



Vermont Child Care: Wages, Benefits and Credentials

Report of Findings

Prepared for:
Child Care Services Division
Department of Social and Rehabilitation Services
Vermont Agency of Human Services

Prepared by:
Research Partners

December 2002

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An abridged report based on research completed by:
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Vermont Child Care A Report on Wages, Benefits and Credentials

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Introduction

In July 2002, the Child Care Services Division (CCSD), Vermont Department of Social and Rehabilitation Services (SRS), Agency of Human Services (AHS) commissioned RESEARCH PARTNERS, a division of Marketing Partners, Inc., to conduct a survey of Vermont's regulated child care providers. In recent years, CCSD has conducted similar surveys biennially.

Purpose

The overarching purpose of this research is to provide CCSD with an update and new perspectives on the state's child care sector. The specific objectives are to profile anew, and identify changes since the 2000 survey, if any, to answer these research questions:

- What are the qualifications, wages, benefits, and working conditions of child care providers?
- What are the characteristics of the licensed child care centers and registered family child care homes where they work?
- What changes, if any, have occurred since the 2000 survey?

The research design included quantitative data collection and analysis. Primary data were collected through a survey of all regulated child care providers in the state. The findings of this study present a snapshot of the current regulated child care workforce, and in combination with the 2001 *Mills & Pardee, Inc., Goodman Research Group, Inc., and Windham Child Care Association Survey Report*, can provide an opportunity to identify emerging patterns of change.

For additional information related to this and previous reports, contact the Child Care Services Division at 802-241-3110, or 1-800-649-2642.

Child Care Wage, Benefit & Credentials Survey

In order to address the identified research questions, RESEARCH PARTNERS conducted a quantitative study of Vermont's child care sector from July to November 2002. The study included a statewide survey, by mail, of all regulated child care providers.

A quantitative method of data collection and analysis was used to understand the child care sector broadly, as well as to facilitate comparison with previous surveys.

Development of survey questionnaire

Instruments used in past provider surveys were reviewed and discussed on August 14, 2002, with Kim Keiser and Ruth Matthews (CCSD), and representatives from Research Partners. Building on the most recent study, two new survey instruments were developed, one for child care centers, and one for family child care homes.

The survey instruments consisted of pre-coded multiple choice, yes/no, and fill-in-the-blanks questions. In order to increase the rate of response, the survey items were constructed to make responding as easy as possible. Questions were written on a 6th grade reading level to avoid confusion. Definitions, examples, and a toll-free telephone support line were also used prominently on the survey to address varying levels of comfort with questionnaires.

Categories of questions included several aspects of program operations, such as weeks open, accreditation status, staffing, and education, as well as provider profiles, including qualifications, wages and benefits.

Field testing

The new survey instruments were field tested before use. The pre-tested survey instruments were reviewed and approved by Kim Keiser and Ruth Matthews, of CCSD.

Orientation to survey

A letter from Kim Keiser, the director of CCSD, was sent a few days prior to distribution of the surveys, orienting caregivers to the purpose and process of the study, and urging their participation.

Incentive program

To encourage response by providers throughout the state, two drawings for prizes were offered to child care programs that submitted their survey by stated deadlines. Providers were able to choose from selected items of quality child care equipment, e.g., a double stroller, playhouse theater, and giant interlocking soft blocks.

- Drawing #1 was for the winner's choice of two prizes, valued at approximately \$500.
- Drawing #2 was for the winner's choice of one prize, valued at approximately \$250.

Distribution of surveys

On September 16, 2002, a total of 1,876 survey packets were mailed to all regulated child care programs in the state: 589 licensed child care centers, and 1,287 registered family child care homes. Each survey packet included a cover letter, survey form, prize entry form, and a postage-paid envelope.

On October 15, 2002, a second survey was sent to programs that were still providing child care but did not respond to the initial mailing. On November 14, 2002, a third survey was sent by priority mail to those not yet responding.

Collection and tracking of completed surveys

As surveys were returned, program identification numbers and dates of receipt were entered into a database. By the initial deadline for return, 933 survey responses were postmarked which represents 40% (235) of licensed child care centers and 54% (698) of registered family child care homes.

To increase the rate of response, a reminder postcard, a second and then a third mailing was sent to non-responders. Additional follow-up was done by telephone by members of the research team. Calls were made to 857 non-responders.

The final response rate was unusually high. As of December 6, 2002, 74% (433) of licensed centers and 73% of registered family child care providers (900) had participated.

A reminder that in spite of the high rate of response to this survey, the results are based on that sample, not a true 100%, and is therefore not inclusive of the entire child care provider population. Rather, the results represent approximately three out of four of the providers in this labor market, and are certainly a strong indication of the realities for all Vermont providers.

Due to the complexity of the data entry process and project deadlines, surveys returned after December 6 could not be included in the data analysis. A flow chart of the survey distribution, collection and tracking can be found in the Appendices.

Data entry and preliminary analysis

Code books for the Survey of Licensed Child Care Centers and the Survey of Registered Family Child Care Providers were developed. To insure inter-rater reliability, two steps were taken: 1) the project manager trained the data entry staff in how to use the code book, and 2) during each work session, each staff member coded either the center version or the family provider version of the survey, but not both.

Data entry staff also referred to a detailed data entry instruction set which included frequently asked questions and rules for handling "anomalies." Because the data entry procedure was quite complex, data were checked frequently during the data entry phase. Few errors were found, indicating a high degree of accuracy in the coding/entering process. The data were also cleaned after a first run of frequencies to resolve any stray data entry errors.

Research Results

Profile of Participating Providers

The findings that follow in this report are based on responses from 433 child care centers and 900 family child care providers. These are response rates which represent 74% of Vermont's licensed centers and 73% of Vermont's registered family child care homes.

Table 1 outlines the distribution of responses by county. It is evident that Chittenden County comprises the largest percentage of the samples (26% and 18% respectively) in these two categories of regulated care. For licensed child care centers, the survey results combine full-day early childhood programs with part-day programs unless otherwise noted. Whenever possible, multi-site licensed centers are reported separately for each licensed facility.

Table 1: Provider Survey Response By County

County	Licensed Centers		Registered Centers	
	Count	% of Sample (N=397)	Count	% of Sample (N=863)
Addison	24	6%	55	6%
Bennington	28	7%	49	6%
Caledonia	21	5%	50	6%
Chittenden	102	26%	158	18%
Essex	6	2%	14	2%
Franklin	23	6%	105	12%
Grand Isle	3	1%	16	2%
Lamoille	14	4%	37	4%
Orange	16	4%	39	5%
Orleans	12	3%	50	6%
Rutland	30	8%	77	9%
Washington	44	11%	101	12%
Windham	35	9%	46	5%
Windsor	39	10%	66	7%
Total	397	100%	863	100%

Note: Not all respondents who completed the survey answered every question, so there is some variation in the number of responses from one question to another. Throughout this report, the notation "N = #" indicates the number of responses to a particular question.

Work Year

Providers were asked to report how many weeks of the year child care they were open, and for centers, whether they operated on a school-year or full-year schedule.

Nearly all family care providers (93%) are open 50 or more weeks of the year. Centers are more likely to operate for the school-year or other part-year schedule.

Table 2: Weeks per Year Child Care Offered

	Mean	Maximum	Minimum	25 th Percentile	50 th Percentile	75 th Percentile	Valid N
Licensed Centers	44	52	8	38	49	52	N=369
Registered Family Care	50	52	5	50	50	51	N=841

Note regarding percentiles: The three columns in Table 2 identify weeks of operation per year by quartiles (25th, 50th, and 75th percentiles.) The percentiles are the point at which a given number represents that percent of a sample and lower. For example in Table 2, 25% of licensed centers operate for 38 weeks or less, while for registered family care, 25% operate for 50 weeks or less. These figures give some sense of the spread or variation in weeks of operation for licensed centers versus registered family care.

Type of center operation

Licensed centers were asked to indicate their Vermont child care license category(s):

- 51% Full-day early childhood center
- 36% Part-day early childhood center/preschool
- 33% School-age care
- 18% Kindergarten/nursery school
- 8% Head Start/Early Head Start
- 3% Non-recurring care
- 2% Montessori school or Waldorf school

Note: These percentages total over 100% because respondents were given the option to check more than one answer. For example, a full-day early childhood center might serve school-age children in addition to infants, toddlers, preschoolers, and kindergartners.

Centers were also asked to identify the nature of their legal entity:

- 61% Not-for-profit corporation (IRS 501c3)
- 14% For-profit corporation
- 12% Sole proprietor
- 10% Public (school system)
- 3% Other; Partnership

Profile of Licensed Child Care Center Staff

Levels of staff education

Responding centers identified educational levels of staff. Percentages of centers with at least one staff member holding a higher education degree or credential in Early Childhood, or a related field, are listed in Table 3 below.

Table 3: Center Staff Educational Levels

	Percentage and counts of centers with one or more staff members who...			
	completed this certificate/degree: #	completed this certificate/degree: %	in process of completing this certificate/degree: #	in process of completing this certificate/degree: %
Early Childhood Certificate from Community College of Vermont	49	11.3%	-	-
Associate’s degree in early childhood education or related field*	140	32.3%	81	18.7%
Bachelor’s degree in early childhood education or related field*	270	62.4%	74	17.1%
Master’s degree or higher in early childhood education or related field*	132	30.5%	25	5.8%

*Related fields include: early childhood education, human/child development, elementary/secondary education, or psychology. Note: Percentages total over 100%.

Professional development credentials

The vast majority (87%) of responding centers (375) identified whether they had staff members who had completed, or were in the process of completing, a national child care credential. One in four (27%) indicated that one or more staff members hold the Child Development Associate certification (CDA), while an almost equal number (25%) have staff that are in the process of completing the CDA. The Certified Childcare Professional (CCP) certification, available for staff in licensed centers only, is held by one or more staff members in only 3% of these centers, and an additional 2% are in the process of completing the CCP certification.

Hours Worked

Part-day centers reported that their employees work between three and 43 hours per week, with an average of 23 hours per week. Full-time employees of full-day centers work an average of 38 hours per week. On average, part-time employees work 21 hours a week at full-day centers.

Head Teachers and Teachers form the majority of the labor force in all licensed centers. Respondents were asked to report each individual once, at her/his highest position. Refer to Table 4 below for further details.

Table 4: Total Paid Employees

	Full-time paid employees		Part-time paid employees	
	Total # across centers	% centers with at least one	Total # across centers	% centers with at least one
Directors	296	61.4%	72	14.3%
Assistant Directors	81	17.8%	35	7.4%
Head Teachers	416	40.4%	80	12%
Teachers	580	43.2%	187	24.9%
Assistants	283	29.1%	349	37.4%
Education/curriculum coordinators	22	4.8%	11	1.8%
Family/parent coordinator	22	3.9%	14	2.1%
Other educational support staff	66	6%	81	9%
Office staff/administrative assistant	44	8.1%	41	6.9%
Other (e.g. cook, driver, custodian)	57	8.8%	100	12%
Total	1867	-	970	-

Salary and wage information

Respondents reported on salary or wage information for the job titles of center directors, assistant directors, head teachers, and teachers. They were asked to define both *the lowest starting* pay and *highest current* pay. They also had the option of providing this information as either a salary or as an hourly wage, depending upon the pay policy.

If a center filled out the items relating to *salary* (as opposed to *hourly wages*), they were also asked to report the number of months worked. This information allowed for comparison of staff in centers open year-round with those in centers open only during the school year. **Therefore, the salary data in Tables 5–8 are annualized: that is, a salary reported \$15,000 for nine months has been increased to \$20,000 for twelve months.** Tables 9–10 reflect hourly wages.

Note regarding percentiles: The last three columns in Tables 5–8 identify salary levels by quartiles (25th, 50th, and 75th percentiles.) The percentiles are the point at which a given number represents that percent of a sample and lower. For example in Table 5, 25% of Directors are paid \$18,720 or lower. These figures give some sense of the spread or variation in staff salaries in licensed centers.

Table 5: Lowest Annualized Salary For A New Hire in ALL Responding Centers

Position	Total number respondents	Average	25 th percentile	50 th percentile	75 th percentile
Director	107	\$23,294	\$18,720	\$24,900	\$28,500
Assistant Director	26	\$18,283	\$14,151	\$20,400	\$22,483
Head Teacher	65	\$17,617	\$14,750	\$18,720	\$22,459
Teacher	56	\$15,319	\$12,365	\$16,000	\$18,300

Table 6: Highest Annualized Salary For A Current Employee in ALL Responding Centers

Position	Total number respondents	Average	25 th percentile	50 th percentile	75 th percentile
Director	139	\$27,243	\$21,000	\$27,000	\$33,000
Assistant Director	31	\$21,627	\$14,560	\$22,000	\$27,000
Head Teacher	76	\$22,036	\$17,006	\$20,900	\$26,060
Teacher	65	\$20,668	\$14,1667	\$18,720	\$22,500

Table 7: Lowest annualized salary for a new hire in FULL-DAY child care programs

Position	Total number respondents	Average	25 th percentile	50 th percentile	75 th percentile
Director	78	\$24,080	\$20,000	\$24,960	\$27,700
Assistant Director	20	\$20,515	\$19,190	\$20,800	\$23,448
Head Teacher	46	\$18,484	\$15,958	\$18,720	\$22,880
Teacher	40	\$15,926	\$13,938	\$16,320	\$18,200

Table 8: Highest Annualized Salary For A Current Employee in Full-day Child Care Programs

Position	Total number respondents	Average	25 th percentile	50 th percentile	75 th percentile
Director	96	\$28,483	\$23,000	\$27,567	\$33,000
Assistant Director	24	\$23,434	\$20,020	\$22,800	\$27,000
Head Teacher	48	\$22,385	\$19,185	\$21,035	\$25,365
Teacher	47	\$18,542	\$16,640	\$18,720	\$22,000

Table 9: Lowest Hourly Wage for a New Hire

Position	Total number respondents	Average	25 th percentile	50 th percentile	75 th percentile
Director	104	\$11.57	\$10.00	\$11.00	\$12.50
Assistant Director	66	\$10.14	\$8.88	\$9.63	\$10.50
Head Teacher	132	\$9.32	\$8.00	\$9.00	\$10.00
Teacher	167	\$8.65	\$7.50	\$8.50	\$9.50
Assistant	214	\$7.64	\$7.00	\$7.50	\$8.00

Table 10: Highest Hourly Wage for Current Employees

Position	Number of total respondents	Average	25 th percentile	50 th percentile	75 th percentile
Director	121	\$13.85	\$11.75	\$13.18	\$15.50
Assistant Director	70	\$11.98	\$10.00	\$10.50	\$13.89
Head Teacher	138	\$11.22	\$9.50	\$10.50	\$12.00
Teacher	164	\$10.33	\$9.00	\$10.00	\$11.00
Assistant	195	\$8.86	\$8.00	\$8.50	\$9.50

Accreditation and Pay

About one third of the respondents reported that their centers are involved in the National Association for the Education of Young Children (NAEYC) accreditation process, either by holding NAEYC accreditation or by currently performing the self-study required for accreditation. Centers that have NAEYC accreditation are more likely to be not-for-profit.

In addition, 3% reported that their centers are involved in the National School Age Care Association (NSACA) accreditation process, either by holding NSACA accreditation or by currently performing the self-study required for accreditation.

Just under half of the centers do not currently hold any type of accreditation.

Centers with at least one staff member with a bachelor's or a master's degree in early childhood or a related field were more likely to be accredited than centers without a staff member with this level of education.

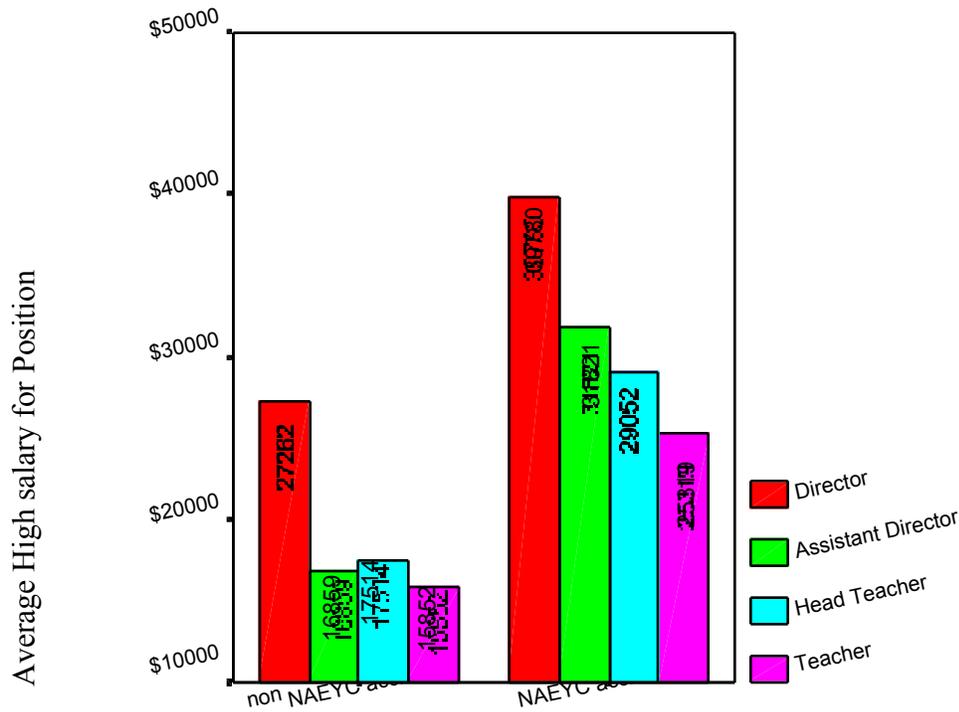
Table 11: Center Accreditation Status

Center Accreditation Status	Percent	Center count
NAEYC accredited	16%	68
NAEYC Self-study	15%	65
NSACA accredited	1%	6
NSACA Self-study	2%	10
Other * accreditation	7%	31
Not accredited	49%	213

* Responses for “other accreditation: can be found in Appendix C: Data Tables. Public schools programs tended to report “other accreditation.”

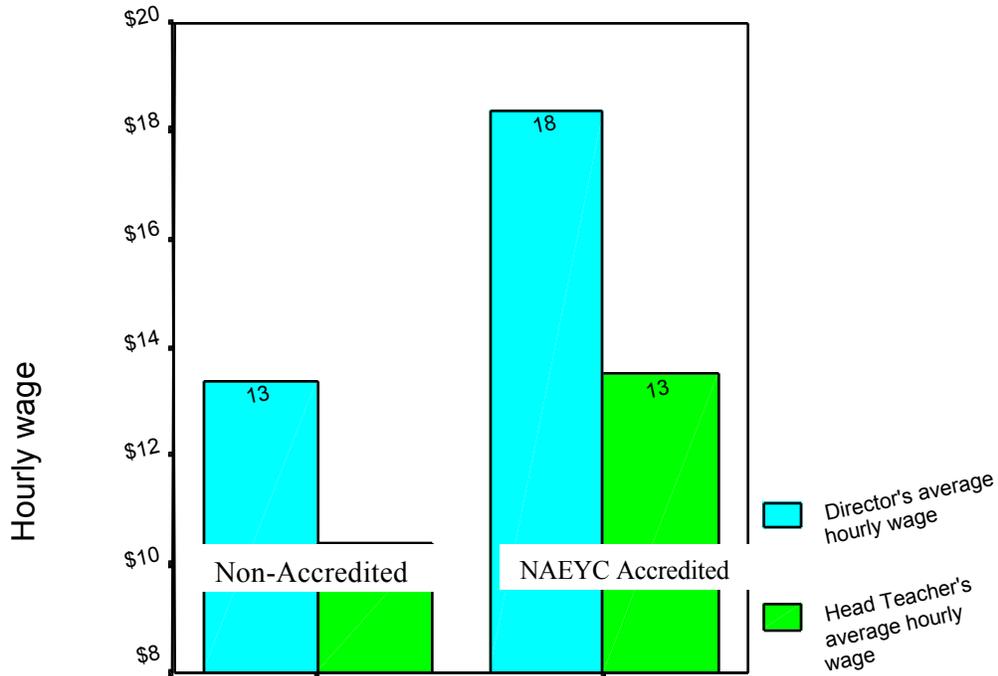
- Salaries are significantly higher at NAEYC accredited centers for directors, assistant directors, head teachers, and teachers. Figure 1 shows the averages of highest current salary by those positions.

Figure 1. Salaries at Accredited and Non-accredited Centers



- *Hourly wages are also significantly higher at NAEYC accredited centers for directors and head teachers. The data show a general trend towards higher pay for the positions of assistant director and teacher as well, but the findings are not statistically significant.*

Figure 2. Hourly High Wage by Accreditation



Differences in pay for employees of non-recurring care centers and employees at other child care centers

Vermont licensed non-recurring child care centers are intended specifically to meet the short-term needs of families arising from tourism, recreation or shopping. The significant differences that emerged between pay for employees at non-recurring care centers and other child care centers were in the hourly pay for assistant directors, head teachers, and teachers. Employees in these three positions at non-recurring care centers are likely to be paid less than their counterparts at other child care centers. Data was not conclusive regarding pay when these three positions are salaried, or for directors who are salaried or paid hourly.

Table 12: Wages In Non-Recurring Care and Regular Care Centers

Average highest hourly wage by position for employee working at:		
	Non-recurring care center	Regular child care center
Director	\$11.78	\$13.94
Assistant director	\$10.25	\$12.17
Head Teacher	\$9.53	\$11.34
Teacher	\$8.69	\$10.43
Assistant	\$7.82	\$8.90

Comparison of wages in Head Start programs, Montessori schools and Waldorf schools, and "typical centers"

Head Start programs tended to pay their employees more than other centers did. This difference was statistically significant for directors' salaries or hourly wages, and teachers' hourly wages. (Note that there was pay rate information provided for assistant directors in Head Start programs.) The average highest annual salary for a director at a Head Start center was \$32,316, while the average highest annual salary for a director at a non-Head Start center was \$28,792. This differential decreased between 1999 and 2001. Table 13 below summarizes the differences in hourly wages.

Table 13: Wages at Head Start and Non-Head Start Centers

Average highest hourly wage by position for employee working at:		
	Head start center	Non-head start center
Director	\$12.94	\$13.89
Assistant director	\$11.25	\$12.00
Head Teacher	\$12.31	\$11.14
Teacher	\$11.84	\$10.18
Assistant	\$9.18	\$8.84

Salaries paid by Montessori and Waldorf schools differed from those of other centers for head teachers only. On average, head teachers at Montessori and Waldorf schools were paid \$27,246 a year, while the highest annual salary of head teachers at other centers averaged \$19,909.

Employee benefits

Two-thirds of responding centers report that their centers offer at least one of eleven possible benefits to employees. The three benefits most frequently offered to full-time employees are paid sick time, reimbursement for professional development, and paid vacation. Half the centers (50%) offer medical insurance to full-time employees. Table 14 outlines the percentages of all centers that offer each benefit to full-time or part-time employees.

Tables 15-16 display data regarding insurance coverage policies for those centers that offer medical or dental insurance to their employees. These show the percentages of centers that pay for full coverage and for partial coverage.

Table 14: Benefits Offered by Centers

	Percentage and count of centers offering benefits to employees working full and part-time			
	Full-time %	Full-time #	Part-time %	Part-time #
Medical insurance	50%	215	16%	69
Dental insurance	30%	131	12%	50
Disability insurance	27%	116	11%	47
Retirement plan	30%	132	13%	57
Paid vacation	56%	241	23%	100
Paid sick time/personal days	64%	277	39%	168
Paid staff break	36%	156	23%	100
Reduced rates for staff's children	42%	183	28%	120
Financial assistance to cover courses for credit	46%	198	29%	125
Financial assistance for in-service workshops, conferences, etc.	60%	259	42%	181
Paid parental leave	15%	66	7%	29

Table 15: Centers' Policies Regarding Medical insurance Coverage

	Full-time employee %	Full-time employee #	Part-time employee %	Part-time employee #
Fully paid for employee only	16%	70	3%	11
Fully paid for employee and dependents	6%	27	1%	3
Partially paid for employee only	16%	70	6%	27
Partially paid for employee and dependents	20%	85	7%	30

Note: Centers offering medical insurance were asked to check all that apply.

Table 16: Centers' Policies Regarding Dental insurance Coverage

	Full-time employee %	Full-time employee #	Part-time employee %	Part-time employee #
Fully paid for employee only	7%	30	1%	6
Fully paid for employee and dependents	6%	24	1%	3
Partially paid for employee only	6%	26	3%	12
Partially paid for employee and dependents	12%	51	4%	17

Staff recruitment

Statewide the majority of respondents (85%) have had to hire staff in the last two years. Of these centers, 69% have had difficulty hiring staff. The reasons cited for difficulty in finding staff to hire were:

- 50% - Lack of certified applicants
- 38% - Lack of competitive salaries
- 30% - Lack of benefits offered
- 9% - Long workday

In the past two years, 37% of respondents reported losing staff to the public school system.

Profile of Registered Family Child Care Providers

Levels of education

Responding providers were asked to indicate the highest level of education they had completed and/or were in the process of completing. Where relevant, they indicated whether their education was in early childhood or a related field. We defined "related field" as elementary or secondary education, psychology, and human/child development.

Nearly all of the providers (96%) have completed at least their high school diploma or GED. Nearly a third (30%) have taken some college courses, while more than one in four (26%) have completed associates, bachelors or masters degrees. Four percent of providers indicate they did not complete high school, an improvement from the 10% without in 2000, and much better than the 14% for adults age 25+ in Vermont, according to the U.S. Census Bureau. In addition, nearly all (95%) have taken workshops and training, of which three out of four (73.8%) were in early childhood and nearly half (45%) were in a related field.

Table 17: Educational Levels Completed or In Process: Family Child Care Providers

Percent to whom it applies	Level of education and type of degree	Field	Number of providers in process
3.8%	Some HS	n/a	n/a
40.2%	HS Diploma/GED	12.5% -Early childhood 6.7% -Related field 25.2% -Non-related field	N=4
29.8%	Some College	38.3% -Early childhood 18.8% -Related field 37.9% -Non-related field	N=29
1%	Early Childhood Certificate from CCV	n/a	N=9
12.4%	Associate's degree	36.8% -Early childhood 16.0% -Related field 51.9% -Non-related field	N=22
11.5%	Bachelor's degree	23.2% -Early childhood 51.5% -Related field 27.3% -Non-related field	N=11
2.2%	Master's degree	31.6% -Early childhood 73.7% -Related field 10.5% -Non-related field	N=5
94.6%	Workshops & trainings	73.8% -Early childhood 44.5% -Related field 10.1% -Non-related field	n/a

Professional development credentials

A fairly small percentage (7%) of family child care providers report having received professional development credentials. Primarily, 6% hold the Child Development Associate certification (CDA), compared to only 1% who hold the National Association of Family Child Care accreditation (NAFCC).

These numbers reflect a slight increase from the 2000 survey. More importantly, the trend is positive with 9% reporting a CDA in process, for a combined total of 15%.

Table 18: CDA Status By County: Family Care Providers

County	CDA Completed	CDA In process	Combined Total
Addison	5	5	10
Bennington	2	5	7
Caledonia	4	7	11
Chittenden	8	17	25
Essex	1	-	1
Franklin	3	14	17
Grand Isle	1	2	3
Lamoille	1	2	3
Orange	2	3	5
Orleans	7	6	13
Rutland	4	6	10
Washington	11	5	16
Windham	1	4	5
Windsor	4	3	7
Total:	54	79	133
Percent	6%	9%	15.4%

N=863

A very limited few respondents hold a certificate from Community College of Vermont or the Certified Childcare Professional certificate (CCP), which is an option for licensed staff only (they would have worked in that setting before becoming a registered family child care home).

Twenty-two percent of providers report currently having an assistant. All but 6% of these assistants have graduated from high school or have a GED, while more than a third (44%) have taken some college courses or hold a college degree. Assistants range from 16 years of age to 78 years of age. Less than 1% of the assistants were reported to have any form of certification.

Relationships between providers' level of education and other variables

There were significant relationships between caregivers' levels of education and other aspects of child care services. Overall, respondents who did not complete high school reported more years of experience in family child care than did other respondents. Respondents with lower levels of education were more likely to work longer hours per week, and more weeks per year than those with higher levels of education.

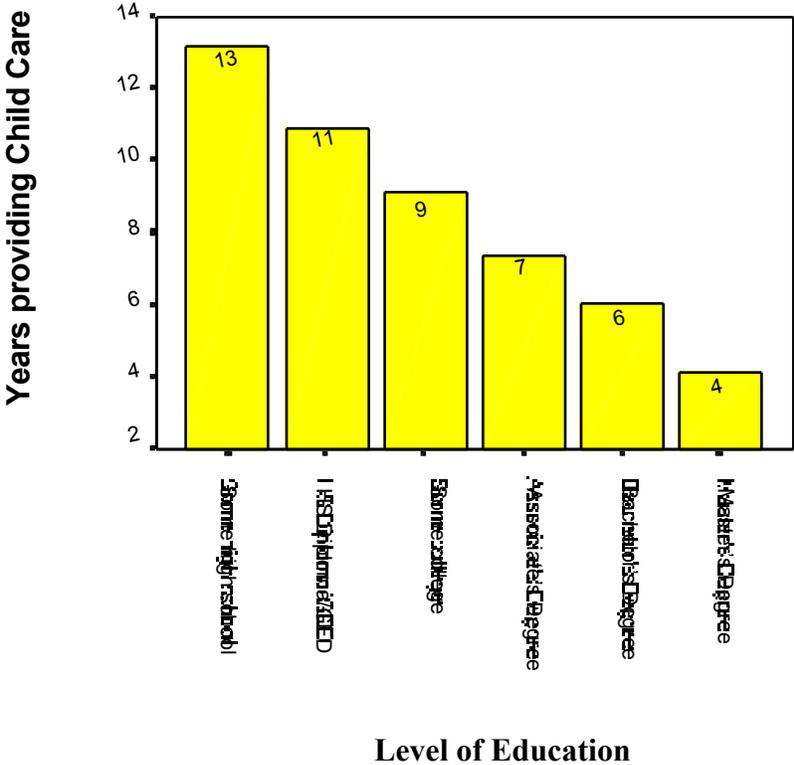
Hours Worked

Family child care providers reported working between six and 93 hours a week, with an average of 57 hours per week. This number includes time they spend preparing and cleaning-up, shopping for supplies, and transporting children, as well as time they spend caring for children directly.

Years of Experience

Responding family child care providers have been providing regulated child care for an average of 9.3 years. The range for family child care is quite wide, from less than a month to 49 years. However, 85% have been family home providers at least one year, while 15% have worked one year or less.

Figure 3. Years of Experience in Child Care in Relation to Educational Level: Family Child Care Providers



Income from providing family child care

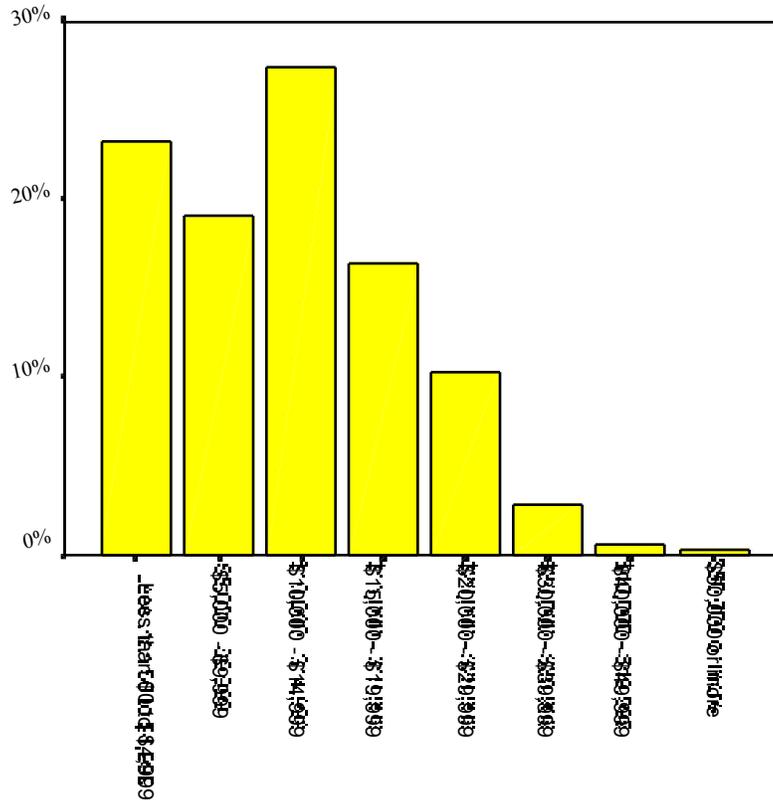
Respondents were asked to indicate their own personal *net income* from providing family child care in 2001. The survey gave the following explanation: "Net income is income after subtracting all your expenses, and before your personal income tax. Example: Jane reported on line 31 of Schedule C of her 2001 federal tax return a net income before taxes of \$11,386. That is an income between \$10,000 and \$14,999." A total of 783 (91%) answered this question. Results are outlined in the following table.

Table 19: Net Personal Income from Providing Family Child Care

2001 Net Income	Percentage and count for net personal income from providing family child care N= 783	
	Percentage of respondents	Number of respondents
Less than \$0 to \$4,999	23%	182
\$5,000 - \$9,999	19%	149
\$10,000 - \$14,999	27%	214
\$15,000 - \$19,999	16%	128
\$20,000 - \$29,999	10%	81
\$30,000 - \$39,999	3%	22
\$40,000 - \$49,999	1%	4
\$50,000 or more	<1%	3

- ***Although income from providing family child care remains quite low, there are signs of improvement. In 2001, less than half of the respondents (42%) had a net income of under \$10,000 from providing family child care, in contrast to well over half (55%) in 1999. Still, only 14% had net earnings of over \$20,000 in 2001, exactly the same percentage as in 1999. Because providers' salaries tended to cluster in the lower ranges, the upper income levels detailed above were consolidated.***

Figure 4. Net Income from Family Child Care 2001



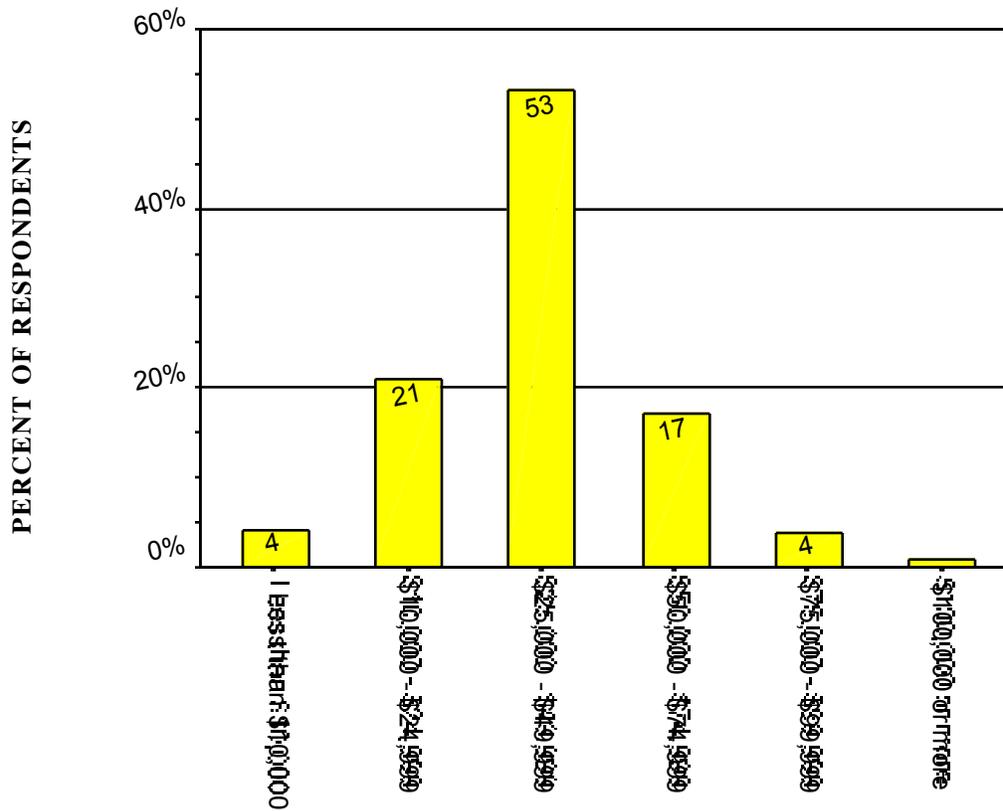
Additional income

In addition to their work as family child care providers, 17% of the respondents work at another paying job. The number of hours per week they work at the second job ranges from 1 to 60, with an average of 15 hours/week. The likelihood of providers having a second job does not appear to be related to their level of income.

Family income

Respondents were asked to check off a category for their total family income in addition to their own net personal income from providing family child care. For families with more than one income, this gives a fuller picture of family child care providers' financial status. The total family household income from all sources ranges from less than \$10,000 to \$100,000 or more. As shown in Figure 5, just over half the providers had family incomes between \$25,000 and \$49,000 in 2001, largely unchanged from 1999.

Figure 5. Total Family Income – 2001



Income and education level

The relationship between net income from family child care and education level is not statistically significant. Income varies widely within each education group with a standard deviation at or near \$8,500. The average incomes by education level are shown in Table 19.

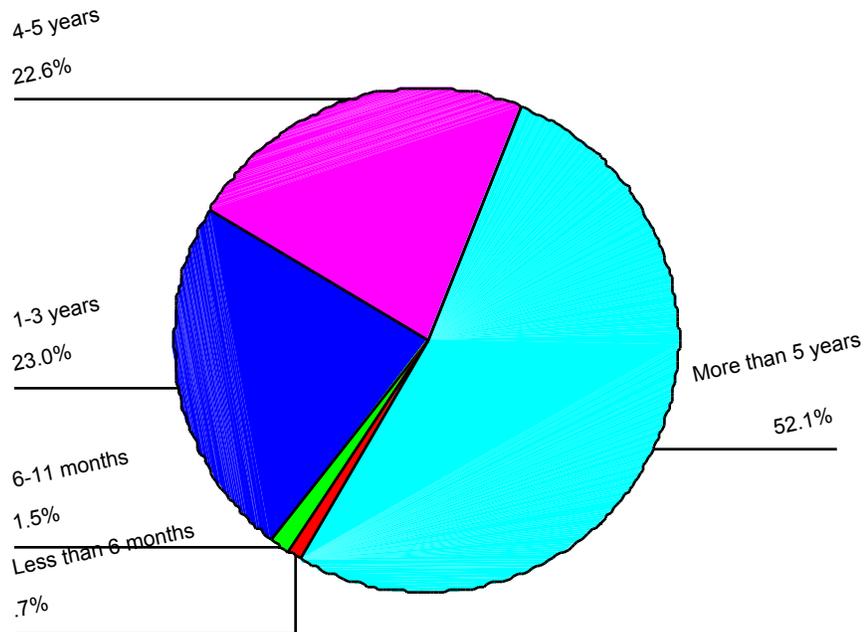
Table 20: Relationship between Net Income and Education Level

	Some HS	HS Diploma/GED	Some College	Associate's	Bachelor's	Master's
Average	\$15,093	\$12,654	\$11,912	\$11,809	\$12,120	\$9,118
Number	33	345	256	106	99	19

Intent to continue providing care

Most providers foresee continuing in their profession for at least another year or more, while just over half (52%) intend to provide family child care more than five years.

Figure 6. Amount of Time Providers Intend to Continue Providing Family Child Care



Insurance benefits

Insurance Other Than Health Insurance

Providers also reported on other business-related insurance. Nearly half have liability insurance and dental insurance (43%), while nearly a quarter have some provisions for retirement, and 11% have disability insurance. No insurance at all was reported by 9% of family providers.

Health insurance

While the vast majority (80%) of providers indicate that they have health insurance, this reflects a significant decrease from the 87% reporting health insurance coverage in 2000. One explanation may be the significant decrease in respondents covered under the Vermont Health Access Program (VHAP) — from 63% as recently as 2000 to 22% in 2002. Another 68% are covered on

their spouse/partner's policy, 8% purchase their insurance themselves, and 3% have other means of obtaining insurance.

Figure 7. Family Child Care Providers Health Insurance and Source

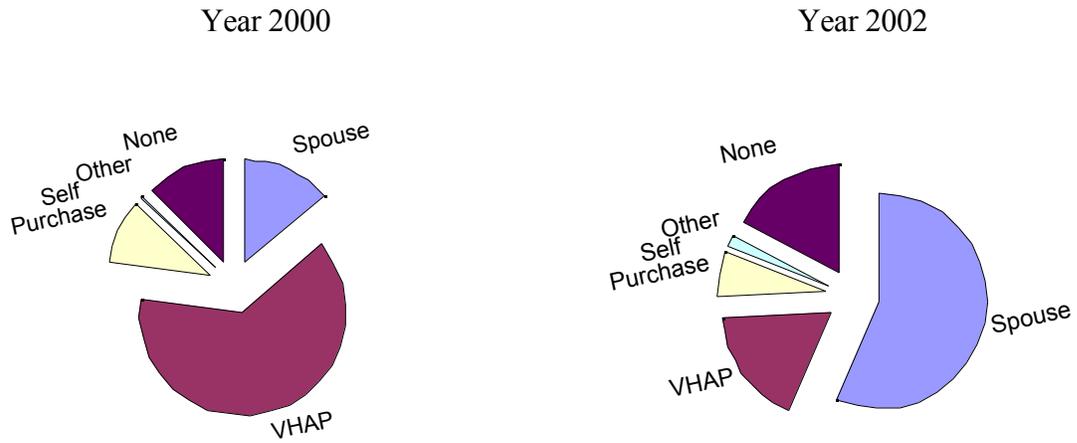


Table 21: Insurance Coverage: Family Care Providers

Type of insurance	Percentage and counts of providers with coverage	
	Percentage %	Count #
Health insurance	80%	715
Dental insurance	43%	389
Liability insurance	48%	429
Disability insurance	11%	99
Retirement plan	23%	202
None of the above	9%	85

Finding:

The profile of Vermont Child Care providers is changing.

- The supply of registered family child care homes is declining, and just over half (52%) intend to continue for 5 years or more.
- The number of licensed, not-for-profit centers is increasing.
- The number of accredited centers is increasing. One third of responding centers are involved in the NAEYC process. Sixteen percent of the centers surveyed are accredited by NAEYC, and 15% are conducting self-studies as part of the accreditation process.
- A large majority of center directors (85%) report that they have had to hire staff members during the past two years.
- Seventy-one percent of center respondents have experienced difficulty in hiring child care staff. A lack of qualified candidates was the cause of this difficulty in 50% of cases, while the lack of competitive salaries (38%), and benefits (30%) were also seen as problematic. It was noted by 37% of respondents that job applicants had been lost to the public school system.

Finding:

Hours worked in child care are long, compensation is low, and benefits are limited.

- Many child care providers do not make a livable income from their work. Only 14% had net earnings over \$20,000 in 2001. Nine percent are operating without any form of insurance.
- Forty-two percent of family child care providers have a net income of less than \$10,000 per year from their work. Although income remains low, there was some improvement from 1999.
- The average lowest hourly wages for a new hire in a licensed center are \$9.32 for a head teacher and \$8.65 for a teacher. The average highest hourly wages for current center staff are \$11.22 (head teacher) and \$10.33 (teacher).
- Only 22% of full-time employees at centers are provided fully paid medical insurance.

- The number of providers with any form of health insurance declined to 80% in 2002 from 87% in 2000. Those with VHAP insurance dropped to 22% in 2002 from 63% in 2000.

Finding:

Most child care providers do not have a college education, or a degree in early childhood or related field.

- Two thirds of providers do not have a college degree. This is comparable to the level for all adults for the state as a whole.
- Nearly all (96%) of providers have a high school diploma or GED. This is higher than the level for the state as a whole.
- Providers with lower levels of education are more likely to work longer hours per week, and more weeks per year than those with higher levels of education.
- Centers with at least one staff member with a bachelor's or master's degree in early childhood or a related field are more likely to be accredited.

Finding:

Accreditation or certification makes a difference for child care providers.

- Salaries are significantly higher at NAEYC-accredited centers for directors, assistant directors, head teachers, and teachers.
- Hourly wages are also significantly higher at NAEYC-accredited centers for directors and head teachers.
- NAEYC-accredited centers are most likely to offer multiple employee benefits, including health insurance.
- Family child care providers with a CDA have an average net income from child care operations that is 16% higher than family providers without a CDA.

Appendix A: Technical Notes

Sampling Tolerances

In interpreting survey results, it should be borne in mind that all sample surveys are subject to sampling error; that is, the extent to which the results may differ from what would be obtained if the whole population had been interviewed or responded. The size of such sampling errors depends largely on the number of interviews or respondents.

The following table may be used in estimating the sampling error of any percentage in this report. The computed allowances have taken into account the effect of the sample design upon sampling error. They may be interpreted as indicating the range (plus or minus the figure shown) within which the results of repeated samplings in the same time period could be expected to vary, 95 percent of the time, assuming the same sampling procedures, the same research protocols, and the same questionnaire. The table shows how much allowance should be made for the sampling error of a percentage:

Recommended Allowance for Sampling Error of a Percentage

Shown in Percentage Points (at 95 in 100 confidence level)*

	<u>Sample Size</u>				
	<u>750</u>	<u>500</u>	<u>400</u>	<u>200</u>	<u>100</u>
Percentages near 10	2	3	4	5	7
Percentages near 20	3	4	5	7	9
Percentages near 30	4	4	6	8	10
Percentages near 40	4	5	6	8	11
Percentages near 50	4	5	6	8	11
Percentages near 60	4	5	6	8	11
Percentages near 70	4	4	6	8	10
Percentages near 80	3	4	5	7	9
<u>Percentages near 90</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>7</u>

* The chances are 95 in 100 that the sampling error is not larger than the figures shown.

The table would be used in the following manner: Let us say a reported percentage is 13 for a group which includes 200 respondents. Then we go to the row "percentages near 10" in the table and go across to the column headed "200." The number at this point is 5, which means that the 13 percent obtained in the sample is subject to a sampling error of plus or minus 5 points. Another way of saying it is that very probably (95 chances out of 100) the true figure would be somewhere between 8 and 18 with the most likely figure the 13 obtained.

Appendix B: Research Documents

***Flow chart of Child Care Wage, Benefit, and Credentials Survey
2002***

Cover letter #1 — September 16, 2002

Reminder postcard

Survey— Licensed centers

Survey — Regulated family care

APPENDIX C: DATA TABLES & CROSS-TABS (separate binder)

C-1 Licensed Survey: Descriptive Statistics and “other, please specify” Responses

C-2 Licensed Survey: Entire Survey by County

C-3 Licensed Survey: Cross-Tabs

C-4 Registered Survey: Descriptive Statistics and “other, please specify” Responses

C-5 Registered Survey: Entire Survey by County

C-6 Registered Survey: Cross-Tabs