



ECACE
EARLY CHILDHOOD ACCESS
CONSORTIUM FOR EQUITY

ECACE Advisory

November 10, 2022



**Illinois
State Board of
Education**



**Governor's Office of
Early Childhood Development**



State Work and Compensation

Theresa Hawley and Maya Portillo, Center for Early Learning Funding Equity

Tom Layman and Anita Ramage, Governor's Office of Early Childhood Development

Karen Yarbrough, Illinois Department of Human Services

Who We Are

Center for Early Learning Funding Equity (CELFE) builds capacity for assessing adequacy and equity in early learning funding systems through research and transformative partnerships. We create innovative approaches and funding mechanisms that support the diverse needs of children and families

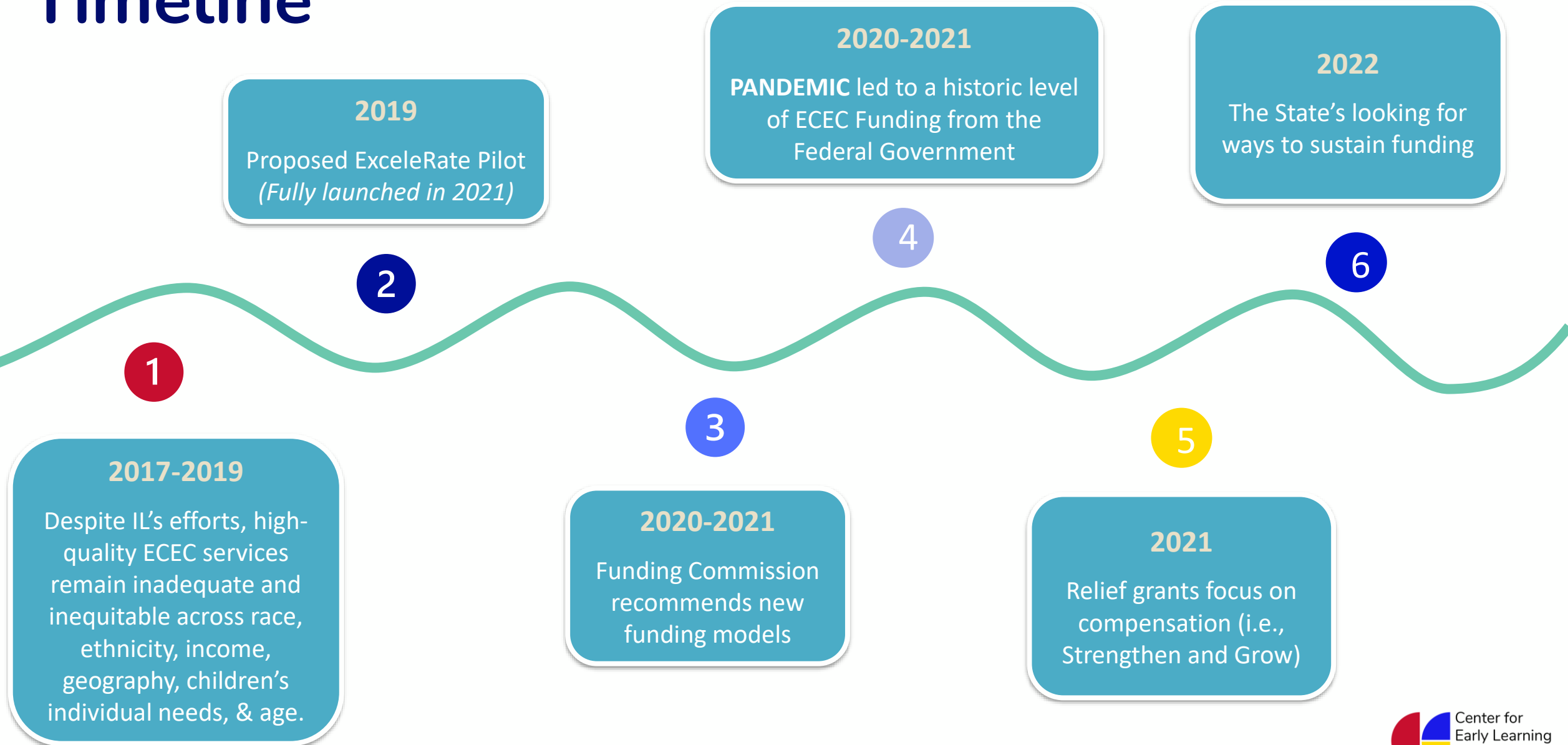


Workforce Crisis

- Early childhood educators working outside of schools earn wages in the 2nd percentile of annual earnings. These wages have remained stagnant since 2015, neither increasing nor keeping up with inflation or cost of living changes.
- In all states, early childhood educators working outside of schools earn less than 2/3 of the median wage for all occupations in the state.
- In Illinois, wages for early childhood educators working outside of schools are similar to those of manicurists, cashiers, and hotel desk clerks. Wages for preschool teachers in Illinois are similar to those of bank tellers and receptionists.

Educators and providers are struggling to make ends meet at home, and early childhood programs are struggling to function due to resulting workforce instability and shortages

Timeline



Steps in Addressing Compensation



1

Set target for the level of compensation needed:

Salary Scale

2

Understand the “delta” between current salaries and the need:

Cost Modeling

3

Design new funding mechanisms to support better compensation:
ExceleRate, SGCC, and future initiatives

Why a Salary Scale?

- We are trying to capture the **TRUE COST** of providing high-quality care for children
- To do that we need to answer:
 - What are **COMPETITIVE WAGES** for early childhood teachers, assistant teachers, and staff in IL, that will attract and retain them in the field?
- To answer the above question, we have done research that helps us to understand:
 1. Wages across different industries across the state,
 2. Other states and their salary scale process, and
 3. Typical average wages across the state to have points of comparison

- **Purpose**

- To create a model salary scale(s) that will be used for cost modeling and in contracting with early childhood programs to ensure that funding is used to increase compensation for the EC workforce

- **What makes this process different than what has been done in the years before?**

- We looked at wages competitively across industries- i.e. How does ECE compete in the larger market with comparable professions and/or low-barrier positions in alternative sectors?
- This scale will be dynamic and will move with inflation over time



Illinois Salary Scale Purpose



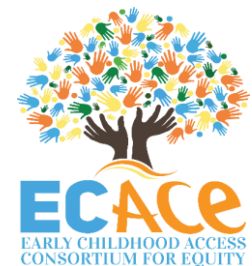
Our Process

We worked with existing state partners to create a working group that reviewed the scope of work and approach, decided on parameters of the salary scale, and integrated feedback from the field after CELFE held focus groups

Our Partners:



**Illinois
State Board of
Education**



**Governor's Office of
Early Childhood Development**



Key Decisions

1 *Parity*

- The working group decided that teachers with a PEL should receive **comparable wages to a K-12 teacher** with the same degree attainment

2 *Economic Indicators*

- Used **living wage** as the economic measure to pin the scale to because it 1) maintains healthy distance from min wage, 2) data allows for geographic analysis, and 3) data updates annually and reflects changes in state min. wages

3 *Years of Experience*

- Accounted for years of experience with an assumption that there will be an approximate **20% band of salaries** for people at each level.
- The cost modeling work will attempt to pin at the mid-point

4 *Geographic Boundaries*

- Compressed scale to **Chicago Metro and Balance of the State** because when examining wage differentials of living wage and K-12 averages between suburban and Cook/Chicago, there was a minimal salary differential

5 *Eligibility/Scope*

- Scale starts with examining wages for **teachers and assistant teachers** in center-based only. The working group recognizes that more work would be needed to expand the scale to more positions and for home-based providers

6 *Additional Specializations*

- Scale assumes an **“add-on” rate for additional credentials**

Draft Salary Scale | Chicago Metro



Position	Credential Level/Degree Attainment	Target Hourly	Target Salary Annualized (12 mo.)	Notes
Teacher	Bachelors + PEL		\$61,000	Min salary set at parity with K-12 (12-month, BA teacher)
	Bachelors + ECE Level 5	\$26.50	\$55,120	Min salary set at 20% above AA
	Associates + ECE Level 4	\$22.25	\$46,280	Min salary set at 15% above Level 1
	ECE Level 2 or 3	\$20.75	\$43,160	Min salary set at 7.5% increment above Level 1
	DCFS minimum/ECE Level 1	\$19.25	\$40,040	\$1.25 pay differential between Teacher/Ass. Teacher
Assistant Teacher	Associates + ECE Level 4	\$20.75	\$43,160	Min salary set at 15% above Level 1
	ECE Level 2 or 3	\$19.25	\$40,040	Min salary set at 7.5% increment above Level 1
	DCFS minimum/ECE Level 1	\$18.00	\$37,440	Min salary set at 20% above Chicago's minimum wage or 10% above Chicago's living wage Approximate \$5/hour increase from current average wage

Pay increases for additional credentials include *ESL/Bi-lingual Endorsement: \$1.00 increase; Infant/Toddler Credential: \$0.50 increase*

Draft Salary Scale | Balance of the State



Position	Credential Level/Degree Attainment	Target Hourly	Target Salary Annualized (12 mo.)	Notes
Teacher	Bachelors + PEL		\$49,522	Min salary set at parity with K-12 (12-month, BA teacher)
	Bachelors + ECE Level 5	\$22.75	\$47,320	Min salary set at 20% above AA
	Associates + ECE Level 4	\$19.00	\$39,520	Min salary set at 10% above Level 1
	ECE Level 2 or 3	\$18.00	\$37,674	Min salary set at 5% increment above Level 1
	DCFS minimum/ECE Level 1	\$17.25	\$35,880	\$1.25 pay differential between Teacher/Ass. Teacher
Assistant Teacher	Associates + ECE Level 4	\$17.50	\$36,608	Min salary set at 10% above Level 1
	ECE Level 2 or 3	\$16.75	\$34,944	Min salary set at 5% increment above Level 1
	DCFS minimum/ECE Level 1	\$16.00	\$33,280	Min salary set at ~35% above IL minimum wage or ~23% above the Balance of the State's living wage Approximate \$5/hour increase from current average wage

Pay increases for additional credentials include *ESL/Bi-lingual Endorsement: \$1.00 increase; Infant/Toddler Credential: \$0.50 increase*

Thank you!

celfe.org



<https://celfe.org/our-approach/designing-funding-mechanisms/>



ExceleRate Child Care Center Pilot Contracts & Compensation



Governor's Office of
Early Childhood Development

November 2022

Participating Child Care Centers

- 34 centers
- 198 classrooms:
 - 36 infant
 - 32 toddler
 - 34 two-year-old
 - 60 preschool
 - 36 school-age
- 661 teachers and assistants



Contracts

Purpose: To support a stable, adequate, and well-qualified staff that “owns” Continuous Quality Improvement

Contract features:

- No RFP
- Budgets by classroom, not per child. Simple budgeting formula.
- Programs keep their existing funding.
- Programs submit payroll reports each month.
- Programs earn specified payment rates if hourly pay meets Pilot wage scale. Higher credentials earn higher payments.

Salary Scale

Center must pay minimum salary to receive increment

FY23 - July 1, 2022 - June 30, 2023

	Credential Level	Pilot Salaries	Hourly	Increment Earned	Full Rate Position
Director	IDC III	\$47,840.00	\$23.00	\$6.00	n/a
	IDC II	\$45,760.00	\$22.00	\$5.00	n/a
	IDC I	\$43,680.00	\$21.00	\$4.00	n/a
	DCFS Director Qualified	\$41,600.00	\$20.00	\$3.00	n/a
Teaching Staff	ITC 5 & 6, ECE 5 & 6	\$39,520.00	\$19.00	\$7.00	\$19.00
	ITC 4, SAYD 5	\$38,480.00	\$18.50	\$6.50	\$18.50
	ECE 4	\$37,440.00	\$18.00	\$6.00	\$18.00
	ITC 3	\$36,400.00	\$17.50	\$5.50	\$17.50
	ITC 2, ECE 3, SAYD 4	\$35,360.00	\$17.00	\$5.00	\$17.00
	ECE 2, SAYD 3	\$34,840.00	\$16.75	\$4.75	\$16.75
	SAYD 2	\$34,320.00	\$16.50	\$4.50	\$16.50
	ECE 1 and SAYD 1	\$33,800.00	\$16.25	\$4.25	\$16.25
	DCFS Qualified Teacher	\$33,280.00	\$16.00	\$4.00	\$16.00
	DCFS Qualified Teacher Assistant	\$31,720.00	\$15.25	\$3.00	\$15.25

Please direct questions and feedback to:

Tom Layman
ExceleRate Illinois Policy Director (GOECD)
Tom.Layman@illinois.gov

Dr. Anita J. Rumage
ExceleRate Pilot Project Manager (GOECD)
Anita.J.Rumage@illinois.gov

This project was made possible by grant number 90TP0057. The contents of this presentation do not necessarily represent the official view of the United States Department of Health and Human Services, Administration for Children and Families.

Stay Connected & Updated

- Visit our website:
www.earlychildhood.illinois.gov
- Sign up for our email communications and monthly newsletter
- View GOECD's past newsletters and video briefings
- Submit content you would like to share in our monthly newsletter

Illinois.gov | Governor JB Pritzker | News | Agencies

Search...

Governor's Office of Early Childhood Development

Home COVID-19 About Us Early Learning Council Racial Equity For Families For Providers

Welcome

Our Vision: Every young child develops to their maximum potential and thrives with the support of their families and communities.

LIVE ILLINOIS cares

Illinois Cares for Kids

The Illinois Cares for Kids website is one place parents, grandparents, and caretakers can access all things related to early childhood education and care in Illinois. You can find resources, programs, and support for your infant, toddler, preschooler, or school-aged child. You can even search for child care and early learning programs near you!

COVID-19

The health and well-being of children, families, and early childhood care and education providers is of utmost importance. Our COVID-19 resources pages provide links to information to help keep all Illinois residents, especially families, providers, and those who support children, informed.

Illinois Early Learning Council

The Early Learning Council (ELC), a public-private partnership created by Public Act 93-380, strengthens, coordinates and expands programs and services for children birth-to-five throughout Illinois. With a membership including senior state officials and non-government stakeholders appointed by the Governor, the ELC builds on current programs to ensure a comprehensive, statewide early learning system to improve the lives of Illinois children and families.

[Sign up](#) for GOECD's E-mail communications.

Upcoming Events

[View as Calendar](#) [View as List](#)

What's New

- [Early Childhood Transformation Team is Hiring - Policy Analyst](#)
- [July 2021 Newsletter](#)

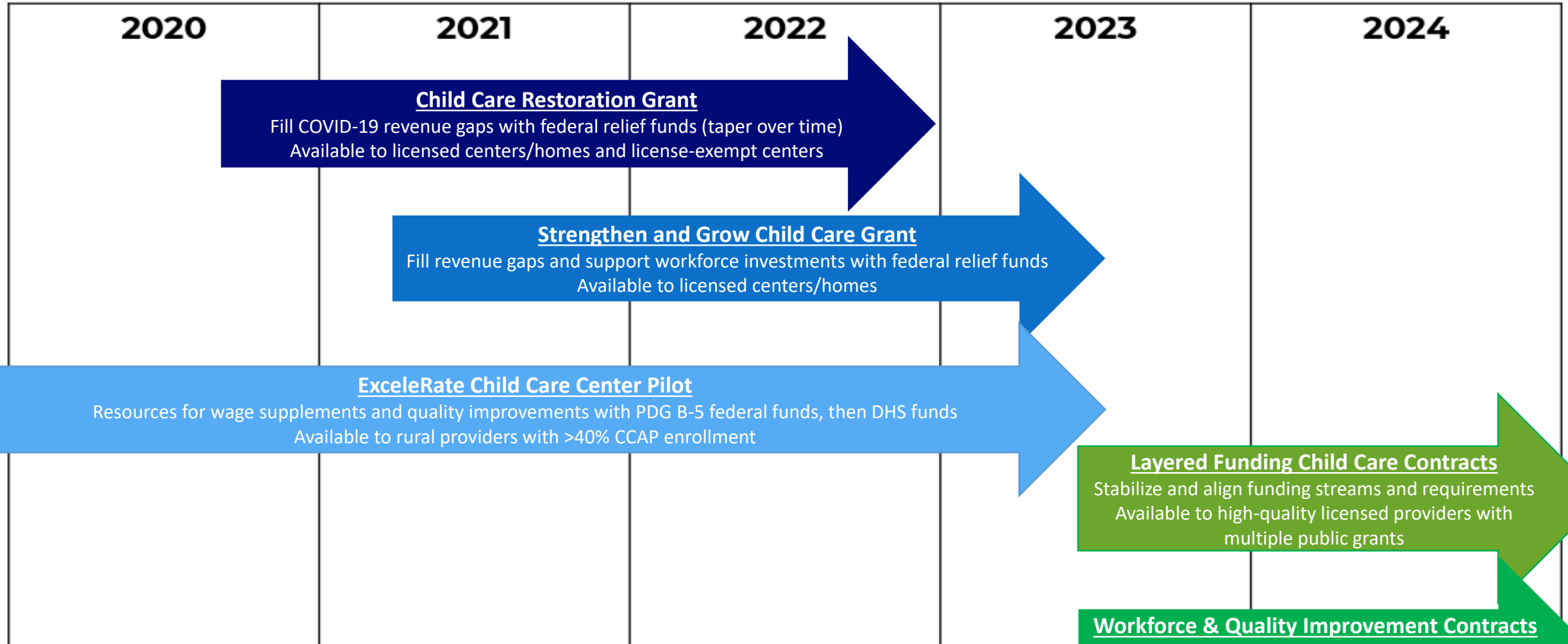
Next Steps

Learning from Current Approaches
and Adapting for Sustainability



DIVISION OF
EARLY CHILDHOOD

NOW AND NEXT



Background

- Began in 2022 with \$300 million ARPA COVID-19 relief funding
- Provides significant up-front funding for licensed child care centers and homes
- Requires at least 50% of the funding on increased staff wages, bonuses, benefits, or other new staffing costs.
- Focused on providers participating in CCAP; limited participation by providers primarily funded by Head Start and/or the Early Childhood Block Grant.

Lessons

- The SGCC model has **significant potential with sufficient funding** to meaningfully address the early childhood compensation challenge.
- The program has proven **very popular** with providers, with 72% of eligible centers and over 90% of eligible homes participating in the first grant round
- INCCRRA has demonstrated how to **effectively implement** the program at scale with minimal administrative overhead.
- The **temporary nature of the program limits its effectiveness**. Providers are cautious about using time-limited funds to raise wages and benefits, which are difficult to pull back when funding goes away. Instead, many programs are providing bonuses, which are unlikely to be as effective in attracting and retaining qualified child care staff, and in signaling to future workers that early childhood is a viable career pathway.
- **Restrictive eligibility limits the program's ability to stabilize the full field**. A strategy to improve wage levels for all providers will be more effective in truly addressing the workforce crisis.

A New Approach

Base Operating Contracts
Overview

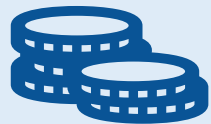


DIVISION OF
EARLY CHILDHOOD

PROPOSAL OVERVIEW

The Division of Early Childhood is working to develop a recommendation for the Governor's Office on a **sustainable contract-based child care funding mechanism**.

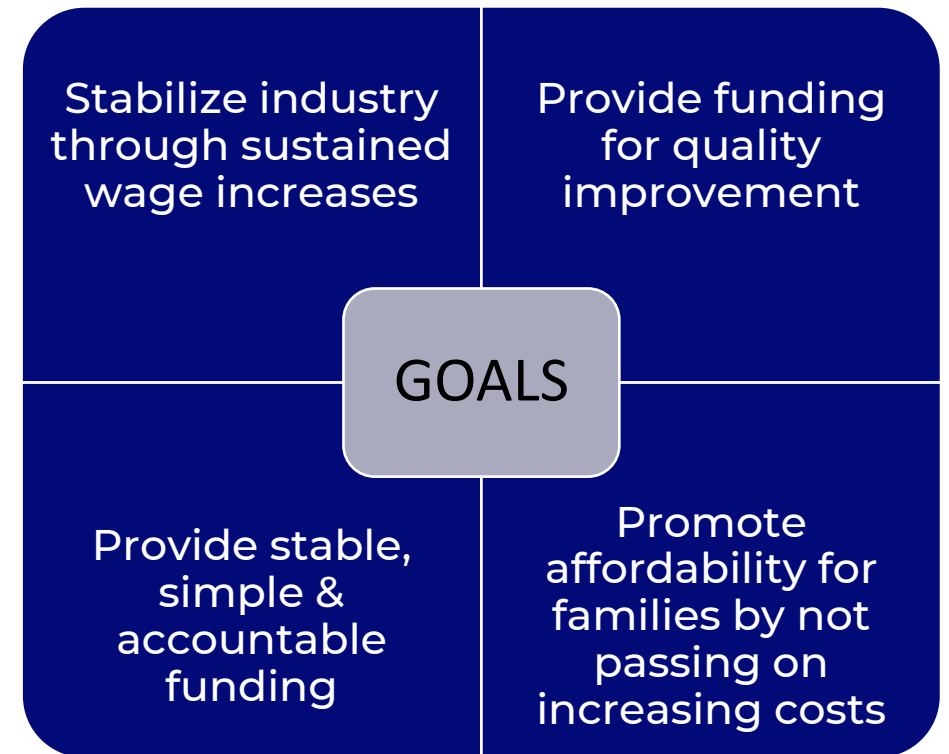
This would stabilize and improve the supply and quality of child care in the state by:



Increasing compensation to staff across the industry



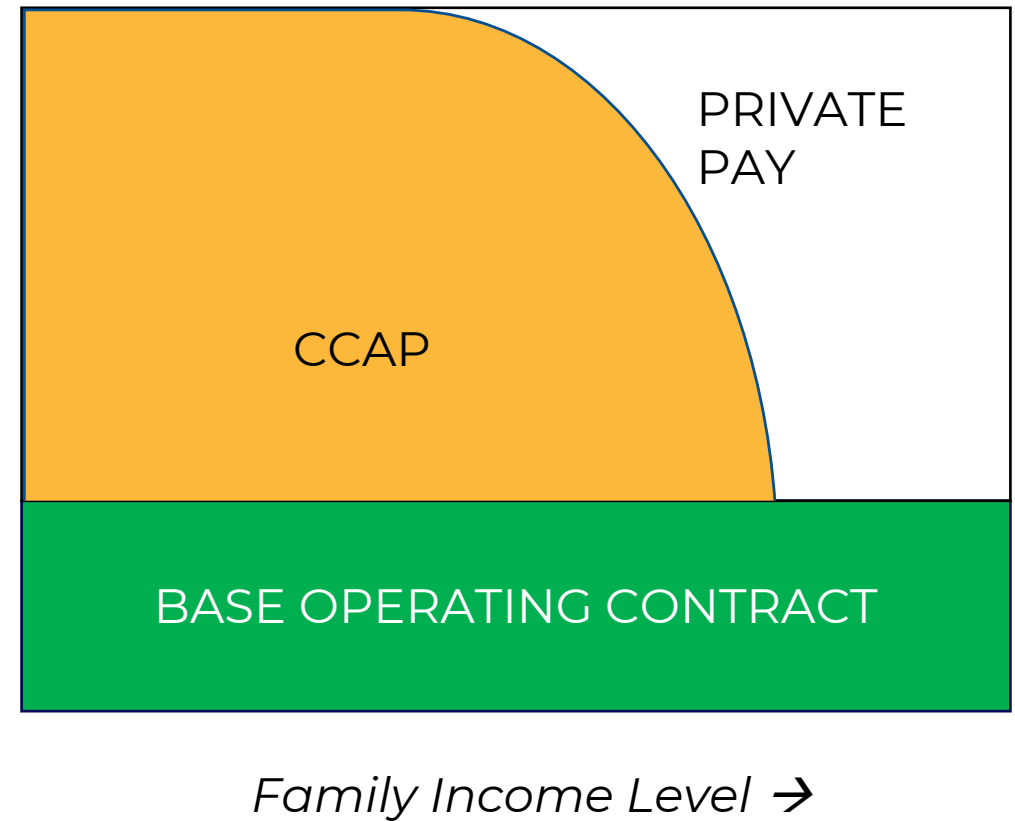
Supporting more robust staffing patterns



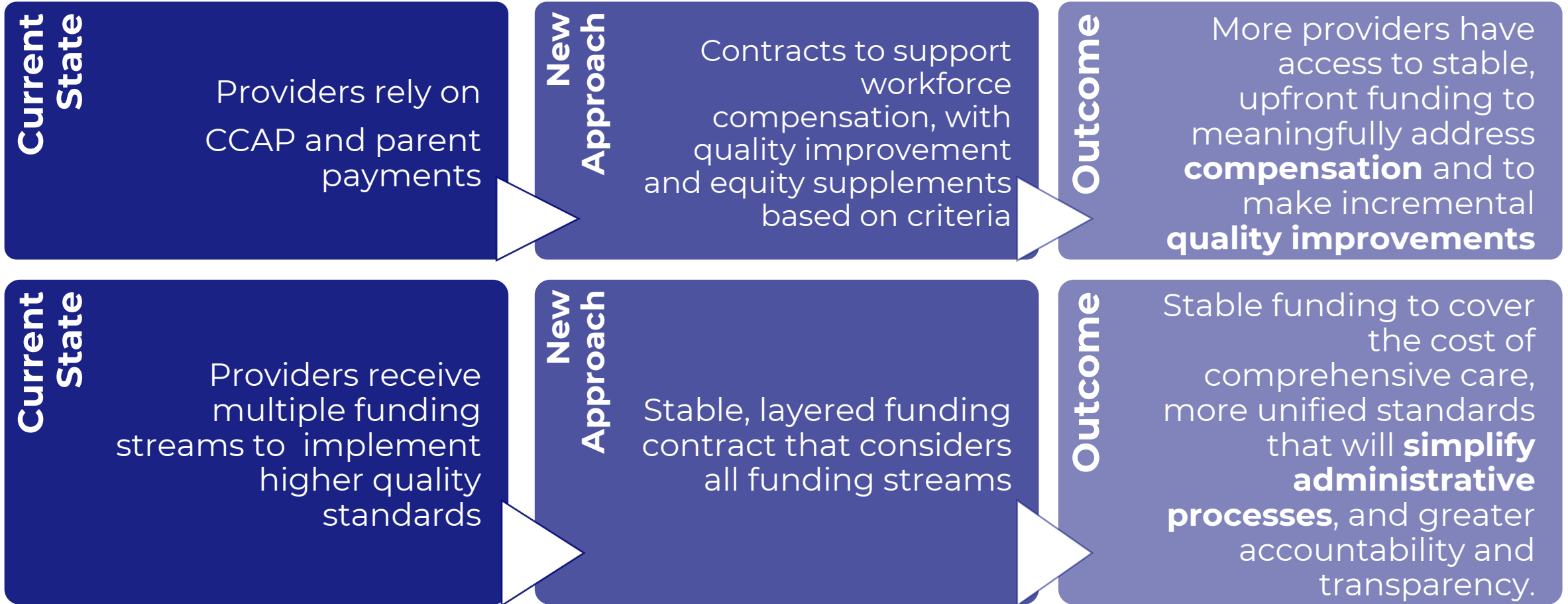
Base Operating Contracts Shift Our Framing

From Field *Stabilization*
To Field **Building**

- Reduces family burden of rising costs
- Provides financial stability for providers
- Directed to priority investments including workforce and quality



Based on lessons learned, we're exploring tailored approaches to contract expansion



Provider Supports to Ensure Successful Implementation

STAKEHOLDER ENGAGEMENT

ENGAGEMENT GROUPS REINFORCE EACH OTHER



Ad Hoc
Advisory
Group

Individual
Stakeholder
Engagement
Sessions

AD HOC ADVISORY – Comprehensive, “Bird’s Eye” view on the plan

Endorses strategic intent and goals, guides overall planning process, surfaces risks and opportunities to the plan

Identifies specific concerns or considerations that should be discussed further (i.e., in individual stakeholder engagement sessions)

INDIVIDUAL SESSIONS – Detailed, “On the ground” input

Assist the planning team in deeply understanding areas of focus:

- On a specific topic or focus area (ex: administration) *and/or*
- Through a specific stakeholder lens (ex: Type 1 providers, legislative advocates)

Output from these discussions inform the overall plan and process to ensure it is well thought out and actionable

Both aspects of engagement matter. Perspectives sought are different (general and overarching vs. specific and nuanced) and both are necessary to create a thoughtful, thorough plan.