

Foundational Technical Assistance (TA) Series

Webinar 5: Networks to Advance Compensation and Financial Relief

National Early
Care and
Education
(ECE)
Workforce
Center Funders

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Welcome & Introductions

Foundational TA Series Facilitators



Dr. Sherri Killins
Stewart
Director of Systems
Alignment and
Integration
BUILD Initiative



Dr. Aisha Ray
Distinguished
Fellow
BUILD Initiative



Collaborating Partner & State Presenter



Yesy Robles-Brown

Chief of Staff

National Association for Family Child Care



Alicia Leatherman

Chief Strategy Officer

Department of Children and Youth State of Ohio





Poll 1

If you participated in or watched the video of Webinar 4 of the Foundational Series presented on February 26, 2024, did you share information with one or more colleagues or members of your networks?

- 1. Yes
- 2. Plan to do so, but have not shared yet
- 3. No
- 4. Did not participate in the webinar or view the recording

Leaders and Leadership:

Focusing on Compensation and Financial Relief Policies for the ECE Workforce

Webinar 5

Webinar 5 Goals: Compensation and Financial Relief

Applying the process, strategies, and tools discussed in Webinars 1-4, we will discuss:

- What needs to be considered to influence compensation and financial relief policies that intentionally and effectively remove inequities related to race, ethnicity, and other factors associated with discrimination;
- Sustainability of the policy, practice, and system changes leaders make to advance workforce compensation parity and financial relief benefits across all early childhood care and education sectors (this topic will continue in Webinar 6); and
- The work of our program partner, the National Association for Family Child Care (NAFCC), that supports family child care educators and addresses key policy areas, including compensation.

Sample of Participants' Responses: The Actions You are Taking After Participating in Webinar 4

Building the work together - no Superheroes

- "Pass along the insight to not fall for the 'superhero' complex, but all do our part"
- Everyone has to find what their responsibility is for moving these pieces forward as member of the field

Share knowledge and strategies

- Consult with teams and leadership and use data to support program development.
- Share concepts with our board and with members of our coalition
- Share information about North Carolina's work with colleagues

Keep Learning

- First I am going to update my CDA, Complete the work on the child development admin. certificates
- I would like to find out more about the CCSA research to conduct in my area.
- Learning more about T.E.A.C.H. Identifying problems at the core of the program, set a timeline, and reach out to more actors in my area.

Include Others in the Work

- Be more attentive to "who is at the table" when discussing and furthering these policies.
- Collaboration with local agencies and sharing providers feedback
- Engage people outside of the field in advocacy and community support in improving the field.
- How to connect with other regions for data collection.
- Continue to highlight the importance in partnerships and collaboration and inviting new people to the table.
- Looking at other options when thinking about hiring of new staff
- Reach out to groups I haven't thought about
- Reach out to seek input from other (non-traditional) stakeholders to help advocate on behalf or early childhood.



Sample of Participants' Responses: The Actions You are Taking After Participating in Webinar 4

Advocate

- Going to congress.
- Continue to advocate for workforce efforts and for more child centric systems of early learning.

Consider My Role

- Clarify my role in supporting the workforce.
- I would be more aware on my leadership position building powerful relationships.

Learning More About North Carolina's Work

- I remember when they started their work. I want to know how they are sustaining their wins.
- Identifying root causes where historical successful change was successful and what steps were taken to achieve that change. Are there commonalities that can be scaffolded for my use?
- Interested in know more about their Child Care Wage\$ program.

<u>Identified specific next steps</u>

- As a result, we are in the process of implementing the Registered Apprenticeship Program (presented in Webinar 3) at 2 HBCU's, Southern and Grambling University. It's a slow, long process, but well worth it.
- I will be collaborating with a fellow QRIS consortium partner to provide a community of practice to our QRIS coaches, and we will be focusing on building communication.
- Two immediate ideas: work to have two non-contact professional days written into licensing rule and issuing educator IDs through our professional development system so ECEs have access to discounts.



Poll 2: Current Status of Your Work on Workforce Compensation & Financial Relief

Currently, where is your state, tribe, county, community, or program in advancing policies, practices, or services that <u>intentionally and consistently</u> address <u>workforce compensation and financial relief</u>?

- 1. Just beginning to intentionally and consistently address these issues
- 2. Have been working on them intentionally and consistently for at least 12 months
- 3. Have been consistently and intentionally working on these issues for over 12 months
- 4. None of the above

What is Included in the Workforce Compensation & Financial Relief Policy Area?

Compensation

- Wage parity across all sectors of the early care and education workforce
- Benefits such as health insurance, pension plans, paid sick leave, mental health insurance.

Financial Relief

Stipend/bonus

Tax credits

Debt forgiveness

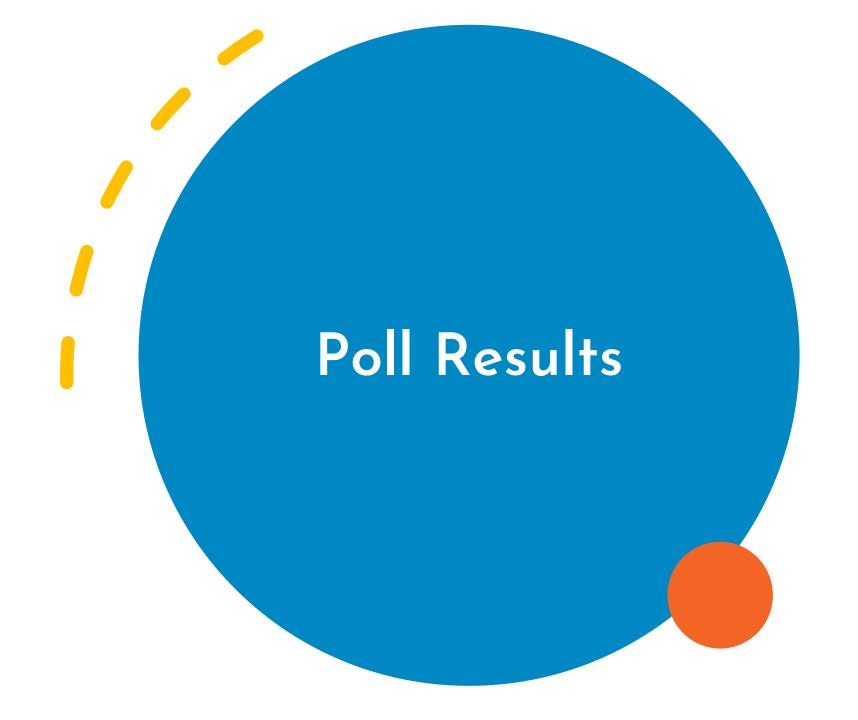
Poll 3

Share Your Understanding

For those of you who answered the last question with 1, 2, or 3 – regarding your current work to <u>intentionally and consistently</u> address workforce compensation and financial relief, who or what entities are NOT in the decision-making process? Select all that apply.

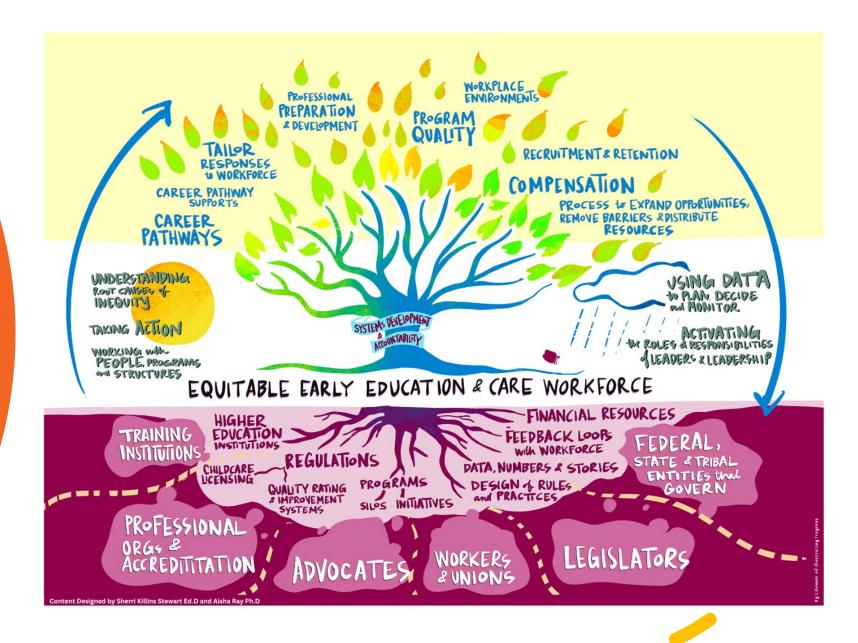
- Workforce members representing sectors such as childcare, FFN, PreK, infant-toddler care
- Federal, state, tribal, county, and other entities
- Higher education institutions (IHEs)
- State systems that control accreditation and training (SBE)
- Childcare Licensing
- Advocates
- Professional organizations
- Legislators
- Unions/Entities representing workers





Leaders and Leadership:

Building Effective Cross-System Networks that Use Multiple Levers to Improve ECE Workforce Compensation and Financial Relief The Universal Goal -- Build a High Quality and Equitable Early Care and Education Workforce So All Children and Families Thrive



The Webinars Have Presented Processes and Strategies Leaders Can Use to Advance Policies to Support the ECE Workforce

- Identify the compensation and financial relief problems and examine their causes
- Use data from multiple sources and define the population(s) of the workforce you are focused on
- Build networks of people and entities including networks with workforce representation
- Use robust monitoring and assessment to determine if you are making a difference on compensation and financial relief policies
- Take Action: How may your role (authority, influence, responsibilities, and decision-making tools) provide opportunities for you to advance compensation and financial relief policies to benefit the ECE workforce?

Racial Equity in Early Childhood Systems

Institutional

Apply a racial equity and economic justice lens to their policies, practices, regulations, and work culture to dismantle those that perpetuate inequality, and design and develop policies and practices that advance opportunities, fairness, access to resources, and other factors for those most effected by racial and economic inequality.

Structural

Individuals and groups recognize that structural arrangements are interconnected and resist change, they develop approaches to advance equity that offer new or reconstituted structural arrangements, they build shared leadership and collective power that leads change.

Compensation and Financial Relief

Voices from the Field

- I cannot raise my kids on the little money I make in child care. I had to finally let it go and get a better paying job. I miss it, especially the kids and families.
- I can't retire even though I have worked for the past 25 years.
- Parents can't afford to pay more so we can't change our rates.
- I would not be able to afford working in childcare if I did not have a husband.
- In my program, I am the cook, the receptionist, the teacher, and the accountant.





Ohio's Work on ECE Workforce Compensation and Lessons Learned

Ohio





DO WHAT'S RIGHT FOR KIDS.

Ohio DCY Principles and Goals

The following principles provide a foundation by which we will be successful in achieving our goals as an agency:



Transparency

Will create transparency across programs utilizing cross-program data



Accountability

Will create accountability to ensure children are receiving services when needed with the intended outcomes



Focus & Prioritization

Continue prioritization of children from birth to age 21 both in policy and funding



Maintain Local

Foster contable fill for ensure strong child and family outcomes but local structure remains a local decision

In order to...



Empower Children

Help more children thrive and reach

their first birthday.



Provide Care

Ensure **continuity of care** across the spectrum of ages, stages, and services to help children and youth succeed.



Support Families

Help provide families with needed resources and supports proactively, before a crisis within the family occurs.

Ohio DCY Programs

The programs under the direction of the new department will include:







Identification:

- Children Services (foster, kinship, adoption)
- Home Visiting
- Ohio Children's Trust Fund
- Maternal and Infant Vitality
 Programming

Early Education:

- Early Intervention
- Publicly Funded Child Care
- Early Childhood Education
- Preschool Special Education
- Licensing
- Dolly Parton Imagination Library

Support:

- Ohio Fatherhood Commission
- Ohio Family Children First Council
- Healthy Beginnings at Home
- Early Childhood Mental Health
 Consultation
- Strong Families, Safe Communities

The Department will place children at the core of its mission to promote positive, lifelong outcomes for all Ohio youth.

Early Care and Education

REGULATED PROVIDER TYPES:



CENTERS



FAMILY CHILD CARE



SCHOOL DISTRICTS

STATE FUNDING STREAMS:



EARLY CHILDHOOD EDUCATION



PRESCHOOL SPECIAL EDUCATION



PUBLICLY-FUNDED CHILD CARE





Ohio Child Care -Background

of Licensed Child Care Programs: 9,940

of Early Childhood Professionals: 128,799

- Average Wage: \$14.84/hour
- Average Annual Turnover: 33.84%

Publicly Funded Child Care Eligibility:

- Family of 3: \$36,050
- Family of 4: \$43,500

Cost of Care

2022 - Cost of Center-based Child Care per Year



\$11,438 for an Infant



\$10,444 for a Toddler



\$8,580 for a Preschooler

A Mom with two children in child care spends the first \$9.62/hour on child care alone.



2023 Average

\$22,600; this comprises 32% of the annual income for a median Ohio family.

Family with two children spends the first \$10.86/hour on child care alone.



Child Care Workforce

		2212				YTD
	Metric	2019	2020	2021	2022	2023
% of Children Demonstrating on the KRA-R % of Children On-Track for Literacy		40.90%	41.20%	41.90%	37.90%	35.40%
		60.90%	60.20%	52.10%	47.50%	44.30%
Third Grade						
Th	% Meeting Promotion Threshold	98.63%	99.00%	98.62%	98.98%	98.63%
	# of Licensed Child Care Programs	9,107	9,613	8,976	8,921	8,418
	Licensed Capacity	547,733	555,751	558,921	557,955	572,836
	# of Early Childhood Professionals	86,654	86,301	92,651	103,120	128,799
	# of Lead Teachers	32,265	32,166	33,328	33,968	36,232
are	# of Assistant Teachers	27,278	27,140	31,462	36,241	38,287
d O	# of professionals with a CDA	5,871	6,410	7,453	6,858	4,840
Child Care	# of professionals with an Administrator Credential	134	122	107	98	34
	# of professionals w/ Associate's Degree	6,208	5,997	5,850	5,616	6,384
	# of professionals w/ Bachelor Degree or higher	14,578	14,426	14,538	13,976	17,927
	All Program - Average Annual Turnover Rate	26.06%	26.48%	28.72%	29.40%	33.84%
	All Programs - Average Wage	\$ 11.92	\$ 12.56	\$ 12.00	\$ 12.00	\$ 14.84

Workforce Strategies

- Rate Increases
- Stabilization Grants
- Infant and Toddler Infrastructure
- Public Private Partnerships
- Shared Services

Background: Federal Letter of Non-Compliance

On April 20, 2023, the State of Ohio was issued a **Federal Letter of Non-compliance** relating to the **equal access of child care** for children in Ohio.

Key Takeaways

- Ohio Payment rates were found to be below the 50th percentile
- Ohio will remain out of compliance until a Plan Amendment is approved
- Ohio will be subject to a penalty from the Administration for Children and Families
- ODJFS has committed to having a solution in place by December 2024



Preliminary Notice of Non-Compliance

Matt Damschroder, Director
Ohio Department of Job and Family Services
30 East Broad Street, 32nd Floor
Columbus, Ohio 43215

Dear Director Damschroder:

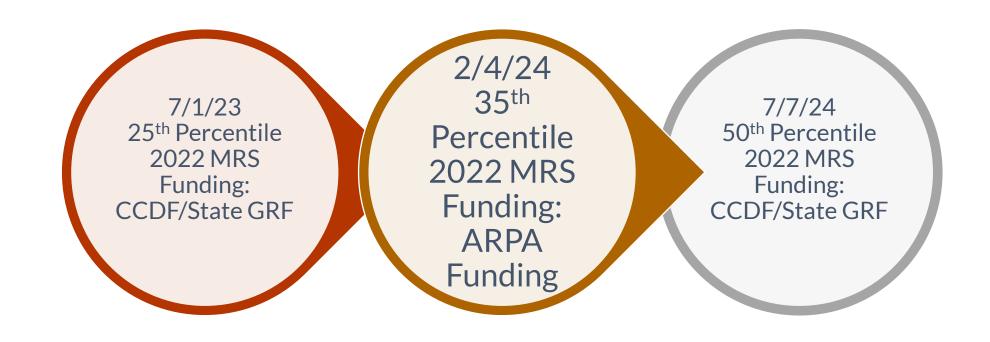
This letter is to inform you that after careful review, the Office of Child Care (OCC) has found Ohio to be non-compliant with the equal access provision 45 CFR 9.8 45(a) of the Child Care and Development Fund (CCDF), and to offer OCC's support to help Ohio increase payment rates to child care providers to comply with the Child Care and Development Block Grant Act (CCDBG) of 2014. OCC has determined that payment rates below the 50th percentile provide eligible children access to less than one out of two child care slots and do not meet the equal access requirements in the CCDBG Act. Low CCDF payment rates undermine parent choice and make it difficult for parents to find care that meet their families' needs. Low CCDF payment rates also make it harder for providers to recruit and retain skilled staff and operate stably, undermining child care supply. They also foster large inequities within the system, making it particularly difficult for families with low incomes to have equal access to child care options. CCDF lead agencies should not view the 50th percentile as an equal access benchmark or a long-term solution to gauge equal access, and it may not be considered sufficient for compliance in future plan cycles.

This letter serves as a preliminary notice of non-compliance pursuant to 45 CFR §98.90(b). In determining compliance with equal access provisions, OCC reviewed all lead agencies with payment rates below the 75% percentile benchmark and determined that payment rates below the 50% percentile are too low to be considered in compliance. Specifically, Ohio payment rates reported in question 4.3.1 and described in question 4.3.1 and four fixed grant gr

This notice will be in effect until a Plan amendment is approved that demonstrates compliance with the CCDF requirements. The OCC will consider any written response that outlines steps toward resolution received from Ohio to address the non-compliances within 60 days of receipt toward resolution.



Rate Increases



Stabilization Grants

4th Round Stabilization:

- Application period opened 11/20/23 and closed
 1/12/24
- Expense period is 7/1/23-6/30/24;
 reconciliation date is 7/31/24
- Total \$197M awarded
- Total 6,000 applications processed (89% of eligible programs)

Funding: ARPA

4th Round Stabilization - Methodology

Base payment + (per child amount x program capacity) = Maximum Funding Amount

Example- A medium-sized center with a license capacity of 80 children would receive a base payment of \$15,000 plus \$26,400 (the per child amount of \$330 multiplied by 80) to equal the total amount of \$41,400.

The charts below indicate the maximum funding amounts by program type:

Program Type	Base Payment	Per Child Amount by License Capacity (as of 10/312023)
Centers – XX Large (200+)	\$15,000	
Centers – X-Large (151- 199)	\$15,000	
Centers – Large (100 – 150)	\$15,000	\$330
Centers – Medium (50 to 99)	\$15,000	
Centers – Small (49 or less)	\$15,000	

Child Care Public/Private Partnership



FUNDING

- > State dedicates \$6M of grant funding for the next three years
- Funded by Preschool Development Grant.



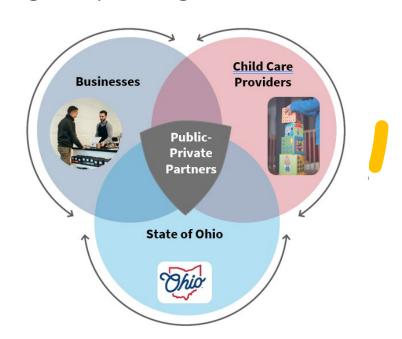
REQUIRED PARTNERS

- ➤ Local early-childhood non-profit, business, and child-care providers
- One vendor per county: Franklin, Cuyahoga, Hamilton, Summit, Montgomery, Licking and Allen



IDENTIFIED NEED

- Prioritized slots for all or some team members (Ex. STNAs, Custodians, 2nd Shift workers)
- Determine funding gap to establish necessary child care workforce
- State grant covers 50% of the necessary funding for 1 year; business covers remaining



Public-private Partnership

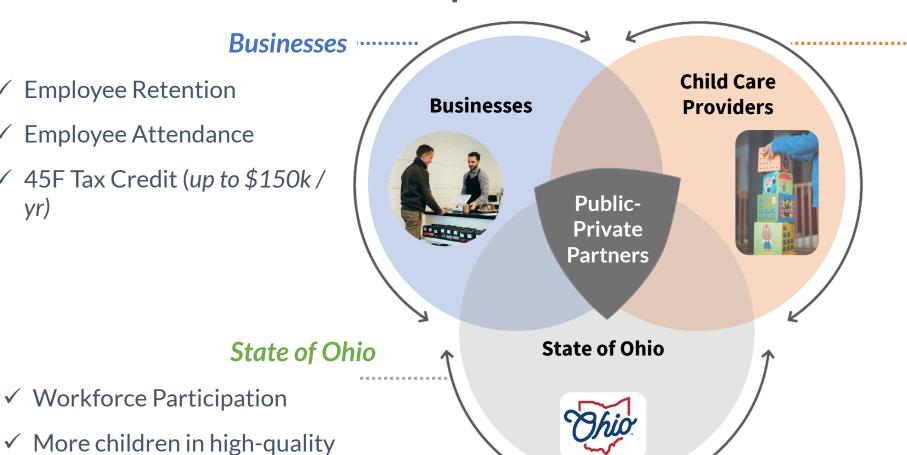
Benefits Across Partnership



- **Employee Attendance**
- √ 45F Tax Credit (up to \$150k / yr)

✓ Workforce Participation

care



Child Care Providers

- ✓ Stable Funding
- ✓ Stable Demand
- ✓ Workforce Retention

Infant & Toddler Infrastructure

Qualifications

- Be licensed and in good standing (not in the revocation process)
- Have an active provider agreement to offer or deliver publicly funded child care (PFCC)
- Operate in an Ohio Equity Initiative community within the following counties:
 - Butler, Cuyahoga, Franklin, Hamilton, Lorain, Lucas,
 Mahoning, Montgomery, Stark and Summit
- Serve or intend to serve infants and toddlers during the life of the grant without displacing children from other age groups



INFANT & TODDLER INFRASTRUCTURE

Maximum Grant Awards Per Classroom or Family Child Care Home

Program Type	Program Criteria	Award Amount
ODJFS licensed Child	Licensed before the date of this procedure letter.	\$250,000
Care Center and ODE Preschool	Converting existing licensed or unlicensed space to infant or toddler classrooms.	
	Planning to serve at least four additional infants or toddlers per classroom, one of which is PFCC approved.	
ODJFS licensed Child Care Center and ODE	Licensed on or after the date of this procedure letter.	\$100,000
Preschool	Planning to serve at least four infants or toddlers per classroom, one of which is PFCC approved.	
ODJFS licensed Type A and Type B FCC Home	New program is planning to serve at least one infant or toddler.	\$5,000
	Existing program is expanding to serve at least one additional infant or toddler who is PFCC approved.	
		36

Shared Services

The state of Ohio has initiated a Child Care Shared Services Pilot that will partner local child care resource and referral (CCR&R) agencies, for-profit and non-profit organizations, and county job and family service agencies across the state.

Goals of the Pilot



Help child care providers run their businesses successfully and efficiently



Establish a system by which providers share the financial burden

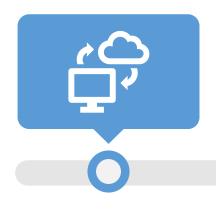


Provide access to essential tools and the necessary, outsourced, business functions needed to operate effectively

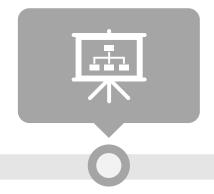
Shared Services

The goal of Shared services is to create a collaboration that provides a locally focused hub of resources available to child care providers to receive support and build sustainable business practices and include, but are not limited to, financial assistance, human resources, coaching, marketing, etc.

Provider Requirements









(contingent on availability)

Input your information prior to your first coaching session

Participate in In-Person and Virtual Coaching

A peer financial coach for family child care and another for child care centers

Complete Ohio-Approved Business Management Classes

1.5 hours/session – No more than 3 hours

Complete Ohio-Approved Financial Management Classes

1.5 hours/session – No more than 3 hours





Provided Supports

INCLUDED SUPPORTS

Supports vary by SDA, and may include:



Business support



Mentoring



Group purchasing



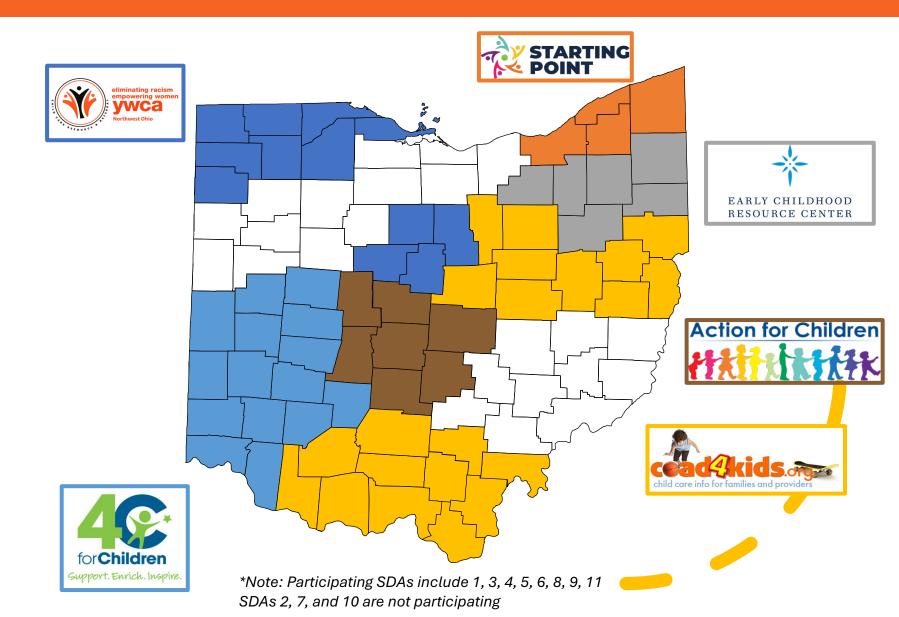
Insurance



Substitute pools



Equipment



Additional Workforce Supports

- T.E.A.C.H. Early Childhood Ohio
- Power Ohio (Wages)
- Family Child Care Recruitment
- Paid Professional Development Days
- Early Childhood Mental Health Consultation
- Curriculum Support

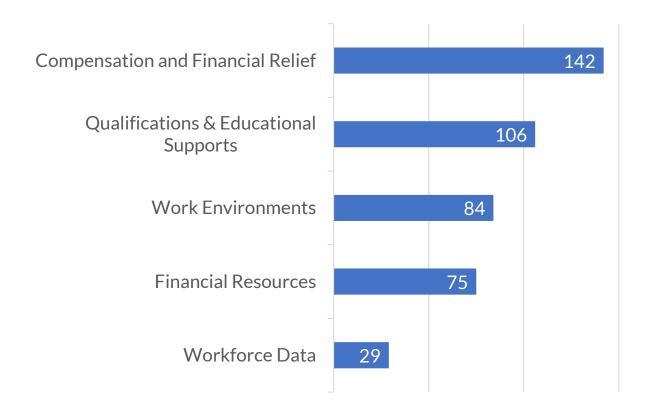
Poll 4: Share Your Understanding

Within your role, authority, and influence, how responsible are you for policies and practices that affect <u>compensation and financial</u> <u>relief?</u>

- 1 Very responsible
- 2 Responsible
- 3 Minimally responsible
- 4 Not Responsible at All

Poll 5: What Matters Most and Which Tools?

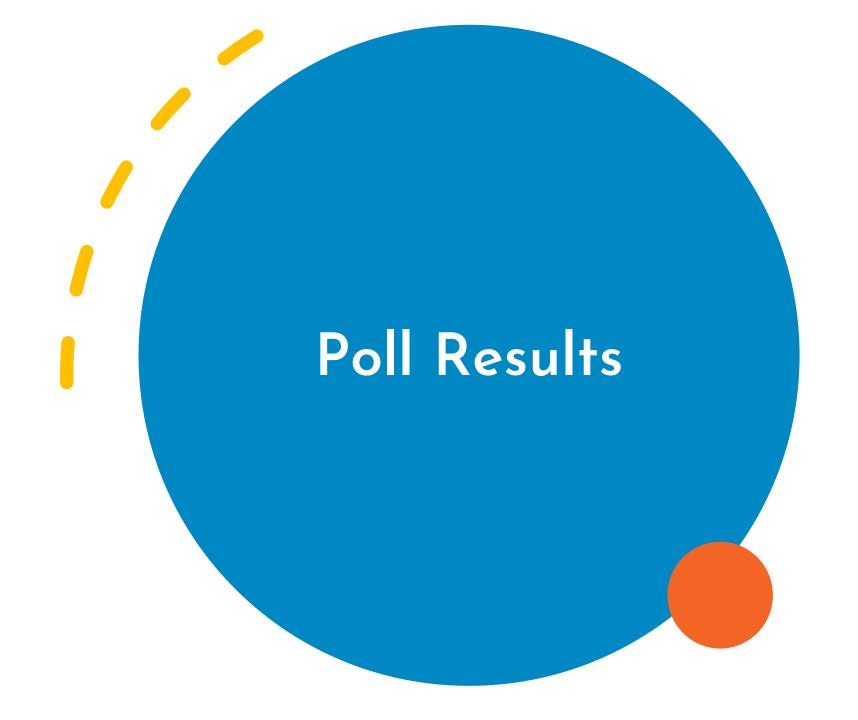
What You Told Us Matters Most in Webinar 4



What tools do you have to achieve your goals for compensation & financial relief? Select all that apply.

- 1. Grants
- 2. Policy
- 3. Legislation
- 4. Scholarships
- 5. Program Models
- 6. Technical Assistance
- 7. Other





Do Compensation Policy Changes Have to Precede Other Policy Priorities?

"The key learning is that the respondents really identified low compensation and the entrenched inequities in the field as very clear obstacles that needed to be attended to before trying to engage early childhood educators in meeting the requirements of another national certification."

Dr. Ola J. Friday
Director
Early Educator Investment Collaborative





Poll 6: Which Partners are Essential to Workforce Compensation & Financial Relief Benefits?

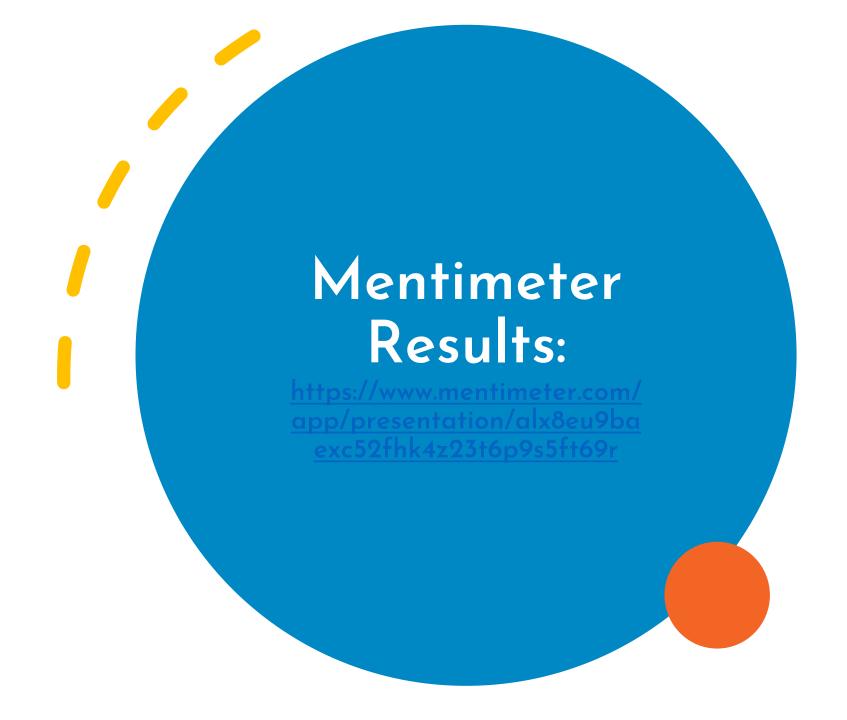
- The workforce
- Federal, state, tribal, county, and other entities
- Higher education institutions (IHEs)
- State systems that control accreditation and training (SBE)
- Childcare Licensing
- Advocates
- Professional organizations
- Legislators
- Unions/Entities representing workers

Who else?

Mentimeter: How Long Do You Think It Will Take to Achieve These Strategies? (Scale of 2 to 20 years)

- Raise base salaries for all workers
- Supplement salaries with stipends
- Provide health and dental care benefits workforce members
- Ensure retirement plans for the workforce.
- Supplement wages with refundable tax credits





Collaborating Partner:

National Association for Family Child Care (NAFCC)

National Association for Family Child Care







Connect through Membership



Grow through Professional Development



Recognize through Accreditation



Advocate through Policy & Partnerships

Trends & Learnings from NAFCC Members

32% of NAFCC Members stated their income DOES NOT allow them to cover expenses like rent, utilities, and supplies (NAFCC 2023 Annual Survey)

Low pay is a consistent challenge: 4/5 top policy, business and personal concerns for NAFCC members relate to compensation (Retirement, Compensation, Access to Subsidy Programs, Health Insurance)

 25% survey respondents across the ECE field experienced financial insecurity in the last year. (NAEYC 2022 ECE Field Survey)

26% of home-based providers reported difficulty affording housing expenses (2022 RAPID EC survey)

Trends & Learnings from NAFCC Members

Stabilization grants: Band-Aid to stabilize the sector but challenges are growing as pandemic-related relief expires

Payment Practices also make compensation unsustainable

Educator Leadership & Voice

ENGAGE FCC LEADERS AS EQUAL PARTNERS AND BUILD IN COMPENSATION AND FLEXIBILITY TO RESPECT THEIR EXPERTISE AND TIME

- Compensate for work completed and time providing input.
- Engage throughout the entire design and implementation cycles.
- Provide background knowledge and tools (e.g., technology, orientations) so that FCC educators can effectively contribute.
- Allow space for multiple perspectives from educators, including licensed, license-exempt, and FFN educators, and understand that there's no 'one size fits all' approach for every program.
- Make opportunities accessible for educators.
 - FCC educators should be asked what would make their participation feasible, and this often includes offering opportunities in multiple languages, in different locations (including virtual), and at convenient times (i.e., evenings and weekends).
- Prioritize building trusting & reciprocal relationships

Bright Spots from Family Child Care & Family, Friend & Neighbor

Supports for Small Business Owners

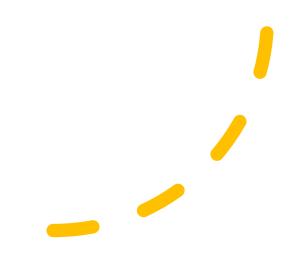
Compensation Parity & Equity

Guaranteed Minimum Payment

Accessible

Pre-K, EHS & Other Public Contracted Care Programs

Big Wins for Home-Based Child Care



Thank You!

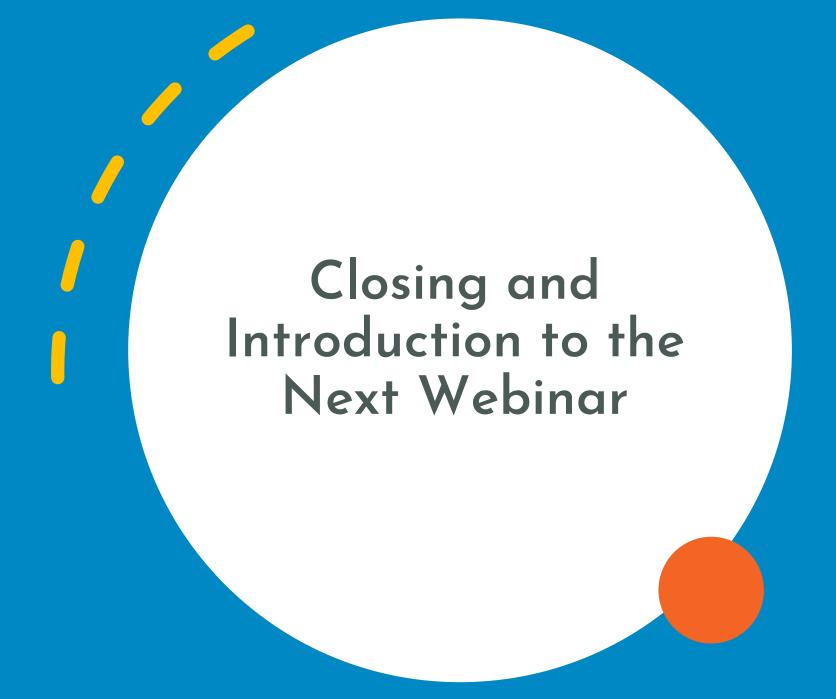
- Facebook @nafcc
- Twitter @nafcc
- Website <u>www.nafcc.org</u>
- Email ephillips@nafcc.org











Webinar 6 - April 22nd

The final webinar of the Foundational Series will focus on:

- 1. Financial support policies (such as tax incentives, lotteries) and the early childhood workforce
- 2. Sustainability, implementation, and cross sector teams
- 3. Collaborating partner, Start Early

