Retaining Talent: Quality Rating Systems as a Workforce Stabilization Strategy in Post-Katrina New Orleans

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Prepared for United Way for the Greater New Orleans Area
Success By 6

Tufts University
Department of Urban & Environmental Policy & Planning
Department of Child Development
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Abstract
The correlation between quality of care and student preparedness and positive child outcomes in the child care industry has long been understood. Success By 6 (SB6), an early education initiative targeting age-appropriate development and school readiness in children aged zero to six, and the United Way for the Greater New Orleans Area (United Way) have identified a well-educated, stabilized workforce as the preeminent factor affecting the quality of child care and early education provided in Louisiana. The 2005 disaster destroyed 90% of the child care facilities in New Orleans. Reconstruction presents a unique opportunity to move forward with initiatives that promote early education reform and the standardization of high quality care. Professional development and competitive compensation associated with professional development is on child care enhancement strategy currently being explored. Quality Rating Systems (QRS), interchangeably referred to as Quality Rating and Improvement Systems (QRIS), are recognized by child care advocates and policy makers as an effective method of defining, standardizing, and assessing high-quality care. Professional development is paramount among the goals of QRS programs. As early adopters of QRS programs, Oklahoma, North Carolina, and Pennsylvania are pioneers of this approach. Oklahoma’s Reaching for the Stars, Pennsylvania’s Keystone STARS, and North Carolina’s Star Rated License represent steps taken to implement an early education/child care system that supports a highly qualified workforce and acknowledge the importance of professional development and competitive compensation in achieving this goal. QRS policies and programs implemented in these states exemplify strategies that Louisiana may consider as it moves to enhance standardized high quality child care in the post-Katrina era.
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1. Executive Summary

Low wages and high turnover are characteristic of the child care industry nationwide. They impede access to high quality child care. Studies demonstrate that high quality child care is integral to school readiness for young children. It is also relevant to issues related to the economic development of a place. Post-Katrina both school readiness and economic development are particularly relevant in Louisiana; especially New Orleans, where a dearth of child care persists. Quality Rating Systems (QRS) are an established strategy of defining, standardizing, and assessing high quality child care. Professional development and provider education are paramount among the objectives of QRS programs.

Louisiana implemented a voluntary QRS program called *Quality Start* in 2007. *Quality Start* establishes a measure of quality child care that benefits parents, policy makers, and child care providers. The initiative allows parents to compare and evaluate center programs. Louisiana’s quality improvement program is predicated on the belief that staff education levels and incentives to increase those levels, impact quality of care. Success By 6 (SB6) is an early education initiative of the United Way that targets age-appropriate development and school readiness in children aged zero to six. The primary focus of SB6 is to ensure that all children have access to high quality care. SB6 posits that workforce stabilization is preeminent in quality child care and that staff education and competitive compensation are essential to increasing retention among child care workers at state-licensed, Class A facilities. The goals of *Quality Start* cohere with the quality improvement objectives identified by SB6 and United Way for the Greater New Orleans Area (United Way).

Increasing the supply of quality child care to meet the growing demand and need for care in post-Katrina New Orleans is the second objective of SB6 and United Way. Implementation of a QRS program that emphasizes professional development as a route to enhanced quality of care, and that includes financial and tax incentives for centers to participate, is one method of encouragement currently being piloted in New Orleans. Given SB6’s objectives, the project team set out to investigate retention and workforce stabilization strategies.
successfully implemented elsewhere. The team specifically analyzed components of QRS programs in Oklahoma, North Carolina, and Pennsylvania. These states are among the first to have utilized the QRS model. In addition to being early adopters of QRS, the programs in these states contain components that specifically address professional development and competitive compensation—the two factors identified by SB6 as critical to establishing a system of high quality child care in New Orleans.

**Chapter Overview**

Information for this report was gathered through literature review, a focus group with three New Orleans based center directors, interviews with another Louisiana center director, and 10 interviews with governmental and organizational players most knowledgeable about implementation of identified statewide strategies. The report is laid out in the following way:

*Chapter 1 – Introduction:* This chapter provides an overview of our area of inquiry. Chapter 1 also includes an explanation of what Success By 6 is and its overarching mission to promote high quality child care. We conclude with a discussion of our approach and methodology, including study limitations.

*Chapter 2 – Background:* Here we explore the various dimensions of declining quality of child care and policy alternatives that attempt to address this issue. A thorough explanation of Quality Rating Systems is given, which provides context for the remaining analysis.

*Chapter 3 – Louisiana:* In this chapter we discuss the impact of Hurricane Katrina on the child care industry in New Orleans, paying special attention to the need for quality improvements specifically concerning workforce stabilization, and the relationship between quality care, school readiness, and economic development in the post-Katrina era. The chapter concludes with an overview of the Quality Start program initiated in 2007 and the promotion of QRS in New Orleans to encourage reconstruction of high quality facilities.

It is at this point that we transition to the analysis of the QRS programs in Oklahoma, North Carolina, and Pennsylvania. Louisiana may elect to model its program after the features of these programs as it moves to
develop a comprehensive approach to high quality child care. Chapter 4, 5, and 6 evaluate how these states have implemented high quality standards, including lessons learned and opportunities for improvement.

Chapter 4 – Oklahoma: QRS was first introduced in Oklahoma in 1998, making it the first state to implement a Quality Rating System. Oklahoma’s program is called *Reaching for the Stars*. Additionally, Oklahoma and Louisiana share many similarities in terms of income demographics, population served by child care centers, wages earned by providers, and objectives put forth in the QRS. *Reaching for the Stars* places particular emphasis on increasing accessibility to high quality child care for low-income children. Features of the program are outlined here.

Chapter 5 – North Carolina: Another pioneering state, North Carolina implemented a QRS program, *Star Rated License*, in conjunction with two other programs aimed at improving quality care by targeting professional development and increasing compensation. In addition to being a QRS leader, North Carolina created the T.E.A.C.H. program and is considered the model for implementation in other states. Facets of this program are detailed in this chapter.

Chapter 6 – Pennsylvania: Pennsylvania has taken a very comprehensive approach to improving quality of care at all levels. *Keystone STARS*, Pennsylvania’s QRS particularly emphasizes increased stability through professional development. High levels of engagement in raising quality across the state, especially among people in all sectors – administrators, educators, and parents – is one of the most notable characteristics of *Keystone STARS*. Program components most relevant to workforce stabilization and compensation are addressed here.

Chapter 7 – Key Findings & Recommendations: This chapter lists key findings from review of programs in all three QRS pioneering states. Recommendations based on these findings are also detailed here.

Chapter 8 – Conclusions/Areas for Future Research: We conclude the report with a discussion of the implications of our findings and recommendations for post-Katrina New Orleans. Here we also detail future research
opportunities.

Key Findings

Key findings from the analysis of Quality Rating Systems in Oklahoma, North Carolina, and Pennsylvania include:

- QRS initiatives were piloted on a small scale. Once it had been established that the pilot was effective, the initiative was expanded.

- Across the states, QRS proved to be effective, not only in establishing a statewide standard of care, but also in raising awareness and informing the general public about the importance of quality care.

- By establishing a statewide standard of high quality care, QRS programs have helped draw attention to the role of child care providers as early educators. QRS programs also enable centers to differentiate themselves by rating levels, rather than public perceptions based on the center’s size or location. This is especially important for smaller, neighborhood-based centers that may otherwise be unable to compete with large day care centers.

- In each of the states we reviewed high quality care has been made a priority by all, and is thus pursued from the top down and the bottom up. There is a collaboration and cooperation that takes place between representatives from all levels and in all sectors.

- Centralized management is integral to the success of the Quality Rating Systems in each of the three states reviewed. That is to say that in Oklahoma, North Carolina, and Pennsylvania there is a central organization that oversees all efforts towards improving quality, including, but not limited to: subsidies, funding, and licensing.

Our research revealed additional aspects of QRS that SB6 should consider as it pursues greater participation in Quality Start.

- Adoption of QRS programs implies that quality child care has been prioritized; however, components that target specific aspects of quality (i.e. professional development, compensation, retention, etc.) may be constrained by resources, political climate, or conflicting stakeholder goals.

- There are potential negative drawbacks to increasing staff qualification requirements without providing adequate financial support for centers and social supports for individuals. Moreover, increasing staff qualifications based on education attainment may potentially undermine the value of experience.
1. Executive Summary

★ Although universal measures of quality exist (i.e. Environmental Rating Scale), how those measures are pursued varies between programs. The differences in structural aspects of quality can make it difficult to compare efficacy of programs from state to state.

★ Incorporating mandatory time commitments into professional development initiatives helps ensure that participating child care workers are committed to both the center sponsoring them and the child care field.

★ The components of QRS and the incentives associated with participating should be readily accessible and transparent to all beneficiaries of the program (i.e. parents, providers, policy makers and advocates).

Recommendations

Based on a literature review and an analysis of the QRS programs in three pioneer states, and in considering the overarching goals of SB6 to better understand strategies implemented in other QRS states that specifically address professional development and competitive compensation as a mechanism for increasing worker retention, we put forth the following recommendations:

1. **Public Awareness Campaign:** Parents and child care workers most especially need to be included in the process of raising standards of child care. This is in addition to center directors and education advocates should be involved in the process of building quality in post-Katrina New Orleans. Towards that end, identify and engage key stakeholders in a discussion that highlights the importance of quality care, not only in relation to school readiness, but more importantly in relation the future success of their communities and their city. If people feel they have a vested interest in the efficacy of Quality Start, and if they understand how the program benefits them directly, then centers will be more inclined to participate in the program and parents will be more inclined to demand high quality care.

2. **Establish Comprehensive Support System:** There are potential negative drawbacks to increasing staff qualification requirements without providing adequate support for centers and child care workers. There should be collaboration and mentorship between highly rated centers and those who are new to the program. Additionally, there should be a network of guidance counseling for child care workers, many of whom may be pursuing higher education for the first time. Counseling and academic support is essential to easing the transition from work force to academia. Additionally, ensure that measures are in place that value of experience and education attainment, rather than valuing one over the other. Networks can be established between
participating centers, or in cooperation with child care organizations. The support system should promote idea sharing, mentorship programs, and advocacy.

3. **Regional QRS Administrators:** Establish regional offices to administer QRS in order to make sure that all local needs (urban v. rural) are taken into consideration when formulating policy (while our recommendations are meant to focus on Class A Licensed child care centers, it should be noted that the needs of urban and rural locales are different -- i.e. more likely to have a limited option of family providers in a rural setting).

4. **Transparent Incentives:** QRS incentives should be made more transparent, especially with regard to the tax incentive built into *Quality Start*. This incentive, which is unique to Louisiana, is unprecedented. The tax credits benefit facilities, people who work in the facilities, parents, and businesses that support the centers. With so many potential beneficiaries it is important to make sure that people know how to take advantage of the credits.

5. **Evaluate & Disseminate:** Evaluate the effectiveness of the individual components of the QRS, as well as the system as a whole. Consistent evaluation of the program efficacy as a whole, as well as the effectiveness of individual components is crucial to establishing if the program is meeting its objectives. The results of a thorough program evaluation are also an important means of increasing public awareness and raising future financial support. Towards that end, all relevant program information should be disseminated to key stakeholders, including providers, teachers, funders, and parents.
2. Introduction

Prior to August 29, 2005 there were approximately 275 Class A\(^1\) state-licensed child care centers in New Orleans, as well as nearly 3000 Registered Family Child Day Care Home (FCDHC) facilities (Reckdahl, 2007; Agenda for Children, March 30, 2009). Combined, these centers were responsible for providing care to more than two-thirds of the city’s population under the age of three. Hurricane Katrina changed all of this. Estimates suggest nearly 90% of child care facilities in the New Orleans metropolitan area were destroyed by the storm and its subsequent flood waters. By June 2006 the National Association for Child Care Resource and Referral Agencies (NACCRRA) estimated that 80% of child care facilities in the areas most affected by the storm remained closed (NACCRRA, 2006). In 2008, as the third anniversary of the storm approached, more than half of the licensed centers were still shuttered (Brookings 2008)\(^2\). Those that had reopened were largely understaffed. Further compounding matters was the absence of child care workers trained in early childhood education, as well as the characteristically low wages paid industry-wide. Together these factors contribute to low quality, inconsistent care that negatively affects the children being cared for. Officials agree the shortage of care has hindered the reconstruction effort. Without readily-accessible, reliable care displaced residents remain unable to return to the city. Furthermore, low quality child care leaves Louisiana’s youngest residents at a disadvantage.

Quality Rating Systems (QRS), or Quality Rating and Improvement Systems (QRIS), are an established strategy of defining, standardizing, and assessing high quality child care. Professional development and provider education are paramount among the objectives of QRS programs. Success By 6 (SB6) is an early education initiative of the United Way that targets age-appropriate development and school readiness in children aged zero to six. The vision of SB6 is to, “ensure that all children by age six are healthy, safe, and functioning

1. Louisiana awards two types of child care licenses. Licensed centers provide care to seven or more children. Class A centers meet regulations established by the Louisiana Department of Social Services (DSS), Bureau of Licensing. This category of centers meets the criteria for state subsidized care. According to a February 2005 report, there were approximately 1500 Class A facilities in Louisiana (Nagle & Terrell, 2005).
2. According to New Orleans Index: Tracking the Recovery of New Orleans & the Metra Area, released in August 2008 by the Brookings Institution Metropolitan Policy Program & the Greater New Orleans Community Data Center, child care capacity in Orleans and St. Bernard parishes, “remained constrained” at only 43 and 31% of their pre-storm capacity.
physically, emotionally, intellectually, and socially at their optimal level” (SB6, 2006). Together with United Way for the Greater New Orleans Area (United Way), SB6 recognizes the hindrance that the absence of child care represents to redevelopment in post-Katrina New Orleans. In keeping with studies linking quality of care with school readiness and future success, SB6 believes that while the dearth of care must be addressed, the standard of care must also be raised. Towards that end SB6 has identified a well-educated, stabilized workforce as the preeminent factor contributing to high quality care and early education provided.

In 2007, Louisiana first attempted to standardize high quality care when decision makers implemented a voluntary Quality Rating System known as Quality Start. The goal of Quality Start is to evaluate quality for the benefit of parents, policy makers, and child care providers. In conjunction with the state implementation of Quality Start, and in an effort to encourage center directors to rebuild after Katrina, SB6 has partnered with Louisiana Pathways Child Care Career Development System and Delgado Community College to initiate a 15-week Fast Track Child Development Associates (CDA) program. The CDA program, which includes 120 hours of coursework in early childhood education, is required by Quality Start. With help from a major funder, United Way and SB6 have been able to offer a $1,200 stipend to child care workers who complete the Fast Track CDA training. By offering a scholarship to entice providers to pursue higher training and professional development in line with the tenets of Quality Start, SB6 seeks to increase retention rates among child care workers at state licensed facilities while simultaneously increasing standards of care.

The purpose of this project has been to analyze components of QRS programs in Oklahoma, North Carolina, and Pennsylvania—all early adopters of QRS—that specifically address quality improvement through professional development and competitive compensation. Greater staff education and competitive compensation help promote increased retention, which in turn promotes workforce stabilization. Professional development and compensation are the factors identified by SB6 as most relevant to enhancing care in Louisiana. The research carried out for this report, and the analysis of facets of retention among child care
workers applicable to Louisiana, expands upon research completed by a separate Field Project team in Spring 2008. For that endeavor, the team evaluated efforts to affect increased retention by providing comprehensive health care coverage through a proposed state-funded health care plan (Dallaire et al., 2008).

**Approach & Methodology**

There are two objectives of this project. First, the team seeks to broaden the understanding of steps taken in states identified as pioneers of QRS to define and address quality child care. Additionally, this report aims to determine the applicability to Louisiana, and especially post-Katrina New Orleans, that similar QRS components may have. It should be noted that initially SB6 asked that we also consider measures being taken to attract qualified personnel in addition to improving and retaining existing staff. However, after an initial review it was determined that, given the condensed period of time within which we were working, priority should be given to retention strategies only. Although recruitment of well-qualified staff exceeds the scope of this endeavor, it is an important topic that should be considered for future research.

Information for the final report was gathered through a comprehensive process of state-based research and policy analysis, a review of existing academic and industry literature, and media coverage of these issues. While in New Orleans, we held a focus group with three New Orleans center directors currently piloting the QRS scholarship program with SB6. We also interviewed a fourth director piloting the program in New Orleans. Three of the participating center directors had previously partnered with United Way for the Greater New Orleans Area on a pilot program with the goal of achieving NAEYC accreditation, but following the storm, the focus shifted to professional development of staff and participation in Louisiana’s new quality rating system, *Quality Start*. Finally, 10 interviews were carried out with governmental and organizational players most knowledgeable about implementation of identified statewide strategies.

Case study states were selected through a two-tier process. The initial pool of states to review was comprised of Oklahoma, Colorado, North Carolina, Pennsylvania, and Ohio. This group was predetermined by
United Way and Success By 6 based on these states’ participation in and early adoption of QRIS. We further narrowed the pool to Oklahoma, Pennsylvania, and North Carolina. This decision was made based on five factors:

1. The year in which each adopted QRIS.
2. Breadth and availability of information and literature associated with the programs in those states.
3. The type of program implemented in each state – professional development oriented, compensation based, or a combination of the two.
   a) Oklahoma *Reaching for the Stars* 
   b) North Carolina *Star Rated License* 
   c) Pennsylvania *Keystone STARS*
4. Demographic similarities and differences between selected states and each other, as well as between the selected states and Louisiana (i.e. rural, urban, suburban, minority focused, universal, etc.)
5. Geographic diversity (i.e. one state from the Northeast, one from the South, one from the Midwest)

Table A1 lists all interview and focus group participants from all states. It is listed in Appendix 1.

**Research Limitations**

Our research was limited in scope and expanse due to the limited timeframe provided for project completion: the information in this report was compiled over a period of one semester (three months) in part to fulfill a graduate level requirement.

Our qualitative research in Louisiana was focused on the experiences of a few center directors specifically involved in a pilot program funded by our Client, the United Way of Greater New Orleans. Clearly, this represents a limited perspective on current practices in Louisiana and how they are being employed on the ground level. However, because the perspectives of these centers provided insights specific to the problems impeding the development of the child care workforce in post-Katrina New Orleans, and because these centers were already participating in Quality Start and a pilot scholarship program, yet were still having difficulties
retaining qualified staff, we feel as if this perspective remains a valuable and significant contribution to understanding this policy problem in Louisiana as a whole.

During our development of case studies of the three QRS pioneering states, we were limited by the availability of up-to-date third-party evaluations reviewing the policies we were examining. As well, often evaluations did not measure and report program effectiveness in addressing the particular quality components we were charged with investigating: education, retention, and compensation.

Lastly, due to IRB restrictions, we were not able to speak directly with child care workers in any of the states we were examining. This perspective could certainly prove to be a valuable one in identifying barriers to effective design, implementation and evaluation of professional development and compensation initiatives in each state.
3. Background

Beginning in the early 1980s, there was a steady decline in the quality of child care across the United States (Herzenberg et al., 2005). The majority of child care provided has been rated mediocre to poor quality (Twombly et al., 2001), and consistently low wages and lack of benefits have contributed to the low level of educational attainment across the early childhood education sector (Herzenberg et al., 2005). While research has consistently shown that increased teacher education and training has a positive impact on child outcomes (Herzenberg, et al, 2005), wages of early childhood educators are typically low, making it difficult to attract and retain high-qualified staff in the workforce (Whitebook & Eichberg, 2002). The following chapter will provide some background on factors that contribute to low quality child care and will examine various policy initiatives that serve to improve quality of care.

While multiple inputs to quality child care have been identified through the literature, through our understanding of the objectives put forth by Success By 6, we set out to investigate strategies of retention and stabilization of child care workers that have been successfully implemented elsewhere. The project team specifically analyzed two very significant and
interrelated issues most relevant to the improvement of the child care industry in Louisiana. We seek to develop strategies that include the following:

- The potential for improving education and training available to child care providers in an effort to establish a more qualified labor pool.
- The potential for making salaries for certified child care worker in Louisiana more competitive.

**Retention**

Retention of staff, specifically qualified staff, plays an important role in the provision of quality child care, because consistent care ensures that young children develop a healthy attachment. High retention rates guarantee that children will receive continuous care from the same provider over time. A consistent relationship helps to foster a child’s positive social and emotional development (Kimmel & Connelly, 2003).

Staff retention also contributes to a better work environment and produces greater camaraderie among staff. High retention is preferred from a business perspective, as high rates of turnover force center directors to invest more time in recruiting and training new workers. Since low staff/child ratios are mandated by most states, a facility director experiencing high rates of staff turnover may be forced to either be less selective in hiring new staff, or to lower their enrollment, in order to remain compliant (Whitebook, 1999).

**Staff Education/Training**

Various studies have demonstrated a strong correlation between staff qualifications, particularly educational attainment with a focus on early childhood education, and quality of care provided. It is likely that professional development increases a practitioner’s developmentally appropriate practices, so that children are sufficiently nurtured and challenged (Tout et al., 2006, p. 96). However, it should be noted that studies are not conclusive as to the level of educational attainment that maximizes quality of care provided. “In sum, the body of work shows that more professional development is better, but where the dividing line should fall to delineate ‘more’ is not entirely clear” (Tout et al., 2006, p. 96).
Professional development has the added benefit of increasing the professional status of the workforce, but the potential drawbacks of professionalization of the workforce should certainly be considered. For example, professionalization can serve to exclude some from the field:

Although the primary concern of many ECE policies is with the developmental outcomes of children, it is important to recognize that ECE provides entry level jobs for many immigrant women and those from low-income families. If a policy of professionalization is pursued that closes off that entry into the workforce, then it could be detrimental to these women and their children. If, however, a strategy that recognizes this concern and offers opportunities for additional education, training and advancement of these women is implemented, then the effects could be positive (Brandon & Martinez-Beck, 2006, p. 70).

Ackerman (2004) suggests that effective professional development strategies must address child care workers’ potential barriers to success.

… [M]any ECE teachers may be non-traditional learners. These teachers would most likely come to postsecondary education not only with increasing work and personal responsibilities but also with very little experience in dealing with the higher education maze and registering for appropriate coursework. Accompanying this confusion may be a sense of insecurity about their academic abilities. Therefore, efforts to provide guidance to ECE teachers as they work toward improving their credentials…seem worthy of replication in other states (Ackerman 2004, p327).

This suggests that tools contributing to an understanding the academic needs of child care workers are a crucial component to effective professional development strategies.

Competitive Compensation
While not the only factor contributing to retention, low rates of compensation in the child care industry are the most often cited factor for high rates of turnover in the field. Adequate compensation tends to be the missing link between staff education and retention of qualified staff. If staff education increases but staff compensation does not, workers may choose to leave for higher paying employment alternatives elsewhere. This is not surprising, because according to the Bureau of Labor Statistics (2007), the national median hourly wage for child care workers is $8.82.$

¹ This figure represents the median wage for all child care workers across the spectrum, from teacher aides to facility directors.
3. Background

There are multiple reasons why child care workers’ wages tend to be so low. While certainly not a comprehensive list, the following are the most pertinent to our research, and are addressed by the solutions we are examining.

★ The industry is extremely labor intensive. States mandate a staff-to-child ratio lower than what one would find in an elementary school setting (Whitebook, 1999; Blau, 2007). On average, 70% of a child care center’s expenditure is on staff wages (Kimmel & Connelly, 2003). Since funding to child care providers does not increase based on the number of staff, providers do not have enough money to pay their employees higher wages.

★ The industry is largely dependent on private fees. Whereas private fees collected for higher education in the United States comprise 25% of the total cost, with governmental subsidies and philanthropy making up the remainder, private fees for child care comprise nearly 60% of the total cost (Whitebook, 2002).

★ Reimbursement rates for subsidized child care are low. Reimbursement rates are capped at 75% of the market rate, and typically these market rates tend to be based on outdated numbers (Ackerman, 2006). Therefore, facilities serving large numbers of children from low-income households are not receiving adequate funding, which in turn makes it difficult to pay their staff adequate salaries.

★ There is a common perception that child care is no more than mere babysitting (Ackerman, 2006). Whitebook (2002) comments, “An enormous responsibility is placed in the child care teachers’ hands, but their paychecks fail to reflect either the value of the service they perform or the skill it requires to do their jobs well” (p. 40-41).

State Strategies for Development of the Child Care Workforce

Many acknowledge that the low rate of staff compensation, for reasons previously discussed, is a barrier to the provision of high quality child care, and that public intervention is necessary in order to resolve this matter. A variety of strategies have been modeled as possible solutions. These strategies are categorized as “indirect” or “direct.” Indirect strategies include efforts such as increasing professional capacity of child care workers or improving revenue for child care centers as a way of indirectly contributing to increased worker wages. Direct strategies include initiatives that provide financial supplements or benefits directly to staff. A discussion of these strategies, including considerations for implementation and evaluation of their effectiveness, is available in Appendix A4.
3. Background

Arguments for Public Investment in Quality Child Care
Through our review of arguments that support public investment in the provision of quality child care, we have identified two main ways that this issue has been framed: as an issue of school readiness, and as an issue of economic development.

The school readiness issue asserts that when children have access to quality child care, they are better prepared to succeed in school by the time they enter kindergarten, and they have better adult outcomes (for example, see Bogard & Takanashi, 2005). This holds particular relevance for efforts to improve educational inequities and address the achievement gap. “There is research demonstrating that attributes of children’s child care environment contribute directly to their transition and adjustment, enhances pre-academic competencies,
strengthens social and self-regulatory outcomes, such as grade retention. Higher caregiver training and lower child-staff ratios were also associated with cognitive competence prior to school entry. These effects appear to be even more pronounced among children exposed to high-risk conditions” (Rimm-Kaufman, 2004, p. 3).

The economic development issue has identified several benefits of investing public dollars into improving the quality of child care. First, the child care industry generates jobs in and of itself and via the economic activity of its support industries. Secondly, the availability of quality child care is a necessary draw for local employers to attract and retain a high quality workforce. Finally, the provision of child care eliminates a barrier to workforce development of former welfare recipients (Stoney, 2004b).

**Quality Rating Systems**

To address the problem of decreasing quality of care, many states have utilized federal funds through the Child Care Development Fund to develop Quality Rating Systems (QRS). QRS, as defined by the National Child Care Information and Technical Assistance Center (NCCIC, 2009), is “a systemic approach to assess, improve and communicate the level of quality in early and school-age care programs” (NCCIC, 2009). Objectives of the QRS model are to increase quality of care for children, increase parents’ understanding and demand for higher quality care, and increase professional development of child care providers. QRS accomplish these goals through the design of standards, accountability measures, program and practitioner outreach and support, financing incentives, and parent/consumer education efforts.

QRS are a platform for integrating new and existing programming related to the provision of quality child care. All QRS have a tiered rating system with established standards for such quality indicators as: staff qualifications, parent/family involvement, learning environment/curriculum, and staff compensation practices/provision of benefits to ensure increased quality. Most systems utilize financial incentives for achievement of additional rating levels in an effort to support the progress of the participating centers, as well as to provide an incentive for participation. QRS also usually involve a parent and public education component, which seeks to
educate the consumer about the benefits of quality care and to help parents make informed choices about child care. When parents are more likely to choose centers with higher QRS ratings, achieving higher ratings becomes a competitive factor amongst centers in the state. For the majority of statewide QRS, provider participation is voluntary, so high rates of participation are important for a QRS to be effective and for ratings to be meaningful.

In most cases, QRS are distinguished from a state’s licensing requirements, which establish standards for child health and safety; however, some QRS either include licensing as a prerequisite for participation in the system, or embed licensing requirements within the system. Also of note, the National Association of the Education of Young Children (NAEYC) accreditation is distinct from these statewide measures of quality, although, again, some states allow NAEYC accreditation to
satisfy partial requirements for higher ratings in the state’s QRS. As seen in the literature and voiced by many of our informants, participation in a statewide QRS can serve as an alternative to NAEYC. QRS are employed at a lower expense to the center, and technical assistance and additional supports are provided to make the process more manageable and the goals more readily achievable.
4. Louisiana
In the days following Hurricane Katrina¹ and the subsequent levee breaches, we were all flooded with images of a city in despair. In a flash, lives were taken, homes were destroyed, and connections were lost, some forever. Nearly four years later the waters have receded and Louisiana continues to work tirelessly to reconstruct its crown city. Yet, in many respects some areas remain stranded in the wake of the storm. Child care is one industry working to emerge anew in the post-Katrina era. As a primary advocate for high quality care, Success By 6 is working with Louisiana Pathways Child Care Career Development System, a professional development initiative, Delgado Community College, and several New Orleans child care centers to pilot a QRS-related scholarship and professional development program. The vision of SB6 states that, “Our community will ensure that all children by age six are healthy, safe, and functioning physically, emotionally, intellectually, and socially at their optimal level” (SB6, 2006). These words assume an even greater resonance when considered in the context of a post-disaster reconstruction endeavor.

At a Glance: Hurricane Katrina in New Orleans

- Greater New Orleans is comprised of 10 parishes; the City of New Orleans is in Orleans parish
- Metropolitan population pre-Katrina: 1.5 million
- City of New Orleans population pre-Katrina: 458,393, post-Katrina (6 months later): 181,400
- 200,000 structures damaged by the storm and subsequent floods
- 80% of the city flooded, up to 20 feet in some places

Source: Bostie & Molaison, 2006

¹Hurricane Katrina struck New Orleans and the United States Gulf Coast on August 29, 2005.
Pre-Katrina Industry Challenges

Wages & Compensation
In Chapter 3 it was established that low wages contribute to high turnover rates among child care workers, which is why SB6 specifically designated competitive compensation as a focal point of our research. Likewise, it is believed that higher wages can be commanded by a more highly-qualified workforce; therefore professional development is the cornerstone of Louisiana’s Quality Start program. Thus in addition to wages, SB6 instructed our team to focus on QRS components that specifically address professional development.

Before the storm, there was no Quality Rating System, yet directors of many Louisiana facilities had already begun working to improve a system characterized by high turnover, low wages, and an under-qualified workforce. Published reports indicate that Louisiana pays among the lowest wages in the country for child care workers. Through interviews we gleaned that before Katrina the average wage for a child care worker, at least among those centers we spoke to, was between $5 and $6 dollars per hour. Although figures from the Bureau of Labor Statistics (2007) indicate that the median hourly wage is $7.11, the $5 to $6 an hour range identified during interviews corresponds almost exactly with the findings from a 2007 Market Survey released by Care Solutions. In that study wages for a majority of part-time and assistant teachers in Louisiana ranged from less than $5.15 an hour to more than $10.15 an hour. Approximately 30% of reported salaries for part-time and assistant teachers fell between $5.15 and $6.15 an hour (Care Solutions, 2007).

Table 4.1 illustrates how Louisiana compares to the national median wage as well as Oklahoma, North Carolina, and Pennsylvania.

In addition to markedly low wages, child care prior to Katrina was characterized by very basic education requirements of staff. The minimum requirement for licensure is a high school diploma, or equivalent. Again, according to the 2007 Market Rate Survey, a high school diploma represented the highest level of education for 77% of assistant child care teachers and 69% of head teachers in Louisiana’s child-care
centers, nearly identical to the findings from a 2005 survey (Care Solutions, 2007).

**Table 4.1: Mean & Median Hourly Wages for Child Care Workers**

<table>
<thead>
<tr>
<th></th>
<th>US</th>
<th>LA</th>
<th>OK</th>
<th>NC</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean Hourly Wage</td>
<td>$9.46</td>
<td>$7.58</td>
<td>$7.74</td>
<td>$9.15</td>
<td>$9.26</td>
</tr>
<tr>
<td>Median Hourly Wage</td>
<td>$8.82</td>
<td>$7.11</td>
<td>$7.59</td>
<td>$8.60</td>
<td>$8.63</td>
</tr>
</tbody>
</table>

Source: Bureau of Labor Statistics 2007 Data  
**N.B.** Wage data collected by the Bureau of Labor Statistics and includes people employed at all levels of the child care industry (child, management, and administration). In actuality, individuals most frequently employed by small centers and in home facilities are paid well below the mean and median wages outlined above. Their wages are most frequently in line with state minimum wage requirements. In Louisiana, the minimum wage was increased from $5.75 an hour to $5.83 an hour in 2007. In 2009, the minimum wage is scheduled to be increased again to $7.25 an hour (Care Solutions, 2007).

**Disparity, Demand & Development**

As literature suggests, there are two primary reasons for enhancing standards of care: to promote school readiness, and to encourage economic development. This argument is explored in greater detail in Chapter 2. However, it is noteworthy that both arguments had been raised in a discussion of enhancing quality of child care prior to Hurricane Katrina. The reasons are three-fold. First, the level of income disparity between ethnic groups in Louisiana is noteworthy. As evidenced by Table 4.2, the state exceeds the national average in categories measuring the population percentage under the age of five, population percentage considered to be low-income, and the percentage of low-income population that is also African-American (Nagle & Terrell, 2005). The ability to bridge the achievement gap associated with high levels of poverty is dependent upon the establishment of high quality care. Since Hurricane Katrina exacerbated income and racial disparity in New Orleans, a priority in the larger redevelopment effort has been to increase access to quality care and to create equitable opportunities for all of New Orleans’ residents.

Second, with a large percentage of the population under the age of five, the demand for child care in New Orleans has always been high. Even before the storm, supply was unable to meet demand. This is in spite of the substantial size of New Orleans’ child care industry. As Table 4.3 illustrates, nearly one-fifth of the
licensed Class A facilities in the state and nearly one-third of the state’s FCDCH providers were located in New Orleans in the months leading up to Katrina.

### Table 4.2: Demographic Category Comparison: Louisiana v. National Averages

<table>
<thead>
<tr>
<th>Children Under 5**</th>
<th>US</th>
<th>LA</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Population &lt; 5 yrs old</td>
<td>6.8%</td>
<td>7.1%</td>
</tr>
<tr>
<td>% Population considered low-income</td>
<td>35%</td>
<td>45%</td>
</tr>
<tr>
<td>% Low-income population that is also African-American</td>
<td>60%</td>
<td>75%</td>
</tr>
</tbody>
</table>

*Source: Data from Investing in the Child Care Industry: An Economic Development Strategy for Louisiana (Nagle & Terrell, 2005; US Census, 2000)*.

Finally, economic development is the reason that child care proponents were advocating for high quality child care in the months leading up to the hurricane. Ironically, this is an argument that holds even truer after the storm. In 2005, a coalition of child care providers, industry suppliers, government agencies, and non-profit organizations began collaborating about ways to expand and enhance the Louisiana child care industry. Their approach was one of economic development. The coalition wanted to publicize the notion that investing in the state child care industry would promote economic growth and stability. In February of that year, mere months before Katrina, the Louisiana Department of Social Services (DSS) released a report profiling the child care industry in the state. According to this report, the child care industry in 2005 was the third largest employer in the state behind hospitals and the military (Nagle & Terrell, 2005). It was comprised of approximately 12,701 businesses, employing nearly 23,000 workers, serving over 149,000 children and 136,000 working parents; child care was generating nearly $658 million in gross receipts (Nagle & Terrell, 2005).

### Table 4.3: Child Care Facilities in New Orleans v. Louisiana

<table>
<thead>
<tr>
<th></th>
<th>N.O.</th>
<th>LA**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licensed Class A Facilities</td>
<td>275</td>
<td>1,500</td>
</tr>
<tr>
<td>Registered Family Child Day Care Home (FCDCH)</td>
<td>2,682</td>
<td>7,388</td>
</tr>
</tbody>
</table>

**Source: Data from Investing in the Child Care Industry: An Economic Development Strategy for Louisiana (Nagle & Terrell, 2005).**
Excluding Head Start, Licensed Child Care Facilities comprised 44.6% of the child care sector in Louisiana. Nagle and Terrell (2005) further argue that for every dollar spent in the child care sector, $1.72 is reinvested in the economy; and with every new child care job, 1.27 jobs are created in the larger economy.

**Post-Katrina: Industry Challenges Persist**

In the aftermath of the storm the challenges facing the industry and the arguments posed in favor of enhancing quality care did not change. Rather these factors were merely exaggerated by the devastation caused by Katrina and the urgency with which they needed to be addressed was more pronounced. Turnover among workers increased as the population became even more transient. Low wages discouraged entrance into the child care industry. Katrina decimated the child care industry in New Orleans. It destroyed 90% of child care facilities across the city and effected parishes (SB6 2009). A after the storm, NACCRRA (2006) reported that 80% of child care centers in Orleans Parish were still closed. Judy Watts, Executive Director of Agenda for Children, the Child Care Resource and Referral Agency for Southern Louisiana, was quoted as saying, “If we don’t rebuild child care, New Orleans will be a city without children – and a city without children has no future” (NACCRRA, 2006).

Family Child Day Care Home providers and state licensed Class A facilities were most affected by the storm. According to a report released by the Brookings Institution Metropolitan Policy Program (2007) in cooperation with the Greater New Orleans Community Data Center, two years after the storm, of the nearly 3,000 FCDCH facilities that once provided care to nearly two-thirds of the city’s population under the age of three, only 25 had reopened (Brookings, 2007). That was barely enough to meet the needs of 2% of the population. Likewise, of the 275 Class A licensed facilities that once stood in New Orleans, by 2007 only 86 had reopened. As the third anniversary of the storm approached, in August 2008, that number had increased to
about 117 centers. This still only represented about 43% of the pre-storm amount, as illustrated in Figure 4.1 (Brookings, 2008).

![Figure 4.1: Child Care Centers Reopened Since Katrina](image)

Sources: Graph from The New Orleans Index: Tracing the Recovery of New Orleans & the Metro Area (Brookings Institution & GNOCDC, August 2008)

During the focus group with New Orleans center directors, who now manage QRS pilot programs, each expressed their shock and devastation upon realizing that they had “lost everything.” One participant, Dr. Deborah Irabor, who had relocated to Houston immediately after the storm, described returning to her beloved business months after the storm under the cover of darkness. She did not know what to expect when she got there, but remembered being struck by the smell of death and decay all around. Dr. Irabor went on to explain that the look of her building was deceiving. Structurally it appeared sound, but upon entering, as illustrated in Image 4.1, the realization of the magnitude of destruction was overwhelming² (Dr. Deborah Irabor, personal communication, March 16, 2009).

Nearly a quarter of a million structures were destroyed by Katrina, and nearly 60% of the population in the City of New Orleans was subsequently displaced (Bostic & Molaison, 2006; Brookings, 2007). The displacement effect is especially significant in relation to child care, because although many displaced residents
relocated outside of Louisiana, many more resettled in the parishes surrounding Orleans Parish. As a result, parishes that directly border New Orleans, (e.g. Jefferson Parish and St. Tammany Parish), have seen the demand for child care increase significantly since the storm. In this context those center directors attempting to rebuild faced seemingly insurmountable odds. And while pursuing quality was a priority, it was quickly usurped by the goal of returning. Across the board, however, money has been identified as the main barrier to reconstruction post-Katrina, especially for small Class A facilities. As the city struggled to reinstate basic necessities to residents, center directors seeking to rebuild their business and regain their livelihood were confronted by a byzantine process of insurance adjustments and accessibility to emergency relief funds.

1 This experience was shared during a focus group with three New Orleans-based center directors. The focus group was held on March 16, 2009. In attendance were Dr. Deborah Joy Irabor from Happy Kids Preschool, Paula Polito from The Beary Cherry Tree, and Pearlie Harris from Royal Castle Child Development.
Many centers were grossly underinsured, meaning that any money recuperated was not sufficient enough to finance a full scale reconstruction (Reckdahl 2007; Gilda Duplessis, personal correspondence, March 16, 2009). Although we were not given specific costs of reconstruction, interviewees and focus group participants provided anecdote after anecdote to illustrate the difficulty they encountered, and continue to encounter, on a regular basis, as they attempt to pay for reconstruction and reopen to provide the highest quality of care. In an interview with the director of Gilda’s Academy, a New Orleans East² -based center that recently celebrated its 25th year in operation, G. Duplessis indicated that prior to the storm her primary goal was to achieve NAEYC accreditation as the penultimate standard of high quality. With the help of United Way, she had even begun working with a NAEYC consultant to apply for accreditation. However, having suffered significant water damage during the floods caused by levee breaches, Duplessis’ focus shifted from attaining national accreditation to reopening her doors (G. Duplessis, personal communication, March 16, 2009).

At the time that we interviewed her in March 2009, Ms. Duplessis indicated that she and her husband had only just reopened to their pre-storm capacity two months prior, in January 2009. Furthermore, she acknowledged that her ability to rebuild was in large part due to the support she received from SB6 and the United Way Rebuild Initiative, as well as donations from other organizations and the support of numerous volunteers, including a group of Tufts University undergraduate students who helped rebuild the school’s courtyard in March 2008. When asked specifically about her previous pursuit of NAEYC accreditation, she stated that the high cost of national accreditation posed a challenge in the face of total reconstruction. But post-storm implementation of a QRS program provided a faster, more cost effective means of meeting quality standards. Also, participation in the QRS pilot, and the stipend offered to staff willing to pursue the CDA served as an additional incentive too; especially given the characteristically low wages previously described (G. Duplessis, personal communication, March 16, 2009). As another director pointed out, when asked if

² New Orleans East is bordered Lake Ponchartrain. It represents a section of the Ninth Ward. As one of the first areas to flood and among the last areas to be drained, New Orleans East sustained significant damage during the hurricane and subsequent flooding. Gilda’s Preschool Academy is located less than two blocks away from the lake. When the levees breached, her home and neighboring business flooded completely. At the time we interviewed Ms. Duplessis, in (Gilda Duplessis, Director, Gilda’s Preschool Academy, personal communication, March 16, 2009).
establishing a positive work environment is key to retaining staff after the storm, another director asserted that although environment is important, “more importantly the pay is very important” (Pearlie Harris, personal communication, March 16, 2009). In a separate interview, Gilda Duplessis agreed, indicating that she had recently increased the starting wage at her center to $7 an hour in an effort to combat high turnover and attract qualified personnel. When asked about turnover rates, Ms. Duplessis indicated that she consistently faces turnover rates of two to three months, which detracts from her ability to address other aspects of her business (G. Duplessis, personal communication, March 16, 2009).

With regard to money as a hindrance to reconstruction post-Katrina, most notable is the fact that although there was a system in place to access emergency federal funds, it was incredibly difficult to navigate. And so, although federal Emergency Reconstruction dollars had been earmarked for “critical services like schools and libraries,” as Reckdahl (2007) reports, child care was excluded from those services. In our research, we came across an anecdote shared by one of the center directors who participated in our focus group with a local news reporter. Pearlie Harris is the Executive Director of Royal Castle Child Development. In speaking with other center directors and in researching the status of care in New Orleans, Ms. Harris’ name came up quite often. It is evident that she is held in very high regard by her peers, and that she is active in the move to raise child care standards in Louisiana. Yet despite the impressive reputation that precedes Ms. Harris, and the quality of her center, she was unable to attain a loan from the Small Business Association to rebuild after Katrina because she did not have the income to repay the loan (Reckdahl 2007).

3 This comment was provided by Pearlie Harris, a renowned center director and quality care advocate who is often referred to as an example of best practices in high quality child care. She shared her insights during the focus group held on March 16, 2009.
Ironically, Ms. Harris needed the loan to rebuild her center so that she could generate income. It was only through an arduous process of research and collaboration with SB6 as well as other centers and foundations that Ms. Harris, and many others, was able to weather the storm and eventually reopen.

"If we don’t rebuild child care, New Orleans will be a city without children – and a city without children has no future."

-Judy Watts, Executive Director of Agenda for Children

Image 4.2: Yard at Happy Kids Preschool

Source: Image courtesy of Dr. Deborah Joy Isabog, Ed.D., Vice President/Executive Director Happy Kids Preschool
It is to this collaborative relationship that our focus now turns as Louisiana’s Quality Rating System, *Quality Start* is described. *Quality Start* is the result of a collaborative effort of policy makers, education advocates, and scholars.

**Louisiana QRS: Quality Start**

Perhaps the most significant change following Hurricane Katrina was that quality reemerged as a priority among decision makers who began initiating a QRS. Prior to the storm, some Class A centers in New Orleans were pursuing national accreditation as a way of improving quality; however, the process is expensive and time consuming. Following the hurricane, some of the directors we interviewed from smaller centers indicated that they were without the means or the time to continue working towards national accreditation, NAEYC in particular. Above all, the storm forced centers to reevaluate their objectives. The priority was to reopen, but in a way that provides the most comprehensive, highest quality care possible to further support reconstruction efforts going on throughout the city.

As was previously mentioned, in 2005, a coalition of child care providers, industry suppliers, government agencies, and non-profit organizations began collaborating about ways to expand and enhance the Louisiana child care industry. Their approach was one of economic development; however, in a Department of Social Services report released in February of that year, the coalition offered several recommendations:

1. Incorporate child care into Louisiana’s economic development plan.
2. Recognize that publicly funded child care spending leverages federal tax funds. These funds are net new funds to the state and should be maximized.
3. Advance the effectiveness and quality of child care industry by strengthening workforce development and retention and by providing support for business management practices.
4. Increase access to capital to support quality infrastructure improvements.
5. Give consumers the means to differentiate between child care options.
6. Use tax policy to support improvements in quality child care.

(Nagle & Terrell 2005)
These recommendations laid the groundwork for the Louisiana Quality Rating System. Although the storm initially hampered steps taken towards establishing higher standards of care in the state, by 2007 *Quality Start* was created.

Tables 4.4 and 4.5 illustrate the goals and key features of *Louisiana Quality Start*.

All directors interviewed agreed that accreditation or some sort of rating system is important, because it provides a recognizable way for them to differentiate their centers from other centers that perhaps subscribed to the notion of child care as babysitting as opposed to child care as early education. Yet when confronted by the challenge of rebuilding, national accreditation can prove to be an expensive, time-consuming proposition. *Quality Start*, however, provides an opportunity for participating centers to pursue quality in a more realistic time frame. Through tax incentives and reimbursement, *Quality Start* also provides incentives for people who want to rebuild their centers in a high quality way. Finally, for those centers taking on newly displaced populations in parishes neighboring New Orleans, *Quality Start* provides an incentive for them to increase their quality as well as expand their capacity to accept more students. In turn, subsidized children benefit from increased accessibility to quality child care.

In addition to tax incentives, *Quality Start* incentives for participation include tiered bonuses for children receiving Child Care Assistance, scholarships for teachers through Pathways Career Development System, and tax credits for parents, staff, child care facilities, and businesses who support them, that are tiered

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4 National Association for the Education of Young Children (NAEYC) established a system of accreditation that is national recognized as a standard mark of quality care. The NAEYC accreditation process is lengthy and costly, especially for small, licensed centers.
according to the facility's quality rating and/or the qualifications of staff. As *Quality Start* is still very new, much of the work currently being done centers on generating awareness about the program in order to familiarize providers with the process, increase participation rates, and enable parents to make informed decisions about child care (QRS Louisiana, 2009).

The objectives of *Quality Start* align well with the goals of Success By 6, especially in relation to encouraging reconstruction after Katrina. Therefore recognizing the hindrance that the absence of child care represents to redevelopment in post-Katrina New Orleans, and in keeping with studies linking quality of care with school readiness and future success, *Quality Start* presents a unique opportunity for SB6 to address both the dearth of care in New Orleans, as well as raise the standard of care.

Targeting professional development and competitive compensation as a means to stabilizing the workforce, SB6 has partnered with Louisiana Pathways Child Care Career Development System and Delgado Community College to initiate a 15-week Fast Track Child Development Associates (CDA) program. The CDA program, which includes 120 hours of coursework in early childhood education, is required by *Quality Start*. By

![Table 4.4: Louisiana Quality Start](image)

<table>
<thead>
<tr>
<th>Quality Start</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administered by:</td>
</tr>
<tr>
<td>* LA DSS, Office of Family Support under a new Division of Child Care and Early Childhood Education (DCCECE)</td>
</tr>
<tr>
<td>Oversight:</td>
</tr>
<tr>
<td>* DCCECE appointed QRS Steering Committee – include Early Childhood Education practitioners, representatives from advocacy and R&amp;R organizations, state officials, university representatives</td>
</tr>
<tr>
<td>Participation:</td>
</tr>
<tr>
<td>* Voluntary</td>
</tr>
<tr>
<td>Criteria:</td>
</tr>
<tr>
<td>* Points earned based on administrative practices, level of family/community involvement, program/curriculum, and staff qualifications</td>
</tr>
<tr>
<td>Rating System:</td>
</tr>
<tr>
<td>* Star rating 1-5 based on total number of points earned</td>
</tr>
</tbody>
</table>

Source: Louisiana QRS 2009
offering a stipend to entice providers to pursue higher training that is in line with the tenets of Quality Start, SB6 seeks to increase retention rates among child care workers at state licensed facilities while simultaneously increasing standards of care and promoting reconstruction. Although the first class of participants has yet to graduate from the CDA program, the pilot has been successful at increasing local awareness about the Quality Start; yet despite localized success and enthusiasm for the program in New Orleans, statewide participation in Quality Start remains low (J. Jenkins, personal communication, March 13, 2009).

The remainder of this report explores the ways in which three pioneering states successfully implemented, raised awareness about, and utilized QRS to address similar challenges of professional development, competitive compensation, and high turnover among child care workers.
5. Oklahoma
Of the states reviewed in this report, Oklahoma and Louisiana share the most similarities in terms of industry profile, communities served, and approach taken to improving quality of care (see Table 5.1). Many parallels may be drawn between the two states, making its Quality Rating System an ideal system to review.

<table>
<thead>
<tr>
<th>Table 5.1: Side By Side Comparison – Oklahoma &amp; Louisiana</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>US</strong></td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td><strong>Total Residents</strong></td>
</tr>
<tr>
<td><strong>Children Aged 0-4</strong></td>
</tr>
<tr>
<td><strong>Children Aged 0-4 living below poverty level</strong></td>
</tr>
<tr>
<td><strong>Children Under 6 needing child care</strong></td>
</tr>
<tr>
<td><strong>% of Subsidized Children in Licensed Child Care Facilities/Homes</strong></td>
</tr>
<tr>
<td><strong>Number of Nationally Accredited Centers</strong></td>
</tr>
<tr>
<td><strong>% of Nationally Accredited Centers</strong></td>
</tr>
<tr>
<td><strong>Average Income for full-time, year-round child care provider</strong></td>
</tr>
</tbody>
</table>

Source: Data from *2009 Child Care in the State of Oklahoma* and *2009 Child Care in the State of Louisiana*, National Association of Child Care Resource & Referral Agencies (NACCRAA, 2009).

As discussed in Chapter 2, studies have linked quality of child care to the future success of children who receive that care. This demand for high quality care only increases as more parents enter the workforce. Across the country, current child care supply is unable to meet demand. And while the reasons for this shortage may vary from place to place – be it post-disaster reconstruction in LA, or a child care industry that is not
growing apace with the state’s workforce, as is the case in OK – one constant remains: Decision makers must ensure that residents have unencumbered access to affordable, high quality child care. In Oklahoma, this increased need has merely catalyzed efforts to improve the quality of care offered by encouraging staff education and professional development, by raising public awareness about the relevance of quality child care in individual’s lives, and through collaboration between state agencies and non-profit organizations to provide thorough program analysis. This in turn, has helped Oklahoma achieve its goal of maximum access to enhanced quality care for low-income children across the state.

Although Oklahoma has adopted a tiered strategy to improving quality of child care, combining tiered reimbursement and a Quality Rating System that is specifically designed to address accessibility to quality child. This program is called Reaching for the Stars. Reaching for the Stars is a strategy of improvement through child care subsidy reimbursement. The program has been in effect since February 1998 and evidence suggests that these pioneering efforts are yielding positive results. Quality of care and access to that quality care has been on the rise since the program began.

Oklahoma QRS: Reaching for the Stars
Reaching for the Stars is a voluntary QRS program whose goal is to improve the quality of care in Oklahoma, especially for recipients of child care assistance vouchers, or subsidies. The program is characterized by a system of tiered child care subsidy reimbursement that provides an incentive for child care programs to meet “star” criteria (OKDHS, 2009). Similar to Louisiana, Oklahoma state licensure is a prerequisite for participation in the QRS program. In addition to meeting the requirements for licensure, centers participating in the Reaching for the Stars program must meet enhanced criteria that include additional staff training and attainment of specialized education, reading to children daily, increased parental involvement, and the completion of a program evaluation (Norris & Dunn, 2004). Subsidy reimbursement rates are calculated, in part, based on a center’s ability to meet these enhanced criteria.
There are three goals of *Reaching for the Stars* (Oklahoma Child Care Organization, 2009):

- To improve the quality of child care by increasing the skills of teachers
- To let parents compare the quality of different child care providers
- To raise OKDHS's subsidy payments, resulting in more slots for children with low-income families

When this voluntary program began in 1998, there were only two ratings: One-Star, for centers that met minimum state licensing requirements and Two-Star, for centers that met some enhanced criteria outlined in the program or who were nationally accredited. The initial simplicity of the program, combined with efforts to actively engage centers and parents in the move towards increased standards of care, helped encourage participation. As the program grew, additional stars were added to further distinguish the type of care provided in participating centers. A Three-Star Rating was added in July 1999 and, in 2000, a more intermediate, fourth rating was implemented with the creation of One-Star Plus (Norris & Dunn 2004). The criteria for each star rating is detailed in figure 5.1. One-Star is the most basic rating and is awarded to participating programs.
meeting state licensing criteria. Three-Star is the highest rating a program can achieve. Programs at this level meet additional QRS criteria AND are nationally accredited (OKDHS 2009).

Since higher ratings are linked to program enhancement in child care centers, Reaching for the Stars places significant emphasis on professional development and specialized education. Together with raising parental involvement, creating a healthy learning environment, and rigorous program evaluation, these factors have been identified as integral in providing high quality child care across the state (Oklahoma Child Care Organization, 2009).

**Program Components**

*Categories*

Reaching for the Stars has four categories. In order to attain higher star ratings, providers must meet the criteria associated with the following categories (Oklahoma Child Care Organization, 2009):

1. **Training and education**
2. Early learning environment
3. **Parental involvement**
4. National accreditation

Training and staff education, as well as increasing awareness/parental involvement are the foci of the analysis herein.

The Department of Human Services, Division of Child Care sponsors a number of initiatives that make professional development and specialized education more accessible to child care providers at licensed centers participating in QRS (CCW, 2009). We have chosen to focus on four specific initiatives:

1. **Professional Development & Specialized Education**
   a. Comprehensive Support System: Center for Early Childhood Professional Development (CECPD)
   b. Oklahoma Registry & Professional Development Ladder

2. **Wage Incentives**
   a. REWARD Oklahoma
   b. Scholars for Excellence

3. **Tiered Reimbursement Model for Centers Accepting Child-Care Subsidies**
Because professional development is really the focus of Reaching for the Stars, all of these components may be categorized as mechanisms intended to promote that purpose; however, in this paper, we have distinguished between components that directly target professional development, those that address compensation, and where possible, those that focus on retention.

**Figure 5.1: Understanding Oklahoma Star Rating Qualification**

As has been established in preceding chapters, a center’s hiring practices and the qualifications of the labor pool from which a center hires from significantly impact quality improvement efforts. Hiring underqualified personnel, often out of necessity due to high turnover, undermines quality improvement initiatives. Reaching for the Stars attempts to address this by promoting workforce development and specialized education of providers in licensed facilities. Professional development includes attending child care workshops and conferences, credential training courses, management seminars, in addition to completing the minimum 12 hours of supplemental training required by the Oklahoma licensing board (Norris & Dunn, 2004; CECPD

Source: OKDHS, Division of Child Care, 2009
Specialized education refers to the completion of any child care certificate or degree program. Attaining a CDA meets this requirement, as well as holding an Associate’s or Bachelor’s degree in Early Childhood Education (or a related field), or an Associate’s or Bachelor's Degree in other fields with at least 12 hours of college coursework in Early Childhood Education (Norris & Dunn 2004). The specialized education component, and completion of a CDA program, is very similar to the rating system requirements in Louisiana.

Comprehensive Support System

There are numerous organizations in Oklahoma that work towards quality improvement and industry support¹. However, there is one organization in particular that helps workers and center directors navigate the levels of professional development, specialized education, quality ratings and accreditation. This organization is called the Center for Early Childhood Professional Development (CECPD). CECPD was established with funding obtained through a federal child development block grant; however, the organization operates on a grant provided by the Oklahoma Department of Human Services Department of Human Services. It functions under the auspices of the University of Oklahoma’s College of Continuing Education (CECPD, 2009). The organization is committed to improving the standard of care in Oklahoma, by addressing the development needs and goals of Oklahoma child care workers. CECPD oversees or is involved with many initiatives designed to educate and compensate child care workers so that all children across the state have access to high quality child care. These initiatives include training opportunities like entry level², caregiver, and director training resources for the Child Development Associate (CDA) degree and the Certified Childcare Professional (CCP) Credential Assessment, as well as guidance in accessing professional development scholarships, stipends and wage incentives like REWARD and the Scholars for Excellence Program (CCW, 2009; CECPD, 2009).

Oklahoma Registry & Professional Development Ladder

Another initiative sponsored by the OKDHS and supported by CECPD is Oklahoma’s Professional Development Ladder (PDL) (See Figure 5.2), which is overseen by the Oklahoma Registry. The Oklahoma
Oklahoma Registry and the Professional Development Ladder plays a role that is very similar to Louisiana Pathways Child Care Career Development System. These are both state-based membership organizations that promote educational attainment and ascendance of a career ladder. Membership is open to “staff of full-and part-day programs, family child care providers, school-age child care providers, Head Start staff, trainers, college faculty, consultants, and agency staff of professional child care organizations” (CECPD, 2009; OSRHE, 2009). Registry members receive credit towards levels on the PDL with the completion of courses and certification related to early education. PDL level requirements must be renewed annually (OCCS, 2009). Annual renewal is noteworthy because it encourages members to be in constant pursuit of higher education and greater qualifications, which in turns benefits their centers and the children for whom they are caring. Finally, registrants are also eligible for professional development scholarships and stipends offered through Scholars for Excellence and REWARD Oklahoma; both are described in more detail in the next section.

Compensation & Retention

High turnover and low compensation also detract from program quality and contribute to the hiring of underqualified workers. Workforce stabilization is key to sustained program success and increased quality. Yet, according to published reports, approximately 35.1% of child care workers quit their jobs each year (OKCCRA, 2005). In some cases, turnover may occur within a period shorter than one year. Low wages contribute to this problem. The average starting wage for child care workers in Oklahoma is $6.24. Many child care workers begin at minimum wage, which is even less than $6.24 per hour ($5.15 in 2005) (OKCCRA, 2005). Workers frequently leave the field before they begin to earn much more than a starting wage, let alone...
before achieving the highest average hourly wage of $7.74. (For comparison between OK and LA, see Table 4.1, page 22)

Although Reaching for the Stars does not specifically target turnover and compensation, it does address these aspects of quality peripherally through wage incentives, like REWARD Oklahoma and scholarship programs, like those offered through Scholars for Excellence in Child Care.

**REWARD Oklahoma**

REWARD Oklahoma is an education-based salary supplement awarded to teachers, directors, and family care providers working in the field of child care. The program is designed to promote center stability and provide children with “more stable relationships and better educated teachers by rewarding education and continuity of care” (OKDHS, 2009). Eligible providers may receive salary supplements ranging from $400 to $2000 annually (CECPD, 2009). The award amount is based on levels of education attainment and corresponds to rungs on the Professional Development Ladder. The higher the level of education attained, the larger the salary supplement. Additionally, The salary supplement is tied to a six-month time commitment for providers (CECPD, 2009).

**Scholars for Excellence in Child Care**

The Scholars Program is part of a larger Scholars for Excellence initiative. Scholarships of various amounts are awarded to eligible child care workers who are pursuing certification and/or higher degrees in childhood development and early education (OSRHE, 2009). Individuals aspiring to attain a CDA may apply for scholarship funds through Scholars for Excellence. The purpose of the scholarships is to ensure that child

1 Oklahoma Child Care Association is a trade organization that addresses the needs of child care workers at licensed, private centers across the state (OCCA). Oklahoma Child Care Resource & Referral Association, Inc. (OKCCRRRA) evaluates Quality Start bi-annually and performs community outreach and advocacy to raise awareness about the importance of quality care. Early Education Collaborative of Oklahoma (ECCO) is a partnership between the Oklahoma University and Oklahoma State University. ECCO has been instrumental in advocating for and evaluating the QRS program and child care worker performance both pre and post Quality Start. These are only a few examples of the myriad organizations based in Oklahoma.

2 Oklahoma child care center licensing requires that all child care workers complete entry level training within the first 90 days of hire. "Prior to or within three months of employment, staff counted to meet the staff-child ratios participate in a Tier II entry-level training course that provides at least 20 hours of training, in accordance to OKDHS Appendix L-1. Directors are not required to have this training. Staff who have previously received this training are not required to repeat it unless there is a two year break in service." Entry Level Child Care Training (ELCCT) is one way for child care workers to meet this requirement. The course consists of 20 hours and is offered, and must be completed in its entirety, online (CECPD, 2009). ELCCT is currently not mandatory.
care workers can enhance their credentials while simultaneously working in their communities. The scholarships include a stipend that can be put towards education, but that is also intended to supplement the hourly wages of child care workers while they are in school.

Following the implementation of Reaching for the Stars and various wage incentives in 2002, staff turnover in higher-rated facilities decreased from 45% in 2001 to approximately 38% in Two-Star facilities and 23% in Three-Star facilities (Dunn & Norris 2003). While this decrease was among the centers participating in the study only, the decrease in turnover occurring as center rating increases is noteworthy.

**Increasing Accessibility, Raising Awareness**

If the first goal of Reaching for the Stars is to improve child care in Oklahoma through workforce development and program improvement, the second goal is to increase access to that care, especially for children who benefit from child care subsidies. Predicated on a system of tiered reimbursement tied to development, program enhancement, and star ratings, Reaching for the Stars has succeeded in making quality care accessible.

**Tiered Subsidy Reimbursement**

OKDHS reimburses participating Reaching for the Stars centers for subsidized child care. Rates are calculated based on a number of factors. The following are the most significant:
Reimbursement rates for standard and enhanced areas by star rating are available on the OKDHS website. However, the most important thing to note regarding reimbursement rates in Oklahoma is that they were specifically designed to provide an incentive for high quality child care centers across the state to increase the number of child care slots open to children whose families receive child care assistance.

The tiered reimbursement model reinforces the goals of professional development by linking higher reimbursement to attainment of higher star ratings. The highest ratings in the Reaching for the Stars program include national accreditation. And so it follows that subsidy reimbursement rates are higher for nationally accredited programs/centers in Oklahoma. Centers may be accredited by any of the following national associations: National Association for the Education of Young Children (NAEYC), National Early Childhood Program Accreditation (NECPA), National Association for Family Child Care (NAFCC), National School-age Care Alliance (NSACA) and Council of Accreditation for Services to Families and Children (COA) (CCW, 2009). This may be one reason why the percentage of nationally accredited child care centers in Oklahoma (9.3%) is almost identical to the national percentage of accredited child care centers (9.4%) (See Table 5.1) (NACCRAA, 2009).

Furthermore, in order to guarantee accessibility to high quality care for subsidized children OKDHS requires that “any family newly authorized to receive a child care subsidy can not use that subsidy in a One-Star child care center, unless an exception has been granted” (OKCCRAA, 2005 pg. 13). This approach is working. In February 2003, less than half of Oklahoma’s subsidized children received care in Two or Three-Star facilities,
and often these facilities were reluctant to accept care vouchers (Norris & Dunn 2004; OKCCERRA 2005). However, two years after implementation, approximately 76.5% of subsidized children received care in facilities with a Two or Three Star rating (OKCCERRA 2005).

**Awareness**

*Reaching for the Stars* uses an easily understandable rating scale to inform parents about the type of care their child is receiving. That, in turn, empowers parents to demand the best care possible. Furthermore, incentives associated with the rating system require centers to raise awareness of their achievements as they continue to move towards the highest ratings. Before the rating system, centers may have met the minimum requirements of state licensing, but without a rating, neither the center directors nor parents using them had any way of knowing how their centers compared to others with similar licensing. Above all, the rating system has given parents the ability to make a choice about where to send their children.

There are numerous organizations, beginning with the Department of Human Services, who not only reach out to parents in an effort to make sure they understand the importance of quality care and why their children deserve the best; but, who also identify and engage all key stakeholders in the quality rating process. QRS and its associated initiatives are constantly evolving to meet the needs and demands of key stakeholders. To do this, Oklahoma utilizes a number of mechanisms to solicit feedback and otherwise engage stakeholders. As Zellman & Perlman (2008) note, “[T]he professional development unit of the state department hosts quarterly *Reaching for the Stars* focus groups consisting of licensing staff, *Reaching for the Stars* consultants, and providers. In addition, *Reaching for the Stars* outreach specialists host focus groups in rural areas, post surveys to parents, and gather information through R&R agencies” (p.42).

**Program Evaluation**

There are two organizations that have evaluated *Reaching for the Stars* regularly since it began in 1998. Those organizations are Oklahoma Child Care Resource and Referral Association, Inc. and the Early Childhood
Collaborative of Oklahoma. With the release of each new report, these organizations identify the successes of the QRIS program as well as the areas of improvement.

*Reaching for the Stars* has consistently reached its goals of improving quality, increasing accessibility, and raising awareness. A 2003 program evaluation indicates that, of the centers evaluated, 75% that were One-Star in 1999 had improved to a Two-Star rating by 2002 and 27% of the Two-Star facilities in 1999 had attained a Three-Star/Accredited rating by 2002 (Dunn & Norris 2003). The same study also found that staff turnover rates in centers rated Two-Star or Three-Star had decreased. Subsidized children have more access to high quality care across the state. Nearly 80% (76.5%) of children whose care is subsidized are cared for in facilities that are rated either Two-Star or Three-Star (OKCCRA 2005). Parental awareness and involvement have also increased over time.

**Criticisms/Critiques**

Despite the success of the program, there are areas where *Reaching for the Stars* can be improved upon. 2009 policy recommendations put forth by OKCCRRA call for more formalized education among child care staff that includes making ELCCT mandatory for all prospective child care workers. Additionally, OKCCRRA points out that with such significant emphasis placed on Two-Star and Three-Star rated facilities, One-Star and One-Star Plus programs have fallen far behind. This could be addressed through the implementation of policies that are designed to help low star centers thrive (OKCCRRA, 2009).

Regarding REWARD Oklahoma, it is reported that this incentive only reaches around 10% of eligible staff (Zellman & Perlman, 2008). It is unknown why utilization of the initiative is so low, especially among child care workers just beginning to move up the Professional Development Ladder. However, it may be that, because the initiative is financed by the OKDHS, funding is subject to annual budget constraints. Finally, it is worth noting that although there has been a comprehensive evaluation demonstrating the direct positive impact
that Oklahoma’s universal prekindergarten program, Oklahoma’s Early Childhood Program, has had on school-readiness (Lamy et al., 2005), our research did not uncover any comparable evaluations measuring Reaching for the Stars’ impact on child outcomes.

Conclusion

As is the case in Louisiana, Oklahoma’s approach to quality improvement has centered around workforce development and increasing accessibility to quality care. This has largely been achieved through subsidy reimbursement paid for by the Oklahoma Department of Human Services Division of Child Care. However, the Oklahoma child care industry has benefitted from partnerships with several key organizations working to evaluate and understand the benefits/success of the program. Surely, the challenge of increasing quality and accessibility is one without an immediate solution; however, since beginning in 1998, Reaching for the Stars has helped Oklahoma take significant strides towards improvement, as evidenced by the high percentage of subsidized children receiving quality child care, as well as the high percentage of nationally accredited centers across the state. Given demographic and industry similarities between Louisiana and Oklahoma, as well as the regional proximity of the two states, Louisiana might benefit from an open dialogue, collaboration with Oklahoma, similar to the idea sharing that Pennsylvania does with its neighboring states.
6. North Carolina

North Carolina’s dedication to providing higher quality child care resonates in their belief that “every child is special and unique and deserves the best start possible” (North Carolina Department of Health and Human Services, unknown date, Parent’s Overview page). In order to ensure that the children in this state are being provided with the highest quality early child care possible, in 2000, the North Carolina Division of Child Development (DCD) established a quality rating system (QRS) to assess the quality of early child care programs in the state.

Table 6.1: Side by Side Comparison – North Carolina & Louisiana

<table>
<thead>
<tr>
<th></th>
<th>US</th>
<th>NC</th>
<th>LA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Residents</td>
<td>301,621,159</td>
<td>9,061,032</td>
<td>4,293,204</td>
</tr>
<tr>
<td>Children Aged 0-4</td>
<td>20,724,125</td>
<td>637,664</td>
<td>298,157</td>
</tr>
<tr>
<td>Children Aged 0-4 living below poverty level</td>
<td>4,229,120</td>
<td>140,920</td>
<td>86,648</td>
</tr>
<tr>
<td>Children Under 6 needing child care</td>
<td>14,498,715</td>
<td>453,747</td>
<td>215,900</td>
</tr>
<tr>
<td>% of Subsidized Children in Licensed Child Care Facilities/Homes</td>
<td>75%</td>
<td>98%</td>
<td>77%</td>
</tr>
<tr>
<td>Number of Centers</td>
<td>119,174</td>
<td>5,060</td>
<td>1,840</td>
</tr>
<tr>
<td>Number of Nationally Accredited Centers</td>
<td>11,220</td>
<td>154</td>
<td>35</td>
</tr>
<tr>
<td>% of Nationally Accredited Centers</td>
<td>9.4%</td>
<td>3%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Average Income for full-time, year-round child care provider</td>
<td>$19,670</td>
<td>$19,030</td>
<td>$15,780</td>
</tr>
</tbody>
</table>

Source: Data from 2009 Child Care in the State of North Carolina and 2009 Child Care in the State of: Louisiana, National Association of Child Care Resource & Referral Agencies (NACCRRA, 2009).
North Carolina: Star Rated License

Prior to the QRS program, which is called North Carolina Star Rated License (further referred to as SRL), parents were unaware of the quality of care that their child care facilities were providing. With the SRL, parents are able to see the quality ranking of a particular child care center because it is displayed as stars on a state-issued license. Subsequently, two other benefits came out of the SRL program. First, in addition to providing information about a facility to parents, the SRL gives recognition to providers for the high quality care they are providing. Second, it also gives providers guidelines to follow as they work to improve the quality of care they provide (North Carolina Department of Health and Human Services, unknown date).

North Carolina’s SRL program is a voluntary program. After meeting basic requirements for licensure as a child care facility in North Carolina, the state does not require that every child care center operating in the state participate in the SRL program. For facilities that choose to participate, the SRL program is based on a 15-point or 5-star system (see Figure 6.1).

![Figure 6.1: North Carolina Star Rated License Point System](http://ncchildcare.dhhs.state.nc.us/pamts/pr_sn2_ov_sr.asp)
Every facility that meets North Carolina’s minimum standards for being a licensed child care facility receives a rating of one star. In order to receive a higher star rating (2-5 stars), the child care facility must apply to be evaluated by the North Carolina Rated License Assessment Project (NCRLAP, 2009). Facilities with one star can apply for a higher star at any time; however, for facilities with two or more stars, they must wait six months from the date they received their last star before they can apply for a higher one (North Carolina Department of Health and Human Services, unknown date).

During the evaluation, the child care centers are rated based on how well they score on two components, which both indicate the quality of the center: Program Standards and Staff Education/Education Standards (see Box 6.1). These two components are each worth 7 points, and a facility’s star rating is based on how many points out of 14 that facility earns. In addition to being evaluated on these two components, centers can also earn a single “Quality Point” for having higher standards of quality, which brings the total allowable points to 15 (North Carolina Department of Health and Human Services, unknown date).

Box 6.1: QRS Components

Originally, North Carolina’s Star Rated License program was comprised of three components: Staff Education, Program Standards, and Compliance History. “Compliance History” refers to how well a facility follows state regulations. In 2005, Compliance History was removed as a component, and made a minimum requirement for any facility desiring to be licensed. Facilities must now meet 75% compliance history in order to receive their first star.

Source: North Carolina Child Care Services Association, 2006. At http://www.childcareservices.org/ps/teach.html#3

Program Components

As mentioned, the first component of the SRL program is the program’s standards. There are three areas that the program standards evaluate, all having to do with the daily environment of the facility. The first area is the environment. Here, child care centers are evaluated on the variety of age appropriate toys they provide, whether the center has clean play areas, and whether there are enough areas at the center for children to play. The second area that is evaluated is the child to staff ratio. The last area that is evaluated is the interactions within
the facility. Specifically, evaluators look at the interactions between the following: staff and children, children with each other, and children with activities (North Carolina Department of Health and Human Services, unknown date).

Table 6.2: QRS in North Carolina

<table>
<thead>
<tr>
<th>Star Rated License</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year Implemented:</td>
</tr>
<tr>
<td>Goal:</td>
</tr>
<tr>
<td>Primary Incentive:</td>
</tr>
</tbody>
</table>
| Standout Features: | * Staff education through T.E.A.C.H.  
* Child Care WAGE$ Project  
* Time commitment |
| Rating System      | * Star ratings 1-5 based on total number of points earned |

Source: NCDHHS, 2009

The second component is the staff’s education. Under this category, North Carolina seeks to emphasize the importance of increasing the quality of child care by increasing the education of its child care workers. At a minimum, facilities that receive a rating of 1-star have met the basic requirements, which have been established by law, for teacher education. North Carolina law states that the lead teacher at the child care facility must be at least 18 years of age, and either has previous experience working with children, or they must receive training. Additionally, he/she must receive a North Carolina Early Childhood Credential within two years of being hired. In order to earn this credential, the individual must complete courses at a community college (North Carolina Department of Health and Human Services, unknown date).

Any child care facility that wants to increase its star rating must also increase its score on the Staff Education/Education Standards component of the QRS program. According to the North Carolina
Department of Health and Human Services (unknown date), the number of points a center can earn for staff education is based on:

- the education and experience levels of the administrator,
- the number of lead teachers with child care credentials,
- the number of lead teachers with more early childhood education and experience,
- [and] the number of teachers with formal education and/or experience.

Therefore, by ensuring that these things are met, a child care facility has a greater chance of receiving a higher star rating. Staff education is a very important part of the star rating system in North Carolina, and two major programs are in place that can help to increase the staff education rating of a child care center, but that are not designed as part of the SRL: Teacher Education and Compensation Helps Project (T.E.A.C.H.) and the Child Care WAGES Project (WAGE$).

**North Carolina T.E.A.C.H.**

In 1990 the North Carolina Child Care Services Association developed a program, originally named the Child Care Teacher Education and Compensation Program, which was designed to address the issues of high turnover rates, poor compensation, and the lack of an educated workforce. Specifically, the program provided scholarships to child care teachers so they could take courses that would lead to an Associate Degree in early childhood education. In 1993, the program was renamed the Teacher Education and Compensation Helps Project (T.E.A.C.H.).

**Box 6.2: T.E.A.C.H. Project**

**7 Goals:**

- To provide educational scholarship opportunities for people working in regulated child care centers and family child care homes
- To increase the knowledge base of early childhood professionals working with young children, thus improving the care these children receive
- To encourage child care programs to support the continuing education of their staff
- To provide increased compensation that is directly related to increased education
- To reduce staff turnover by supporting the above goals while also requiring from participants a one year commitment to child care after their scholarship year
- To provide a sequential professional development path for teachers, directors and family child care home providers currently in the field
- To create a model of partnership for improving the quality of care that children in child care programs in North Carolina receive.

Source: North Carolina Child Care Services Association, 2006. Available at: http://www.childcareservices.org/ps/teach.html#7
Education and Compensation Helps (T.E.A.C.H.) Early Childhood Project. This program has seven goals (see Box 6.2), and uses four components to achieve those goals (see Box 6.3) (Child Care Association, 2006).

**Box 6.3: T.E.A.C.H. Project**

4 Components:

- **Scholarship.** The scholarship usually covers partial costs for tuition and books or assessment fees.

- **Education.** In return for receiving a scholarship, each participant must complete a certain amount of education, usually in the form of college coursework, during a prescribed contract period.

- **Compensation.** At the end of their contract, after completing their educational requirement, participants are eligible to receive increased compensation in the form of a bonus (ranging from $100 to $700) or a raise (4% or 5%).

- **Commitment.** Participants then must honor their commitment to stay in their child care program or the field for six months to a year, depending on the scholarship program.

Source: North Carolina Child Care Services Association, 2006. Available at: http://www.childcareservices.org/ps/teach.html#7

**Implementation**

North Carolina’s teacher education enhancement program has changed from the time of its inception to the present day. The program has gone from a small pilot project, to being implemented statewide, and now nationally.

At its start, T.E.A.C.H. started out at a privately funded scholarship program that was piloted in three North Carolina counties (Wake, Durham, and Orange) that provided tuition assistance to child care workers as they pursued higher education. During the pilot, the program awarded scholarships to 21 teachers to work towards degrees in early childhood education. The early program was extremely successful, and the project was
expanded. Two regional foundations funded this expansion for the purposes of testing the model in four other areas in North Carolina. This too was a success. After being expanded from the initial three counties of the pilot program, T.E.A.C.H. began receiving public funding in 1992 from the Child Care and Development Block Grant. Since then, the program has continued to be funded through both public and private sources (Child Care Services Association, 2006).

Currently, the T.E.A.C.H. program is available statewide (in every county), and has seven different scholarships that child care workers are able to apply for. However, this program is only available to “child care providers in state-licensed child care, Head Start, and pre-kindergarten programs” (Center for Law and Social Policy, 2008, North Carolina T.E.A.C.H. Early Childhood & Child Care WAGE$ page).

Besides being a state-licensed facility, there are other requirements that a child care facility must meet in order to be eligible for a specific type of scholarship. For example, depending on which scholarship a provider wishes to receive, he/she must work at least 20 or 30 hours and make under $15/hour. These are requirements for a full scholarship; however, for those who make over the maximum hourly wage, partial scholarships are also available (Center for Law and Social Policy, 2008). After advanced education has been completed, scholarship recipients are then eligible for the third component of the T.E.A.C.H. program, enhanced compensation. Recipients are either given a 4 to 5 percent raise, or they are given a bonus of $100 to $700 (North Carolina Child Care Services Association, 2006).

In addition to addressing the issues of increasing the education and compensation of the child care workforce, the T.E.A.C.H. program also addresses the issue of how to decrease the turnover rate in the field. It does this through the fourth component of the program: Commitment. T.E.A.C.H. does not simply allow a child care worker to use the scholarship program to gain more education and then let that individual leave to pursue work elsewhere; instead, depending on the terms of an individual’s particular scholarship program, the
scholarship recipient must work in the field or in the same program for at least 6 months to a year after receiving a degree (Center for Law and Social Policy, 2008).

Nationwide Expansion

According to Sue Russell (personal communication, April 7, 2009), who is the President of the North Carolina Child Care Services Association, the T.E.A.C.H. program has been such a success in North Carolina, that it is now being used as a model for T.E.A.C.H. programs in other states. In order for these states to have certified T.E.A.C.H. scholarship programs, they must apply to North Carolina Child Services Association for licensure. Once approved, North Carolina Child Care Services Association provides services to those states in order to help them successfully implement the program (Center for Law and Social Policy, 2008).

Child Care WAGE$ Project

In conjunction with the T.E.A.C.H. Early Childhood Project, the Child Care WAGE$ Project (WAGE$) is another program used to help retain quality child care workers. Just like T.E.A.C.H., WAGE$ is not part of the SRL program either, but it is suggested that child care facilities use this program as well. In 1994, the North Carolina Child Services Association began the Child Care WAGE$ project with the purpose of improving “child care quality through salary supplements by reducing turnover and encouraging the continued education of teachers, directors, and family child care providers” (Child Care Services Association, 2005, p. 1).

Implementation

Similar to the T.E.A.C.H. program, the WAGE$ project was also started on a small scale before expanding statewide. Originally, the program was only implemented in Orange County, North Carolina. Then, in 1999, the governor expanded the program to other counties by offering them use of the Child Care Development Block Grant fund to help pay for the program. However, as of yet, the WAGE$ Project is available in most counties in North Carolina, but not all (Center for Law and Social Policy, 2008).
In the counties that utilize the WAGE$ program, teachers are paid direct salary supplements mostly through North Carolina Smart Start funds (Center for Law and Social Policy, 2008). Here, child care workers must not make over a certain amount in order to be eligible for the salary supplement. There are three different income cap options: $13/hour, $15/hour, or $17/hour. Each county chooses the income cap they will use for determining eligibility for the WAGE$ project. In addition to the income limit, the worker must also work at least 10 hours a week with children aged 0 to 5. After meeting the income and work requirements, a child care worker would then need to fill out an application to apply for the program (Child Care Services Association, 2006).

**Program Evaluation**

*Evaluation of the QRS Program*

In North Carolina, there have not been enough evaluations of the SRL program after 2004. Part of this may be because the QRS is only required to be evaluated every 3 years (Zellman & Perlman, 2008). Despite this, it is evident that child care facilities are trying to increase the quality of service that they provide. Based on the available data, in an evaluation done in 2004, 70% of child care centers and 59% of family-based child care facilities in the state had a rating of 3 or more stars (Cassidy & Hestenes, 2004).

*Evaluation of the T.E.A.C.H. and WAGE$ Programs*

Although the QRS program has not been extensively evaluated in North Carolina, the T.E.A.C.H. and WAGE$ programs have. Each program is evaluated yearly and put into an annual report that the Child Care Services Association compiles. The success of each of these programs is determined based on a variety of outcome measures, including: amount of education, amount of wage increase, and amount of turnover (Sue Russell, personal communication, April 7, 2009).

Even though these two programs are very well evaluated, it is difficult to identify how these programs are fairing in North Carolina specifically. The problem here is that since these programs are national initiatives,
6. North Carolina

the annual report that is created includes a summary of data from all the states that participate in the programs. In the report, the data is not presented by state; instead, the data is aggregate. For example, the 2007-2008 annual report says, the “Annual earnings for T.E.A.C.H. program associate degree scholarship recipients increased by 3% to 16%” (Child Care Services Association, 2008, p. 4). The report further states that this is broken down as “10% or more in 4 states, 7% to 9% in 7 states, 5% to 7% in 8 states, [and] <5% in 2 states” (Child Care Services Association, 2008, p. 4). In order to obtain the state breakdown of this information, personal communication had to be made with Sue Russell.

Conclusion

North Carolina’s Star Rated License program is a very well established program; however, the lack of adequate evaluations makes it difficult to truly determine how successful this program is. Furthermore, it appears that the programs that are not part of the SRL program, such as T.E.A.C.H. and WAGE$ are largely driving the increase in centers’ star ratings. This is potentially due to the educational and compensation incentives that these programs provide.

Additionally, it could be that these incentives are also contributing to the greater worker retention that North Carolina has experienced. In 2008 the turnover rate for child care workers in North Carolina was 6.5% (Sue Russell, personal communication, April 7, 2009). This is important because “North Carolina is unique in including a measure of staff turnover in its [QRS]” (Zellman & Perlman, 2008). However, without more frequent evaluations of the SRL program, it is nearly impossible to say that this program, in and of itself, has helped to promote child care worker retention through increased compensation and education in North Carolina.
7. Pennsylvania

Table 7.1: Side By Side Comparison – Pennsylvania & Louisiana

<table>
<thead>
<tr>
<th></th>
<th>US</th>
<th>PA</th>
<th>LA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Residents</td>
<td>301,621,159</td>
<td>12,432,792</td>
<td>4,293,204</td>
</tr>
<tr>
<td>Children Aged 0-4</td>
<td>20,724,125</td>
<td>730,061</td>
<td>298,157</td>
</tr>
<tr>
<td>Children Aged 0-4 living below poverty level</td>
<td>4,229,120</td>
<td>138,123</td>
<td>86,648</td>
</tr>
<tr>
<td>Children Under 6 needing child care</td>
<td>14,498,715</td>
<td>528,233</td>
<td>215,900</td>
</tr>
<tr>
<td>% of Subsidized Children in Licensed Child Care Facilities/Homes</td>
<td>75%</td>
<td>61%</td>
<td>77%</td>
</tr>
<tr>
<td>Number of Centers</td>
<td>119,174</td>
<td>5,025</td>
<td>1,840</td>
</tr>
<tr>
<td>Number of Nationally Accredited Centers</td>
<td>11,220</td>
<td>352</td>
<td>35</td>
</tr>
<tr>
<td>% of Nationally Accredited Centers</td>
<td>9.4%</td>
<td>7%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Average Income for full-time, year-round child care provider</td>
<td>$19,670</td>
<td>$19,270</td>
<td>$15,780</td>
</tr>
</tbody>
</table>

Source: Data from 2009 Child Care in the State of Pennsylvania and 2009 Child Care in the State of Louisiana, National Association of Child Care Resource & Referral Agencies (NACCRRA, 2009).

During the late 1990’s, like many states across the country, Pennsylvania experienced a significant decline in quality of child care provided across the state (Etheridge et al., 2002). This decline was linked with decreasing education levels and low rates of compensation for child care workers (Bradley, 2001). A 2001 study of child care in three Pennsylvania counties found that the annual turnover rate for teachers in child care centers was 30%, that teachers earned half or less of what other Pennsylvania workers earned with the same level of educational attainment; and that only 23% of teachers at child care centers had bachelor’s degrees (down from 28% in 1998). Also of note, child care centers with higher wages experienced lower rates of
turnover (Bradley, 2001). In 2002, Governor Mark Schweiker’s Task Force on Early Childhood Education commissioned a study to determine the level of quality child care provided throughout the State. Several key findings emerged: confirmation that quality of care was in fact in decline and those structural inputs such as staff educational attainment, especially in early childhood education coursework, strongly correlated with measures of higher quality care. The study succeeded in establishing a baseline of statewide child care quality against which to measure the effectiveness of a variety of new initiatives intended to increase quality of care statewide (Etheridge et al., 2002). The goals of these programs were to promote school readiness and to improve long-term outcomes for all children (Harriet Dichter, personal communication, 2009).

Today, Pennsylvania is particularly notable for its strong coordination of all early childhood-related policy. The Office of Child Development and Early Learning, which coordinates all early childhood related policy and procedure, reports to both Departments of Public Welfare and of Education. Quality child care initiatives have been implemented as a result of strong executive leadership, influential coalitions of advocacy organizations, and considerable research advancing the understanding of the problem of decreased quality of care and its implications for Pennsylvania’s children. Pennsylvania has a strong commitment to bringing together different stakeholder groups at all levels and investing in broad public awareness campaigns to continually build support for public investment in quality child care initiatives (Harriet Dichter, 2009, personal communication).

Pennsylvania also enjoys partnerships and extensive knowledge-sharing with other states on issues related to early childhood policy. For example, Pennsylvania is one of five states with membership in the Build Initiative, a privately funded initiative with the mission of creating “a seamless framework of policies” incorporating research-driven understanding of brain development into best practices for early childhood education (Build Initiative, 2009).
Keystone STARS (Standards, Training/Professional Development, Assistance, Resources) is Pennsylvania’s quality rating system. Implemented statewide in 2002 after a brief pilot of the program, the overarching goal of Keystone STARS is “to improve, support, and recognize the continuous quality improvement efforts of early learning programs in Pennsylvania” (PA Keys, 2006). Participation is voluntary and is available to child care centers, family child care providers, and school-age children programs; however, financial incentives are reserved for participating providers. Financial incentives include support grants, merit awards, and tiered reimbursement add-ons, which assist centers in their efforts to improve quality. Funding streams for KeyStone STARS include the Child Care Development Fund (CCDF), Temporary Assistance to Needy Families (TANF), and Pennsylvania State General Appropriations.

<table>
<thead>
<tr>
<th>Year Implemented:</th>
<th>2002</th>
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</thead>
<tbody>
<tr>
<td>Goal:</td>
<td>Improve quality of care statewide and acknowledge efforts of providers of quality care</td>
</tr>
<tr>
<td>Primary Incentive:</td>
<td>Tiered reimbursement add-ons, Support Grants/Merit Awards, Education and Retention Award, T.E.A.C.H., Professional Development Voucher</td>
</tr>
<tr>
<td>Standout Features:</td>
<td>Comprehensive public engagement, Partnerships with other states, Strong program coordination</td>
</tr>
<tr>
<td>Rating System:</td>
<td>Star ratings 1-4 (with “Star with Stars” orientation level)</td>
</tr>
</tbody>
</table>

Source: PAKeys, 2009; PA OCDEL, 2009
Program Components
The Keystone STARS has five levels, beginning with the orientation level, Start with STARS, and subsequent STAR levels 1-4. Participating centers have to fulfill all requirements at one level in order to receive that STAR rating. There are four categories for quality standards:

1. **Learning Program:** A provider’s curriculum must correspond with Pennsylvania’s established Early Learning Standards. Assessments include environmental rating evaluations which are conducted as self-assessments or by a third-party observer, depending on the STAR level that is under consideration.

2. **Leadership and Management:** Leadership and management practices considered include staff communication/support and employee compensation practices. Requirements include human resource procedures such as holding regular staff meetings, professional development plans, documented salary scales, and at higher STAR levels, provision of staff benefits and paid time for lesson planning.

3. **Partnerships with Family and Community:** Centers are encouraged to involve parents in their children’s learning process. This involvement takes the form of parent/teacher conferences, group activities involving parent participation, and daily reports to parents on the child’s progress.

4. **Staff Qualifications & Professional Development:** Standards in this category involve attainment of specified degrees and credentials, level of participation in professional development and training activities, and the establishment and management of an individual staff member’s professional development plan. Effective June 2008, Keystone STARS staff and director qualification requirements are based on the minimum qualifications outlined for positions in the Career Lattice.

Career Lattice and Scholarship are included in the fourth category, **Staff Qualifications & Professional Development.**

Career Lattice

The Pennsylvania Office of Child Development and Early Learning (OCDEL) established a “career lattice” to delineate the minimum level of qualifications required for positions in the early childhood education field. The Career Lattice depicts both vertical (entry level to director level) and horizontal (across the entire early childhood education sector) mobility. The purpose of the career lattice is two-fold: to demonstrate opportunities for career advancement in early childhood education (PA OCDEL, 2008), and “to ensure that children in Pennsylvania are being educated by professionals who have achieved adequate levels of education that are consistent across the State” (PA Keys, 2009). OCDEL Deputy Secretary Harriet Dichter says of the
career lattice, “It helps to demonstrate opportunities for career mobility in the field of early childhood education overall. We don’t feel we need to discourage movement between the different sectors of the field” (personal communication, March 27, 2009). As such, the career lattice on its own does not serve to reduce turnover of child care staff in individual facilities; rather, it serves to retain qualified workers across the early childhood education spectrum.

**Scholarship**

Scholarship serves the dual purpose of building the qualifications of the child care workforce and providing opportunity for practitioners to develop their expertise and increase their professional status, without the burden of hefty loan repayments. Pennsylvania offers scholarship to early childhood educators in two forms: the Professional Development Refund Voucher Program and the T.E.A.C.H. Early Childhood Project in Pennsylvania. The Professional Development Refund Voucher Program reimburses eligible child care workers for 90% of the costs of college-credit courses (including CDA programs) and the costs of the CDA Assessment Fee. Recipients must be employed in centers with a KeyStone STAR rating of 1 or higher. Between 2007 and 2008, there were approximately 1260 voucher recipients (PA OCDEL, 2008).

**Pennsylvania T.E.A.C.H.**

A program initiated prior to the implementation of Keystone STARS, T.E.A.C.H. Early Childhood Project in Pennsylvania is now fairly integrated with this system. Administration of this program falls under a non-governmental agency, Pennsylvania Child Care Association (PACCA), that contracts with the Office of Child Development and Early Learning. The Pennsylvania T.E.A.C.H. program is based on the North Carolina model discussed in the previous chapter. It is the result of a public/private partnership, but majority of scholarship funding now comes directly through the Office of Child Development and Early Learning. Scholarships specifically funded through the state require that recipients be employed at a facility with a KeyStone STAR rating of 2 or higher.
Pennsylvania is licensed by the Child Care Services Association to administer this model. Initially, Child Care Matters, a privately funded network of child advocacy organizations, were looking for solutions to issues specific to developing child care workforce. In Pennsylvania, these organizations noted that child care providers were losing degreed staff because individuals could not afford to pay off their college loans from the low wages they were earning in the field (T. Casey, personal communication, April 9, 2009). In 1998, after a strategic review of various models, Child Care Matters, backed by private and business funding, initiated a pilot T.E.A.C.H. program across 4 regions in Pennsylvania (T. Casey, personal communication, April 9, 2009). Within a few months, the Pennsylvania Department of Public Welfare had become a major funding partner, and, within just one year, T.E.A.C.H. had increased its capacity to provide scholarships from just 4 to 58 of the 67 counties in the state (PACCA, unknown).

According to Laurie Litz, PACCA’s T.E.A.C.H. Director, one crucial ingredient to the success of Pennsylvania T.E.A.C.H. program is the scholarship counselor, who coordinates all aspects of the scholarship recipient’s experience with the program. In addition to working with the scholarship recipient to negotiate the T.E.A.C.H. contract, the counselor helps scholars to maintain balance between work and family, access important resources, understand eligibility requirements and negotiate contracts, manage expectations of the employer, and generally maneuver within the higher educational system (L. Litz, personal communication, April 9, 2009). This is especially important for “low income women who have additional barriers which can impede their ability to successfully manage school” (S. Russell, personal communication, April 7, 2009).

T.E.A.C.H. scholarships are designed to be widely available to all in the Pennsylvania child care workforce. PACCA employs a “multi-pronged approach” to publicize T.E.A.C.H.-related opportunities. Information is disseminated via colleges and universities, advocacy partners, regional KeyStone STARS offices, child care center directors, and professional development managers (L. Litz, personal communication, April 9, 2009). During fiscal year 2008, there were 2633 recipients of Pennsylvania T.E.A.C.H. scholarships who
averaged 12.5 credit hours earned, a 9% increase in wages, and a job turnover rate of only 6% (S. Russell, personal communication, April 7, 2009). Additional benefits of the program include increased enrollment for partnering colleges and universities as well as the establishment of articulation processes between 2-year to 4-year programs (T. Casey, personal communication, April 9, 2009).

Terry Casey, President of PACCA, stresses the importance of being connected to a larger organizational body with a driving mission. “Having a national organization keeps the integrity of the program, providing a base understanding of the principles while still allowing states flexibility for implementing T.E.A.C.H. to best suit that state’s particular needs” (T. Casey, personal communication, April 9, 2009).

For both T.E.A.C.H. and the Professional Development Voucher Program, it is important to note that these programs intentionally cover only college credit courses in an effort to increase the earning potential of the individual participant and to increase the body of high-qualified staff in the profession (H. Dichter, personal communication, March 27, 2009). “The professional development delivery system works to provide more credit-based learning (rather than isolated training workshops often used in the past) to help caregivers in their career development” (PA CCDF Plan, 2007, p. 54). OCDEL Deputy Secretary Harriet Dichter shared the system’s emphasis on developing the workforce: “We have to make sure that ECE practitioners get degrees, because that is what professionally people respect, what society values” (H. Dichter, personal communication, March 27, 2009).

Compensation & Retention

The Education and Retention Award (ERA) is the only STARS component with the explicit objective of increasing compensation for eligible, qualified staff in order to “assist providers in establishing a stable workforce” (PA Keys, 2006). The FY08 OCDEL Annual Report reads, “The ERA helps STARS programs
retain qualified staff and encourage other staff to pursue higher education, which improves the overall quality of their programs” (PA OCDEL, 2008, p. 10). To be eligible for an Education and Retention Award, a child care practitioner must earn less than $17 per hour, hold a CDA, AA or BA/BS in early childhood education, and have worked at a child care center with a STARS rating of 2 or higher for at least 12 consecutive months. Awards are given annually to facility directors for distribution to eligible staff. An early addition to the STARS system, the Education and Retention Award was heavily promoted by QUEST (Quality Education through Salaries and Training), a network of early childhood advocates recognizing the importance of linking educational attainment and experience to increased compensation (P. Haines, personal communication, April 3, 2009).

In 2007-2008, approximately 3,911 early education professionals received Education and Retention Awards (PA OCDEL, 2008).

Program Evaluation

Pennsylvania strongly emphasizes accountability and has multiple mechanisms in place to better understand the effectiveness of its programming. These include assessments of program impacts on quality through formal third-party evaluations, as well as solicitation of feedback through provider and practitioner surveys and focus groups to better understand the strengths and weaknesses of program components on the ground level.

Keystone STARS was formally evaluated in 2006 to measure its impact on quality of care. Providers were evaluated using Environmental Rating Scales (see glossary of terms) to assess whether Keystone STARS ratings were an accurate measure of quality, and whether the quality of care had indeed improved since its original implementation. Results demonstrated sufficient evidence on both counts (Barnard et al., 2006). Although the evaluation did not specifically measure the effectiveness of isolated system components, such as the Education and Retention Award, results indicated that teachers with college degrees were providing higher quality early
education and care (R. Fiene, personal communication, April 3, 2009). The study also found teachers who had at least five years of experience in the classroom provided higher quality care than those who were less experienced (Barnard et al., 2006, p.3). There was no specific measurement of Keystone STARS’ impact on staff retention rates.

In 2007, the Office of Child Development and Early learning conducted a series of focus groups across the state in an effort to solicit feedback from center directors and staff from participating Keystone STARS facilities. Concerns expressed included that the required staff qualifications presented a number of problems. Facility directors expressed concerns about losing qualified staff to better paying employment opportunities. Others did not want to fire staff that did not meet the new qualifications (PA OCDEL, 2007). Some respondents communicated that the OCDEL should “consider a demanding portfolio process to obtain a specific Career Lattice level for those members who have been in the field for a number of years, but for whom returning to college is not feasible” (PA OCDEL, 2007). Other concerns expressed were regarding the lack of reliability of facility evaluators, that “raters’ personal views are reflected on scores” (PA OCDEL, 2007). General comments about STARS were favorable, indicating that staff take pride in their part in increasing the STAR rating of the participating facility and that the STARS financial awards allowed directors “to provide superior experiences for staff and children” (PA OCDEL, 2007).

In 2008, the OCDEL administered a provider survey to better understand which STARS supports were helping providers achieve the next STAR level. Almost 15% of all providers participating in the study cited the Education and Retention Award for supporting their rating increase, while almost 10% cited the T.E.A.C.H educational scholarship and 7% cited the Professional Development Voucher Program. Also in 2008, PACCA administered a survey to assess wages and benefits of child care workers across the state. Even though 95% of providers that responded were participating in the Keystone STARS program, 84% reported
having trouble recruiting qualified workers, and 38% of programs were forced to reduce enrollment numbers due to high rates of staff turnover at their facilities (PACCA, 2008).

_Evaluation of T.E.A.C.H. Early Childhood Project Pennsylvania_

The only formal third-party evaluation of T.E.A.C.H Pennsylvania was conducted using data from early program implementation, 1998-2001. Keystone Research Corporation, a private research firm, evaluated T.E.A.C.H Pennsylvania based on its impact on quality of care provided and the effectiveness of the program in supporting participants’ attainment of educational goals and increased compensation. Key findings included that T.E.A.C.H. had a positive impact on the provision of quality care, educational attainment, compensation and reduced staff turnover among T.E.A.C.H. participants, but that there was a significant drop-out rate among participants during the initial contract period. Miller et al. (2009) suggest that perhaps either the selection process of applicants be more rigorous or more support be made available to participants, especially as recipients tend to have little or no college experience and may require additional preparation for college-level coursework. However, as this evaluation was based on decade-old data, results may not reflect current drop-out rates within Pennsylvania T.E.A.C.H.

_Early Learning Network_

A newly implemented system called the Early Learning Network will soon have the capacity to track the outcomes of all children who have been served by OCDEL programming. The Early Learning Network will be able to “track teacher educational levels and experience and provide information on how teacher education affects child outcomes” (PA OCDEL, 2008). As of yet, there is no concrete evidence specifically linking OCDEL professional development initiatives and child outcomes in Pennsylvania.

_Conclusions_

The effectiveness and pervasiveness of Pennsylvania’s quality rating and improvement system may be the result of many variables, including broad levels of engagement, strong executive leadership, integrated
government structure, active coalition of advocacy organizations and leaders in the early childhood education sector, and knowledge-sharing between states. According to the 2006 evaluation (Barnard et al., 2006), the system has proven to be effective in achieving its overarching objective: to increase quality of care. However, without a comprehensive evaluation of the effectiveness of individual policy components (i.e. Education and Retention Award), it is impossible to determine which policy components have made the most effective contributions to increasing quality of care.

It is also unclear as to the impact that Keystone STARS has had on staff turnover. Measurements of turnover were not included in the 2006 Evaluation, and findings from PACCA 2008 Wage and Benefit Survey and the OCDEL 2007 Listening Tour focus groups suggest that there is still a considerable problem with turnover, even in centers participating in the program. One informant mentioned that the Education and Retention Award provided a good first step to addressing turnover, but perhaps was not adequately funded to retain qualified staff. The T.E.A.C.H. model, with its emphasis on commitment, education and compensation, does in fact appear to improve compensation and retention rates among participants. Standouts of this program as implemented in Pennsylvania include the program's capacity to utilize private funds for leverage and the presence of a scholarship counselor to ease the transition to school.

As for Keystone STARS’ impact on child outcomes, with the recent implementation of Pennsylvania’s Early Learning Network, there is now a mechanism to measure the effectiveness of Pennsylvania’s professional development system on improved outcomes for children. Results from these evaluations will contribute to a better understanding of the effectiveness of Pennsylvania’s child care professional development programming.
8. Key Findings

Key findings from the analysis of Quality Rating Systems in Oklahoma, North Carolina, and Pennsylvania include:

★ QRS initiatives were piloted on a small scale first and once it had been established that the pilot was effective, the initiative was expanded.

★ Across the states, QRS proved to be effective, not only in establishing a statewide standard of care, but also in raising awareness and informing the general public about the importance of quality care.

★ By establishing a statewide standard of high quality care, QRS programs have also helped draw attention to the role of child care providers as early educators. QRS programs also enable centers to differentiate themselves by rating levels, rather than perceptions based on the center’s size or location. This is especially important for smaller, neighborhood-based centers that may otherwise be unable to compete with large day care centers.

★ In each of the states we reviewed high quality care has been made a priority by all, and is thus pursued from the top down and the bottom up. There is a collaboration and cooperation that takes place between representatives from all levels and in all sectors.

★ Centralized management is integral to the success of the Quality Rating Systems in each of the three states reviewed. That is to say that in Oklahoma, North Carolina, and Pennsylvania there is a central organization that oversees all efforts towards improving quality, including, but not limited to: subsidies, funding, and licensing.

Additionally, our research revealed aspects of Quality Rating Systems that SB6 should consider as it pursues QRS programs as a means to increasing professional development, generating competitive compensation, and improving retention of child care workers. The aspects described below should be considered as lessons learned and opportunities for future program enhancement.

★ Adoption of QRS programs implies that quality child care has been prioritized; however, components that target specific aspects of quality (i.e. professional development, compensation, retention, etc.) may be constrained by resources, political climate, or conflicting stakeholder goals.

★ There are potential negative drawbacks to increasing staff qualification requirements without providing adequate financial support for centers and social supports for individuals. Moreover, increasing staff qualifications based on education attainment may potentially undermine the value of experience.
Although universal measures of quality exist (i.e. Environmental Rating Scale), how those measures are pursued varies between programs. The differences in structural aspects of quality can make it difficult to compare efficacy of programs from state to state.

Incorporating mandatory time commitments into professional development initiatives helps ensure that participating child care workers are committed to both the center sponsoring them and the child care field.

The components of QRS and the incentives associated with participating should be readily accessible and transparent to all beneficiaries of the program (i.e. parents, providers, policy makers and advocates).
9. Recommendations

Based on a literature review and an analysis of the QRS programs in three pioneer states, and in considering the overarching goals of SB6 to better understand strategies implemented in other QRS states that specifically address professional development and competitive compensation as a mechanism for increasing worker retention, we put forth the following recommendations:

1. **Public Awareness Campaign**: Parents and child care workers most especially need to be included in the process of raising standards of child care. This is in addition to center directors and education advocates should be involved in the process of building quality in post-Katrina New Orleans. Towards that end, identify and engage key stakeholders in a discussion that highlights the importance of quality care, not only in relation to school readiness, but more importantly in relation the future success of their communities and their city. If people feel they have a vested interest in the efficacy of *Quality Start*, and if they understand how the program benefits them directly, then centers will be more inclined to participate in the program and parents will be more inclined to demand high quality care.

2. **Establish Comprehensive Support System**: There are potential negative drawbacks to increasing staff qualification requirements without providing adequate support for centers and child care workers. There should be collaboration and mentorship between highly rated centers and those who are new to the program. Additionally, there should be a network of guidance counseling for child care workers, many of whom may be pursuing higher education for the first time. Counseling and academic support is essential to easing the transition from work force to academia. Additionally, ensure that measures are in place that value of experience and education attainment, rather than valuing one over the other. Networks can be established between participating centers, or in cooperation with child care organizations. The support system should promote idea sharing, mentorship programs, and advocacy.

3. **Regional QRS Administrators**: Establish regional offices to administer QRS in order to make sure that all local needs (urban v. rural) are taken into consideration when formulating policy (while our recommendations are meant to focus on Class A Licensed child care centers, it should be noted that the needs of urban and rural locales are different -- i.e. more likely to have a limited option of family providers in a rural setting).

4. **Transparent Incentives**: QRS incentives should be made more transparent, especially with regard to the tax incentive built into *Quality Start*. This incentive, which is unique to Louisiana, is unprecedented. The tax credits benefit facilities, people who work in the facilities, parents, and businesses that support the centers. With so many potential beneficiaries it is important to make sure that people know how to take advantage of the credits.
5. **Evaluate & Disseminate**: Evaluate the effectiveness of the individual components of the QRS, as well as the system as a whole. Consistent evaluation of the program efficacy as a whole, as well as the effectiveness of individual components is crucial to establishing if the program is meeting its objectives. The results of a thorough program evaluation are also an important means of increasing public awareness and raising future financial support. Towards that end, all relevant program information should be disseminated to key stakeholders, including providers, teachers, funders, and parents.
10. Conclusions & Opportunities for Future Research

Somewhat paradoxically, despite having been devastated by Hurricane Katrina, Louisiana’s child care industry is uniquely positioned to benefit from the adversity. By virtue of having been utterly decimated by the storm, the child care industry faces the mixed blessing of rebuilding from scratch. Certainly the difficulty of improving the standard of child care by addressing staff qualifications, establishing competitive compensation, and increasing retention among child care workers is not unique to Louisiana. However, as the storm decimated the child care industry in New Orleans, in this post-Katrina era, these challenges are more pronounced. And in the Crescent City, where reconstruction is ongoing and where accessibility to reliable, quality child care affects a resident’s ability to return to the city, the challenges facing the child care industry are even more exaggerated. Establishing standards of high quality in Louisiana is important not only to bridge the achievement gap among low-income children, but also, investment in the child care industry and especially in high quality care, presents a new opportunity to rebuild and reinvigorate the local economy.

As we have explored, the child care industry nationwide is characterized by high rates of turnover, low levels of staff educational attainment, and low rates of compensation. The result has been that quality of child care across the country is not nearly as high as it could be. However, in Oklahoma, North Carolina, and Pennsylvania, Quality Rating Systems are strategies that have been implemented to raise the standard of quality child care. In the years since initial implementation of Reaching for the Stars, Star Rated License, and KeyStone STARS, the challenges facing the child care industry in each state have not been eliminated, but the programs have contributed to increased quality of care and have expanded access to that care. Furthermore, these QRS programs have prioritized the role of the child care worker in promoting school readiness among young children; and as such, emphasis has been placed on professional development as a means of equipping child care workers with the appropriate skill-set to prepare children well.
While Louisiana’s challenges are clearly more extreme than other states we have examined, findings from our analysis of these states’ strategies are still relevant, and lessons learned are applicable. In each of the states we reviewed, the efficacy of the QRS programs to increase the standard of child care is in large part the result of multiple factors, including concerted efforts to address professional development of child care workers through training, education, comprehensive support systems, and financial incentives and scholarships. Additionally, via direct engagement with the child-care community, including policy makers, advocates, center directors, child care workers and parents, and the greater community at large, the organizations administering the QRS systems are able to invoke a public awareness of and knowledge about the value of quality care. These two areas emphasis – professional development and public engagement – are areas where Louisiana has already begun to lay the foundation for effective quality improvement strategies. The partnership between Success By 6 and Louisiana Pathways to promote attainment of a CDA is one example of career-oriented professional development initiatives currently in place. Similarly, in the greater New Orleans area, Success By 6 has begun a comprehensive community outreach campaign that includes seminars designed to educate child care centers about Quality Start and actually enrolls the centers participating in the seminars. As an additional incentive for participation, Success By 6 offers stipends to centers to pay for supplies and administrative material. The program also offers stipends for child care workers pursuing their CDA.

Our research indicates that although the QRS systems we looked at do not explicitly address wages, they do operate in conjunction with other initiatives that attempt to address competitive compensation, the second component we were asked to investigate. Critiques of these endeavors to target wages, however, revealed that wage components are subject to larger budgetary constraints and possibly conflicting stakeholder goals. As a recent implementer of a QRS, Louisiana is positioned to instigate these and similar lessons learned in states with more established programs. Doing so will only serve to facilitate QRS
progress. Partnership and knowledge-sharing with Oklahoma, North Carolina, Pennsylvania, and other 
QRS states will further benefit Louisiana’s quality improvement interests. Partnerships of this sort will not 
only serve as platforms for information exchange, but could also present new avenues for funding and 
research. By framing child care as an issue of economic development, especially in New Orleans, Louisiana 
could do more to make its unprecedented QRS-related tax credits and incentives readily accessible. This is, 
and should continue to be, a focus of Success By 6’s QRS outreach initiative.

**Opportunities for Future Research**

In addition to opportunities for improvement, elements of *Quality Start* may pose a challenge going 
forward. As Louisiana pursues professional development and staff education as a primary component of 
quality, it must be careful to find a balance between rewarding educational attainments, while not 
discounting the value of experience of industry veterans. In the area of industry improvement, there is an 
important perspective that remains undocumented: that of the child care worker in Louisiana. There is 
opportunity to better understand the child care worker’s perspective on barriers to retention in the 
workforce and to increasing staff qualifications. As has been done in states like Oklahoma, it would 
behoove Louisiana to conduct focus groups with child care workers in both Quality Start participating and 
non-participating centers in order to better identify opportunities for program improvement. This might 
prove to be particularly useful in developing a professional development system that takes into 
consideration the concerns of those whose employment opportunities may be affected by QRS 
requirements. It may also provide an opportunity appropriate supports for non-traditional learners to 
succeed.

Our findings indicate that many QRS programs do not explicitly target compensation as a component of 
quality. Louisiana may benefit from an exploration of compensation initiatives that are coordinated outside 
of, but are run in conjunction with the QRS. Determining types of strategies most applicable to Louisiana
may be an area of future research that SB6 may elect to pursue. Similarly, our research revealed states who have effectively addressed the aforementioned challenges endemic to the child care industry in ways other than QRS programs. Our task was to focus on states that were pioneers of QRS; however, it would be useful to examine what non-QRS states are doing to promote workforce stabilization and high quality care. Examination of strategies in states such as California, Washington, and New York may offer additional insights and applications for Louisiana to consider. While our focus has been on retention, there is an entire body of work that addresses recruitment of qualified staff. While strategies for retention can also increase the capacity for recruitment, a review of efforts with the primary objective of recruitment could prove useful as well. This too may be an area of future research for SB6.

Other opportunities for funding include the recent passing of the federal American Recovery and Reinvestment Act of 2009. While not something we explored in the context of this report, we have found other reports discussing the use of stimulus dollars to fund QRS-related programming and incentives (for example, see Build Initiative, 2009).
### Appendices

#### A1. List of Tables, Figures, Images by Chapter

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<td>4</td>
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<td>At a Glance: Hurricane Katrina in New Orleans</td>
<td>Bostic &amp; Molaison, 2006</td>
</tr>
<tr>
<td>4</td>
<td>Table 4.1</td>
<td>Mean &amp; Median Hourly Wages for Child Care Workers</td>
<td>BLS, 2007</td>
</tr>
<tr>
<td>4</td>
<td>Table 4.2</td>
<td>Demographic Category Comparison: Louisiana v. National Averages</td>
<td>Nagle &amp; Terrell, 2005</td>
</tr>
<tr>
<td>4</td>
<td>Table 4.3</td>
<td>Child Care Facilities in New Orleans v. Louisiana</td>
<td>Nagle &amp; Terrell, 2005</td>
</tr>
<tr>
<td>4</td>
<td>Figure 4.1</td>
<td>Child Care Centers Reopened Since Katrina</td>
<td>Brookings Institution, August 2008</td>
</tr>
<tr>
<td>4</td>
<td>Image 4.1</td>
<td>Kitchen at Happy Kids Preschool</td>
<td>Courtesy Dr. Deborah Joy Irabor, Ed.D, Vice President/Executive Director Happy Kids Preschool</td>
</tr>
<tr>
<td>4</td>
<td>Image 4.2</td>
<td>Yard at Happy Kids Preschool</td>
<td>Courtesy Dr. Deborah Joy Irabor, Ed.D, Vice President/Executive Director Happy Kids Preschool</td>
</tr>
<tr>
<td>4</td>
<td>Table 4.4</td>
<td>Louisiana Quality Start</td>
<td>Louisiana QRS, 2009</td>
</tr>
<tr>
<td>4</td>
<td>Table 4.5</td>
<td>QRS in Louisiana</td>
<td>Louisiana QRS, 2009</td>
</tr>
<tr>
<td>5</td>
<td>Table 5.1</td>
<td>Side by Side Comparison: OK v. LA</td>
<td>NACCRRRA, 2009</td>
</tr>
<tr>
<td>5</td>
<td>Table 5.2</td>
<td>QRS in Oklahoma</td>
<td>OKDHS, 2009</td>
</tr>
<tr>
<td>Chapter</td>
<td>Figure, Table, Image #</td>
<td>Title</td>
<td>Source</td>
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<tr>
<td>5</td>
<td>Figure 5.1</td>
<td>Understanding Oklahoma Star Rating Qualification</td>
<td>Created by E. Gibbons, based on data from OKDHS, 2009</td>
</tr>
<tr>
<td>5</td>
<td>Figure 5.2</td>
<td>Oklahoma Professional Development Ladder</td>
<td>OKRHE, 2009: Available at <a href="http://www.okhighered.org/scholars">www.okhighered.org/scholars</a></td>
</tr>
<tr>
<td>6</td>
<td>Table 6.1</td>
<td>Side by Side Comparison – North Carolina &amp; Louisiana</td>
<td>NACCRRRA, 2009</td>
</tr>
</tbody>
</table>
### A2. Interviewees

<table>
<thead>
<tr>
<th>Interviewee(s)</th>
<th>Interviewer(s)</th>
<th>Time/Date/Location</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joycelyn Jenkins, Community Impact Manager, Success by 6, UNWOGA</td>
<td>Eugenia Gibbons, Maggie Husak, Sherise Smith</td>
<td>9am, March 13, 2009 Betsy's Pancakes, New Orleans, LA</td>
<td>RE: Current LA ECE Initiatives</td>
</tr>
<tr>
<td>Gilda Duplessis, Director, Gilda's Academy</td>
<td>Eugenia Gibbons, Maggie Husak, Sherise Smith</td>
<td>10:30-11:30am, March 16, 2009 Gilda's Academy, Gilda's office, New Orleans, LA</td>
<td>RE: Problems with Turnover in Child Care Facilities and Current LA ECE Initiatives</td>
</tr>
<tr>
<td>Focus Group: Dr. Deborah Irabor, Director, Happy Kids; Pearlie Harris, Director, Royal Castle; Paula Polito, Director</td>
<td>Eugenia Gibbons, Maggie Husak, Sherise Smith</td>
<td>3:30-4:30pm, March 16, 2009 UNWOGA Conference Room, New Orleans, LA</td>
<td>RE: Problems with Turnover in Child Care Facilities and Current LA ECE Initiatives</td>
</tr>
<tr>
<td>Mr. Mark Lewis, Director of Child Care Services, Oklahoma Department of Human Services, Division of Child Care Services</td>
<td>Eugenia Gibbons</td>
<td>March 25, 2009 March 26, 2009 Email correspondence</td>
<td>RE: Oklahoma QRIS, Reaching for the Stars</td>
</tr>
<tr>
<td>Ms. Jennifer Towel, QRIS Manager, Oklahoma Department of Human Services, Division of Child Care Services</td>
<td>Eugenia Gibbons</td>
<td>March 26, 2009 March 28, 2009 Email correspondence</td>
<td>RE: Oklahoma QRIS, Reaching for the Stars</td>
</tr>
<tr>
<td>Ms. Harriet Dichter, Deputy Secretary, Pennsylvania Office of Child Development and Early Learning</td>
<td>Maggie Husak</td>
<td>4:30-5:30pm, March 27, 2009 Telephone Interview</td>
<td>RE: KeyStone STARS</td>
</tr>
<tr>
<td>Ms. Edith Locke, North Carolina Child Care Services Association, Vice President, Professional Development Initiatives Division</td>
<td>Sherise Smith</td>
<td>2-2:20pm, April 1, 2009 Telephone Interview</td>
<td>RE: T.E.A.C.H. and W.A.G.E.$</td>
</tr>
<tr>
<td>Dr. Richard Fiene, Associate Professor of Human Development &amp; Family Studies, Pennsylvania State University</td>
<td>Maggie Husak</td>
<td>2-2:30pm, April 3, 2009 Telephone Interview</td>
<td>RE: KeyStone STARS Evaluation</td>
</tr>
<tr>
<td>Interviewee(s)</td>
<td>Interviewer(s)</td>
<td>Time/Date/Location</td>
<td>Topic</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
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<td>--------------------------------------------------------</td>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>Ms. Pamela Haines, Public Policy Director, Delaware Valley Association for the Education of Young Children</td>
<td>Maggie Husak</td>
<td>2:30-3:30pm, April 3, 2009 Telephone Interview</td>
<td>RE: QUEST advocacy network</td>
</tr>
<tr>
<td>Ms. Sue Russell, President, Child Care Services Association</td>
<td>Sherise Smith, Maggie Husak</td>
<td>4:30-6pm, April 7, 2009 Telephone Interview</td>
<td>RE: T.E.A.C.H. and W.A.G.E.$</td>
</tr>
<tr>
<td>Ms. Terry Casey, President and Ms. Laurie Litz, Vice-President/T.E.A.C.H. Director, Pennsylvania Child Care Association</td>
<td>Maggie Husak</td>
<td>2-2:30pm, April 9, 2009 Telephone Interview</td>
<td>RE: Implementation of T.E.A.C.H. model in Pennsylvania</td>
</tr>
<tr>
<td>Ms. Cindy Bishop, Executive Director, Child Care Association of Louisiana</td>
<td>Maggie Husak</td>
<td>4-4:45pm, April 18, 2009 Telephone Interview</td>
<td>RE: Child Care Association of Louisiana</td>
</tr>
</tbody>
</table>
A3. Glossary of Acronyms

BLS - Bureau of Labor Statistics
CCDF - Child Care Development Fund
CCDBG - Child Care Development Block Grant
CCW - Center for the Child Care Workforce
CDA - Child Development Associate Credential
CECPD - Center for Early Childhood Professional Development
ECE - Early Childhood Education
ECCO - Early Childhood Collaborative of Oklahoma
ERS - environmental rating scale
IRB - Institutional Review Board
FCDCH - Family Child Day Care Home
NACCRRA - National Association of Child Care Resource and Referral Agencies
NAEYC - National Association for the Education of Young Children
NCCIC - National Child Care Information (and Technical Assistance) Center
OCDEL - Office of Child Development and Early Learning (Pennsylvania)
OKDHS - Oklahoma Department of Human Services
OKCCERRA - Oklahoma Child Care Resource and Referral Association
OSRHE - Oklahoma State Regents for Higher Education
PACCA - Pennsylvania Child Care Association
QRS or QRIS - "quality rating system" or "quality rating and improvement system"
QUEST - Quality Education through Salaries and Training
REWARD - Success by 6
SB6 - Success by 6
SRL - North Carolina's Star Rated License
STARS - Standards, Training/Professional Development, Assistance, Resources, and Support
T.E.A.C.H. - Teacher Education and Compensation Helps
UWGNOA - United Way for the Greater New Orleans Area
A4. Direct v. Indirect: State Strategies for Improving Compensation for Child Care Workers

Eric C. Twombly et al. (2001) categorize the variety of state-wide strategies employed to increase compensation for child care workers as either “indirect” or “direct.” Indirect strategies “sidestep the issue of low wages in the child care industry” and include initiatives that provide education and professional development opportunities (such as scholarship, loan-forgiveness programs, mentoring and apprenticeship programs) or increase revenue for centers (such as improvements to reimbursement rates), all of which serve to build capacity in the childcare workforce (p6). “Indirect strategies often function over on the ‘trickle-down’ principle, that is, wages or employee benefits may accrue to workers over time, but the connection between the implementation of the strategy and improved compensation is not immediate” (Twombly et al. 2001, p6).

Direct strategies describe provision of financial rewards and/or benefits to the workforce, are utilized on the premise that they will contribute to the recruitment and retention of qualified staff and thus will have a positive impact on the provision of quality care. Twombly et al. (2001) further assert that it is uncommon for an initiative to have a direct strategy that is not somehow linked to a professional development or training program. They assert, “This dual strategy suggests that, to date, policymakers have been more receptive to arguments about child care quality, access and affordability than to wage equity issues.” (Twombly et al. 2001, p18) Gable et al. (2007) concur: “Several states have utilized their career development systems as an anchor for other quality improvement activities, such as compensation incentive programs. Considering what is known about wages and turnover among the helping professions, efforts to increase workforce members pay” (p. 365).

Marcy Whitebook and Abby Eichberg (2002) feel the above categories are too limiting, and that indirect strategies, while certainly contributing to the earning potential of the childcare workforce and by increasing revenue for child center which may indirectly increase worker wages, these strategies are not truly compensation initiatives. Whitebook and Eichberg discuss these initiatives as “system enhancement initiatives” and they apply the term “compensation initiatives” specifically to wage-increase, benefit, or financial reward programs. Within this category of “compensation initiatives,” they distinguish between programs that provide facilities the financial rewards for distribution to workers and those that give supplements or wage increases directly to the staff member. They further distinguish between programs that provide a periodic financial reward (which they refer to as an “add-on” as opposed to an actual salary increase) and programs that ensure a permanent wage improvement.

Our point is not to diminish the importance of financial reward programs; in some political climate and delivery systems…they may be the most politically feasible option for addressing child care workers’ compensation….Yet, if the long-term goal of the movement for better child care jobs and services is to be met, policy interventions to increase child care workers’ income
will ultimately need to be delivered in a more dependable and less cumbersome form, as predictable, ongoing income (2002, p 9).

Whitebook and Eichberg (2002) also touch on the complexity involved with designing an appropriate state-wide mechanism for recruiting and retaining qualified workers. Factors to consider include: the heterogeneity of stakeholder interests/conflicting goals, the primary objective of the program, the nature of opposition, the target population, and the level and type of resources. For example, if there is no consensus among stakeholders, there can be a struggle for who holds the reigns in program design: “…most of the existing programs have the objective of enhancing the skills and the stability of the child care workforce. Advocates who are more focused on child development concerns are likely to place greater emphasis on the link between educational qualifications and compensation. Others may view the low wages of child care workers from a perspective of economic justice, and, as a result, their focus may lean toward rewarding establishing a living wages with a greater emphasis on tenure and experience” (Whitebook and Eichberg, 2002, p15). The level and type of funding also have a major impact on program development. Often, periodic financial stipends or awards are chosen over permanent wage increases; as such increases may not be feasible in the long term (Whitebook and Eichberg, 2002). As well, insufficient funding can pose a problem. “Although many of the initiatives have budgets in the millions of dollars, these funds can easily be insufficient when the cost of granting substantial financial rewards or salary increases to child care workers is calculated” (Whitebook and Eichberg, 2002, p18). Twombly et al. (2001) also recognize the significant role that executive leadership and advocacy organizations play in the successful implementation of strategies.

Whitebook and Eichberg (2002) offer a number of ways to evaluate the success of these initiatives. Obvious measures include decrease in rates of turnover and increase in education and training levels of practitioners, both of which contribute to increase in quality of care. Other less obvious measurements of success involve the extent to which efforts build public awareness and commitment to issues surrounding quality care. This may serve to build continued momentum and political support, and the extent to which these efforts build capacity within the field to foster “articulate practitioners” to gain a seat at the table in policy-making.
## A5. Compensation Initiatives in Oklahoma, Pennsylvania, North Carolina, Louisiana

<table>
<thead>
<tr>
<th>State</th>
<th>Initiative</th>
<th>Sources</th>
<th>Objective(s)</th>
<th>Funding Stream</th>
<th>Coordination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oklahoma</td>
<td>R.E.W.A.R.D.</td>
<td>Sources: Center for Early Childhood Professional Development, <a href="http://www.cecpd.org/reward_oklahoma/rewardfaq.php">link</a>; Oklahoma Child Care Service, REWARD Oklahoma Program Overview, <a href="http://www.cecpd.org/reward_oklahoma/updates.php">link</a></td>
<td>- Reduce turnover. &lt;br&gt;- Ensure continued education of practitioners. &lt;br&gt;- Support wages of child care professionals who contribute to attaining the above.</td>
<td>OK Department of Human Services, Oklahoma Child Care Services</td>
<td>Center for Early Childhood Professional Development</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>Education &amp; Retention Award</td>
<td>Source: Pennsylvania Early Learning Keys to Quality, <a href="http://www.pakeys.org">link</a></td>
<td>- Reduce turnover &lt;br&gt;- Improve the education of early childhood professionals &lt;br&gt;- Increase quality</td>
<td>Office of Child Development and Early Learning</td>
<td>Office of Child Development and Early Learning</td>
</tr>
<tr>
<td>North Carolina</td>
<td>W.A.G.E.$</td>
<td>Source: Child Care Services Association website, <a href="http://www.childcareservices.org/ps/wage.html">link</a></td>
<td>- Reduce turnover of qualified staff &lt;br&gt;- Rewards teacher education and continuity of care</td>
<td>NC Division of Child Development &amp; Smart Start</td>
<td>Child Care Services Association</td>
</tr>
<tr>
<td>Louisiana</td>
<td>School Readiness Tax Credits</td>
<td>Source: Quality Start, <a href="http://www.qrslouisiana.com/">link</a></td>
<td>- Reduce turnover of qualified staff</td>
<td>Department of Revenue (less revenue)</td>
<td>Department of Social Services, Department of Revenue</td>
</tr>
<tr>
<td>How Related to QRS</td>
<td>Must be in QRS center above 1 Star.</td>
<td>Must be in QRS center least 2 Star.</td>
<td>Must be in a licensed facility (which automatically means participation in QRS in NC), but not dependent on Star level</td>
<td>Must work for a participating QRS center, but not dependent on Star level</td>
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<tr>
<td>Additional requirements for participation</td>
<td>Earn less than $15.50 per hour.</td>
<td>Earn less than $35,000 per year or $17 an hour</td>
<td>Must work at least 10 hours week at a licensed child care facility.</td>
<td>Tiered according to educational attainment - linked to early childhood education career ladder.</td>
<td></td>
</tr>
<tr>
<td>Have Oklahoma Registry Professional Development Ladder Certificate, Level 3 or above.</td>
<td>Work a minimum of 30 hours per week.</td>
<td>Have a CDA, AA or BA in Early Childhood Education (Tiered according to educational attainment)</td>
<td>Must have some form of child care credential or education beyond a high school diploma. Tiered according to educational attainment.</td>
<td>Must be enrolled in state early care and education practitioner registry.</td>
<td></td>
</tr>
<tr>
<td>Distribution</td>
<td>Directly to practitioners</td>
<td>Distribution via center director.</td>
<td>Directly to practitioners.</td>
<td>Decreases amount of taxes owed, is refundable.</td>
<td></td>
</tr>
<tr>
<td>Commitment period</td>
<td>Meet initial commitment period of 1 year and ongoing periods of 6 months in the same facility.</td>
<td>Must have been employed at site for at least 12 month.</td>
<td>Must have worked at site for at least 6 months.</td>
<td>Must have worked at site for at least 6 months.</td>
<td></td>
</tr>
<tr>
<td>Amount</td>
<td>Salary supplements range from $400 to $2000 per year.</td>
<td>Awards range from $600 to $4120 per year</td>
<td>Salary supplements range from $450 to $1500 per year.</td>
<td>Tax credits range from $1500 to $3000 per year.</td>
<td></td>
</tr>
</tbody>
</table>
References


MEMORANDUM OF UNDERSTANDING
TUFTS UNIVERSITY FIELD PROJECTS TEAM NO. 9
AND
SUCCESS BY 6 & UNITED WAY FOR THE GREATER NEW ORLEANS AREA

I. Introduction

Project number: 9
Project title: Improving Child Care in Louisiana by Enhancing the Educational and Economic Prospects of the State’s Child Care Workers
Clients: United Way for the Greater New Orleans Area & Success by 6

This Memorandum of Understanding (the “MOU”) summarizes the scope of work, work product(s) and deliverables, timeline, work processes and methods, and lines of authority, supervision and communication relating to the Field Project identified above (the “Project”), as agreed to between (i) the UEP graduate students enrolled in the Field Projects and Planning course (UEP-255) (the “Course”) offered by the Tufts University Department of Urban and Environmental Policy and Planning (“UEP”) who are identified in Paragraph II(1) below (the “Field Projects Team”); (ii) Success by 6 & the United Way for the Greater New Orleans Area, further identified in Paragraph II(2) below (the “Client”); and (iii) UEP, as represented by a Tufts faculty member directly involved in teaching the Course during the spring 2009 semester.

II. Specific Provisions

(1) The Field Projects Team working on the Project consists of the following individuals:

1. Eugenia Gibbons email address: Eugenia.Gibbons@tufts.edu
2. Maggie Husak email address: Margaret.Husak@tufts.edu
3. Sherise Smith email address: Sherise.Smith@tufts.edu

(2) The Client’s contact information is as follows:
Client name: Success by 6 & United Way for Greater New Orleans Area
Key contacts/supervisors:
Joycelyn L. Jenkins, Impact Manager
Success by 6
Tel: 504/827-6857
Cell: 504/723-2142
Email: joycelynj@unitedwaynola.org
The goal of the Project is to investigate strategies of worker retention/workforce stabilization.

The Client has identified workforce stabilization as integral in improving the quality of care and early education provided in Louisiana. The Tufts Field Project Team will work with the Client to analyze two issues relating to child care workers across the state of Louisiana:

i. The potential for improving education and training available to child care providers in an effort to establish a more qualified labor pool.

ii. The potential for making salaries for certified child care workers in Louisiana more competitive.

Recognizing that workforce stabilization contributes to high quality care, the Tufts Field Project Team will assist the Client in advancing its understanding of what other states have done or are doing to effectively implement policies that promote worker retention. The Team will examine methods of incentivizing workers as well as strategies of financing such programs. The analysis will include, but is not limited to policies addressing adequate compensation of child care workers with advanced degrees; various approaches to workforce training/professional development; and how (or whether) other states use federal Child Care Development Block Grant funding to support child care worker salaries.

The methods and processes through which the Field Projects Team intends to achieve these goals are:

- Research states that were early adopters of a quality rating and improvement system (QRIS). Research will include case study review of at least three (3), but
up to five (5) states identified by Success by 6 as early adopters of QRIS: Oklahoma, Colorado, North Carolina, Pennsylvania, and Ohio.

- Data collected will include descriptions of the professional child care system (if one exists) and plans to implement an early child care system that supports an educated workforce of teachers (i.e., those having advanced degrees) who receive competitive salaries.

- Group will determine/review factors identified as important in stabilizing the child care workforce (i.e. professional development, competitive compensation, inclusion of benefits, types of benefits, etc).

- Comparative analysis will investigate execution of retention programs, with emphasis placed on implementation issues, potential costs, and lessons learned.

- Confer with individuals with applicable experience such as analyzing government budgets, developing worker retention policies, and administering or participating in publicly-funded child care worker training/professional development programs.

- Related review of existing academic literature and related resources concerning child care worker retention and relevant strategies.

- Develop a survey to examine the importance of increased compensation and education/training to child care workers in Louisiana in relation to job retention.

(5) The work products and deliverables of the Project are (this includes any additional presentations for the client):

A final report containing the following:

- Best practice/case study analysis of at least three (3), but up to five (5) other states, examining child care worker retention strategies, including specifics of approaches, funding strategies, and applicable lessons learned.

- Review of available literature discussing primary factors contributing to child care worker retention.

- The Team will provide the Client with results gleaned from a thorough analysis/literature review, as well as a series of recommendations based on that analysis, which when coupled with the Client’s expertise of Louisiana’s needs, will allow the Client to assess and determine which recommendations are most applicable to the Greater New Orleans Area and in the State of Louisiana.
• A survey of the type described above.

(6) The anticipated Project timeline (with dates anticipated for key deliverables) is:

- February 13, 2009: Two page conceptual outline
- February 23, 2009: Comprehensive outline of report
- March 4 or 11, 2009: Oral presentation to class regarding result to date
- March 13-20, 2009: Site visit (including facilitating survey)
- April 3, 2009: First draft of report due
- April 14, 21, or 28, 2009: Final presentation in class, date to be determined
- May 1, 2009: Final Report Due

(7) The lines of authority, supervision and communication between the Client and the Field Projects Team are (or will be determined as follows):

• All email communication, which will constitute the majority of the Field Projects Team to Client communication, goes through Eugenia Gibbons.
• Phone communication takes place as needed via a conference number.
• Draft deliverable will be emailed to the Client and returned via email or fax as necessary.
• Todd Battiste and Joycelyn Jenkins jointly oversee the Project.
• Rachel Bratt and Chrissy Ungaro supervise the Course.

(8) The understanding with regard to payment/reimbursement by the client to the Field Projects Team of any Project-related expenses is as follows:

• The Client will book and pay for the Field Projects Team’s accommodations during the site visit.
• Field Projects Team is responsible for booking flights for site visit, as well as out of pocket expenses such as ground transportation and meals – up to $2000 of which will be reimbursed by UEP upon return from site.
• All other Project-related expenses incurred by Field Projects Team members will be reimbursed by UEP up to $100.

III. Additional Representations and Understandings

A. The Field Projects Team is undertaking the Course and the Project for academic credit and therefore compensation (other than reimbursement of Project-related expenses) may not be provided to team members.

B. Because the Course and the Project itself are part of an academic program, it is understood that the final work product and deliverables of the Project (the “Work Product”) – either in whole or in part – may and most likely will be shared with others inside and beyond the Tufts community. This may include, without
limitation, the distribution of the Work Product to other students, faculty and staff, release to community groups or public agencies, general publication, and posting on the Web. Tufts University and the Field Project Team may seek and secure grant funds or similar payment to defray the cost of any such distribution or publication. It is expected that any issues involving Client confidentiality or proprietary information that may arise in connection with a Project will be narrow ones that can be resolved as early in the semester as possible by discussion among the Client, the Field Projects Team and a Tufts instructor directly responsible for the Course. It is also understood that the Client will likely distribute the Work Product to local and/or state agencies and other interested parties at their own cost. Distribution by the Client requires notification via email to all three parties of the Field Projects Team.

C. The Field Projects Team retains ownership of the final deliverable and all related notes and data. The Client may request permission to access to notes and research data, at which time the Field Projects Teams may choose to grant permission for access. The Client may not alter text within the final report, but may choose to cite the final Work Product in any new reports the Client chooses to create.

D. It is understood that this Project may require the approval (either through full review or by exemption) of the Tufts University Institutional Review Board (IRB). This process is not expected to interfere with timely completion of the project.
IV. Signatures

For Success by 6 & United Way for the Greater New Orleans Area
By: Joycelyn Jenkins
Date: ___________, 2009

Representative of the Field Projects Team
By: Eugenia Gibbons
Date: ___________, 2009

Tufts UEP Faculty Representative
By: Rachel Bratt
Date: ___________, 2009
Re: IRB Study # 0903017
Title: Improving Child Care in Louisiana by Enhancing the Educational and Economic Prospects of the State's Child Care Workers
PI: Eugenia Gibbons
Co-Investigator(s): Margaret Husak, Sherise Smith
Faculty Advisor: Rachel Bratt
IRB Review Date: 3/13/2009

March 16, 2009

Dear Eugenia,

I have reviewed your Application for Exempt Status for the above referenced study. This study qualifies as exempt from review under the following federal guidelines:

Exempt Category 2 as defined in 45 CFR 46.101 (b). For complete details please visit the United States Department of Health and Human Services Office (DHHS) for Human Research Protections (OHRP) website at:
http://www.hhs.gov/ohrp/humansubjects/guidance/45cfr46.htm#46.101

Any changes to the protocol or study materials that might affect the exempt status must be referred to the Office of the IRB for guidance. Depending on the changes, you may be required to apply for either expedited or full review.

If you have any questions, please contact the Office of the IRB at (617) 627-3417.

Sincerely,

Yvonne Wakeford, Ph.D.
IRB Administrator