caregivers.

3. *Do adult expectations vary appropriately for children of differing ages and interests?* Groups for infants and toddlers will look quite different from groups for older children. In addition, teachers and caregivers should recognize and respect individual differences in children's abilities, interests, and preferences.
4. *Are all areas of child's development stressed equally, with time and attention being devoted to cognitive development, social and emotional development, and physical development?* High quality early childhood programs do much more than help children learn numbers, shapes, and colors. Good programs help children learn how to learn: to question why and discover alternative answers; to get along with others; and to use their developing language, thinking, and motor skills.
5. *Does the staff meet regularly to plan and evaluate the program?* Planning should reflect a balance of activities between vigorous outdoor play and quiet indoor play. Activities should allow ample time for children to work and play individually or in small groups, with the focus on activities that are child initiated as opposed to teacher directed. Flexibility, however, is also key. Staff should be willing to adjust the daily activities to meet children's individual needs and interests.
6. *Are parents welcome to observe, discuss policies, make suggestions, and participate in the work of the program?* Close communication between parents and staff is vital. Staff should regularly discuss highlights of the child's experience with parents and show respect for families of varying cultures and backgrounds.

Annie E. Casey Foundation "Warning Signals on Quality"

The Annie E. Casey Foundation,³ in their *1998 Kids Count Data Book*, does not suggest particular measures to establish the quality of child day care services. It, however, raises concerns about the quality of child care services provided throughout the United States. The comments that follow are taken verbatim from their *1998 Kids Count Data Book*.

There are no nationally representative studies of child care quality, but worries about the quality of child care are raised constantly by local studies as well as

³The Annie E. Casey Foundation, a private charitable organization "dedicated to helping build better futures for disadvantage children in the United States," was established in 1948 and is headquartered in Baltimore. The primary mission of the Foundation is "to foster public policies, human service reforms, and community supports that more effectively meet the needs of today's vulnerable children and families." The Foundation makes grants "that help states, cities, and communities fashion more innovative, cost-effective responses to these needs."

by news reports and family experiences. Child care workers generally are poorly paid and turnover rates at child care centers are high. Too often, care of children in both family- and center-based settings is uneven--supplied by caregivers who are insufficiently trained and housed in facilities that are overcrowded or unsafe.

A widely cited 1995 study from the University of Colorado at Denver⁴ examined 400 child care centers in four states and rated only 14 percent as developmentally appropriate, with the rest scoring from poor to mediocre. The situation for infants and toddlers was particularly distressing. Only 1 in 12 infant and toddler rooms was found to provide developmentally appropriate care, and 40 percent were deemed a potential threat to children's health and safety. A recent study⁵ of state regulations regarding infant and toddler care centers concluded that regulations in two-thirds of the states were "poor or very poor, indicating that they failed to require even minimally acceptable care."

When it comes to quality, evaluations of family day care are all too similar to those of center-based care. A study⁶ of regulated and nonregulated family day care by the New York-based Families and Work Institute rated only 9 percent of family day-care homes as being of good quality, while 56 percent were rated as only adequate and 35 percent as inadequate.

The consequences of this quality gap are of enormous national concern, especially for at-risk kids. Increasingly, studies show the importance of stimulating cognitive skills in young children as early as possible.⁷ New research by neuroscientists makes it clear that infant brain development is a matter of both experience and genetics. Whether a baby's brain cells connect and develop into networks that foster intelligence and creativity depends, largely, on how that baby is nurtured. While nurturing includes love and caring attention, the recent research emphasizes the importance of purposeful stimulation--utilizing language, eye contact, and movement--as a critical way to encourage active, curious minds.⁸ Because poor quality child care (i.e., care that ignores developmental opportunities) can have long-term effects, competent, safe, and developmentally appropriate care ought to be available to every child as a minimum standard.

Many studies demonstrate that high-quality early intervention programs help at-risk children, but often this is not what the most needful children get. A

⁴Cost, Quality and Child Outcomes Study Team (1995), *Cost, Quality and Child Outcomes in Child Care Centers, Public Report*, second edition, Denver: Economics Department, University of Colorado at Denver.

⁵Young, Kathryn Taaffe, Katherine White Marsland, and Edward Zigler, 1997, "The Regulatory Status of Center-Based Infant and Toddler Child Care," in *American Journal of Orthopsychiatry*, Vol. 67, No. 4, October, p. 541.

⁶Galinsky, Ellen, Carollee Howes, Susan Kontos, and Marybeth Shill, 1994, *The Study of Children in Family Child Care and Relative Care: Highlights of Findings*, Families and Work Institute, New York, NY, p. 4.

⁷NICHD Early Child Care Research Network, 1997, "Child Care in the First Year of Life," *Merrill-Palmer Quarterly*, Vol. 43, pp. 340-360.

⁸Shore, Rima, 1997, *Rethinking the Brain: New Insights Into Early Development*, Families and Work Institute, New York, NY, pp. 26-27.

General Accounting Office study found that 59 percent of low-income children attend early childhood centers that fail to provide the full range of child development, health, and parent services needed to support their school readiness.⁹ The simple fact is that without child care that is both stimulating and supporting, low-income preschoolers, who are already statistically at risk, may also experience delayed social and cognitive development. Thus, they can enter school with significant problems--lagging behind from the start and increasing their risk of future failure in school.

Studies Assessing the Relationship Between Child Care Inputs and Quality of Care

Several recent studies, including a joint study done in 1995 by several universities and studies done by the National Bureau of Economic Research,¹⁰ the University of Colorado at Denver, and the University of North Carolina, found no strong relationship between the quality of child day care and fees charged, staff child ratios, and child care workers' compensation and experience.¹¹

These studies found:

- 1. There is no strong relationship between quality of child care and fees.** This lack of an association can be because parents (a) don't value quality (and thus don't want to pay for it), (b) value certain aspects of child care services other than quality (such as proximity to home, convenience, etc.),

⁹U.S. General Accounting Office, 1995, *Early Childhood Centers: Services to Prepare Children for School Often Limited*, U.S. General Accounting Office, Washington, DC, p. 33.

¹⁰The National Bureau of Economic Research (NBER) is a private, nonprofit, nonpartisan organization engaged in quantitative analysis of the American economy. It is headquartered in Cambridge, Massachusetts.

¹¹Data used in the studies were compiled with the collaboration of economists, psychologists and child development experts from the University of Colorado at Denver, Yale University, the University of North Carolina, and UCLA. Citations on each of the three sources, as well as information to explain the context in which each source operates, follow:

Blau, David M., 1997, "The Production of Quality in Child Day Care Centers," *Journal of Human Resources*, 32:2, pp. 354-387. Blau is a professor in the Department of Economics and the Carolina Population Center at the University of North Carolina at Chapel Hill. Blau is also coeditor of the *Journal of Human Resources*. The National Institute of Child Health and Human Development provided financial support for this research.

Mocan, H. Naci, 1997, "Cost Functions, Efficiency, and Quality in Day Care Centers," *Journal of Human Resources*, 32:4, pp. 861-891. Mocan is Director of the Center for Research on Economic and Social Policy and Associate Professor of Economics at the University of Colorado at Denver. This paper is the revised version of NBER working paper #5293 and is supported by grants from the Carnegie Foundation of New York, the Packard Foundation, and the Pew Foundation.

Mocan, H. Naci, and Deborah Viola, 1997, "The Determinants of Child Care Workers' Wages and Compensation: Sectoral Difference, Human Capital, Race, Insiders and Outsiders," in National Bureau of Economic Research, Inc., working paper #6328, 1997, National Bureau of Economic Research: Cambridge, 1997. This paper, at the time of publication in December 1997, had not yet undergone the review accorded official NBER publications; in particular, it had not yet been submitted for approval by the NBER Board of Directors. Its December 1997 release was intended to make results of NBER research available to other economists in preliminary form to encourage discussion and suggestions for revision before final publication. NBER funded the research through a Nonprofit Sector Research Grant.

or (c) have a difficult time in determining the quality of the services they are purchasing. Preliminary findings indicate that this third scenario is very important. That is, parents try hard to extract signals from the centers regarding the quality of the services, but they fail for the most part because it is difficult to observe quality.¹²

2. **For the most part, child care workers' wages and nonwage benefits seem to be determined by market forces.** That is, the demand for workers by the centers and the supply of workers seem to be determining the wage rate prevailing in the child day care labor market.
3. **Only a weak relationship exists between child day care workers' wages and the quality of the services provided.** The 1995 report entitled *Cost, Quality and Child Outcomes in Child Care Centers* found only a weak relationship ($r=.33$) between teaching staff wages and quality of care. Others have found that no significant relationship exists between child care worker's wages and the quality of services provided, controlling for worker characteristics such as education, experience and tenure, and the characteristics of the job environment.
4. **Staff-child ratios and staff education, training, tenure and experience impact quality in a statistical sense, but the magnitude of the relationship is typically quite small.** Many studies have been conducted to assess the relationship between factors such as group size child-staff ratios, and staff education and training on quality of care. Low child-staff ratios and more general measures of educational attainment have often, but not consistently, been found to have positive effects. The findings of the 1995 *Cost, Quality and Child Outcomes in Child Care Centers* report are typical. This study found that staff-to-child ratios, average teaching staff wage, teaching staff education and training and administrator's years of previous experience, taken together, could explain only 48 percent of the variance in the quality of care provided. The report concluded that, because these correlations are so modest, it is not feasible to increase quality by manipulating these "structural" center characteristics, although regulations may succeed in preventing the existence of the very low quality centers.

¹²The researchers believe that this result calls for state government policies that would increase the information available to parents on the quality of child day care. The State of Colorado considered but did not implement such a policy several years ago.

V. Appendices

APPENDIX A

House Resolution 472, as Adopted June 8, 1998

PRINTER'S NO. 3585

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 472 Session of
1998

INTRODUCED BY MANDERINO, LLOYD, SURRA, GEORGE, EACHUS, M. COHEN,
TRELLO, LAUGHLIN, COLAIZZO, ROBERTS, THOMAS, GORDNER AND
CAPPABIANCA, MAY 11, 1998

REFERRED TO COMMITTEE ON RULES, MAY 11, 1998

A RESOLUTION

- 1 Calling for the Legislative Budget and Finance Committee to
2 update that portion of a February 1989 Legislative Budget and
3 Finance Committee Report on Salary Levels and Their Impact on
4 Quality of Care for Client Contact Workers in Community-Based
5 MH/MR and Child Care Programs pertaining to workers in child-
6 care programs.
- 7 WHEREAS, The child-care needs of Pennsylvania's families have
8 increased dramatically in recent years as women with children
9 have entered the paid work force in unprecedented numbers; and
10 WHEREAS, These families know that providing their children
11 with a safe and nurturing child-care environment can make an
12 important contribution to their children's healthy development;
13 and
- 14 WHEREAS, Recent changes in Federal and State welfare laws
15 require recipients with children to find work, which has further
16 increased the demand for both child-care services and jobs for
17 women with limited education and little or no job experience;
18 and
- 19 WHEREAS, A recent survey by the Center for the Child Care

Appendix A (Continued)

1 Workforce, a nonprofit research and advocacy group in
2 Washington, D.C., found that 80% of the for-profit centers among
3 the 185 centers surveyed in Atlanta, Boston, Detroit, Phoenix
4 and Seattle employed welfare recipients at an average salary of
5 \$10,500 a year, well below the Federal poverty level of \$12,830
6 for a family of three; and

7 WHEREAS, These centers reported an average staff turnover
8 rate of 45%, with one-fifth of the centers reporting loss of
9 half or more of their teaching staff in the past year; and

10 WHEREAS, The Department of Public Welfare has submitted
11 proposed regulations required for implementation of Child Care
12 Works, the department's plan for providing child care; and

13 WHEREAS, This child-care plan contains no incentives for
14 providers of care to improve the quality of that care, nor does
15 it contain provisions related to child-staff ratios, wage
16 standards, employee retention, caregiver education and training
17 and child safety, all of which have been proven effective in
18 promoting high-quality care; and

19 WHEREAS, The Legislative Budget and Finance Committee
20 conducted a study in 1989 and issued a report on the salaries
21 paid to direct-care workers in child day-care programs and the
22 possible impact those salaries might have in the quality of
23 care provided to children in those programs; therefore be it

24 RESOLVED, That the House of Representatives call for the
25 Legislative Budget and Finance Committee to update that portion
26 of the February 1989 Report on Salary Levels and Their Impact on
27 Quality of Care for Client Contact Workers in Community-Based
28 MH/MR and Child Day Care Programs pertaining to workers in
29 child-care programs; and be it further

30 RESOLVED, That the Legislative Budget and Finance Committee
1 report its findings to the House of Representatives by June 30,
2 1999.

APPENDIX B

Study Methodology and Questionnaires

Questionnaire Return Rates

Information presented in this report was collected primarily through questionnaires mailed to a random sample of half of all licensed child day care center and group child day care home providers in Pennsylvania. The education directors of selected private academic nursery schools in Pennsylvania and the directors of Head Start programs in Pennsylvania that provide child day care services were also surveyed.¹

The questionnaires were mailed on October 1, 1998. To avoid sending several questionnaires to agencies with multiple licenses, we compared the various licensing lists provided to us by the Department of Public Welfare and the Department of Education. Questionnaire return rates are shown below.

	Licensed <u>Centers</u>	Licensed Group <u>Homes</u>	Nursery <u>Schools</u>	Head Start <u>Programs</u>	<u>Total</u>
Questionnaires Sent	1,165	329	346	72	1,912
Questionnaires Returned	541 ²	122 ³	168 ³	44 ⁴	884
Return Rate.....	46%	37%	49%	61%	46%

Data Definitions

Turnover rate. Turnover rates were calculated by dividing the number of persons terminating a position in the past 12 months into the number of currently filled positions.

Starting wage. Mean hourly salary paid to persons who have been with the organization for 6 months or less.

Average highest wage. Mean hourly salary paid to the top quintile (20 percent) of workers in that position.

L&I average hourly earnings. The mean annualized wage for all unemployment compensation-covered employees in Pennsylvania private organizations during the first quarter of 1998 as reported to the Pennsylvania Department of Labor and

¹Each of the four questionnaires appear at the end of this appendix.

²Excludes 6 questionnaires returned as undeliverable and 2 questionnaires mailed to entities that indicated they did not provide child day care center services.

³Excludes 2 questionnaires returned as undeliverable.

⁴Excludes 4 questionnaires returned as undeliverable.

Appendix B (Continued)

Industry. We converted annual wages to an hourly wage by dividing by 52 (weeks), then 5 (days), and then 7.5 (hours). L&I average hourly earnings are calculated on a county-by-county basis which we then aggregated (on a weighted basis) to obtain the average hourly earnings by the various multi-county groupings used in this report.

Multi-county groupings:

- Philadelphia SMSA includes Philadelphia, Montgomery, Bucks, Delaware, and Chester counties.
- Reading/Lehigh Valley MSAs include Berks, Carbon, Lehigh, and Northampton counties.
- Harrisburg/Lancaster/York MSAs include Cumberland, Dauphin, Lancaster, Lebanon, Perry and York counties.
- Pittsburgh MSA includes Allegheny, Beaver, Butler, Fayette, Washington and Westmoreland counties.
- All Other includes all other Pennsylvania counties.

Other Methodological Notes and Considerations

- Because complete information was not reported for all employees or all organizations, any particular statistic in the report may be based on a fewer number of employees or organizations than the total reported. In other words, missing values (no responses) are not included in the reported statistics.
- Individuals who were reported as having one to three years of college were recorded as only having a high school diploma because our questionnaire asked for “Highest Educational Degree Attained.” Individuals reported as having a GED were recorded as having a high school diploma. Individuals with a community college degree were recorded as having an **Associate** degree. Individuals with four years of college degree were considered to have a Bachelor’s degree.
- If respondents provided only annual salaries, we converted these to an hourly rate by dividing the annual salary by 52 (weeks), then 5 (days), and then 7.5 (hours).

Survey of Child Day Care Centers

1. Name of your center: _____
2. Address: _____
3. County: _____
4. Are you structured as a: Independent For-Profit Independent Nonprofit
 For-Profit Chain Church-related Nonprofit
5. Is your organization accredited by the National Association for the Education of Young Children?
 Yes No No, but have begun accreditation process _____
6. Do the child care workers in your organization receive:

	Full-Time Workers		Part-Time (Less than 35 hrs/wk) Workers	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
	_____	_____	_____	_____
Paid Vacations.....	_____	_____	_____	_____
Paid Personal Days.....	_____	_____	_____	_____
Paid Sick Leave.....	_____	_____	_____	_____
Parental Leave (maternity/paternity).....	_____	_____	_____	_____
Health Care Benefits for Employee.....	_____	_____	_____	_____
Health Care Benefits for Other Family Members	_____	_____	_____	_____
Prescription Drug Benefits	_____	_____	_____	_____
Dental Benefits.....	_____	_____	_____	_____
Vision Care Benefits	_____	_____	_____	_____
Pension Plan (other than Social Security).....	_____	_____	_____	_____
Disability Benefits.....	_____	_____	_____	_____
Life Insurance.....	_____	_____	_____	_____
Child Day Care.....	_____	_____	_____	_____
Educational Expense Reimbursement.....	_____	_____	_____	_____
Other:.....	_____	_____	_____	_____
Other:.....	_____	_____	_____	_____

Explanatory Comments: _____

7. Please complete each of the three following tables, as appropriate, for (a) teachers/group supervisors, (b) assistant teachers/assistant group supervisors, and (c) child day care aides.

7a. For each **teacher/group supervisor** in your organization, please provide the information indicated below. (Please do not write individual's name.) Please make copies of this page as necessary to enter information for additional employees.

	Current Wage Per Hour	Check if:		Highest Educational Degree/Diploma Attained	Months With Organization	Please Check if This Employee Was/Is a TANF* Recipient:		Please Check Here if Employee is a Certified Childcare Professional (CCP) or a Child Development Associate (CDA)
		Part-Time (Less than 35 hrs/wk)	Full-Time (35 or more hrs/wk)			At Any Time in Last Two Years	Currently	
1. \$					mths			
2. \$					mths			
3. \$					mths			
4. \$					mths			
5. \$					mths			
6. \$					mths			
7. \$					mths			
8. \$					mths			
9. \$					mths			
10. \$					mths			
11. \$					mths			
12. \$					mths			
13. \$					mths			
14. \$					mths			
15. \$					mths			
16. \$					mths			
17. \$					mths			
18. \$					mths			
19. \$					mths			
20. \$					mths			

Teacher/Group Supervisor Position Definition

Typical responsibilities of a teacher are to plan and implement daily program activities, such as learning and outdoor activities; to promote children's cognitive growth, to assess and maintain records on children's development, to attend and to maintain reports on children/parent conferences, and to coordinate and assign duties and activities for other teachers and aides.

*The federal Temporary Assistance for Needy Families program.

7b. For each **assistant teacher/assistant group supervisor** in your organization, please provide the information indicated below. (Please do not write individual's name.) Please make copies of this page as necessary to enter information for additional employees.

	Current Wage Per Hour	Check if:		Highest Educational Degree/Diploma Attained	Months With Organization	Please Check if This Employee Was/Is a TANF* Recipient:		Please Check Here if Employee is a Certified Childcare Professional (CCP) or a Child Development Associate (CDA)
		Part-Time (Less than 35 hrs/wk)	Full-Time (35 or more hrs/wk)			At Any Time in Last Two Years	Currently	
1.	\$				mths			
2.	\$				mths			
3.	\$				mths			
4.	\$				mths			
5.	\$				mths			
6.	\$				mths			
7.	\$				mths			
8.	\$				mths			
9.	\$				mths			
10.	\$				mths			
11.	\$				mths			
12.	\$				mths			
13.	\$				mths			
14.	\$				mths			
15.	\$				mths			
16.	\$				mths			
17.	\$				mths			
18.	\$				mths			
19.	\$				mths			
20.	\$				mths			

Assistant Teacher/Assistant Group Supervisor
Position Definition

Typical responsibilities of an assistant teacher are to help implement daily program activities, such as learning and outdoor activities.

*The federal Temporary Assistance for Needy Families program.

7c. For each **child day care aide** in your organization, please provide the information indicated below. (Please do not write individual's name.) Please make copies of this page as necessary to enter information for additional employees.

	Current Wage Per Hour	Check if:		Highest Educational Degree/Diploma Attained	Months With Organization	Please Check if This Employee Was/Is a		Please Check Here if Employee is a Certified Childcare Professional (CCP) or a Child Development Associate (CDA)
		Part-Time (Less than 35 hrs/wk)	Full-Time (35 or more hrs/wk)			At Any Time in Last Two Years	Currently	
1. \$					mths			
2. \$					mths			
3. \$					mths			
4. \$					mths			
5. \$					mths			
6. \$					mths			
7. \$					mths			
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13. \$					mths			
14. \$					mths			
15. \$					mths			
16. \$					mths			
17. \$					mths			
18. \$					mths			
19. \$					mths			
20. \$					mths			

Child Day Care Aide Position Definition

Typical responsibilities of a child day care aide are to assist in the implementation of daily classroom and outdoor activities; to assist in the supervision of playground activities under the direction of a teacher or assistant teacher, to observe classroom situations; and to assist in enforcing classroom rules and daily routines.

*The federal Temporary Assistance for Needy Families program.

8. What do you pay: Substitute teachers: \$ _____/hr.
 Substitute assistant teachers: \$ _____/hr.
 Substitute day care aides: \$ _____/hr.

9. Please provide the requested information for the position titles listed below. (See question #7 for position definitions.)

<u>Position Title</u>	<u># of Currently Filled Positions in This Position Title</u>	<u># of Current Vacancies in this Position Title</u>	<u># of Employees in This Position Title Terminating in Past 12 Months</u>	<u>Average Length of Time to Fill Vacancies in This Position Title</u>
Child Day Care Teacher	_____	_____	_____	_____ weeks
Assistant Teacher	_____	_____	_____	_____ weeks
Child Day Care Aide	_____	_____	_____	_____ weeks

10. Please list in priority order the biggest issues you face in providing quality care:

1. _____
2. _____
3. _____

Comment: _____

11. How have the following factors changed over the past five years (please check)?

	<u>Increased</u>	<u>About the Same</u>	<u>Decreased</u>
Quality of staff applicant pool.....	_____	_____	_____
Quality of staff hired	_____	_____	_____
Employee turnover rates	_____	_____	_____
Use of substitutes	_____	_____	_____
Percent of workers who are part-time.....	_____	_____	_____
Duties and responsibilities of direct care workers	_____	_____	_____
Behavioral problems of children	_____	_____	_____
Hours open during evenings and weekends.....	_____	_____	_____

Comment: _____

12. How have the number of children you served changed over the past five years for the following age groups (please check)?

	<u>Increased</u>	<u>About the Same</u>	<u>Decreased</u>
Infants	_____	_____	_____
Toddlers	_____	_____	_____
Preschoolers....	_____	_____	_____
School Age.....	_____	_____	_____

13. Does your center have a contract with the Pennsylvania Department of Public Welfare to provide subsidized child care? Yes ___ No ___ If yes, please provide your best estimate of the number of private pay and DPW-subsidized children you serve today as compared to five years ago:

Currently: # of private-pay children _____ # of DPW-subsidized children _____
 Five years ago: # of private-pay children _____ # of DPW-subsidized children _____

14a. In 1997, overall did your center's:

- _____ revenues exceed expenses (profit or surplus)
- _____ revenues about equal expenses (break even)
- _____ revenues fall short of expenses (loss or deficit)

14b. Financially, do you think 1998 will be: Better ___ About the same ___ Worse ___

15. Would you like to make any further comments on the relationship between salaries and quality of care or do you have any recommendations you think the Legislature should consider to address this issue?

Person completing questionnaire: _____

Title: _____ Telephone: () _____

Responses to This Questionnaire Are Confidential

Survey of Group Child Day Care Homes

1. Name: _____
2. Address: _____
3. County: _____
4. Do you participate in the subsidized child day care program operated through the Pennsylvania Department of Public Welfare? Yes ____ No ____.
5. Is your organization accredited by the National Association for the Education of Young Children? Yes ____ No ____ No, but have begun accreditation process ____
6. Do the child care workers in your group home receive:

	Full-Time Workers		Part-Time (Less than 35 hrs/wk) Workers	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
	_____	_____	_____	_____
Paid Vacations.....	_____	_____	_____	_____
Paid Personal Days.....	_____	_____	_____	_____
Paid Sick Leave.....	_____	_____	_____	_____
Parental Leave (maternity/paternity).....	_____	_____	_____	_____
Health Care Benefits for Employee.....	_____	_____	_____	_____
Health Care Benefits for Other Family Members.....	_____	_____	_____	_____
Prescription Drug Benefits.....	_____	_____	_____	_____
Dental Benefits.....	_____	_____	_____	_____
Vision Care Benefits.....	_____	_____	_____	_____
Pension Plan (other than Social Security).....	_____	_____	_____	_____
Disability Benefits.....	_____	_____	_____	_____
Life Insurance.....	_____	_____	_____	_____
Child Day Care.....	_____	_____	_____	_____
Educational Expense Reimbursement.....	_____	_____	_____	_____
Other:	_____	_____	_____	_____
Other:	_____	_____	_____	_____

Explanatory Comments: _____

7. Please provide the requested information for persons in the position listed below.

<u>Position Title</u>	<u>Current Hourly Wage</u>	<u>Months in This Position</u>	<u>Average Hours Worked Per Week</u>	<u>Highest Educational Degree/Certificate Attained</u>	<u>Please Check if This Individual Was/Is a TANF* Recipient:</u>		<u># of Employees Who Have Left Position (Terminated) In Last 12 Months</u>
					<u>At Any Time in Last Two Years</u>	<u>Currently</u>	
Supervisor	_____	_____	_____	_____	_____	_____	_____
Assistant A	_____	_____	_____	_____	_____	_____	_____
Assistant B	_____	_____	_____	_____	_____	_____	_____

8. How have the following factors changed over the past ten years (please check)?

	<u>Increased</u>	<u>About the Same</u>	<u>Decreased</u>
Quality of staff applicant pool	_____	_____	_____
Quality of staff hired	_____	_____	_____
Employee turnover rates	_____	_____	_____
Use of substitutes	_____	_____	_____
Duties and responsibilities of direct care workers .	_____	_____	_____
Behavioral problems of children.....	_____	_____	_____
Hours open during evenings and weekends	_____	_____	_____

Comment: _____

9. Would you like to make any further comments on the relationship between salaries and quality of care or do you have any recommendations you think the Legislature should consider to address this issue?

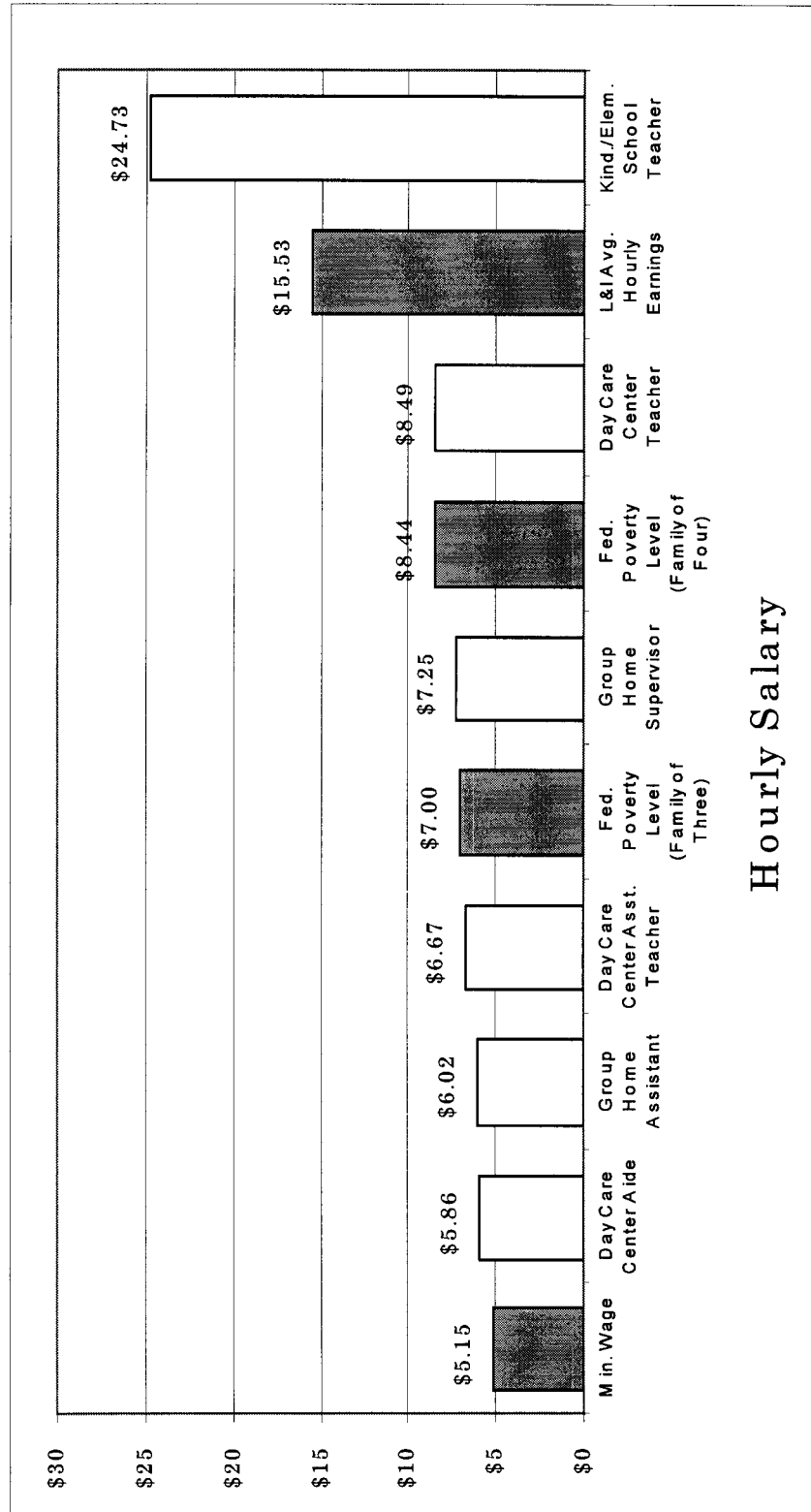
Person completing questionnaire: _____

Telephone: (____) _____

*The federal Temporary Assistance for Needy Families program.

APPENDIX C

Average Day Care Salary Compared to Minimum Wage, Federal Poverty Levels, L&I Average Hourly Earnings, and Kindergarten/Elementary School Teachers

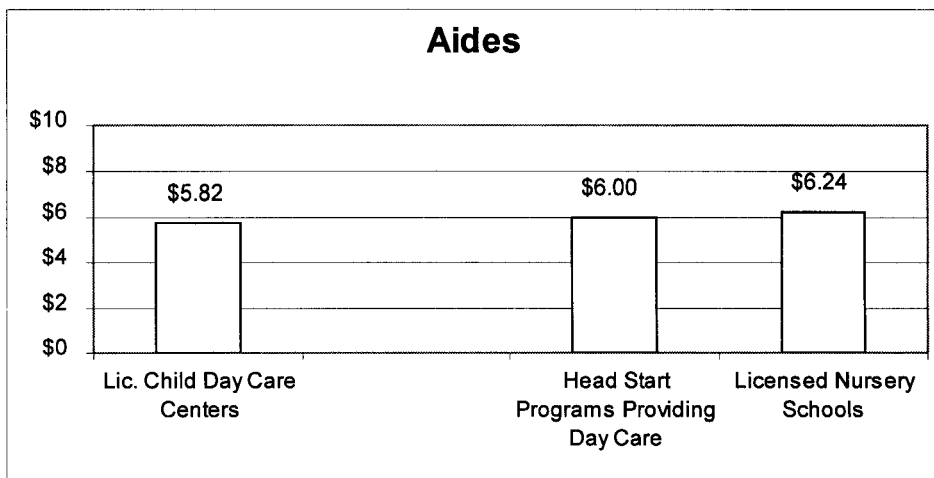
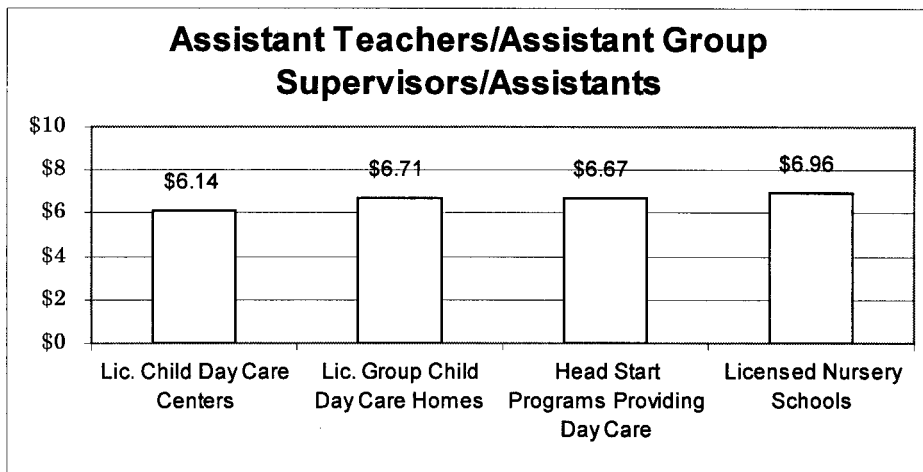
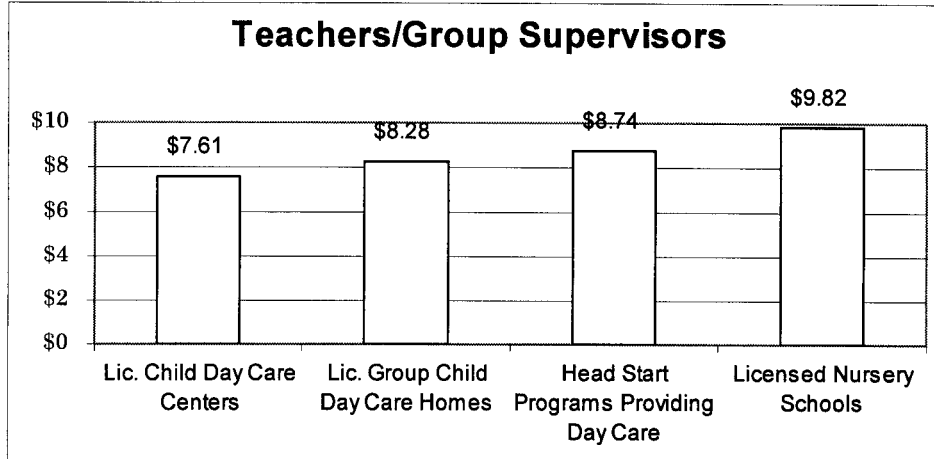


Hourly Salary

Source: Developed by LB&FC staff from survey results and from information provided by the PA Department of Labor and Industry, the PA Department of Education, the U.S. Department of Labor, and the U.S. Department of Health and Human Services.

APPENDIX D

Average Starting Salary Compared to Head Start Programs and Nursery Schools



Source: Developed by LB&FC staff from questionnaire responses.

APPENDIX E

Average Starting Salary and Turnover Data

	<u>Average Hourly Starting Wage</u>	<u>Turnover Rate^a</u>
<u>Child Day Care Centers:</u>		
Teacher/Group Supervisor.....	\$7.61	31%
Assistant Teacher/Assistant Group Supervisor.....	6.14	34
Aide	5.82	51
<u>Group Child Day Care Homes:</u>		
Supervisors	\$8.28	32%
Assistant Supervisors	6.82	23
<u>Nursery Schools:</u>		
Teacher.....	\$9.82	31%
Assistant Teacher	6.96	30
Aide	6.24	38
<u>Head Start Programs Providing Child Day Care Services:</u>		
Teacher.....	\$8.74	23%
Assistant Teacher	6.67	27
Aide	6.00	11
<u>Kindergarten/Elementary School Teachers</u>	\$24.73 ^b	4%

^aThe turnover rate reported on this table is for all, rather than for just starting, employees.

^bThe average hourly salary reported for kindergarten/elementary school teacher is for all, rather than for just starting, teachers.

Source: Developed by LB&FC staff from questionnaire responses and from information provided by the PA Department of Education.

APPENDIX F

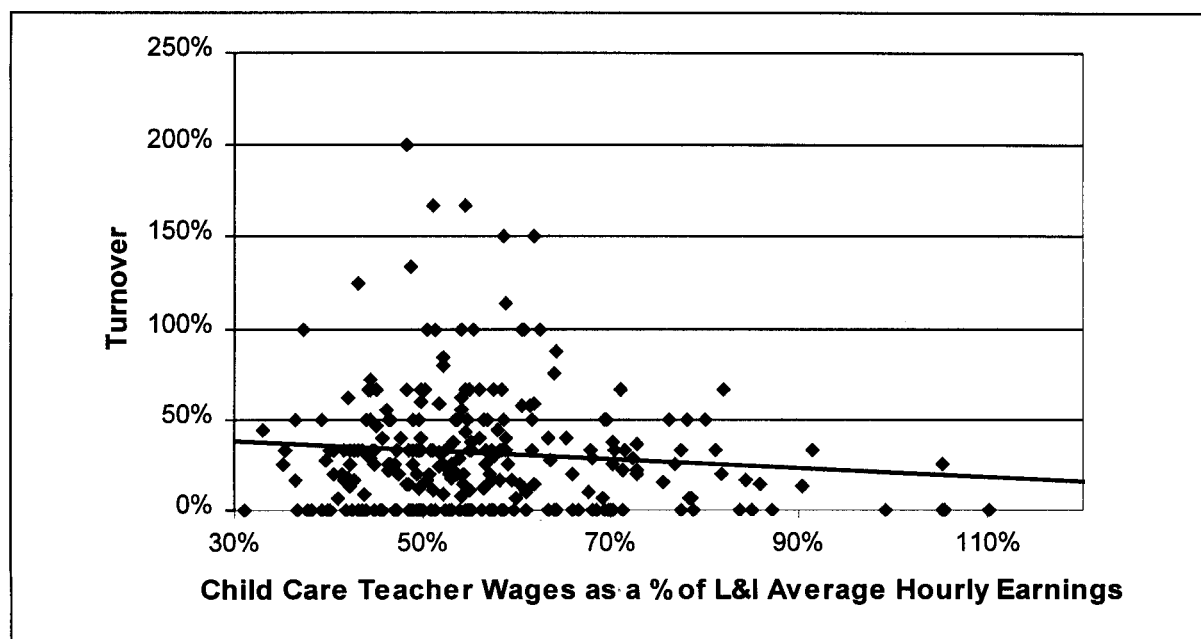
Relationship Between Salaries and Turnover Rates

Many factors contribute to an individual's decision to leave a job. While dissatisfaction with salary levels may be one of those factors, other factors, such as age, working conditions, supervisory style, management and coworker support, may play an even more significant role when deciding whether to leave a job.

While the research literature on the factors that cause employee turnover is not conclusive, pay satisfaction is often found to have only a moderate to low correlation to turnover.^a Organizational commitment, overall job satisfaction, intent to stay or leave, performance, and whether the job met the employee's expectations appear to be more significant factors in the decision to stay or leave a job.

Given this body of research, we did not expect to find a strong correlation between child day care center teacher salaries and turnover rates. As shown in the chart below, the relationship between child care teacher salaries as a percent of the county's average hourly earnings (to adjust for county cost-of-living differences) and turnover rates is, at best, weak.^b

**Relationship Between Salaries and Turnover Rates:
Child Day Care Center Teachers**



^a From *Staff Recruitment and Retention: Study Results and Intervention Strategies*, 1998, by Sheryl A. Larson, K. Charlie Lakin, Robert H. Bruininks; David Braddock, Ph.D., editor.

^b The regression is not significant at the .05 level.

APPENDIX G

Educational Requirements

Child Day Care Centers:

1. Teacher/Group Supervisor – DPW regulations at 55 Pa Code §3270.35 require that a group supervisor must have one of the following educational levels:
 - Bachelor's degree in early childhood education, child development, special education, elementary education or the human services field.
 - Bachelor's degree, including 30 credit hours in early childhood education, child development, special education, elementary education or the human services field, and 1 year of experience with children.
 - Associate's degree in early childhood education, child development, special education, elementary education or the human services field, and 2 years of experience with children.
 - Associate's degree, including 30 credit hours in early childhood education, child development, special education, elementary education or the human services field, and 3 years of experience with children.

2. Assistant Teacher/Assistant Group Supervisor – DPW regulations at 55 Pa Code §3270.36 require that an assistant group supervisor must have one of the following educational levels:
 - High school diploma or GED certificate and 30 college credit hours in early childhood education, child development, special education, elementary education or the human services field.
 - High school diploma or GED certificate, including 600 or more hours of secondary training described in 55 Pa Code §3270.31(c).
 - High school diploma or GED certificate, 15 college credit hours in early childhood education, child development, special education, elementary education or the human services field and 1 year of experience with children.
 - High school diploma or GED certificate and completion of a post-secondary training curriculum described in 55 Pa Code §3270.31(c).
 - High school diploma or GED certificate and 2 years experience with children.

3. Aide - DPW regulations at 55 Pa Code §3270.37 require that an aide must have one of the following educational levels:
 - High school diploma or GED certificate.
 - Minimum 8th grade education and enrollment in a training curriculum described in 55 Pa Code §3270.31(c)(the classroom portion of training must be completed and documentation of completion along with continuing enrollment in the training curriculum must be included in the staff person's file.)
 - Minimum 8th grade education and 2 years experience with children.

Group Child Day Care Homes:

1. Primary Staff Person (Group Home Supervisor) - The educational requirements for the Primary Staff Person at a Group Child Day Care Home are the same as for the Assistant Teacher/Assistant Group Supervisor at a Child Day Care Center.

Appendix G (Continued)

2. Secondary Staff Person (Group Home Assistant) - The educational requirements for the Secondary Staff Person at a Group Child Day Care Home are the same as for the Aide at a Child Day Care Center.

Head Start Programs Providing Child Day Care Services:

1. Teacher. The Head Start Act, at Section 648A [42 U.S.C. §9843a] requires that each Head Start classroom in a center-based program be assigned one teacher who has at least
 - a child development associate (CDA) credential (this is a state certification, not a college degree) that is appropriate to the age of the children being served in center-based programs;
 - a State-awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential;
 - an associate, baccalaureate, or advanced degree in early childhood education; or
 - a degree in a field related to early childhood education with experience in teaching preschool children and a State-awarded certificate to teach in a preschool program.
 - a. *Additional Training or Experience Requirements:* Department of Health and Human Services regulations, 45 C.F.R. Part 1301 et al., Head Start Program Final Rule, at §1304.52(d)(1) also provides that “education and child development services must be supported by staff or consultants with training and experience in areas that include: The theories and principles of child growth and development, early childhood education, and family support.”
 - b. *Staff Working With Infants and Toddlers:* Department of Health and Human Services regulations, 45 C.F.R. at §1304.52(f) provides that “Early Head Start and Head Start staff working as teachers with infants and toddlers must obtain a Child Development Associate (CDA) credential for Infant and Toddler Caregivers or an equivalent credential that addresses comparable competencies within one year of the effective date of the final rule or, thereafter, within one year of hire as a teacher of infants and toddlers.”
 - c. *Additional Requirements to be Met Not Later Than September 30, 2003:* The Head Start Act was amended on October 27, 1998, to increase the educational requirements for Head Start teachers. Section 648A of the Act provides that “not later than September 30, 2003, at least 50 percent of all Head Start teachers nationwide in center-based programs [shall] have:
 - an associate, baccalaureate, or advanced degree in early childhood education; or
 - an associate, baccalaureate, or advanced degree in a field related to early childhood education, with experience in teaching preschool children.

Under these new requirements, for those programs that do not have teachers with the above qualifications, there must still be a teacher with an age-appropriate child development associate credential, its equivalent, or a degree in a field related to early childhood education with experience in teaching preschool children and a State-awarded certificate to teach in a preschool program.

2. Assistant Teacher - There are no minimum educational requirements.
3. Aide - There are no minimum educational requirements.

Appendix G (Continued)

Nursery Schools:

1. Teacher – Department of Education regulations at 22 Pa Code §53.21 require that, to be certified as a nursery school or kindergarten teacher, a prospective teacher must have one of the following educational levels:
 - 4-year college/university graduate with PA teaching certificate in early childhood education.
 - 4-year college/university graduate with documentary evidence of the successful completion of a minimum of 24 semester hours in the theory of child development, early childhood or elementary education.
 - 4-year college/university graduate with documentary evidence of at least 2 years successful experience as a teacher in a public, nonpublic nonlicensed or accredited nursery or kindergarten school.

2. Assistant Teacher - Department of Education regulations at 22 Pa Code §53.22 require that, to be certified as an assistant teacher, a prospective teacher must have one of the following educational levels:
 - 2-year college/university graduate having specialized in child development, early childhood or elementary education.
 - 2-year college/university graduate with documentary evidence of the successful completion of a minimum of 24 semester hours in the theory of child development, early childhood or elementary education.
 - Completed 2 years college/university credit (60 credits) with documentary evidence of the successful completion of a minimum of 24 semester hours in the theory of child development, early childhood or elementary education.

3. Aide - Department of Education regulations at 22 Pa Code §53.23 require that, to be an aide, a prospective aide must meet the educational requirement of being a high school graduate.

Kindergartens: The educational requirements for Teachers, Assistant Teachers, and Aides at a Kindergarten are the same as at a Nursery School.

Elementary Schools:

1. Teacher - Department of Education regulations at 22 Pa Code §55.11 require that an elementary school teacher must meet one of the following educational requirements:
 - 4-year college/university graduate with PA teaching certificate in elementary education to teach grades K through 6 or a PA early childhood certificate to teach grades N through 3.
 - 4-year college/university graduate and shall apply for private academic teaching certificate by submitting documentary evidence of successful completion of a minimum of 18 semester hours in the theory of elementary education.
 - 4-year college/university graduate with documentary evidence of a minimum 2 years successful teaching experience in a public, nonpublic nonlicensed or accredited elementary school.

APPENDIX H

Family Co-Pay Sliding Fee Scale for Subsidized Child Day Care

Subsidized child day care eligibility requirements are explained in Chapter IV of this report. The method of calculation of an eligible family's maximum subsidy is also explained in Chapter IV. This maximum subsidy is then further reduced by the amount of the co-pay the eligible family must provide from their own resources. The sliding fee scale used to calculate this co-pay is explained below. The net child day care subsidy provided for the eligible family is the maximum subsidy less this co-pay amount.

The fee is a family fee. The fee will never exceed 14.5 percent of a family's income.

Co-Payment Chart Family Co-Payment Scale

(Based on the 1998 Federal Poverty Income Guidelines)

Percent FPIG	Family Size - 1		Family Size - 2		Family Size - 3 ^a	
	Annual Income	Weekly Co-Pay Fee	Annual Income	Weekly Co-Pay Fee	Annual Income	Weekly Co-Pay Fee
30%.....	\$2,415	\$ 5.00	\$3,255	\$ 5.00	\$4,095	\$ 5.00
40%.....	3,220	5.00	4,340	5.00	5,460	5.00
50%.....	4,025	5.00	5,425	5.00	6,825	5.00
60%.....	4,830	5.00	6,510	5.00	8,190	10.00
70%.....	5,635	5.00	7,595	10.00	9,555	10.00
80%.....	6,440	5.00	8,680	10.00	10,920	15.00
90%.....	7,245	10.00	9,765	15.00	12,285	15.00
100%.....	8,050	10.00	10,850	15.00	13,650	20.00
110%.....	8,855	15.00	11,935	20.00	15,015	25.00
120%.....	9,660	15.00	13,020	25.00	16,380	30.00
130%.....	10,465	20.00	14,105	25.00	17,745	35.00
140%.....	11,270	20.00	15,190	30.00	19,110	40.00
150%.....	12,075	25.00	16,275	35.00	20,475	45.00
160%.....	12,880	30.00	17,360	40.00	21,840	50.00
170%.....	13,685	30.00	18,445	45.00	23,205	55.00
180%.....	14,490	35.00	19,530	45.00	24,570	60.00
185%.....	14,893	40.00	20,073	50.00	25,253	65.00

^aSimilar scales are established for families with, respectively, 4 through 12 members.

Source: Narrative developed by LB&FC staff from information provided by the PA Department of Public Welfare. Co-payment chart from Pennsylvania Code, Title 55, Section 3040, Appendix A, as updated in March 1999.

APPENDIX I

Selected Child Day Care Center/Group Child Day Care Home Operator Comments Regarding Employee Benefit Limitations*

- I cannot afford to give staff benefits. Although many are single mothers with children of their own. Some have to leave just for the benefits.
- We would like to offer health benefits, however, it's not in the budget. It would be great if there were a health program through DPW for childcare workers.
- It would be nice to be able to provide health benefits of the employees. We employ a few single women and a divorced woman who have to pay health insurance out of pocket.
- We are unable to offer benefits because we can't raise fees.
- Without benefits, it is impossible to recruit and retain qualified staff.
- Presently, to provide some benefits for employees of child day care centers, the operation must struggle in order to exist.
- We are still relatively new (four years). We are researching [the] possibility of beginning to offer a certain percentage toward health insurance.
- The majority of our childcare workers is married and has benefits from their husbands' work, but I wish I could offer more to the workers without benefits.
- Insurance is expensive for a small non-profit center.... More low expense benefits need to be available for a center like ours.
- We are open to extending benefits to our employees. As interest or need arises, we investigate the possibilities. As always, more would be available if the public would accept higher costs for quality care.
- As a small private daycare we could not afford to offer paid health benefits. There are no extra funds available.
- As part of our care, the daycare staff is very fortunate to have the same good benefits that are offered to nursing employees. [Our] employees pay (pre-taxed) for insurance covering family members.
- Although we would love to be able to afford health benefits for our staff, we cannot, based solely on what we receive from tuition payments from our families.
- My center is small and group benefits are not available and to pay individual is much too expensive.

*The percent of centers and group homes offering specific types of benefits to full-and part-time employees is presented in Chapter II of this report. Many operators, however, qualified their responses regarding employee benefits. These selected comments are typical of those provided by survey respondents.

Appendix I (Continued)

- Our organization employs 25 people. With fixed operating costs such as Employer Social Security tax, unemployment compensation tax, FUTA tax, workers' compensation, etc. [These] escalating fixed costs of doing business make it absolutely impossible to offer child care workers any benefits in addition to an hourly wage. These costs, in addition to revenue caps placed on child care centers through regulatory requirements set forth by the DPW, with respect to size and capacity and subsidized payment add to the impossibility of providing any benefits to employees.
- Health benefits are offered, but they are very high in cost! Over \$100 per month.
- I had provided health care benefits, along with dental and prescription plan, but could not longer meet the minimum of employees needed by the insurance company to be eligible to participate in their programs.
- We would like to offer so much more, but as a small company, it is next to impossible. Due to our ratios, if we pay a staff person for a sick day we then have to pay a substitute to replace him or her.
- We are in the process of eliminating our health insurance to our employees because we can no longer afford it.
- Our organization employs 25 people. With fixed operating costs such as Employer Social Security tax, unemployment compensation tax, FUTA tax, workers' compensation, etc. [These] escalating fixed costs of doing business make it absolutely impossible to offer child care workers any benefits in addition to an hourly wage. These costs, in addition to revenue caps placed on child care centers through regulatory requirements set forth by the DPW, with respect to size and capacity and subsidized payment add to the impossibility of providing any benefits to employees.
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APPENDIX J

Comments and Recommendations of Child Day Care Center and Group Child Day Care Home Operators Regarding Child Care Worker Compensation and Quality of Care*

Child Day Care Center Responses

- I think that the college payback system should be for every teacher working in day care. That the state should pay for each year that a teacher stays in child care. Incentives for centers that try.
- Higher pay for staff means less turnover--a person with a degree in early childhood or elementary education will only stay in daycare until a better job is available. Higher salaries would also encourage staff to make the children in their care their top priority, to stay in daycare, which would give the children stability.
- It's hard to get quality caregivers for the pay we can afford. Basically, our employees work because they love children.
- Retraining staff (part time) requires a decent wage since the opening of new daycare every day will draw staff away to more full time opportunities. Also DPW regulations on becoming a group supervisor (better paying position) require a degree in education which means a teaching degree which means these people are constantly leaving for full time or part time teaching jobs.
- We are only running an afterschool child care program which runs from 3:30 p.m. To 6:00 p.m.
- At our center we employ mostly full time staff and offer quality benefits for our economic area. Our staff come from an affluent background and generally have some post high school education. We have very little turnover due to our full-time benefits package.
- We pay at market level. When that market is deflated for wages because garbage collectors, fast food workers, and many other low skill positions pay more, it dramatically impacts salary scales here. We demand better educated staff but pay low wages--hard to do!!
- Caring for our nation's children is one of the most important occupations a person could have. The responsibilities of many caregivers have increased due to parents' increasingly hectic schedules. Caregivers should be paid in accordance to the importance and high responsibility the job brings. Unfortunately, they are underpaid and of course, this affects their performance.
- Continue the early childhood professional loan forgiveness program, but change it so all applicants at least get some reductions instead of the current lottery system where only 5 percent of the applicants get anything and 95 percent get nothing. Break up the education union--it is too powerful, restricts competition, has unrealistic demands for salaries and benefits & working (9 months) as compared to any other industry.
- The amount of money allocated for subsidized child care is below the amount needed. Due to the quality and credentials of staff in a center the subsidized amount should definitely be more to help pay staff for the degrees and history, which they must have.

*Our survey of child day care centers (question 15) and group child day care homes (question 9) asked, "Would you like to make any further comments on the relationship between salaries and quality of care or do you have any recommendations you think the Legislature should consider to address this issue?" Lengthy responses from seven child day care centers are excluded from this appendix.

Appendix J (Continued)

- I have been very lucky the staff I have love and respect children. The staff only wants to work part-time for extra money, so I don't have many problems with hours.
- More government funding through grants!
- I have been very fortunate to usually have one very good applicant that stands out each time I hire. I would love to be able to pay higher salaries-my staff certainly deserves it. However, it is just not feasible right now. Ahhh--frustration! DPW requires educated people with four-year degrees or ECE degrees, yet we are unable to meet salary expectations. We want to provide affordable child care, yet at the same time parent and staff expectations are higher than the money we have coming in.
- We have Family Services Unit funds which offset loss from child care. Direct positive correlation between salaries/amount of benefits and quality of care. Recommendation: government subsidy of child care staff wages increase amount reimbursed to centers.
- You cannot hire well-educated or trained professionals without offering good pay and benefits. Thus, funds are desperately needed for this field. Also, educational breaks/discounts could be used to train existing workers further (i.e., I would love to get a Master's in Early Childhood, but I can't afford tuition or time off work).
- We're competing with school district salaries when we try to retain a degreed employee. It is difficult to find qualified staff and keep them employed when our budget mandates a low pay scale with no health benefits. The hours of employment are late into the day, the job is stressful and not very rewarding. Employees work very hard for just above minimum wage. We suggest that the state offer health benefits to employees of DPW licensed facilities or at least pay for the annual physical and TB test that is required. Also, the state should pay for the mandatory clearances.
- I think daycare providers have one of the most important jobs in the world! Unfortunately, it's hard to obtain and keep good teachers due to the minimal amount of money they receive.
- I feel our center is able to be competitive with our salaries. However, we are operating out of the church and, therefore, we do not have to pay rent or mortgage, electric, heat or repair costs. If we had these extra expenses, I am not sure how we would pay the bills or competitive salaries.
- I would love to be able to have single adults work for me. [Also, I would love] to be able to work in an early childhood program and be able to live independently- above the poverty level.
- It is very hard for parents in this region to afford day care. There is a need for more subsidized for needy families. It would also been a benefit to have grants available for up-keep and supplies.
- Obviously, even if someone who truly cares about children and wants to work in that field can't make a living at it, they are going to move on to a profession where they are more adequately compensated for their skills.
- We have some clients that are on waiting lists of public help so long; they need help now. But they also have to work. A lot of clients can't even afford the \$20 a week for payments on public help. A lot of families on private pay can't afford day care. So this keeps our enrollment down. I think the children need this environment of day care for behavior and daily activity schedules.
- As a small privately owned center (license capacity 48) we cannot compete with those nonprofit agencies receiving grants nor can we compete with centers offering benefits or higher wages. I'd also like to see DPW take into account that they pay such a low daily rate that we cannot pay our staff higher wages while adhering to staff-child ratios. Forty-two percent of our income goes directly to staff pay, 11 percent payroll taxes, 11 percent utilities, 5 percent rent. We could hire more staff with degrees if we could receive the money to do it!

Appendix J (Continued)

- Quality care increases with education--affordability and convenience of education is expensive. Low paid worker doesn't have incentive to pay or attend workshops. A wage subsidy given to my organization will (with a lot of documentation) be passed on to the caregivers.
- With day care becoming increasingly important as an educational setting there should be more financial help to pay higher salaries. We have one of the lowest cost for day care services however, the quality of care has increased therefore if we had more income coming in we could pay more.
- I feel because of the low salaries it is very difficult to find and keep qualified staff.
- I would love to pay my teachers more but I don't think it could make the quality of care in my center any better. I have to say my kids already get the best care my teachers have stayed with me not for the money but because they love kids and how I operate my center. They are the best and should be paid a whole lot more. I cannot charge parents more that is the problem. I feel the govt. Or businesses should help subsidize day care more than they do at the present time.
- I am currently putting every penny back into our day care and employee benefits because I want to retain the staff I have. I want the parents to be well please with the quality of care their children are receiving. I can do this financially because I have another job.
- We rent a space for less.
- Centers need to add something to staff's pot (i.e., funeral days, sick days, and payment for professional hours, etc.) Directors must try to be flexible with staff's needs and time off. Each year we add something. We are proposing a 25 cents across the board raise this year to all staff. This does not include the 25-60 cents merit raise available to each employee. We're trying!
- I have done a survey in my area and hairdressers, garbagemen, retail workers make more than my teachers and my teachers have B.S.. Degrees. Something is wrong with society that they do not value their children's educators.
- In order to improve quality of care we need to receive subsidies to the level in other areas of PA, NJ or NY in order to pay staff their worth and offer benefits. Many of our private pay clients could use subsidy.
- State subsidy for day care. State income tax relief for parents of pre-school or school age children attending extended day progress.
- I believe day care workers deserve good pay, but this is very difficult with costs. We try to make up for this by being flexible and providing free child care for their children.
- Nonprofit organization can get grants and use school building at little cost, therefore their costs are lower. They can provide in-house training for staff because they are larger. A small profit child care does not have those advantages. Staff is paid less and leave often.
- It would be great to have extra money to subsidize employees' salaries and benefits. Day care workers are not paid very well.
- Lower taxes
- I interview many interested applicants, but when they find out the low salary & lack of benefits they refuse.
- If better wages could be offered better staff would be available and would stay longer. Also, more training would be useful.
- The figures from five years ago are no longer available, this (the above) is a guesstimate. In order to be able to provide quality care our center has been raising rates of pay considerably each year in an effort to attract qualified and quality staff. We are required to hire the same caliber staff as a school district but are unable to compensate as well.

Appendix J (Continued)

- I feel the time has come for the state ceiling rates to be increased, for subsidized care. Allowing independent day cares to increase their rates to allow for higher paying positions.
- We are fortunate that our teachers are dedicated and willing to accept low pay. We just started 5/98 offering health care benefits or compensation. Most employees are carried on spouse's health plan.
- Most people are in child care because they really want to be; this makes it even worse that they're paid so low. It's so sad when a talented teacher or caregiver is forced to leave the field, so that they can pay their bills. Virtually everyone makes more than we do--what is more important? Hamburgers or children!?
- We, as child care providers, struggle to provide the best care possible. We love our jobs working with children, but the income is pitiful. My best teachers are women with children who are working here to be with their children instead of earning their potential income in their field of study. A sad situation for all of us.
- The high turnover rate of staff is directly related to the lower salaries child care workers receive. It is difficult to pay staff higher salaries because the majority of the children enrolled are state subsidized and the LMA and DPW do not reimburse for the same rate that is charged to private pay clients. The rate of reimbursement needs to be raised.
- Quality of day care here has only increased--as a mother I wouldn't have it any other way. But, with parents not paying, bills and taxes increasing and workers needing more pay, it's getting harder and harder to function. I have been working 12 hr. shifts in order to keep ratios in check and payroll down. I love kids and my job--but child care laws definitely need a change. I am lucky to have a wonderful staff of "homemakers" who work for the children, not the check.
- It is a constant struggle to maintain good teachers because we are not able to pay them enough. I think it is important that DPW subsidies for children be increased as it is the teachers that end up subsidizing these children.
- It is very difficult to provide quality care when it is impossible to pay decent salaries. Subsidized child care needs to increase the amount the pay.
- I know that I have been very fortunate in finding the perfect employees. They have insurance--the husband, they love kids, can handle stress and are not in need of high paying positions. This is not the norm. But I have been able to provide quality care for almost minimum wage.
- Nonsubsidized parent can't afford the full amount DPW helps pay - raise price for DPW families and private families can't afford day care.
- We have one licensed full day site; all other sessions are part day. (traditional aid shift) however, I included salaries for all education staff.
- Provide federal monies to subsidize the salaries of day care workers and to help nonprofit organizations provide benefits to these workers.
- I think if the salaries of employees were increased, more educated and trained people would be interested in working. Also, the current employees might be more serious and more ambitious. Currently my employees and I need to be employed at more than one job in order to manage.
- I feel child care workers are under paid for the work they do. We are responsible for the wellbeing of children. This is a large responsibility and people need to be aware of that!
- I have been at . . . program since it began, yet I am the lowest employee at the program and people with one year service is getting paid more than me.

Appendix J (Continued)

- Public schools should provide three- and four-year old preschool classrooms to service all families within their school district with public monies being allotted for this purpose in the same dollar per pupil ratio; and hire qualified staff/teachers at k-teacher salaries/aide salaries. Before and after school programs should have same provisions.
- To retain qualified staff whose education and experience provide the best environment for the growth of young children respectable, acceptable, and valuable compensation is needed.
- I'm an optimist, that is why I do child care. Yes-I want to see experienced non-degreed people be allowed to move into teacher positions for infants and toddlers and after school positions. There are many loving people with great ideas who are not allowed to "teach." It is a ridiculous rule. People who stay in these jobs for over five years obviously love and value children. A degree doesn't give on these characteristics! Not everyone can do this work correctly.
- I think if we had a fund to help pay our employees they would stay in one day care center longer. We can't pay out more in wages than we have money coming in. Any program would be appreciated by all.
- The young four-year degreed teachers who are staying with us are very pleased with the loan forgiveness program. It has been a big help keeping staff.
- Child care centers need funding to meet the needs of children with special problems. Although these children may not have a formal diagnosis, they require more staff and better educated/trained staff. Good staff leave because of low wages. We are always in the process of hiring training "green" staff. You cannot have quality when you have high turnover in staff.
- Having graduated from college three years ago at age 41, I began the teaching job search. The first two years, I worked at a reputable private institution earning approximately \$10,000 a year. Last year, I was offered a public school job, albeit chose this director/teacher position because of the flexibility. Fortunately this is a second salary in our household. Singles could not survive on these salaries! After someone invests four years of college tuition, it is difficult to offer child care teachers/ directors etc. The type of salaries currently paid. We do have dedicated professionals in this field. Long hours and hard work are part of teaching and taking care of young children and the rewards outweigh the monetary values!! Let's find a match!!
- New regulations should be put in place for school age day cares that are separate from preschool care. Kindergarten should be reclassified as school age care. All school age regulations should be consistent with public school regulations to provide a smooth transition from school to day care. Educational requirements for school age day care are extremely restrictive. We have the children no more than three hours. We cannot meet even the site requirements in hours for a director and supervisor without having them here for hours the program is not in service which drives up the costs. We would be more than willing to testify to this fact and others at anytime. It is way past the time for these regulations to be brought up to date.
- We are desperate for child care salaries to be subsidized by the government. It is difficult to offer quality care with the high turnover rate and Lancaster County has a low unemployment rate.
- I wish I could compete with public school wages because all my teachers have a four-year degree. But I can't pay them one dollar over minimum wage and that's sad!
- Without an increase in salaries, the value of care will suffer. Providers are having high turnover and aren't able to find good staff to fill slots. Research shows the connection between salaries and quality care. The Legislature needs to address this issue by forcing the DPW to comply with the federal child care regulations

Appendix J (Continued)

- In 1993, . . . had a total of seven centers throughout the county. To cut costs, we have consolidated two centers into one and closed two centers. As a result of downsizing due to enrollment, we laid off three part time, reduced five full time staff to part time, and had three full time staff resign, which we did not replace. Our deficit at the end of 1997 was \$34,970. With this continuing downward spiral, we expect that we may have to close classrooms and lay off more employees which results in loss of quality care for children and families in our county. Not only have our employees not received adequate wages or cost of living increases, but benefits have been reduced and copayments have been increased along with the employee paying part of the premium for health insurance to offset rising costs. The demands of child care professionals have increased (example, ADA requirements without additional compensation/manpower). While compensation has remained the same or less over the years, individuals can seek employment in many local businesses, such as retail, fast food chains, etc., and receive significantly higher wages in positions that require less responsibility. We provide benefits to our full-time employees and the cost has continued to rise in maintaining this benefit package. We are hiring more part time employees which impacts on quality services to children. At this time it is hard to find this part-time help. The last two advertisements we placed in the local newspaper, we did not get one response.
- The key ingredient in having quality child care is staff and to maintain staff you must be able to pay a decent salary and provide benefits. One recommendation is to consider a lottery that benefits PA's children similar to the one that exists currently to benefit senior citizens.
- Without well-trained educated staff being paid a fair wage, PA's children will not receive quality care.
- Day care is not a great job--long hours, lousy pay, no benefits. People who do it, do it for one reason--the love of children. In order to get qualified employees, I need to be able to pay them so I can keep
- Our program is a small after school care program. Other child care facilities would benefit from higher pay for their staff because child care is as important a job as anything else in the work field, and people should be able to be compensated for that.
- Our salaries tend to be a little higher in our area, we believe this has allowed us to attract higher quality teachers and maintain them. The trade-off, however, is a lack of money to maintain quality program supplies, put in much needed new carpets, or enhance our environment for the children further.
- Providers should be able to charge the state up to 20 percent over the cost of tuition for private pay students, because the subsidized children are usually the ones that require more individualized care and because we waste so much time on the phone trying to get our money. Almost none for the caseworkers in this area use the same method or timetable to process monthly reporting forms. I never know when we'll receive the subsidy checks or if I'll be able to meet payroll!
- Quality care includes reliability, education and commitment. It has been my experience that education and business do not mix. (i.e., lower pupil/teacher ratio increase salaries & number of employees. (Thus effecting a multitude of other expenses.) In order to have a profitable business and to make money, a high tuition rate is in order (which is unrealistic) plus a pupil/teacher ratio that would be inconsistent with everything we know about sound educational values.
- The child care field needs your help!! We are the beginning of the educational experience for young children. It must be developmentally appropriate for their future school success. The colleges and universities are producing trained professionals but they are looking for fair wages, benefits and good working conditions. They are opting for elementary education not day care/early education. We don't have all of the above to offer them.

Appendix J (Continued)

- If small world had more money to pay our staff then our turnover rate and overall job performance would drastically improve! Our teachers are more inclined to stay if they are guaranteed raises and benefits.
- We, as a society, do not place children very high on our priority list. Parents will nearly always go to a center with the cheapest rates. The almighty dollar always comes first. (or lack of it), caring staff watch their children and we are treated like slaves or servants. Parents do not need any more subsidies. There are plenty of programs. The centers need subsidies to get and keep quality staff.
- It would be nice if we some how could help with staff salaries. It would be great to be accredited but where do we get the money from?
- I am curious about what you will be doing with this data. Staff salaries are the driving issue in child care today. A quality child care program requires good staff and low turn-over. Why would anyone want to work in a high stress environment like childcare when they can work just about anywhere else for more money? The average child care worker has a family and obligations that can not be met on these wages. Furthermore, the constant turnover means that new staff are not getting the training they need to make them good staff. This seriously effects program quality.
- Provide an affordable health insurance program for all employees working with a state certified day care center. Provide free training for staff to meet the 6 hours of training required by the state each year. Provide grant money or low interest loans to help providers upgrade facilities for health and safety and also to purchase better educational materials.
- The amount of salaries can influence the willingness of staff to take additional training and subsequently stay in the child care field. Training is directly linked to improving the quality of care. Additional funding for training is needed to make it affordable for child care staff. Then, incentives to stay in child care are needed.
- I think we need to abolish prejudice against for-profit centers. We provide the same or better quality care than not-for-profits, yet we do not garner the same benefits. Pick summer youth employment candidates cannot work for us. We are not eligible for a lot of grants. This is an area that needs to be addressed. We do pay taxes for everything.
- We have been able to increase the number of children who receive scholarship money from two funds established at the college. We have not been able to close the gap in funding created by welfare reform, etc.
- There should be money allotted for day cares to be able to pay higher salaries and give benefits. This would increase the quality of care and decrease turnover. Being a small day care and not making a lot of money this would help tremendously.
- The national day care association printed an article five years ago that they buried. An economist wrote that for salaries to increase to the level of influencing a change on quality of staff we would have to increase the ratio of children to staff, not decrease the ratio. Parents and governments could not afford the increase if we left ratios as they presently are or went to lower numbers.
- Legislature should consider funding child care as they fund public schools. Partnerships between schools and businesses and child care should be encouraged with financial incentives.
- Provide quality initiatives of percent of pay reimbursement to centers whose employees are providing consistent child care for two years or more. Similar to the SWSP by PHEAA.
- As a faculty member in a local child development associate degree program I see lots of staffing

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problems in other centers--centers cannot keep quality staff, especially younger, as you cannot exist on minimum wages, we often don't view this as a profession but a "stepping stone" to a real job that offers competitive wages and benefits.

- How does anyone expect the quality of child care to improve when a person spends two-four years in college and thousands of dollars to get a job that pays slightly over minimum wage when they can go to McDonald's and make more money with less responsibility and never go to college grants for day care supplies to better child care.
- Head start funding affords us the opportunity to pay better salaries than private day cares. I just don't see how they exist! The quality I've observed in private settings is poor! Poorly trained staff, poor quality and amounts of materials. Lots of "fudging" on adult to child ratios. Subsidy rates simply must be increased.
- We are unique because we are non-profit and subsidize children privately through an endowment set up in the 20s for underprivileged children. We have a wise board who has invested this endowment wisely so we are able to continue our mission. This is different than for profit or DPW centers.
- . . . provides quality care to children with and without disabilities. We maintain lower child to staff ratios which is well received by parents. Fees are the same for all families. Cost for service is higher however and must be subsidized with united way dollars and from time to time fund raising dollars. We require additional training for our staff--more funds to support education would be a plus. Training dollars to support training other day care providers to accept children with disabilities is also urgently needed.
- Day care workers and providers are expected to display a professional working attitude at all times. It's extremely difficult to secure and keep "professional" workers at \$7.00/hr. I personally don't know how much longer I can eat, sleep and breath day care at \$18,000/yr. (my employees earn \$13,000 to \$14,000).
- I don't think salaries for teacher's can be competitive until child care centers get government help. Parents can not afford child care expenses now--so they can't afford a large increase in staff wages (which the cost would be passed to the parents) government should help us!
- The Department of Public Welfare's licensing regulations for staff are appropriate and need to be minimum standards of what we should accept for those working "raising" children. We can no longer compete with other agencies who offer higher wages and benefits--such as therapeutic staff support positions (wraparounds). The staff pool has diminished and we often are faced with the decision to "close" a center because we cannot operate without qualified staff. Staff who have left did so for a little higher wage plus benefits.
- Because of the need to increase salaries or offer more benefits to employees, day care rates need to increase. Good incentives help day care to give the best of services by employees.
- I was employed with the . . . child care program since 1987. In the summer of 1997- the . . . decided to close the child care department due to constant turnover or staff and operating at a loss--I manage the child care in . . . because of the need for it--cannot operate without good quality staff--and staff needs a decent salary.

Recognize the need to make a greater differentiation between salaries for certified/degreed teachers and non-certified/degree assistant and aides several in position of assistant or aide have been here so long they are making well over the current cap. We have chosen to give several bonus/year to them rather than increase hourly rate.

- Our salaries have increased in the last five years, but I really believe that in order to keep qualified staff they need to be paid a higher salary. My feeling is that if the government put a greater emphasis on salaries in the child care field, then teachers would stay and feel good about their

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profession they've chosen. The government needs to fund childcare centers the way that public schools are funded. The first five years are just as important as school age years.

- One of the greatest problems day care providers face is that it simply doesn't generate enough money to compensate for qualified teachers. It would be wonderful if there was some kind of subsidy that day cares could be eligible for if their program met certain educational guidelines. It would also help people recognize that child care is more than a baby sitting job it is preparing our children for their future.
- Head teachers in infant, toddler, and early childhood classrooms should be well trained, degreed professionals. The love and education of young children is acknowledging a job that demands a depth of understanding at child development, family dynamics, good general intelligence and broad general knowledge of the world! People with those qualifications don't come cheap. We need government funding for high quality child care programs, so that we can offer child care job applicants the wages that will attract well educated reputable care givers. A very attractive additional incentive is affordable educational opportunities for child care givers.
- Child care workers should be paid more--after all look what they are doing - caring for our future generation. I think they would appreciate even more a benefit package that included health benefits (unfortunately our administrative costs seem to be too high to offer this. Administrative costs--overhead, building, heat, telephone, etc.
- After four years in the business, I have observed degreed teachers vs. teachers with day care experience (about 3-4 years). From my observations, and in my opinion, teachers with experience are just as qualified and more patient and enthusiastic with the children than teachers who work here with a two- or four-year degree in early education.
- Please keep in mind subsidies have not increased their ceiling rates in five years but the increase in DPW subsidized children have increased. So centers are limited as to increases and benefits which they can give to their staff because we are not getting our full rates.
- Have an affordable health insurance plan available for small day care centers to "tap" into for employees. Have a salary/wage incentive from state which benefits those who are stable employees (2+ years of service).
- Have a special child care staff recognition day--state aide to promote the concept of early childhood teachers are professionals who lay the foundation for children that "learning is fun and exciting"--thus enabling children to enjoy the following years in the educational system.
- It is a shame that qualified degree staff are paid so little in wages for the amount of work they do for these children. Many centers have no benefits, each time the minimum wage is increase only those affected get the increase. Programs do[n't] have budgets to cover increasing everyone.
- If I didn't have to pay so much taxes on payroll taxes, I could pay my staff more and have other benefits. I think Legislatures should look at a different tax rate for small businesses.
- It has been our experience thus far that salary is not the only motivating factor in keeping and finding good employees and the relative care given. Level of motivation has been more directly related to an individual's personality and devotion to their profession.
- In order to make child care the best we need to provide quality staff and programs. However, good teachers need to be paid for their degrees and experience which then means cost go up, tuition goes up and parents look for what they can afford not the best program for their child. Who suffers? In the end the children! Help parents out with higher funding or higher tax cuts so small centers can continue to provide quality care to families.

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- The increase of salaries is impossible due to the high cost of operation of a quality program; therefore, quality of the program is compromised. My recommendation to legislation is that federal and state money must subsidize child care programs in order for them to keep a quality service and safeguard the continuance of operation.
- Need to pay more for quality staff and increase benefits to keep them will cut into profit line considerably this year--we pay no rent so should still at least break even.
- Our difficulty is now child care is offered in each community. We started as a training center and cared for 95 to 100 children each semester. That doesn't happen now and we are trying to develop a new market in the changing world.
- When we hire quality teachers with education degrees, we quickly lose them to public schools or corporation owned child cares who can offer better benefits. Parents are concerned about teacher turn-over, but do not understand the correlation between tuition and lower turnover.
- Our problem is that although our teachers are very qualified to do the job because they are educated adults, who love children and are themselves parents these qualifications do not always allow them to be hired as teachers. Many of our staff are mature women with college degrees, children of their own and loving, creative ideas to be great teachers but they can only qualify as aides. Certainly if we could pay higher salaries and extend benefits we would attract more professional teachers.
- The Legislature should consider subsidizing the salaries of day care staff. Quality care will only improve as staff are willing to stay with an agency and gain experience.
- In order to find staff who understand child development and DAP practice. I look for persons with associate or bachelor degree. However, the wages offered do not attract many people with these degrees. This is a great loss to our early childhood programs.
- Unless salaries and benefits are competitive, there will continue to be constant staff turnover; ill-qualified staff. This has a direct and constant bearing on quality and the negative impact on children's lives. Increased funding is necessary in two parts: increased (adequate rates) and increased funding for lower income families. These families are now going to unregulated care out of necessity.
- Public funding to subsidize cost of salaries would greatly increase the quality of staff and affect the turnover rates positively. Early childcare is not a luxury with the amount of two working parents and single-parent families on the rise. Early education is as important, if not more so, than primary education.
- We have found that when people can live on their salary, they are more apt to stay at a center. If they cannot survive on a child care worker's wages, they leave for a better-paying job, and/or get a second job which restricts their availability at the center. This affects staff turnover which in turn affects the quality of care in a negative way. Centers should receive as much financial help as school districts; the children and staff are as important and deserve equal recognition.
- More money should be earmarked for staff salaries and training.
- Salaries cannot be increased in cases where real funding isn't there. In some cases fiscal counseling for employers may help overcome poor money management practices. Legislative assistance with fiscal supports would help greatly--i.e., benefits - insurance, and personal comp. time.
- Our facility's ability to attract and retain well-qualified staff is directly affected by the salaries we offer. This year we increased the number of full time positions, and had a much larger applicant pool to draw from.

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- Child care is a non-profit business. Children's needs can be negatively affected when a profit is the number one concern of the business school. Business or church-sponsored programs best meet the needs of children.
- I have been in child care for almost eight years, and salaries have always been an issue. While initiatives like United Way focus on our future have been wonderful, we desperately need to have state or federal monies available to bring some experienced, educated men and women into the field.
- We find it so difficult to find and maintain quality staff. We believe that this is due to the small amount that we can pay them. The quality of our care would increase by leaps and bounds if we had the resources to pay our staff what they are worth.
- There is a definite need for increase in staff salaries.
- The quality of care at my present center is excellent! However, I was at a center a few months ago where the quality of care was lacking. The center was a corporation and the owner refused to pay more than \$5.75 an hour. We start at \$6 or \$7 per hour for assistants with experience. We also offer insurance at a group rate.
- I would be glad to speak with you further on this subject. I just took over the director position here and am trying to meet several deadlines. I tried to be as thorough and accurate as possible.
- I think Legislature should consider a plan to pay for a portion of the salaries paid to teachers in day care with at least a two-year degree. Larger percentages of pay for teachers with a four-year degree. For example, I can only pay maximum of \$7 per hr to a teacher with a four year degree. If the government would pay an additional \$3 per hour for a total of \$10/hour that person might stay and give more quality care.
- Child care workers should be granted all possible tax relief based on their salary and number of dependents
- The problem is also that the government reimbursement rates are so low that there isn't enough money for a day care operation to pay the staff. Yet, the staff work with our most precious resource---children!!!
- It takes approximately five weeks to fill vacancies in the above position titles. We do not operate the center during the summer months, evenings of weekends. We do not have a contract with PA DPW to provide subsidized child care. Currently, we have four private-pay children. Our revenues fall short of expenses. The day care center is a part of our educational program. The revenues are just partially offset our expenses.
- I think they need to provide some type of grants available to centers to help pay employees a higher salary this way you could probably keep an employee longer. Because in day care you really don't make a lot of money. and again lower the standards needed to be a lead teacher, and also change the new regulation needed to open a group day care home it is outrageous.
- Subsidy has to be made to profit day cares also, as day care does not make a profit due to all the rules and regulations and no support from the government.
- We have continually struggled to keep tuition affordable to parents but yet pay our staff decent wages. It has become increasingly difficult to find and retain good staff people, partly because of low wages and the lack of health benefits. Staff is the single most important ingredient of quality care. Without good staff the greatest facility and equipment is useless.
- No easy answers--what market will bear. As a for profit school--tuition is our only revenue so greater salaries=higher tuition which parents can't afford. Early childhood staff never makes what worth and rarely given their due respect. This [subsidized care] is a big problem for our school. Currently considering not doing subsidized care--not worth the hassle DPW puts us

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through with their lack of work and follow through.

- This center is very fortunate to have women group supervisors with strong educational backgrounds. I have just hired them and hope that it will be financially feasible for them to remain long term. Many of these children will be attending kindergarten next year and should be receiving a preparatory curriculum to facilitate that transition--everything is predicated on staff development!
- Funding for training of staff would help to increase quality and decrease turnover. An increase in ceiling rates for DPW funding would help to offset costs of subsidized care. Agency operates four separate centers.
- As I have indicated all through this survey. Salaries have a definite relationship to the quality of care, not because people only work for the most money, but because they cannot pay for a college education in early childhood and actually made a living in this profession unless they live with their parents and walk to work. A person can not survive the real world on early care and education wages. PA could, if they would follow North Carolina with T.E.A.C.H. and W.A.G.E. To begin to build reality of wages to draw, to allow people who want to work with young children the opportunity to do so. Research has already proven the early years are the most important. Isn't that where we should be putting our dollars for training and salaries training without compensation is a moot point!?
- It's hard to pay teachers what they deserve when DPW ceiling is so low. (DPW ceilings are below my private pay rates.) It would be nice if the state would offer grants to centers (including for profits) so we can buy supplies at discounted rates or have a supply house so we can purchase items at a discounted rate.
- Funding for child care; subsidize salaries; grant availability; search out and close unlicensed child care facilities.
- You have heard "you get what you pay for" and day care is no different. We are using 93 percent of revenues for salary. Our rates are higher than subsidized ceiling rates, so we really can't raise rates. We may not be open much longer--we can't afford salary.
- The Legislature needs to provide more money for low and middle class families to cover the cost of day care--please don't let the minimum wage go up.
- If we were able to pay higher salaries for professional teachers, staff would not consider going elsewhere for employment. (My teachers seem to leave because of the pay.)
- In order to have quality of care we must offer higher salaries in order to attract more qualified people in this field.
- PA's children, in a city community like . . . need as much support that the Legislature can offer. Subsidized health care for our children and for staff (employees who work in lower paying, community service jobs) should be instituted.
- We are very fortunate that the caring, creative women employed at today care are willing or able to stay even though we are not able to pay wages we would like to or provide benefits. Because our employees have been with us for so long and because their years of experience are so valuable to us and to our children, I am trying to maintain as many as employee hours as possible. This September our enrollment dropped due to a variety of reasons: children beginning school in a different school district, parent's work hours being cut, parent lay-offs, care being provide by a family member in order to save money. There are at least five family day cares within two blocks of our center. We have many fewer subsidized children of college students since the 10 full time subsidized children; now we have one part-time child. Our costs to private pay parents has been raised to \$20 a day for three and older and to \$24 for two-year olds. The state ceiling rates have not gone up.

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- I think day care wages are low, as compared to the tasks workers are asked to do. However, it remains to be seen if we can stay in business paying the wages we do as rates are very competitive. I would like to see more money available to formally educate staff working with children so that the quality of care would increase and the staff could climb into higher paying positions.
- Our day care is a specialized center providing services in EI to 3-5 year olds. We provide an inclusion program by also incorporating a 3-5 year old nursery school.
- More and more families are requiring child care than ever before. As child care workers we are now beginning to be the child's primary care giver, especially in their early years. Without the monies to attract quality staff we are not meeting the needs of our clients.
- As a non-profit charitable organization, it is difficult for us to pay the salaries necessary to obtain and retain quality staff. Furthermore, in our financially depressed area, people cannot afford full-time day care.
- Day care workers should make more money than they do right now. Day care workers are taking care of the most important asset a parent has, so they should be compensated for it. Legislative committee could put an impact on congress to help to assist in helping to pay for day care. Day cares that are employee involved could have help to pay higher salaries for the day care workers.
- Site was not open five years ago.
- My staff deserves so much more than I can give them. It is very frustrating to me. I still have not taken a salary because I am trying to give my staff a decent wage. Still the highest paid is only \$6.50/hr. This is not fair!
- I would gladly pay employees more if I could. If the Legislature could provide grants or give centers more money, I feel the quality of staff would greatly increase.
- Our staff, unless they acquire a teaching position within a school system or personal reasons, have been with us for quite some time. Some individuals do not qualify for a higher position that group supervisor and can not direct a center even though thoroughly capable. Item 1: need to look at promotion without degree. Item 2: aide to child care facilities who retain loyal employees but cannot afford to pay higher rates.
- I don't agree that salary is the limiting factor in providing quality care. I feel the work environment is much more important! I would like to see more research into establishing a prototype environment more conducive to helping children grow in all areas of development; one that would limit the noisy environment currently acceptable with the growth of the "chains" which certainly has merit for economic reasons, but puts children in an environment rivaling the active trading floor of the stock market! Not a good working or learning environment for 9 to 12 hr long days.
 - Response is for 15 different centers--45% of our enrollment is DPW subsidized which does not reimburse at my private charge let alone my actual costs. Employees need to make a livable wage and cannot support themselves on child care wages; salaries cannot be increased by the provider with only parent fees to operate/manage. Quality will come with the more educated staff who want/need a higher salary. You didn't ask about the directors/administrators.
- Unfortunately, since we are in a rural area, families cannot afford to pay more for child care and pay for gas to drive to work. Since we cannot raise our rates, we cannot raise our salaries.
- Quality of care is directed related to quality of staff. Staff persons need to make a living. We are no longer able to have our parents (all private-pay) pay for competitive salaries/benefits. Tuition will soon be beyond their means. What happens next?
- There needs to be monies available for part time people to go back to school. Also as directors we

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need more monies available to people with degrees to keep up on our education and improve private facilities also.

- Like I said previously I think quality of care is all based on the money not available by owner of small business. Government should allot monies for small business child care with health benefit packages. The children are the future people who teach the young should be very qualified.
- I really feel that our society places more value on entertainment than quality day care. We will pay our baseball players millions of dollars to work for six months, but we complain about paying \$100 a week to employee day care for our children. What does this behavior display about the importance of our children's wellbeing????
- Salaries and quality of care definitely go hand in hand. Our salaries are quite good for day care compared to others in our area. Our staff remains with us for quite a while. We have very little turnover, and this affects the quality of our program. Parents are happy, children are secure, when staff remains constant.
- This day care would not make a profit if \$1.00 per hour per employee raise would be given, or if health insurance was purchased for every employee.
- If the salaries were higher it might enhance more students to take early childhood and EIED classes which would result in more qualified staff.
- There is subsidized care for children if parents meet the guidelines. There should be some kind of subsidy for child care workers that stay in a job for two-years minimum.
- It is important that staff have a long-term commitment to childcare and are compensated for it, to provide quality child care.
- A formula to reduce workers comp. ins. or unemployment contributions if unused. (2) Refunds or rebates to employers of these funds to help offset better wages and recoup business losses and deficits. (3) Stop minimum wage increases the client market can only bear so many increases. Business cannot always compensate for these increases. (4) Make grants & funds available for profit registered business our "profit" registered business make less "profit" than nonprofit businesses, but is constantly ineligible for programs. Eventually this will eliminate free enterprise.
- I think some changes need to take place, unfortunately I don't know how to help initiate that change. How children are cared for in early years is critical and child care employees need to be paid more in order to get quality.
- Reimbursement by OCY programs (Title XX, special purchase, etc.). Does not meet our full rates. The maximum DPW rates for subsidized care must be increased to allow providers to receive full payment for services rendered. We are a non-profit, so our rates are set to just cover expenses.
- There is a definite relationship between salaries and quality of child care. Child care is extremely expensive, especially infant/toddler care. It would be beneficial if the government could provide some additional subsidies for child care.
- Day care workers are not paid well enough compared to workers - at homes and rehab centers workers in day care most perform many of the same jobs as others plus they also are developing children's minds and bodies.
- Employee state license day care providers group health plan. Where the state pays the employees part and 1/2 of the employers rate. so that it does not break the employer or the employee to have medical assistance benefit since they are tax payers any way and employees need benefits.

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- Certainly we have many times offered positions to “teachers” who were top candidates and lost them due to salary offered. It is interesting that this salary survey does not include salary of director, a 50 to 60 hr work week job generally paid in yearly salary, therefore, affecting hourly reimbursement. We too need wage gratification.
- With so many persons who can receive subsidized care they don't always bring their child to quality centers. Our salaries and fringe benefits are a huge expense. But our staff does not turnover!
- Now that more mothers are forced to join the work force, the need for day cares are increasing. Because of this fact, more focus should be put on the quality of the day cares, and the employees of the day cares. It's very hard to keep qualified and good staff when they could make the same money or better at a fast food place or a gas station.
- Hoping for better but last three months have seen a loss.
- It is extremely difficult to hire quality teachers, assistants, and aides for the salaries being offered. It's interesting; entertainers make millions of dollars per year but child care providers are minimally paid to teach and raise the future of America. Where are our priorities?
- Salaries are very low in child care with much responsibility in this field in order to get better qualified teachers the rates per hour need to increase.
- I believe and have noticed that most of the time, the money is not an issue. They must love what they do in order to do it.
- Unless salaries and benefits are competitive, there will continue to be constant turnover; ill qualified staff. This has a direct and constant bearing on quality and the negative impact on children's lives. Increased funding is necessary in two parts: increased (adequate rates) and increased funding for lower income families. These families are now going to unregulated care out of necessity.
- I think it's important to remember that we are asking these people to care for “our future.” If we want our young children to have loving, qualified, and educated caregivers then we have to be willing to compensate them. The first four years of life are the most important in brain development, and we need to offer our young children the best early childhood environment possible. This requires competent and consistent staff.
- I'd like to see child care workers be able to make a decent salary above the poverty level and also I'd like to see more people and agencies realize what an important and critical job we perform in regard to the future of our society.
- Educating the public as to what quality care is and why it costs more is a formidable task. When people see the positive results, they still don't want to part with 5 or 10 dollars more per week to continue the excellent care standard. We are still viewed as glorified babysitters.
- The Legislature needs to do something to assist child care centers in providing higher compensation to their employees so that we can hire qualified staff.
- Salary benefits and working conditions all correlate directly to quality. Well qualified, specially trained, and well suited teaching staff are hard to find. Offering fair salaries to attract and maintain these employees is essential to offering high quality care and education. We should strive to offer salaries that are comparable to those earned in the public schools since the qualifications, responsibilities and expertise needed are similar. Without adequate compensation, talented teaching staff continue to leave early childhood in order to adequately support their families. Turnover in teaching staff dramatically interferes with quality programming. Research has proven the benefits of high quality care and education in the early years. It has also shown the harm that mediocre and poor care causes. Attachments to significant caregivers is of critical importance to children birth to age three. Inadequate staffing patterns and higher turnover rates

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always negatively impact quality. "Children actually grieve the loss of significant caregivers." Rethinking the brain, Rhima Shore 1998) we must not allow this to continue. Without adequate funding to maintain high quality programs, such as those accredited by the national association for the education of young children, we jeopardize the hope of improving the crisis that we face. Developmentally appropriate interactions between children and adults and a sound child development knowledge base is the heart of what constitutes quality. Salaries that offer fair compensation are essential to attract and maintain a teaching staff to execute "quality." Recommendations: (1) Provide increased public awareness and education of the benefits to children and society that high quality early childhood programs offer. This results in parents making better informed decisions in selecting programs for their children. (2) Provide opportunities for financial assistance to programs with track records of offering high quality though high compliance with state licensing regulations and NAEYC accreditation. Possibilities may be: offering new state or federal government grant opportunities; providing reimbursement rates that match the true cost for children receiving subsidized care (eliminating the need for programs to absorb the difference); -increasing the guidelines for families to qualify for subsidized child care. (higher quality programs charge more because they pay their staff more); without subsidies many families can not afford to choose quality; to provide assistance to early childhood programs toward the purchase of educational materials and supplies similar to the Department of Education Acts 195 and 90 for the purchase of instructional materials. The state provides financial support to programs offering kindergarten which is not compulsory in PA so why not extend the support and attitudes to programs meeting the same standards who serve children birth through kindergarten. Any financial assistance or support offered to programs frees up possible funds to designate for salary upgrades. Thank you for asking for our comments and recommendations. It is reassuring to know that the need to address the salaries of the teaching staff in early childhood programs is recognized. The price that we all pay for dismissing it is far too high.

- Bottom line: salaries need to increase in order to hold onto quality staff. Lately McDonald's, etc., are paying the same or more than day care. The girls who sub regularly in the public schools make more.
- To maintain quality care it may take state tax breaks or subsidies. Parents can't afford the tuition that would support paying the teachers what is fair so if tuition is raised they go to unlicensed day care. If we don't increase tuition we can't get good people and we'll end up losing money.
- You simply get what you pay for in staff. Have used JTPA and other "parent training programs" to make ends meet. High school partnerships do not work since teenagers must be supervised themselves.
- We need increase in daily market rates for subsidized care. We need to give financial help to mothers leaving welfare (to pay for day care) the Title XX waiting list needs to be reduced (more additional funds) we, as employers need to be able to pay our staff what they deserve. Children are our future!
- I wish the state or federal government could help subsidize salaries, so that we could hire more degreed people to operate the center and who really love to teach toddlers and preschoolers.
- With salaries of child care workers as low as they are, it is often necessary for these individuals to work several jobs, work long hours, and work seven days a week just to pay the bills. This causes fatigued staff with little or no time to further their education, obtain appropriate training, or to fully attend collaborative meetings in order to enhance the quality of the program they are working in. It also makes it very difficult for centers to hire degreed applicants and, if they do, it is difficult to retain these staff members. Salaries definitely inhibit the quality of staff needed to run a quality child care center.

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- Tax breaks for day care centers. Funding subsidies for employees including benefits. Any ways or means to better provide child care services and still meet all financial obligations.
- This survey would provide a valuable resource for all day care providers to refer to. Please consider sending those of us who responded the results! I would gladly pay for the information. Deciding what is a fair wage in this field is difficult to determine.
- I think that our salary should reflect the number of children in our care. I've learned from experience that this is sometimes motivational in recruiting new students.
- Without well trained educated staff being paid a fair wage, pa's children will not receive quality care.
- Salaries and benefits must increase to decrease turnover and increase quality of staff, therefore, quality of care. Mandate regular every three years market rate survey which will drive ceiling rates in subsidy system. Strengthen licensing requirements and develop coordinated training system.
- Although there is a loan forgiveness program it is unrealistic even as low as child care wages tend to be, many staff are ineligible. Again I have seen many staff leave due to wages that have a natural rapport and excellent ability with young children but cannot afford to stay due to cost of living and loan paybacks.
- I feel that child care givers are not paid enough. We do more than just baby-sit children, we are a learning institution. I would like to see the Legislature help to fund quality child care worthy wage initiatives. Thanks.
- I believe that every family should be eligible for subsidy or that every child care program should receive funding based on the number of children in care. Parents can not pay the full-cost of quality child care and thus child care staff are bearing the burden, many of whom must work two jobs in order to provide for their own families and make ends meet.
- A tax break for payroll taxes would be helpful. Our staff would be able to receive more appropriate compensation.(increased wages and health insurance benefits) for their important work if our company didn't have to pay such a great amount each month for our 941 deposit.
- Regulations classifying kindergartners as preschoolers who are enrolled in full day kindergarten and attend before and after school child care at the same site need to be reclassified so that regulation modification can be put into effect regarding staffing each site with a degreed director and imposing pre school site regulations on public schools.
- Don't just offer help to nonprofit agencies. For profit entitles are just as needy and cannot seek out grants to help supplement income.
- I think the workers are paid a fair wage considering the staff help and the actual time spent caring for the children. We have 2 to 2 ½ hour nap time during an eight hour shift for each worker. This provides them with a fair break. We give the children an excellent quality of care.
- We need ways to help for-profit centers that have national accreditation be able to help pay decent wages. You can see I have several degreed teachers with many years experience at my center who are making miserable wages, as am I as director/owner with 27 year experience.
- I have high professional expectations of my staff. They are all certified teachers and I'm fortunate to have three colleges in the area so have a large pool of applicants. My teachers do begin at a lower wage, but work 45-50 hrs weekly. Fortunately my turnover rate is low. High expectations and rewards in terms of experience often compensate for low salaries. My teachers, when they do leave acquire advanced teaching positions.

Appendix J (Continued)

- The mission of our program is to provide quality care for middle income families. Ones who do not qualify for DPW but do not make enough to pay \$24 to \$30 a day for child care. I think aid should be given to a broader scope of families if they can prove need. We only charge \$18 a day.
- We need more financial support to hire good quality teachers. We been increase salaries for \$6 to \$9 dollars but keep tuition same. We want to implement computer program, educational program but need more budget to purchase computers, CD games, printer which we are not able to do at this point yet. We would like to improve security system which need a computer or cam-corder, but no budget yet. Hire more certified teachers need more budget too! Staffing is biggest issue for us.
- Many child care providers find it frustrating to receive less pay than many other occupations, especially when many of these jobs do not require the education or experience that is required of child care providers in a licensed child care center. This often times leads to low morale which, in turn, affects the quality of child care provided.
- There exists a definite link between salaries and quality of care. Our part time young people who attend college too often leave us after graduation. We have trained them and they are great with the children, but they can find better paying jobs elsewhere.
- The Legislature should consider loan forgiveness (no matter the degree major) for all employed in licensed centers. This would go a long way in retaining staff.
- Recommend that DPW children pay according to private pay clients (i.e., minimum number of days). Checks from DPW should not be sent to client under any circumstances. Title XX (LMA) has a much better system than DPW.
- Increased regulations (not that they are needed!) directly increased costs--can't be recovered through fees to parents. Quality day care needs to be subsidized--staff burn out is excessive because this is not easy work.
- Our day care center pays more than the average day care center because they are committed to maintaining quality staff. However, without church funding, the center would not be able to meet expenses. I have found that I get a better response to ads placed if I advertise the starting salary.
- In order to pay my staff what they deserve as quality day care providers, I would have to raise our center's fees, and most of my day care parents would not be able to afford the good quality care we provide.
- We are at the maximum that we can charge the local community. Seventy percent of gross goes to salary and related expenses. The only way to increase salaries is to expand the subsidy program to include more working people. Also, due to an increase in emotionally handicapped children, we cannot maintain 20 preschoolers with 1/2 staff to a group. We keep our groups smaller. Although higher salaries should attract more capable staff, for small organizations increasing fees to cover such costs are not feasible. For example, family of four with two parents work @ 8hr-40hr week-yearly--\$33,000-over limit for subsidy-wk take home @\$500, day care \$200+ leaving \$300 week for everything else, sit down and run the numbers--then increase subsidy amounts and raise the ceiling of eligibility to include more people.
- We need a way to supply health insurance. To these employees at a reasonable price--consider privately owned centers when making grants and subsidies available. There is no great income made (as director and owner I made \$19,000 last year)--we need help too!!
- We find and retain highly skilled people if their income is a "second income" in their family. Single employees are constantly looking for jobs in the public schools (our biggest competitors). I wish I had the answers. Seventy-five percent of our income pays for salaries/wages. We are constantly looking for sources of revenue and creative ways to fund our program.

Appendix J (Continued)

- The staff at the . . . see their work as a ministry. The church takes good care of their workers. The quality we have is because of the ministry not what the workers make. I do think that you have to pay your workers a good wage to keep them.
- Until our salaries are raised society will not see us as professionals. Seeing us as professionals is so important because I think colleges will encourage students more with early childhood field. Colleges have to see EC teachers as real teachers so the new graduates don't see working in a child care center as second best.
- Quality service cost money. In order to provide this service staff need to be compensated. Current profits make it difficult to pay competitive wages relative to other industries.
- Raise the "county ceiling rates" for subsidized families to a more reasonable rate. It is very hard to give pay raises or offer more benefits when the money is not there! Private pay can only give so much money!
- Quality staff would certainly be attracted to a wage scale which competes with those of other occupations which reward educational and experience in this field.
- The people who work in our day care are a good team. When we work for our former owner we were all under paid. Do we work harder or better now? The answer is no. We take pride in doing a good job. We always have done that. If you keep harping about a "degree" you will not have people who will ever be satisfied. In fact a "degree" does not mean that person is honest or capable. We have an owner who works in the day care everyday. She has 30 years experience in day care. Don't you think she could be the director? I think private operators will soon be forced out and government will run everything. I also think the teachers and their union want the whole system sewed up. Day cares will be run like the school. Teachers who can't get other jobs will then run the day cares. Taxpayers will [be] more stressed and broke trying to keep up with teacher demands. Maybe more money would help but it isn't the answer to quality day care.
- Many parents use my day care/preschool because I "baby-sit" before and after preschool therefore their child gets preschool learning and day care all in one. Every time possible we overstaff and do more, learn more and the children enjoy themselves more because we had the extra hands. I have to pay lower rate per hour to have more hours of work.
- More money needs to be put into day care (not head start). Rates for subsidized children need to be raised. Title XX needs to get off the waiting list making more spaces available for working parents.
- Personally, I wish our economy was such that mothers could stay home and raise their own children. Then child care costs would not even be an issue.
- I believe that if the teachers and assistant teachers were given a better salary it would improve the quality of their lives. In addition it would decrease the turn over rate in this field.
- Start to pay a fair amount for state subsidized child care, and pay within a reasonable time.
- In my experience in the day care field, I have found that because of the individuals we have found, the quality of care has not suffered in spite of the low pay. However, I think we are the exception, not the rule.
- I have been an administrator of "quality" child care services in PA for over ten years. The only stumbling block concerning salaries and quality of care with respect to personnel has been improved.
- Legislature needs to assist salaries or help parents to pay higher tuition rates.
- We have a small group of children and try to charge reasonable prices and still pay teacher and assistants a decent salary.

Appendix J (Continued)

- Not open in 1997, currently operating at a monthly shortfall of \$3,000.
- The quality of the staff absolutely determines the quality of care for young children. If we do not find a way to provide staff with the resources for them to have their basic needs met (shelter, food, etc.). We will continue to experience the decrease in qualified applicants and therefore the quality of care. What seems to me that we need is a partnership between businesses (employer's), parents, EC professionals and the government to find creative [ways] of providing the resources to EC Programs necessary for attracting and retaining qualified [staff]. Let's stop focusing on the parents--it just sets up the age old argument between "stay at home" parents and those who also work outside of the home. The focus needs to be on the program themselves--how about incentives for business and educational organizations to invest in EC programming or matching grant programs for improving facilities, classroom materials, and salaries. How about a public awareness campaign which would educate all parents about what happens during early childhood and what parents can do to promote growth and development either at home or in choosing EC programs. PA is filled with committed, creative professionals who could assist legislators in this endeavor. Thank you for giving me this opportunity to provide some suggestions.
- We can not pay the salaries to get the quality of care essential for today's children. We also need resources to be competitive in today's market.
- I find it to be a very sad, frustrating situation. I have directed this day care for seven years and I find the most frustrating and embarrassing thing to be telling the new applicants how much I can't pay them. I have had people laugh in my face.
- We feel that the relationship between salaries and quality of care is very important. We had many problems locating workers who were willing to work. Most who have education degrees, sub for school and aren't interested in minimum wage paying jobs! If the state would mandate a minimum wage start salary, it would be very beneficial to most centers.
- I feel salaries do not affect the quality of care, at least in our case. If we could financially afford it, our workers would be paid more. I feel our workers are qualified and do a great job, regardless of their salaries.
- Help us increase wages so that we can afford trained professionals. Our staff is asked to deal with children who have special needs, but they are not trained to do this. How can we help these children? I can only see it getting worse if we don't change for the better.
- It is vital to the future of quality child care providers that we are recognized as professionals. Many of us have spent several years acquiring educations that enable us to care for young children, yet we are paid less than a fast food worker. Please help to change this.
- During the hiring process this past summer, quality staff was better because we could offer insurance and higher rate than before. New teachers on their own need better wages and insurance.
- Small independent and nonprofit schools and day cares are finding it very hard to compete with the large for profit day cares popping up all over. This is a problem for people who seek our services because we are local and affordable and a problem for us to get and maintain a good staff who can get better pay and benefits from the big "cookie cutter" for profit day care.
- It is very evident that the higher paid employees are more productive workers--and more importantly provide a richer quality environment for all children served. A pension plan and better benefits must be offered to maintain educated staff.
- Since high quality care is equated to small classes, highly educated teachers and low staff to child ratios, salary issues are paramount to good day care. Especially when more and more low income subsidized families are using day care, the staff must be trained to deal with behavior and social problems in the family.

Appendix J (Continued)

- We have made an effort to raise our teachers salaries to attract the most qualified. Assistants have been raised a smaller amount. We are trying to keep the payroll within reasonable proportions to tuition. Increases are given annually and tuition is raised to cover payroll raises as well as other expenses.
- I really do think a variety of legislators have looked at bits and pieces of issues. However I don't think most see the first five years as the most important years of life--developmentally. I think people want to do something they don't know what or how. We do not need more paperwork--we need to run quality programs for young children that meet family needs. Thank you for whatever you might do that impacts child care positively.
- The low wages and usual lack of benefits do not attract qualified and committed early childhood workers as a whole. It is very difficult to find caregivers who are ready to accept the low wages and lack of benefits that I, and most employers are able to offer. My suggestion would be some kind of government incentive to encourage people to train as staff and then continued incentive to supplement salaries and or benefits.
- In my ideal world we would have childcare systems like Israel's where all children had access to state subsidized childcare facilities from birth through school age. In our current system, day care workers' salaries can never go up because parents can't afford it. If the market can't bear it, it isn't going to happen no matter how many rallies we hold!!!
- Some of the regulations require degreed persons, where a very qualified persons with years of experience would work just as well. Someone with a four-year degree will not stay within day care because of salary/benefits or lack of. It is impossible for a day care to pay what a school district can. Why not adjust regulations to allow those dedicated, experienced persons to qualify for teacher/group supervisor positions. Just a thought.
- Our salaries are higher than a lot of places but we are small, only part time and have no benefits.
- Low staff turnover, 6 in the past 3 years, 4 relocated to other states, 2 terminations (tone of voice/absentism).
- If possible the Legislature should provide subsidy to day cares who strive to provide highly trained personnel. Our children are worth the best trained staff that we can hire!! The children of today are the world of tomorrow.
- Perhaps if there were more funds available to day care owners, we could increase salaries. Hopefully, that would increase job satisfaction, and keep employees. I also believe that the welfare reform program is in need of review. We serve a lot of low income families and are having problems getting our payments in a timely fashion, even though we are enrolled in the vendor payment program.
- Our reimbursement rate for subsidized care falls short of the actual cost of care and the rates we charge private pay. This is impacting our ability to accept subsidized families. It's time for legislative and the public to respect our profession and pay better for it. After all, any of my staff could get better pay at McDonalds even though this is their degree field!
- The higher the salaries the better qualified people will stay longer. You can build quality if your staff is consistent because all your training time and dollars go into the same retained staff and they get better.
- Parents are much more knowledgeable than they were a few years ago. They frequently ask about the qualifications of my teachers and any training they receive. It's important to get the most qualified people we can, but to keep them we must be able to compete with salaries and benefits. Legislation always seems to be desired to give parents tax breaks for child care. What we need is legislation that infuses funds into licensed centers specifically for teacher salaries.

Appendix J (Continued)

- In the past six months, it has become increasingly difficult to replace staff in the teacher positions. This is due to low salaries in child care compounded by the higher salaries paid to substitute teachers by school districts. I used to be able to hire staff who were primarily substitutes but were working infrequently or at a comparable hourly rate.
- We have recently included offering second shift child care jobs to parents in need. Due to numbers of enrolled and regulations at the present time, need to have two staff when we only have two children not very cost effective. Anyway adaptations for this regulation can be made as we are located in a nursing home care facility and always have nursing staff to call on in emergencies?
- I believe that subsidized child care should be more available for middle income families. It almost seems that subsidized care is for students and low-income families only. If we didn't have to chase payments, we might be able to have higher wages. McDonald's pays more than child care giver receives.
- Why would a certified teacher want to work in childcare when he/she can teach public school and earn 2-3 times the pay? Day cares should get comparable funding that public schools get, the children are just as important in these early years.
- We need to be able to offer better wages and benefits!
- DPW needs to establish the maximum allowable child care costs/rates not at 75 percent of the market rate but at 100 percent of the market rate--especially in small rural counties in which the majority of children served are subsidy eligible children. Having high subsidy reimbursement rate would permit . . . to increase staff wages and hire qualified substitutes to staff could go to more training thereby improving the quality of staff.
- It has become increasingly difficult to meet the demands for infant/toddler care because it is labor intensive. The ceiling rates for subsidized care have not increased in a number of years despite allowances that DPW would do a rate study every two years. Proposed regulations will hurt centers, you will see a number of facilities close reducing parents' choice.
- We penny pinch as much as we can. However, the children must have supplies for all activities. Quality employees demand higher wages--what can you do?
- Child care workers should receive the following benefits: pensions, life insurance, partial benefits for part time employees working more than 25 hours but less than 30.
- Quality care has decreased due to low salaries for teachers in general.
- I appreciate your inquiry. This is an issue deserving your attention. Educators have become aware of the need for early intervention for children. What better place to meet a child's needs than in a quality setting. A group of business people educators, parents, and legislators should be formed to productively address this issue.
- We are in desperate need of help to pay adequate salaries for qualified help. My profit is almost nothing because I pay higher than average in order to get and keep good help.
- I know that many times staff comment on the low pay of child care workers. But as minimum wage has increased, I have not seen an improvement in the amount of work or the quality of work by day care workers.
- In order for quality care to exist, there has to be an affordable arena for quality caregivers to work. Professionals, trained in the area of early childhood education, can't afford to work in the settings where they believe they have been called to teach. Many early childhood teachers are forced to change career paths after only a short time in the field. Obviously, we can't make every early childhood program in the state part of our public school system; I am not even sure this would help. I do believe however, that there should be 100 percent government reimbursement

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for early childhood education for anyone working full time in a licensed early childhood program. I also believe the government has to step in and implement some type of tax incentives/grants for “for profit” organizations, so that they in turn can pay qualified teachers and gives reasonable salaries. Attractive business incentives would allow organizations to run quality child care programs that would be a blessing instead of a hardship.

- As long as a person can work at a non-skilled or low-skilled job that they can walk away from at the end of the day without carrying home work or concerns from the job, and make more money doing such a job, it is going to be increasingly difficult to recruit qualified staff. With children coming to us with greater needs and more behavior problems, the stress level also increases both on and off the job. Until childcare is recognized as making an essential contribution to our economy and life style, child care workers will be undervalued. This results in increased stress both emotionally and monetarily.
- I wish I could pay my staff more. They are a great group of dedicated, educated individuals who deserve more. However, I am charging my clientele a competitive rate with other local centers and am just meeting expenses.
- Day care staff deserve so much more then we are able to pay. People do not understand the quality we provide and the expenses involved.
- I am concerned about the high turnover rate among the lower paid positions. This definitely has an impact on the quality of care because it causes a lack of continuity and consistency in care for the children. Staff leave the field for higher paying positions elsewhere.
- Child care workers should be paid higher wages if they qualify, but the rates that are paid to the centers whether it be private or subsidized does not allow for that expense.
- Higher salaries would increase the number of staff who have college degrees. This would increase the quality of care. We need to offer opportunities for education and higher salaries based on education!
- We would like to increase salaries for caregivers. In order for salaries to increase, the fees would have to increase. I feel this would be a burden to most of our parents. We have many families with siblings. We are blessed with a group of dedicated and talented caregivers, who make this a very caring and well cared for environment for the children.
- It is extremely hard to hire educated, collage degree people for \$6 an hour. We have been able to give pay increases and hopefully in the future we can offer benefits.
- . . . offers quality care and pays teachers well as compared to other day care centers. However, salaries are always an issue and contribute to the general level of staff well being and morale.
- The commitment to quality early childhood programs and the demand of the same by parents is shared. The frustration is maintaining quality staff--working at wages well below public school teacher salaries--but preparing young children for years of educational experiences and the knowledge that parents cannot afford increased tuition costs to pay childcare staff more. Increasing pay values the role of ECE, reduces turnover, stabilizing quality and the consistency of staff is crucial to children's development.
- Child care workers need to be reorganized for the important role they play in our society. Cut breaks in subsidy, does not allow us to stay competitive in the long run.
- It's obvious better salaries would attract better staff. People can make more money flipping burgers which requires less education, experience and dedication. A person must truly love children to work in this increasingly difficult field. Staff - child ratios are much higher in the public school system. This business is becoming increasingly difficult to manage--frustration is a part of our daily routine.

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- When monies are allocated for child care, it is important that funds be available not only for increasing slots, but also for increasing staff wages, program funding, quality improvement. Until child care funding for staffing, program costs and quality initiatives can be increased to adequate levels, child care will continue to be beset by higher staff turnover, quality issues, program viability.
- Day care centers I feel need some type of help to attract quality teachers. One recommendation I have is to have day care employees tax exempt from state and federal income taxes (not owners just employees) this might help make it a little more attractive to become a day care teacher. Their take home pay will be more with centers having increased family rates to increase employee rates. End result will be quality child care at reasonable costs.
- A degree does not necessarily mean a quality staff person. High salaries do not mean a quality employee. However, it would be great to pay a highly skilled employee--even if that person does not have a degree--a living wage.
- Because we choose to be a Christian program, the availability of direct aid from the government is very limited. Aid to our parents would greatly benefit them and our program.
- Salaries are very important to quality staff but I'm finding that benefits are just as important. Health benefits and personal leaves will also help retain the staff we have.
- There is a definite correlation. Aides and assistants can make more at fast food chains or department stores. Salaries for day care workers need to increase!
- As a small center I would like to if any way possible, come together with several other small centers and be offered an affordable benefit package, and salary subsidy for employees.
- In order to provide quality care, salaries need to be commensurate with the teacher's background. Currently the field doesn't allow for teachers to be paid enough money. Turnover results in low salaries and as salaries remain at a low level, the quality of care will drop. Due to this turnover, more funding for day cares.
- I believe there should be some subsidies for specialized day care to help offset ratios. EI in the state does not recognize specialized day cares as a "natural environment."
- Often we think if we only could have this, or this, or this. The bottom line is tuition prices need to be higher to keep and attract quality staff--but parents can't handle that kind of an increase—so they pull out and choose less expensive and often less quality care. Early childhood education is our future. We need to find a way to pay these workers more and keep it affordable for families. I would be happy to make myself available to help in whatever way necessary to inform legislators, etc., as to the importance of these issues. Thank you.
- I would like to pay my staff more, but the area we live in and the issues of home care is hurting us and I can not raise their salaries too much. Less money should come from welfare to go to the home care and more to day care centers because we are educated and trained to provide a learning environment as well as child care.
- College educated people with childcare of same kind should be able to be more than just an assistant. There are people with high school educations that can be qualified as an assistant teacher or assistant group supervisor.
- Until our society is more supportive of the needs of children and families and those who care for children it will continually be difficult to attract and retain qualified staff and the pay "adequate" salaries and to provide more benefits. Provide clear, strong messages via legislation that is important to society as a whole. Visit with directors and programs to see first hand the limitations. Provide incentives for those who enter this field (such as the loan forgiveness program) offer incentives to cooperation's who support family needs for child care.

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- The current system needs to recognize the direct link between salaries, keeping workers on the job and the care children receive--we need as a motion to recognize that this is a valuable professional job.
- All the statistics and students say that staff quality and consistency is the key to relinking staff when equal high quality care. High quality care can not be provided to stop turnover averages 30 to 40 percent annuity. It is difficult for money contents to retain stop at minimum wages. No benefits when they could be having more working at a fast food restaurant.
- The Legislature should consider looking at the standards DPW has set for hiring staff. Except for aide positions and directors, the qualifications that need to be met are too difficult. They also only accept certain education degrees instead of all.
- I think the quality of child care would be better if salaries were higher. Employees would stay on the job longer and children wouldn't be subject to different adult figures in their lives so often. I think child care should be allotted funding/grants in order to help pay for higher salaries and better quality child care.
- Yes, reward centers--with help an offering more benefits to staff, i.e., insurance, retirement, etc. Also, help subsidize teachers' salary. Paid direct to teachers. Do not pass this on to center teacher 3,4 and kindergarten age deserve the same income as a 1-6th grade teacher in a public school. We could stop turnover, etc. Surveys show a center match education salary/benefits of public school teachers the tuition paid by parents would double!!
- It is obvious that higher salaries would produce greater consistency. Staff members consider their jobs as stepping stones to better jobs. Child care looks good on a resume. We have forgotten what is really important, children. Better pay = better care givers
- We just need to continue to help the public see child care as a "profession" not a "job." Parents need to continue to become educated about the relationship to wage and quality. Families with multiple children are faced with high cost; is there a way to help with more funding for these families? I also think "big" business needs to contribute more for employees. Perhaps give a tax break to businesses to encourage them.
- Yes, isn't it unfortunate that nonprofits have to pay slightly above minimum wage to caregivers. Thank God there are dedicated people who love children and will work for such wages. When you think about it, these folks do an extremely important job; shaping the future of our young people! Yes, can we have money from the government to support wages for our caregivers?
- I think that most of the people making decisions about day care are misinformed. They really don't know how hard the provider and staff work each day to provide good care for children. Most have not spent time or have had the need to place their own children in day care. Many of us spend 8-10 hours a day just working in children care. Our teachers have the same qualifications as public school educators. Bottom line we need more money.
- We have one of the highest paying centers' in the area, yet we still are experiencing some staff turnover. Many people are concerned with full benefits which we only have partial benefits. Quality care and quality staff with low cost care is difficult to accomplish turnover is higher than ever. Good staff are leaving for jobs outside of the field. This is devastating to the children, parents and administration of the agency.
- I believe the quality of care greatly exceeds the amount of monies available to pay employees the salaries they deserve. Legislature should consider the type of services we offer and the huge responsibilities that go along with those services. Being a profit organization I in no way receive any type of funding from the county, state or federal governments and I feel that it is unfair that some of the other facilities in our local areas do receive funds simply because they are associated with nonprofit organizations. I also feel that a committee should be formed to conduct those

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studies which are specified in your cover sheet. Add the members of this committee should include day care providers. In closing I would like to state that I do not believe that the amount of money my staff persons receive effect the amount of care they give the children here at our facility but it does effect the amount of time, the staff person stays employed here. It is very hard to stay competitive with other businesses in the area when you are not paying much higher than minimum wages to your employees. I sincerely thank you for the opportunity to express a few of my ideas concerning these matters. I look forward to seeing some constructive changes.

- The better the salary, the more apt a center is to hiring someone who does quality work. Also, that person will stay longer if he/she is paid a professional salary.
- We have been most fortunate in that we have a center that is very highly regarded in our area; and extremely fortunate to have very dedicated caregivers who have stayed in our employ despite the fact they receive very low salaries. They certainly deserve much more then they earn!!!
- DPW requires that at least one person in our center hold a four-year degree or equivalent in EC or related field. The pay that we can provide is no where near what that person can make in the school district. This makes it difficult to hire quality people.
- It would be wonderful if the state could help owners compensate their employees to bring salaries up. I don't think any private owned center can afford to pay much more. I at least know that I can't.
- Cost of regulated staff ratio normally exceed child care revenues.
- I would like the legislature look at ways to create full time positions for child care workers in a school age (before and after school, summer camp) program; perhaps as a family support liaison between home and school. I would be interested in speaking with someone further regarding this critical issue facing our state.
- The college program is working. I have someone who is very interested hopefully she gets selected.
- You cannot afford good staff at what the salaries are.
- Child care for working parents is a very important job. These children are with us in excess of 8 hours per day (that's more than they spend with their parents awake) it is a shame that these workers are paid just above minimum wage--the turnover is very bad on the children and the quality of care is hard to maintain at these pay rates!
- Children need to feel secure while away form their families and families need to feel their children are being well taken care of and want child care to be a positive experience for their child. Low wages and no hospitalization coverage keeps good workers from staying in child care. Therefore, turnover is great--feelings of security and familiarity are always in jeopardy. Legislatures need to find ways to provide hospitalization for child care workers; subsidized funding needs to be increased for Lehigh County and the ceiling for subsidized child care needs to be raised. The scholarship children who are on the waiting list for Title XX will never receive it.
- It is essential to pay child care workers well!! We can expect to better educated and happier employees. Child care workers should be considered as professionals and expect to be advanced as professionals.
- I would definitely like to see reimbursement for college courses relating to child care for employees since I am unable to afford that. I believe employees would be interested if some costs was deferred.
- No--I am just a small group day care in my home with two employees. I am not a teaching center.
- Increase funding so salaries can be increased.

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- The issue is that we are providing a very needed service. Our income is solely generated from tuition. To compensate employees and have them make a decent wages means we must raise rates which puts us at a disadvantage to nonprofits who get all kinds of funding.
- Staff are getting paid more at entry levels, not because of quality or qualifications, but because applicants will not except a position for the offering rate. This creates an unequal wage scale for those who have been employed for a length of time. I am unable to offer increases for an equal balance due to the budget. This is at times, disheartening, especially if employees share wage information.
- This agency has been fortunate in being able to attract highly qualified staff while paying a very low salary--this low salary has become an increasing barrier to hiring qualified staff.
- The employees we now have are loyal and give quality care. Would like to pay more but can't afford it. New people want more money. Help from government would be helpful.
- Low staff salaries contribute to low morale and turnover. Turnover affects lower quality care. Increased financial problems for families. Young child population down as families try to avoid paying high tuition by finding other means for childcare, day care staff cannot afford child care for own child.
- Low staff salaries contribute to low morale and turnover; turnover affects lower quality care; increased financial problems for families young child population down as families try to avoid paying high tuition by finding other means for childcare staff cannot afford child care for own children's care.
- I think that as long as salaries for child care workers remain low, we will continue to see large turnovers of staff. This will result in less continuity for children and in lower quality care.
- We have had staff resign saying that they could go to McDonald's and get the same pay, yet we can not raise their pay higher because then we would have to raise our rates. Parents are already paying more than they can afford and we are losing many each year. We lose money on the subsidized children that we have, yet we know they need our help.
- We are now seeing children with a lot of problems, behavioral problems, learning, social skill and just being withdraw. I see more families trying to label their children, so that they can get social funding from government agencies. We need more parenting classes for free and educational workshops that are mandatory.
- We could require staff to have more education if we could pay them to get it. It would also bring in more candidates to choose from when hiring. We are educating our nation's future. Isn't that worth paying reasonable rate for ??? day care workers need salaries to match school salaries. We are both connected with child development and preparing young children for life. We help parents both prepare for school with our similar learning methods and help the school age with homework and studying for tests. With better pay our staff could afford to seek their degrees and afford to take much needed recognition for a job now that is labeled on as "baby-sitting." In many years of day care there never is enough money for staff, equipment, running a center, paying expenses, etc. The parents can't afford a raise in fee to help pay for day care, they will go to babysitting instead. The state or government needs to provide the money needed for child development instead of baby-sitting services for our children!
- The importance of quality care should be reflected in the wages a qualified person receives. As a nonprofit organization we struggle with trying to meet the needs of our community. The single highest obstacle we have is the subsidized ceiling rates. As our subsidized population increases, our revenues decrease. How can a facility be expected to provide quality staff for example: 10-12 year olds for 11/hrs/day and get compensated a ceiling of 12/day? Forty-seven percent of my

Appendix J (Continued)

revenue for providing care is spent on labor alone at a wage of \$6/hr. How can I pay my workers more when legislation is compensating so little?

- It would be to the day cares advantage if our funding could be processed sooner and would arrive within two weeks or earlier than four weeks. Since most day cares operate on very tight budgets we need our monies to flow without interruptions or delays. Salaries depend highly on receipt of monies. This can affect the quality of care somewhat when salaries cannot be met on time.

Group Child Day Care Home Responses

- The rate that the clients in my area will pay does not afford me to hire help at this time. I provide affordable, quality care, therefore resulting in longevity of my clientele.
- Yes, I would like to say if the minimum wage goes up, if I have a person to start, and must pay higher wages, it will be hard to give raises. The parents can only pay so much for daycare.
- If a childcare provider makes a profit it is not providing quality care. I cannot pay employees and make a profit. I choose to provide quality care and it has cost me everything but my heart. There is no real financial assistance available, despite what is in print.
- Quality is directly affected by the low pay of caregivers. We are not bringing in college graduates because they want more pay. We constantly have turnover problems.
- Working with children doesn't pay very well. You have to really enjoy children to continue a long-term job in the field. I feel DPW should pay part of the employees payroll providing child care is for DPW children. Ninety-five percent of my clients are Title XX or public assistance.
- We put in a lot of hours and love. The state tells the STEP program they don't have to pay according to our contract. So I work for wages I made 5 years ago, if I take STEP kids. We do not discriminate.
- I would like funding for childcare workers. As an owner and worker of a business, I try to provide my employees with added benefits. I agree they are underpaid for the work they do, but I am a very small business. This is all I am able to provide.
- We are worth far more than most parents pay. But my parents on the whole because they are teachers express much appreciation, especially when their youngsters become high achievers in college and careers.
- Because we are so small, we cannot afford to offer high wages. Also, I do not have any full-time employee besides myself, so currently I do not offer additional health/medical benefits. What do you think you can possibly do to remedy this one. I have to hear it! Good luck!! Cutting the food program money was a splendid idea by Pennsylvania.
- Childcare providers have to work too hard for the money they earn. I hope to someday see more incentives or possibly benefits available to caregivers who continue to provide quality care over a number of years. There needs to be an increase in the subsidized reimbursements. They do not meet our daily rates and we have not seen an increase in four years.
- Unfortunately, people cannot afford to pay more for day care. I cannot afford things, extra materials, special trips, employee benefits, etc.
- Children are charged \$3.00 an hour.
- Government needs to help lower income families and one parent families. They just can't afford good day care and I can't afford to lower my fees any more.
- The ceiling rate needs to be increased to be able to pay staff more or offer some paid benefits. It's hard to find a substitute when needed because they frown on the pay rate, even family.

Appendix J (Continued)

- An increase in salaries (we pay at the upper level I am told) would not in itself improve care. The persons we hire want to work with children. However, if a means could be found to increase pay without increasing dramatically the cost to parents, training, and income could improve the situation for those who choose this avenue for their career. There are seven supervisors and six assistants in this organization.
- In my county, I get paid \$12 per day per child. In Somerset County the rate is \$14 per day per child, and in Cambria County the rate is \$18. I know for a fact that the quality of my care is as good or better than the other counties so I feel the rates should be the same.
- Welfare should pay daycare providers checks on time. Welfare and other state-funded programs should give eight-hour day also instead of special because of welfare and subsidized.
- Turnover because of employees finding higher paying jobs in retail stores in this area. It is very difficult to find quality workers when the salary is so limited. Luckily, there is a teacher surplus and the child care field overflows with out of work teachers.
- Day care is very stressful and you have so much responsibility but day care does not pay enough for all that is involved like inspection and all the paperwork. I think day care rates should increase and be funded by the state.
- I'm not sure that the legislature could really influence what we pay our staff. We are a YMCA--we can't afford much! We choose to keep very reasonable fees for parents; therefore, we don't have much for salaries.
- My daycare is run by me and my husband (lost industrial job due to injury). Because our wages are so low, we have no medical benefits (or dental, vision). In order for us to make minimum wage--our prices would be too high and we lose people. If we did not have Title XX children, we would have to close. We are a very high quality day care and strive for perfect scores at inspection. It is very frustrating to know our children are lacking due to our income, yet we are needed in the community. Another frustration is paying such high taxes because we are "proprietors." The tax is more than a week's wage.
- My situation may be unique because I have a small daycare and two friends are my helpers. Although they make just a little over minimum wage and very few benefits, they are great providers and committed to quality care.
- This daycare home at [] is very lucky to have the supervisory people who are dedicated to the care of the community's children and not in dire need of money. It has been extremely hard to attract quality staff who care about kids because of the lack of funds and making an already difficult, stressful job even harder to do by political red tape and super site.
- We work with county agencies for funding. The ceiling rate needs to be adjusted to meet the true cost of care. Soon we will not be able to continue our partnership. Our costs have gone up, not stayed the same since 1994. Staff turnover truly affects the quality of care.
- I choose to do this job because it allows me to be home so I can care for my own children. There is not enough compensation to continue to do this after my children have reached an age of not needing care.
- Child care is very much in demand. I only have a state licensed family day care home and receive no benefits, no vacation pay, and do a wonderful job for the children in my area preparing these children for kindergarten. I work long hours and the only benefit I receive for my future old age years is the smiles of the children! We should have a union so we can pay dues and receive something for our hard work!
- Yes, as a nonprofit organization I would like to get some grant money to help keep the day care running. I can't afford to hire quality staff because of the large overhead. I'm unable to charge more or folks won't bring their children to me. On the other hand, I must be doing something

Appendix J (Continued)

right since I'm always "full" to capacity with a waiting list. This is a "long hours" business with few perks. The biggest perk is I love my job.

- In our county we are only paid the ceiling rate with subsidize and welfare. We need to have that rate increased so that we are able to continue quality child care without taking so much money from our businesses.
- Would like to provide some fringe benefits but the money is just not there. Maybe if there was some insurance for group day care employees or funds available to help pay employees.
- I am the owner. I have a B.S. in Elementary and Early Childhood Ed. I paid myself \$15,000 last year. That was working January to December--One week vacation. I couldn't afford to pay another college graduate who is trained in the field. Suggestions: grants/funds
- In Venango County for group homes the rates we are paid by subsidized funding is extremely low compared to licensed centers and registered day care homes.
- We need to be paid more for child care especially those people who have purchased a separate building from their home for they have so much overhead and extra expenses and it doesn't pay them to do it by the time they pay for their help to keep within the ratio.
- For the years I invested in my education I feel my salary is not compensated. I operate an extremely well liked and respected day care with quality care but when compared with my salary it would be just the opposite. I feel the Legislature should somehow make it worthwhile for people to run day cares because we do mold these children's lives. We are an intricate part of these children's values.
- My workers provide quality care and deserve larger salaries. They get discouraged because of the pay. I believe day cares should be granted more money through government programs so we can afford to pay our workers more.
- All of my employees had to have other jobs though to supplement their incomes. As the owner/operator of the group daycare home, I work over 40 hours a week and can say I myself as a college graduate don't make a salary much better than my workers. I am a single parent with one child and my income is too low to ever receive healthcare for my child through the Blue Chip program. They told me to apply for Public Assistance. I have just been lucky to have such dedicated workers who love children and give their all.
- I have made the decision to pay my full-time employee at an hourly rate, slightly higher than school district aides, plus maintaining salary all year despite being closed through summer. It is a major financial sacrifice, however, worth it to maintain a high quality program. Yet I do not live off my income. We need to help other day cares reach this goal.
- Again all employees and employer work better at the thought of benefits; to care for their families and themselves. Above all a salary well deserved of childcare workers is always a benefit.
- More money needs to be appropriated for child care. Parents that are struggling but working need more help. The state daycare rate should be increased as well as the age limits of the children and the food program increased as well. With more money better quality personnel would be hired, hours increased, and children would benefit greatly. It is hard to stay afloat on our income. Thank you. I appreciate your willingness to look into this problem.
- More available workshops would be helpful. A network to have a reliable substitute to float between daycares in one area. Childcare workers have long hours, low wages, little professional recognition, and no safeguards (state or federal) backing for the very high risk of child abuse jeopardy. Federal regs are making it impossible for group family daycare owners to comply. Local DPW reps need training in common sense and how to judge the safety of children; program quality, emergency situations, how they are being handled at time of insp., etc.

Appendix J (Continued)

- We put many hours a week into caring for our daycare children and we are learning too quickly how under-paid childcare providers really are. We will continue to give the best care regardless, but it is easy to see why so many people leave these positions so quickly. They simply cannot afford to stay.
- Make subsidy easier for parents. The waiting list was 1.5 years. Now its down to six months. Very hard for families of more than one child to afford child care.
- When is the general public and the state going to realize the major benefits to in-home day care? This is a career for me. I am a professional daycare provider. Not a babysitter.
- I know that I have been able to keep my staff because I pay above average salaries. I have a low turnover rate.
- Unfortunately child care payments are not a high priority to a number of parents, even though their children should come first. I think it is sad that most people do not have the opportunity of raising their children due to the need for both parents to work. I fear these children will suffer down the road. I have had my older children in both good and bad day care. I have seen both sides. The ideal situation would be for a parent to stay home with their children until age 3, then go to day care if need be. This is probably why there is an increase in behavioral problems in school and day care. Some are starving for attention and some receive no form of discipline at home because mom and dad feel guilty for being away all day and therefore accept the behavior. I think educating child care workers is a step in the right direction. Maybe more tax breaks for families with children in child care and more families qualifying for Title XX subsidized services. Also, incentives for parents to have a choice to stay home with their children longer. I would also like to see more tax breaks for child care providers. By the time we pay expenses for learning materials, supplies, equipment, etc., there isn't a lot left.
- I find it very difficult to raise wages when the state has not raised ceiling rates for subsidized care for more than five years and doesn't permit parents to pay the difference. In my case, the rates were set arbitrarily because there were no group day care homes in my county when the survey was done. Group homes receive \$4 a day less than family day care homes for infants in Clarion County. I have to limit my subsidized families-the very people that need day care most.
- Consider the importance of our job vs. our statement subsidy allowance.
- The Fayette County ceiling rate needs to be raised so that I could raise pay rates or give benefits. There has been no raise in ceiling for 4 years while cost of living and minimum wage has gone up significantly.
- Group daycares are required more staffing, better programming over family daycares and we only get \$5/week more per child. Family daycares have 6 children, need no staffing. You can't get good help because you can't afford to pay well.
- The salary could be more so that the help could be paid better for their service. We all could use more money for our service to the public. To get the staff I have I did a lot of talking and persuading. I can't pay a lot because the government has cut back so much on its programs. I couldn't give my staff a raise last year.
- I am presently decreasing to a family child care. I cannot afford to maintain a group home. I cannot find more high quality child caregivers for the amount of pay and lack of benefits I offer.
- The pay scale of group vs. center. Comparison 1st and 2nd shift rates are still the same (include weekends) and the quality of care is greater. There should be a rate increase for group.
- I limit 1 full-time and 1 part-time children through the subsidized program because we cannot accept further loss of income. Subsidized full-time care I lose \$13 per week over private pay. And that doesn't include the extras that my private pay clients are responsible for. Field trips to hands-on museums, puppet shows, etc. We cannot charge subsidized children.

Appendix J (Continued)

- As some one who has been in childcare for five + years, it's a job that is highly overlooked. Care-givers work very hard and most of the time are not compensated or awarded for their work.
- Due to the fact that I can only pay my staff just better than minimum wage, it's hard to keep quality care givers with degrees when they can go into the teaching field and work less hours and make twice as much as I can pay. There is definitely a correlation between quality of care and salaries.
- Reduce our self-employment tax and payroll taxes so we could give more to our employees instead of the government.
- Staff members are truly underpaid; especially in small centers such as ours. If it were not for the love of the children, we would not get and keep great workers.
- Salaries we pay are appropriate and fair based on responsibilities and size of our group daycare home. Staff enjoy flexibility and approximately one month of paid time off per year. Our profit margin is small, not like large chain daycare centers owned by accountants and business people. If more daycares were owned/operated by people interested in human services and education, staff would be paid better, conditions would be better, children's care would be better. Too many business people open centers to make big profits and couldn't care less about kids, education, health or safety.
- By the time I pay for my Group Day Care Liability Insurance, buy food, pay electric, heat, water, and all day care needs, I cannot imagine paying someone a salary to work for me. I am very lucky to have my family volunteering at this time. Maybe as time goes on I will have more children and might be able to pay someone a small salary to work for me.
- How can you evaluate quality of care a child receives by the amount of money paid to employees? Two to three people can earn good money sitting children in front of the television all day or have a quality program. I can't see how this survey can decide on the quality of care a child gets.
- We could increase our employees' pay and increase benefits if our rates paid for child were fairer. I feel that we are underpaid and small business loss because the money we bring in we pay our workers which causes the workers to not get a full-time position. Lack of funding hurts daycares. If the Legislature would respect our profession maybe a change will occur.
- Due to ratio, child to staff, salaries are lower as expenses for rent, utilities, benefits are higher. Group home is not family lived in. Only child care with a staff living upstairs as a benefit.
- Most people feel they pay much too much for daycare. Some will go out and pay all kinds of money for material possessions and give you a hard time about purchasing diapers for their child.
- If a person is getting a fair salary they seem to have a better attitude for the job.
- I have hired several people through JTPA and DPW. They were very hard to work with, undependable, etc. I had to fire them. They bad-mouthed me to my daycare parents, etc. I would be happy to speak to you by phone to discuss the problems we providers face.
- I don't keep the salaries providing the best care and guidance plus preparing our preschoolers for first grade. Children first. But, the financial end can be a little better. The time frame of receiving reimbursements, etc., is frustrating. Food checks, etc.
- In the last two months, I received requests for subsidized care for at least six children. Center's rate for reimbursement is much higher than for a group home (our state regulations are almost identical). We can't afford to take these children even if we want to do so. See comments: It is a shame parents do not have a choice of where to place their child due to providers not being able to accept low reimbursement rates. Group homes are licensed not self inspected like family day care homes. We are in the same quality class as centers (better since we have a lower

Appendix J (Continued)

population). Yet we are treated as substandard. I have qualifications to be a center director but prefer the home learning atmosphere for child care. The “playing field” must be made even for group homes and centers. Group homes are mostly “mom and pop” businesses trying to stay afloat with the competition of center and church centers that have financial advantages. We are still in business after 20 years due to the quality of care in a small, loving home atmosphere. Let everyone be able to choose our type of care not just the parents who make high salaries! We do not want to institutionalize all our children.

- Since small day care can't afford to pay workers more per hour, I would like to see the state give out grants directly to caregivers who do not reach a certain wage level at the end of the year. They would submit their W2 forms and receive a check directly from the state in proportion to their income shortfall. Thus, eliminating anyone else from benefiting from it other than the well deserving employee. It is hard to give raises if 75 percent of children are on subsidized programs. Currently we receive \$2 a day/child less than our private rates and have not raised our rates for over two years.
- Daycare providers have a very hard job. It is not easy. It is very hard. We do care in our homes. We are not babysitters. We are professional DCWs. We teach the children. We feed them very well. We have good care. The pay DPW gives is not enough for taking care of children. The parents need pay raises.
- It is terrible that a person cannot pay the wages that these people are worth. These early years are so important to set the way for life. They should make the BIG \$.
- I always must fight verbally with DPW to receive my child care fees, and many times not receive it after services were rendered. This problem is due to caseworkers with high caseload, clients receiving child care fee and not paying provider. DPW not supporting providers procedure in collecting these fees from clients. We must accept a decrease in fees when we accept DPW clients. We are underpaid and therefore face high staff turnover.
- I have space in my home for 18 children. I can only have 12 unless I put in a firewall. The expense would not be profitable for several years.

APPENDIX K

Child Care W.A.G.E.\$ Project

(A Salary Supplement for Child Care Teachers,
Directors, and Family Child Care Providers)

The Problem:

- Most teachers in child care programs in North Carolina have only a high school education, earn \$6.25 per hour and leave their programs at a rate of about 34% per year. Lack of resources and an effort to maintain affordability for parents often make it difficult for individual child care programs to reward or encourage teacher education through salaries. Research shows that teacher education and turnover rates affect children's development, and low wages are often what cause teachers to leave the field.

The Purpose:

- Improve child care quality by reducing turnover and encouraging the continued education of teachers, directors and family child care providers.

The Program:

- Rewards Attained Education
Supplement award amounts are based on the level of education an individual has already attained.
- Rewards Permanency
Supplements are disbursed in six month increments, after the recipient has spent a continuous six month period in the same child care setting.
- Maintains Marketplace Competition for Better Salaries
Supplements do not vary based on wages earned, only by education attained.
- Integrates with other Education and Compensation Initiatives
W.A.G.E.\$ builds on and coordinates with the T.E.A.C.H. Early Childhood Project® by completing the incentive circle. Whereas T.E.A.C.H. rewards child care professionals seeking more education and helps them attain it, W.A.G.E.\$ rewards those who have already attained education and helps keep them in their child care programs.
- Provides a Direct Supplement
Supplements recognize individual professional development efforts regardless of the work environment and address low wages without affecting center budgets, regular wages, or parent fees.
- Does Not Increase Costs to Parents
Because funding for W.A.G.E.\$ comes from external sources and goes directly to individual child care providers, families can have the benefit of better educated, more consistent staff without having to pay more.

Appendix K (Continued)

North Carolina Child Care W.A.G.E.\$ Project

To be eligible for at least one six month payment during the fiscal year, applicants must:

- ◆ work in a regulated North Carolina child care program
- ◆ earn less than \$11.31 per hour as teacher or family child care provider and less than \$14.15 per hour as director
- ◆ have one of the education levels listed below
- ◆ work at least six consecutive months in the same child care program
- ◆ be employed at this same child care program at the time of application

Level	Teacher/Assistant Teacher/Family Child Care Provider	Annual Supplement
7	BA/BS Early Childhood Education (Birth-K) or Child Development*	\$3,000
7	BA/BS in Related Field plus at least 24 Sem. Hours or 36 Qtr. Hours in ECE/CD	\$3,000
6	AAS Early Childhood Education or Child Development plus 30 semester hours toward BA/BS Early Childhood Education or Child Development	\$2,250
6	BA/BS in Related Field plus at least 18 Sem. Hours or 27 Qtr. Hours in ECE/CD	\$2,250
5	AAS Early Childhood Education or Child Development	\$1,500
5	BA/BS with non-ECE or CD major	\$1,500
4	Early Childhood Diploma plus 15 semester hours toward AAS Early Childhood Education	\$1,125
4	45 Sem. Hours or 68 Qtr. Hours in Related Field plus at least 18 Sem. or 27 Qtr. in ECE/CD	\$1,125
3	Early Childhood Diploma	\$750
3	AAS with non-ECE or CD major	\$750
3	36 Sem. Hours or 54 Qtr. Hours toward an AAS Early Childhood Education	\$750
3	36 Sem. Hours or 54 Qtr. Hours in Related Field plus at least 12 Sem. or 18 Qtr. Hours in ECE/CD	\$750
3	36 Sem. Hours or 54 Qtr. Hours in Related Field plus a CDA (Child Development Associate)	\$750
2	Early Childhood Certificate or its equivalent (12 Sem. or 18 Qtr. Hours in ECE/CD)	\$450
2	CDA (Child Development Associate)	\$450
1**	North Carolina Early Childhood Credential	\$200

Level	Director	Annual Supplement
7	MA/MS Early Childhood Education (Birth-K), Child Development or Child Care Administration	\$2,250
6	BA/BS Early Childhood Education or Child Development	\$1,500
6	BA/BS in Related Field plus at least 24 Sem. Hours or 36 Qtr. Hours in ECE/CD	\$1,500
5	AAS Early Childhood Education or Child Development plus 30 semester hours toward BA/BS Early Childhood Education or Child Development	\$1,125
5	BA/BS in Related Field plus at least 18 Sem. Hours or 27 Qtr. Hours in ECE/CD	\$1,125
4	AAS Early Childhood Education or Child Development	\$750
4	BA/BS with non-ECE or CD major	\$750
3	Early Childhood Diploma plus 15 semester hours toward AAS Early Childhood Education	\$600
3	45 Sem. Hours or 68 Qtr. Hours in Related Field plus at least 18 Sem. or 27 Qtr. in ECE/CD	\$600
2	Early Childhood Diploma	\$450
2	AAS with non-ECE or CD major	\$450
2	36 Sem. Hours or 54 Qtr. Hours toward an AAS Early Childhood Education	\$450
2	36 Sem. Hours or 54 Qtr. Hours in Related Field plus at least 12 Sem. or 18 Qtr. Hours in ECE/CD	\$450
2	36 Sem. Hours or 54 Qtr. Hours in Related Field plus a CDA (Child Development Associate)	\$450
1	Early Childhood Certificate or its equivalent [12 Sem. or 18 Qtr. Hours in ECE/CD (Birth-K)]	\$300
1	CDA (Child Development Associate)	\$300

*All education awarded as Early Childhood Education must be focused on children ages 0-5; documentation is required.

**Funding for level one on the teacher/home provider scale is temporary. Teachers awarded for the NC Early Childhood Credential must obtain level two -- either the Early Childhood Certificate (or its equivalent) or the CDA -- within two years from their first supplement check in order to retain eligibility. Family Child Care Providers must reach level two within three years for continued funding. Please call DCSA with any questions regarding this policy.

How can I get an application or more information on this Project?

All eligible child care centers and homes in the state have been sent applications for the W.A.G.E.\$ Project. Please call Day Care Services Association for additional materials or information on the program.

Child Care W.A.G.E.\$ Project
Day Care Services Association, P.O. Box 901, Chapel Hill, NC 27514
Phone 919-967-3272 or Fax 919-967-7683

Appendix K(Continued)

SELECTED RESULTS (12-30-98)

During Fiscal Year 1997/98, Day Care Services Association administered programs based on the Child Care W.A.G.E.\$ Project in eight North Carolina counties. Thus far in Fiscal Year 1998/99, eight additional counties have already joined or have indicated their intention to do so.

Reduced Turnover

	Preprogram Rates for One Year	Average Rate Per Year Since Start of Supplement Program
• Orange County	36%	9%
• Davidson County	44%	13%
• Nash/Edgecombe Counties	32%	12%

Increased Education

Based on evaluations from Fiscal Year 1997/98, the following survey respondents indicated that they had taken community college or college level course work since applying to the supplement program:

- Orange County - 56%
- Davidson County - 57%
- Nash/Edgecombe - 60%

Evaluation Techniques

Three evaluation tools are used to determine the impact of the Child Care W.A.G.E.\$ Project:

- Supplement recipients are sent a written survey annually.
- Directors with staff participating on the W.A.G.E.\$ Project are sent an annual written survey.
- Preprogram turnover rates are typically established through work force studies completed in each county. Continuing turnover rates for W.A.G.E.\$ participants are determined through employment confirmation calls at the end of each individual's six month commitment periods, before supplement payments are issued.

APPENDIX L
Response to This Report

COMMONWEALTH OF PENNSYLVANIA

Department of Public Welfare

July 21, 1989

SUBJECT: Review of Draft Report

TO: Mr. Philip R. Durgin
Executive Director
Legislative Budget and Finance Committee

FROM: Feather O. Houston
Secretary of Public Welfare

Thank you for the opportunity to review and comment on your draft report "Salary Levels and Their Impact on Quality of Care for Child Care Workers in Licensed Child Day Care Programs." I want to commend you and your staff for conducting this survey of employees working in child care facilities. We will be taking into careful consideration the responses you compiled from the day care community and the data from your report in our future planning.

My staff is currently reviewing and analyzing the information provided in your report. We would like to offer the following comments based on our preliminary review.

Your report states that there has been an increase in child care salaries since 1989 but not to the same level as the salaries in the general population. However, while the report does not clarify that child care is solely a market driven service, child day care providers are independent for-profit and not-for-profit organizations that determine the salaries of their staff based on fee-for-service payments. There is no law or standard which establishes salary scales for a child care provider. Child care providers establish their rates based on what parents are willing and able to pay and any other sources of revenue they may receive such as from the United Way, the business community or foundations.

Many of the providers commenting in the report suggested that workers' salaries would be increased if the Department would raise the subsidized child care program's reimbursement ceiling. The reimbursement ceilings paid to providers participating in the state's subsidized child care program are based on what a majority of providers charge parents for each type of service in each county of the state. This amounts to 37 distinct rates in every county. The only time the Department's reimbursement ceilings impact the revenues of a child care center is when the parent of a child attending the center is receiving a child care subsidy. The Department's role in this process is that of a partial payor on behalf of the parent for the cost of the child care minus the parent's co-pay responsibility. The subsidy that the provider receives on behalf of the parent cannot exceed the Department's reimbursement ceiling. The provider's total revenue from subsidized child care through the Department is dependent upon the number of subsidized children attending the center.

An increase in the reimbursement ceiling cannot be correlated with a significant impact on child care workers' salaries because the state's subsidized child care system is only a portion of the total child care market. Subsidized care represents 27 percent of the child day care market in Pennsylvania. This is consistent with the findings in your report, which indicated that of the centers responding to the questions regarding participation in our subsidized child care program, 16 percent did not participate at all and of those participating, the total percentage of subsidized children was only 22 percent. The revenue generated by an increase in what the Department pays for less than 30 percent of children enrolled in child care centers would not alone be enough to significantly increase child care workers' salaries. In addition, not all centers are charging the maximum of what we will reimburse for child care and an increase in the reimbursement ceiling will not provide an increase in revenue for these centers.

The Department has taken steps towards increasing the reimbursement ceilings to ensure that child care will be available to all families who receive a subsidy. The budget for this current fiscal year included a 3 percent ceiling increase at an annual cost of \$9 million. It is important to note that the 3 percent ceiling did not affect all providers because many of them were charging parents a daily rate that was below the ceiling. The Governor's budget for Fiscal Year (FY) 1999-2000 includes an additional \$10 million to further increase the reimbursement ceilings in January of 2000.

In comparing the salaries and educational levels of child care workers to comparable workers in Head Start, public school and nursery school programs, the report shows that the educational requirements are equivalent but the salaries of child care workers are considerably lower. However, there are significant differences in the funding of Head Start and public school programs and child care programs. Head Start and public school programs are supported solely through public funds. Child care programs receive their primary funding through the fees paid by parents. Some of these families do receive a subsidy from the state to pay for their child care, but the subsidy is given to the parent, not the child care provider. Another difference between these programs is that Head Start and public schools have to meet certain Federal or state curricula or program requirements. Child care providers are not mandated by law to follow any specific curriculum.

The report included suggestions from child day care providers that the Department should provide more opportunities to increase salaries through direct funding or other supports. One suggestion is that expanding the Teacher Education and Compensation Helps (T.E.A.C.H.) program could help to address the problem of low wages and high turnover in child care facilities. The Department is piloting the T.E.A.C.H. program in 21 counties in Pennsylvania. Currently, the program is funded at \$500,000 and serves 133 caregivers. The Department will review the staff retention and turnover rates in child care facilities participating in T.E.A.C.H. and the effect that staff participation in post-secondary education has on program quality.

In addition, we are convening three work groups this summer to make recommendations on how to improve quality in child care settings, establish reimbursement ceilings for subsidized providers and evaluate the current staff training program. Also, the Department is committing \$19.3 million dollars in FY 1999-00 to offer additional support to providers to improve quality and increase capacity. The funding will enable the Department to offer additional help to parents on choosing child care; double our commitment to training for child day care staff, enabling them to receive up to six hours of training annually; provide health and safety technical support to child care facilities; and provide resources for developing local quality initiatives. In order to target appropriate quality initiatives, the Department will obtain input from the quality work group to identify quality practice standards that should be the same in any child care setting.

The Department needs to balance the resources available to pay higher reimbursement ceilings in conjunction with balancing our responsibility to meet the child care needs of welfare, former welfare and low-income working families by offering those families reasonable access to child care.

Once again, we appreciate the professional and collaborative manner in which you and your staff conducted the study. It provides useful information and a measure of our progress since the last Legislative Budget and Finance Committee report on this subject in 1988.