

Child Care Resource

# Child Care Wages and Benefits Study

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Presented by

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## **Executive Summary**

The Vermont Child Care Services Division published *Vermont Child Care: Wages, Benefits, and Credentials* in 2002; this study provided statewide child care workforce information. Child Care Resource identified a community need for workforce information specific to Chittenden County and up to date for 2006. As a result, Child Care Resource contracted with Flint Springs Associates to conduct a similar survey study with a focus on Chittenden County.

### **Child care centers included in study sample**

The present study is based on responses to a survey sent to all individual full-day licensed child care center sites located in Chittenden County in April, 2006. A total of 47 programs returned their surveys, representing 51 individual center sites (64% of all sites). The survey sample had a larger proportion of accredited and tax-exempt centers than is found in the Chittenden County population of child care centers as a whole.

Individual center sites served, on average, 48 children, with a range of 12 to 122 children. Nearly all participating center sites served preschool age children (age 3 to 5 years), while about two-thirds of center sites served infants (children under 2 years of age) and three-quarters served toddlers (children age 2 to 3 years).

Detailed data is provided on the group size and child to adult ratios for each of four age groups (i.e., infants, toddlers, preschool age, and school age children). Accredited programs had larger groups of infants, toddlers, and preschool age children. These groups also had lower child to adult ratios.

### **Employment market for child care workers**

Based on results of the survey, we estimate that at the time of the survey, there were approximately 1,000 persons employed by child care centers in Chittenden County; approximately 300 persons were employed as teachers, 240 as assistant teachers, and 200 as head teachers. Additionally, there were about 90 directors, 30 assistant directors, and 140 other paid staff.

### **Wages**

While directors' wages varied widely, from \$10.00 per hour up to \$25.00 per hour, wages were less variable among other child care staff positions. On average, teachers earned from \$10.00 to \$11.00 per hour while assistant teachers earned about \$9.00 per hour.

Directors and head teachers earned more in accredited and not-for-profit child care centers. In addition, the more staff members that held bachelor's and master's degrees, the higher the wages for directors and teachers.

## **Benefits**

More than two-thirds of child care centers offer medical insurance to their full time employees. In addition, most of these centers pay at least part of the employees' insurance premium.

Nearly all child care centers offer full time employees paid time off on holidays, and the majority give full time employees paid vacation, sick leave, and personal leave; less than a third of centers offer part time employees paid time off. On average, full time employees receive a total of 20 paid days off annually.

Both accredited and not-for-profit child care centers were more likely to offer full time employees medical insurance, pre-tax flexible spending plans, and retirement plans.

## **Turnover**

About half of the centers reported losing at least one employee during the previous three months. The turnover rate averaged 8% over this period. Assistant teacher turnover rates were the highest, at an average of 20% over this time period. Centers offering health insurance and financial support for professional development had lower turnover rates, particularly among head teachers, teachers, and assistant teachers.

## **Revenue sources**

Less than half of the centers had revenue sources beyond tuition and subsidies. On average, additional revenue sources covered 18% of the center annual budget. The primary source of additional revenue was government grants, which include local, state, and federal funds. Child care centers with accreditation and tax exempt status were more likely to use additional funding sources.

Teachers in centers who received funding from additional sources had higher wages than teachers in centers that relied entirely on tuition and subsidies. In addition, centers with funding beyond tuition were more likely to offer employees medical insurance, pre-tax flexible spending plans, and retirement plans.

## **Conclusion**

This sample, over-representing accredited centers with tax-exempt status, provides an excellent picture of these centers. Results indicate that centers with NAEYC accreditation are more likely to provide higher wages and more benefits to employees. They are more likely to be not-for-profits and to use sources of funding beyond tuition and subsidies.

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## Introduction

In 2002 the Vermont Child Care Services Division<sup>1</sup> published *Vermont Child Care: Wages, Benefits and Credentials*. This study of the child care workforce based on survey results from regulated child care providers throughout Vermont provided information on staff credentials, center accreditation, wages, and benefits. The results were useful for describing the child care workforce statewide, but were not available to describe specific counties or geographic regions.

Child Care Resource identified a community need for workforce information that is specific to Chittenden County and up to date for 2006. As a result, Child Care Resource contracted with Flint Springs Associates to conduct a study similar to the 2002 CCSD study, with a focus on Chittenden County. This report provides a summary of this updated study.

The purposes of the present study are to:

- Provide current and prospective child care employers with information about the employment market for child care workers, specific to program size and type.
- Inform the broader community about wages and benefits for child care workers and their relationship to child care quality.
- Explore the relationship between wages and benefits, and access to revenue beyond tuition.

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<sup>1</sup> The Vermont Child Care Services Division was a division of the Department of Social and Rehabilitation Services of the Vermont Agency of Human Services. In a recent reorganization, it became the Child Development Division of the Department for Children and Families of the Vermont Agency of Human Services.

## **Method**

The present study, much like the 2002 study, relied primarily on survey responses from child care providers. In this study, our population was limited to full-day licensed child care centers located in Chittenden County. At the time of the survey, there was a total population of 80 individual center sites. Some of the 80 individual sites are part of a larger single program.

A survey tool was developed, in part based on the data gathered in the 2002 survey. The survey tool was designed to gather information on the size of each center's staff, turnover rates, credentials, wages, and benefits. The survey also gathered information on ages and numbers of children served, as well as sources of funding. A copy of the survey can be found in Appendix A.

In April, 2006, the surveys were mailed to each individual center site, along with a cover letter (see Appendix B) and self-addressed stamped envelope. Each center site was given a simple code number (1 through 80) and this code written on the survey. Code numbers were then used to determine which centers had returned surveys, and to add additional information about centers CCR provided FSA from its database.

The cover letter explained the purpose of the survey and clearly indicated that while CCR was sponsoring the research, FSA would have sole access to raw data. The cover letter also explained that centers that returned completed surveys would be entered into a raffle to win training scholarships and coupons. The letter was signed on behalf of both Child Care Resource and Flint Springs Associates, and the survey return envelope was addressed to FSA.

Two weeks following the initial distribution of surveys, reminder letters, with additional copies of the survey and stamped return envelopes were sent to centers that had not yet returned completed surveys.

In total, 47 center programs (59%) returned their surveys. Three responses represented multiple sites: two responses represented two sites, and one response represented three sites. In total, then, 51 individual center sites (64%) were represented in the survey results.

For the most part, we present results in terms of the 47 program responses; in some cases we have disaggregated the three multiple site responses to better describe the 51 individual centers included in the study. One center returned a survey without a code number, that center is not included in results which rely on CCR database information.

## Results

### *Description of child care centers participating in survey study*

#### **Types of Programs**

**Accreditation:** Survey respondents were asked if their child care center had National Association for the Education of Young Children (NAEYC) accreditation. Twenty-four (47%) of the individual child care centers in our sample reported that they had NAEYC accreditation; 27 (53%) were not accredited. There are 24 centers with NAEYC accreditation in Chittenden County; representing 30% of the Chittenden County programs (see Table 1). While 100% of the individual programs holding NAEYC accreditation are represented in the survey results, only 48% of non-accredited programs are represented.

**Table 1: Percent Accredited: Respondents vs. Chittenden County**

Accredited Centers	Number	Percent of Sample or Population
Survey Respondents	24	47%
Chittenden County	24	30%

**Tax Exempt Status:** Twenty (40%) of the individual child care centers represented in our sample were designated as tax exempt by the IRS, that is not-for-profit; 30 (60%) centers were for profit. One center did not report its tax status. In Chittenden County, there are 22 (28%) not-for-profit centers (see Table 2). Thus, 91% of the not-for-profit centers are represented in the survey compared to 52% of for profit centers.

**Table 2: Percent Tax Exempt: Respondents vs. Chittenden County**

Accredited Centers	Number	Percent of Sample or Population
Survey Respondents	20	40%
Chittenden County	22	28%

NAEYC accredited centers were significantly more likely to be not-for-profits, while centers that were not accredited were also significantly more likely to be for profit organizations (see Table 3).

**Table 3: NAEYC Accreditation by Tax Exempt Status**

	NAEYC Accreditation			
	Accredited		NOT Accredited	
	Frequency	Percent	Frequency	Percent
Tax Exempt	15	65%	5	19%
NOT tax exempt	8	35%	22	81%
Total	23	100%	27	100%

$$X^2_{(df=2)} = 12.4, p < .01$$

## Child Care Center Capacity

Desired capacity: The average center was willing to serve 48 children. Desired capacity ranged from 12 children to 122 children.

**Table 4: Desired Capacity – Maximum Number of Children Served**

Maximum number of children served	Individual Center Sites		Average number of children served
	Number	Percent	
under 30 children	11	22%	21.7
30 to 39 children	12	24%	33.9
40 to 60 children	14	28%	50.3
over 60 children	13	26%	81.3
Total	50	100%	48.1

Number of children by age group: The vast majority (92%), of individual child care center sites reported serving children ages 3 to 5 years. Approximately two-thirds (65%) reported serving children under age 2 and three-quarters (73%) reported serving children ages 2-3. About one-quarter reported providing before and after school care.

**Table 5: Number of Center Sites Serving Children in Age Groups**

Age groups of children	Number of Center Sites serving age group (N = 51 sites, multiple responses possible)	Percentage of Total 51 Center Sites
Infants (under 2)	33	65%
Toddlers (2 to 3)	37	73%
Preschoolers (3 to 5)	47	92%
Full day Kindergarten	1	2%
Before & after school	14	27%

Infant, Toddler, and Preschool Programs: Most of the child care centers reported serving infants, toddlers and preschoolers (see Table 6). A few of the centers served two of the three groups. Only two individual centers were limited to infants and toddlers, while 14 centers (28%) served preschoolers only. A total of 13 centers also served school age children, nearly all of these served infants, toddlers, and preschool age children as well.

**Table 6: Number of Child Care Center Sites Serving Young Children**

Ages served	Number	Percent	Sites that also serve school age children	
			Number	Percent
Infant & Toddlers Only	2	4%	0	0
Infant, Toddler and/or Preschoolers	34	68%	11	85%
Preschoolers only	14	28%	2	15%
Total	50	100%	13	100%



Group size and Child to Adult Ratio by age group: The following section provides information on group sizes and child to adult ratios for each of four age groups (i.e., infants, toddlers, pre-school age children, and school age children). Not all of the centers responding to the survey provided complete information on group size and number of children per adult; therefore, total number of centers presented in the following tables may not match those presented in Table 5.

Infants (age 2 and under): The group size for infants ages two and under ranged from 1 to 15 children; the average group size was 5.6 children. Most frequently, groups for infants were 7 to 9 children (42%), see Table 7. In most size groups, there were between 3 and 3.5 adults for each child; in one center with 15 children per group, there was one adult for every two children. While there were no significant differences in the number of children per adult between accredited and non-accredited centers, there were differences in group size. As shown in Table 7, accredited centers had larger groups than non-accredited centers ( $F_{(1,29)} = 4.3, p < .05$ ).

**Table 7: Group Size and Child to Adult Ratio for Infants  
By Accreditation**

Size of group	Number of Centers	Percent	Average Group Size	Average Number of Children per Adult
1 to 3	7	23%	1.4	3.0
4 to 6	10	32%	4.8	3.2
7 to 9	13	42%	7.7	3.5
10 or more	1	3%	15.0	2.0
Total number of centers	31	100%	5.6	3.2
Accredited centers	14	45%	6.8	3.0
Non-accredited centers	17	55%	4.6	3.4

Toddlers (age 2 to 3 years): Among centers serving toddlers, groups ranged from 4 to 15 children, with an average size of 8.0 children (see Table 8). About one third of the centers had groups of 4 to 5 children, while another third had groups of 9 to 10 children. Again, the largest groups had the lowest child to adult ratio (3.3 children to 1 adult, see Table 8). There were significant differences in group size and child to adult ratios between accredited and non-accredited centers. Accredited centers had larger groups ( $F_{(1,31)} = 5.7, p < .05$ ), with lower child to adult ratios ( $F_{(1,31)} = 11.9, p < .01$ ).

**Table 8: Group Size and Child to Adult Ratio for Toddlers  
By Accreditation**

Size of group	Number of Centers	Percent	Average Group Size	Average Number of Children per Adult
4 to 5	13	39%	4.9	4.5
6 to 8	5	15%	7.9	4.2
9 to 10	12	36%	9.8	4.6
11 or more	3	9%	14.0	3.3
Total number of centers	33	100%	8.0	4.4
Accredited centers	16	48%	9.2	4.0
Non-accredited centers	17	52%	6.9	4.8

Preschool children (age 3 to 5): Groups for preschool children ranged in size from 5 to 25 children, with an average size of 11.9 children. The majority of centers served preschool children in groups of 12 or less (see Table 9). There were, on average, 7.1 children for each adult in preschool groups, with little variation in ratios across different size groups. Accredited centers again had significantly larger groups than non-accredited centers ( $F_{(1,43)} = 4.3, p < .05$ ); however, there were no significant differences in adult to child ratios between accredited and non-accredited centers.

**Table 9: Group Size and Child to Adult Ratio for Preschool Children  
By Accreditation**

Size of group	Number of Centers	Percent	Average Group Size	Average Number of Children per Adult
5 to 8	12	27%	6.6	6.6
9 to 12	16	36%	10.3	7.7
13 to 16	8	18%	14.5	6.2
17 or more	9	20%	19.5	7.5
Total number of centers	45	100%	11.9	7.1
Accredited centers	19	42%	13.6	6.8
Non-accredited centers	26	58%	10.7	7.3

School age children (before and after school programs): Before and after school groups ranged from 5 to 30 children, with an average of 11.6 children. Group size for school age children ranged considerably, as shown in Table 10. Child to adult ratios also varied, with an average of 8.7 children per adult. Smaller groups had significantly lower child to adult ratios ( $F_{(2,12)} = 6.1, p < .01$ ). There were no significant differences between accredited and non-accredited programs in group sizes or child to adult ratios.

**Table 10: Group Size and Child to Adult Ratio for Before & After School Programs  
By Accreditation**

Size of group	Number of Centers	Percent	Average Group Size	Average Number of Children per Adult
5 to 8	6	40%	5.5	6.7
9 to 13	5	33%	11.2	11.2
14 or more	4	27%	21.3	8.5
Total number of centers	15	100%	11.6	8.7
Accredited centers	3	20%	11.0	10.0
Non-accredited centers	12	80%	11.8	8.3

## *Employment in child care centers*

### **Child care workforce**

Survey respondents reported that their centers employed anywhere from two to 64 individuals. As shown, in Table 7, a total of 610 individual employees were reported employed across the 51 center sites represented by the 47 survey responses.

Most child care center staff members were employed as teachers (30%), assistant teachers (24%), and head teachers (20%), as shown in Table 11. One survey response, which represented multiple sites, accounted for seven of the total 55 directors. Three survey responses did not include any information about directors; each of these three responses were for single site programs.

**Table 11: Paid Employees in Child Care Centers by Position**

Center Positions	Number of Staff Across Centers	Percent of total employees	Centers with a least one employee in position	
			Number	Percent
Director	55	9%	44	94%
Assistant Director	16	3%	15	32%
Head Teacher	120	20%	29	62%
Teacher	186	30%	36	77%
Assistant Teacher	149	24%	32	68%
Other Paid Staff	84	14%	30	64%
Total	610	100%	47	100%

### **Staff credentials**

The survey asked centers to report the number of staff with a Child Development Associate certification (CDA), or a college degree in early childhood education, a field related to education, or a degree in an unrelated field. Every center reported that at least one staff member had some level of credential.

Overall, about two-thirds (64%) of child care center staff have some form of credential (see Table 12). A bit more than one-third (38%) of child care center staff hold bachelor's degrees, nearly all of which are either in early childhood education (18%) or a related field (16%).

**Table 12: Number of Staff with CDA and College Degrees**

	Staff Across all Centers	
	Frequency	Percent
CDA	47	8%
AA -- early childhood	49	8%
AA -- related field	10	2%
AA -- unrelated field	7	1%
<b>Total AA</b>	<b>66</b>	<b>11%</b>
BA -- early childhood	111	18%
BA -- related field	99	16%
BA -- unrelated field	23	4%
<b>Total BA</b>	<b>233</b>	<b>38%</b>
MA -- early childhood	23	4%
MA -- related field	18	3%
MA -- unrelated field	6	1%
<b>Total MA</b>	<b>47</b>	<b>8%</b>
<b>Overall Total</b>	<b>393</b>	<b>64%</b>

Relationship between center characteristics and staff qualifications: The number of staff who had specific credentials was not related to size of center or tax exempt status and was somewhat related to ages served and to accreditation status.

First, the centers that served infants, toddlers and preschoolers had more staff with CDAs than the centers that served preschoolers only (see Table 13). While there were similar differences in the number of AA and MA degrees, the only statistically significant difference was among CDAs.

**Table 13: Average Number of Staff with Credentials by Ages of Children Served**

Ages served	CDA*	AA	BA	MA
Infant, Toddler & Preschoolers (n=31)	1.32	1.58	5.90	0.81
Preschoolers only (n=14)	0.36	1.07	2.71	1.14
<b>Total</b>	<b>1.02</b>	<b>1.42</b>	<b>4.91</b>	<b>0.91</b>

\*  $F_{(1,43)} = 4.7, p < .05$

Centers with NAEYC accreditation had significantly more staff with BAs than non-accredited centers (see Table 14). However, there were no differences based on accreditation for the other three types of credentials. Nor were there any significant differences between not-for-profit and for profit centers in the number of credentialed staff members.

**Table 14: Average Number of Staff with Credentials by NAEYC Accreditation**

NAEYC accredited	CDA	AA	BA*	MA
Not accredited (n=27)	1.15	1.26	3.04	1.04
Accredited (n=20)	0.80	1.60	7.55	0.95
<b>Total</b>	<b>1.00</b>	<b>1.40</b>	<b>4.96</b>	<b>1.00</b>

\*  $F_{(1,45)} = 6.1, p < .05$

## *Wages and benefits*

### Wages

Survey respondents were asked to provide information on employees' lowest and highest currently earned wages in their centers. Depending on the center's wage structure, respondents could provide hourly wages or salary. Information was also gathered on the number of hours per week and months per year employees in each position worked so that salary and hourly wage information could be converted for comparisons.

For all positions, except director, most survey respondents provided hourly wage information. In addition, in all but the director's positions, centers reported that staff worked an average of 40 hours per week, most often 12 months a year. In the case of directors, 10 of the 18 centers providing salary information reported that directors worked more than 40 hours per week (45 to 70 hours).

Therefore, we initially present director's compensation by the originally reported form: either hourly wage or salary. As shown in Table 15, the highest director's hourly wages average about \$15.00 per hour and highest salaries average about \$35,000 annually.

**Table 15: Child Care Center Directors' Compensation**

Director Wages	Low Hourly Wage	High Hourly Wage	Low Salary	High Salary
Number of Centers reporting information	10	17	4	19
Mean	\$13.13	\$15.23	\$28,375.00	\$35,043.05
Median	\$12.92	\$14.50	\$28,250.00	\$35,000.00
25th percentile	\$11.50	\$12.50	\$21,250.00	\$30,000.00
50th percentile	\$12.92	\$14.50	\$28,250.00	\$35,000.00
75th percentile	\$14.63	\$16.63	\$35,625.00	\$37,000.00
Lowest in range	\$10.00	\$11.00	\$20,000.00	\$21,600.00
Highest in range	\$17.50	\$25.84	\$37,000.00	\$51,500.00

For the remainder of our reporting, we converted salaries, including directors', into hourly wages based on weekly hours and months worked per year (e.g., 12 month position at 40 hours per week = 2080 hours per year divided into the salary to yield an hourly wage).

Wages, lowest and highest, are reported for all positions in Table 16.

**Table 16: Hourly Wages for Current Center Employees**

Position	Number of Centers	Average Wages		Percentiles			Range	
		Mean	Median	25th	50th	75th	Lowest	Highest
<b>Director</b>								
low hourly	15	\$13.37	\$13.83	\$10.45	\$13.83	\$15.14	\$9.62	\$18.25
high hourly	33	\$15.29	\$14.87	\$12.50	\$14.87	\$17.17	\$9.62	\$25.84
<b>Assistant Director</b>								
low hourly	7	\$12.09	\$12.25	\$10.00	\$12.25	\$13.37	\$10.00	\$14.00
high hourly	13	\$13.24	\$13.00	\$12.13	\$13.00	\$13.85	\$11.00	\$18.39
<b>Head Teacher</b>								
low hourly	30	\$11.16	\$10.66	\$10.00	\$10.66	\$12.13	\$8.00	\$20.67
high hourly	28	\$12.57	\$12.33	\$11.06	\$12.33	\$13.00	\$10.00	\$21.64
<b>Teacher</b>								
low hourly	33	\$10.11	\$10.00	\$9.00	\$10.00	\$10.75	\$8.00	\$13.50
high hourly	33	\$11.69	\$11.00	\$10.18	\$11.00	\$12.38	\$9.00	\$16.75
<b>Assistant Teacher</b>								
low hourly	28	\$8.99	\$9.00	\$8.50	\$9.00	\$9.50	\$7.25	\$11.54
high hourly	27	\$9.80	\$9.50	\$8.75	\$9.50	\$10.50	\$7.25	\$12.62

For most positions, wages did not significantly differ across centers based on center size, ages served or adult to child ratios. Center size did impact directors' wages, such that centers serving more children paid higher director wages ( $r=.37, p<.05$ ), however size of center did not impact any other wages. Overall, centers with accreditation paid higher wages than those without accreditation. This difference was significant for directors and head teachers (see Table 17).

**Table 17: Average Highest Wages by Accreditation of Center**

Accreditation	Director*	Assistant Director	Head Teacher**	Teacher	Assistant Teacher
Not accredited	\$ 13.90	\$ 12.75	\$ 11.71	\$ 11.17	\$ 9.47
NAEYC accredited	\$ 16.73	\$ 14.12	\$ 14.19	\$ 12.16	\$ 10.12
Total	\$ 15.24	\$ 13.20	\$ 12.56	\$ 11.57	\$ 9.76

\*  $F_{(1,34)} = 4.8, p<.05$  \*\*  $F_{(1,30)} = 11.1, p<.001$

Similarly, as many of the NAEYC accredited centers are not-for-profit, there were differences in wages between for and not-for-profit centers (see Table 18). In this case, not only were wages for directors and head teachers significantly higher in not-for-profit centers, teachers' wages were also significantly higher in not-for-profit centers.

**Table 18: Average Highest Wage by Center Tax Exempt Status**

Tax exempt status	Director*	Assistant Director	Head Teacher**	Teacher***	Assistant Teacher
For profit	\$ 13.72	\$ 12.55	\$ 11.83	\$ 10.86	\$ 9.54
Not for profit	\$ 17.37	\$ 14.51	\$ 14.18	\$ 12.77	\$ 10.11

\*  $F_{(2,33)} = 4.2, p<.05$  \*\*  $F_{(2,29)} = 4.4, p<.05$  \*\*\*  $F_{(2,32)} = 3.6, p<.05$

Director and teacher wages were also significantly related to staff credentials. Specifically, the more staff holding bachelor's degrees, the higher the director's wages ( $r=.45, p<.01$ ) and teacher's wages ( $r=.41, p<.02$ ). In addition, as the number of staff members with master's degrees increased, wages increased for directors ( $r=.41, p<.01$ ), head teachers ( $r=.47, p<.01$ ), and teachers ( $r=.41, p<.01$ ).

## **Employee Benefits**

Survey respondents were given a list of employee benefits and asked to identify which benefits were available to full time and part time employees. As shown in Table 19, 68% of the centers report that they provide medical insurance for full time employees. The majority of centers also provide full time and part time staff with reduced rates for staff children to attend the center; financial support to cover the cost of required continuing education (12 hours/year); and, financial support for additional hours of professional development.

As outlined in Table 20, the majority of centers that provide medical insurance to their employees partially pay for the employees' insurance. Employers pay from 10% to 90% of health insurance premiums, with an average of 64% for employees only and 72% of for employees and family members.

**Table 19: Number and Percent of Centers offering Employee Benefits**

Employee Benefits	Available to Full Time Employees		Available to Part Time Employees	
	Number	Percent	Number	Percent
Medical insurance	32	68%	10	21%
Dental insurance	17	36%	5	11%
Disability insurance	19	40%	8	17%
Pre-tax flexible spending plan	20	43%	13	28%
Retirement plan	22	47%	11	23%
Reduced rates for staff children	37	79%	28	60%
Financial support for required CE (12 hrs/yr)	41	87%	34	72%
Financial support for additional hours of professional development	41	87%	35	74%
Financial support for college courses	25	53%	20	43%

**Table 20: Number and Percent of Centers offering Medical Insurance Providing Specific Types of Medical Coverage**

Types of Medical Insurance Coverage	Available to Full Time Employees (n = 32)		Available to Part Time Employees (n=10)	
	Number	Percent	Number	Percent
Fully paid for employee only	8	25%	1	10%
Fully paid for employee and family	1	3%	1	10%
Partially paid for employee only	16	50%	5	50%
Partially paid for employee and family	16	50%	8	80%

Nearly all centers reported that they offer full time employees paid time off (72%) and paid holidays (98%), see Table 21. The majority of centers reported that full time employees received time off through paid vacation, sick leave, and personal leave. Only about a third of the centers reported using combined time off. While a slight majority of centers give part time employees paid holidays, less than a third provide any other form of paid time off. On average, full time employees receive about 10 paid vacation days, 15 CTO days annually, or a total of about 20 paid days off (see Table 22 and 23).

**Table 21: Number and Percent of Centers offering Types of Time Off to Employees**

Type of Time Off	Available to Full Time Employees		Available to Part Time Employees	
	Number	Percent	Number	Percent
Paid vacation time	34	72%	14	30%
Paid sick leave	31	66%	12	26%
Paid personal leave	29	62%	10	21%
Combined Time Off	16	34%	9	19%
Paid holidays	46	98%	26	55%
Unpaid time off	40	85%	32	68%

**Table 22: Number of Days in Paid Time Off**

Type of Time Off	Number Centers Reporting	Mean number of Days	Median	Percentiles		
				25 <sup>th</sup>	50 <sup>th</sup>	75 <sup>th</sup>
Paid vacation time	28	11.4	10.0	5.3	10	14.8
Paid sick leave	24	5.6	5.0	3.3	5	7.9
Paid personal leave	22	3.6	3.0	2.0	3	4.3
Combined Time Off	13	15.6	15.0	10.0	15	20.0
Paid holidays	30	8.3	8.5	6.0	8.5	10.0

**Table 23: Total Number of Days Off\***

Measures Across Centers	Total Number of Days Off
Mean	20.4
Median	20.0
Percentiles	
25 <sup>th</sup>	13.0
50 <sup>th</sup>	20.0
75 <sup>th</sup>	29.5

\* Total number of days off calculated for each center = number of vacation days + number of sick leave days + number of personal leave days + number of paid holidays OR number of combined time off days + number of paid holidays.



### **Differences in Benefits Offered among Centers**

Center size, ages of children served, adult to child ratios, or staff credentials did not impact benefits offered. In addition, there were no significant differences in paid time off due to center size, ages served, accreditation or tax exempt status. However, accreditation and tax exempt status were significantly related to four of the nine benefits identified in the survey. Both accredited and not-for-profit centers were significantly more likely to offer full time employees medical insurance, pre-tax flexible spending plans, and retirement plans; not-for profits were more likely to offer disability insurance (see Table 24).

**Table 24: Number and Percent of Centers Offering Selected Benefits By Type of Center**

Type of Child Care Center	Medical Insurance		Pre-tax flexible spending plan		Retirement Plan		Disability Insurance	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Accreditation								
Non-accredited	15	56%	5	19%	7	26%	11	41%
NAEYC accredited	17	85%	15	75%	15	75%	8	40%
Tax exempt status								
For profit	15	54%	8	29%	9	32%	9	32%
Not-for-profit	17	94%	12	67%	12	67%	10	56%

### *Turnover in staff positions*

About half of the centers (n=23, 49%) reported turn over in staff positions in the three months prior to the survey. Of the 23 centers that lost an employee within the last three months, most lost one or two staff (see Table 25); turnover rates over all positions ranged from 6% to 43%, with an average of 16% for those 23 centers with turnover (see Table 26).

**Table 25: Number of Employees Leaving Centers in Past 3 Months**

Number of employees that left employment in last 3 months	Number of Centers	Percent of Centers
None	24	51%
One	10	21%
Two	8	17%
Three	3	6%
Four	1	2%
Six	1	2%
Total	47	100%

**Table 26: Overall Turnover Rates in Past Three Months**

Turnover rates	Number of Centers	Percent
No turnover in past 3 months	24	51%
10% and less	9	19%
11% to 20%	10	21%
21% to 50%	4	9%
Total	47	100%

Turnover rates did not vary significantly by centers' size, accreditation, tax exempt status, age of children served, or adult to child ratios. However, there was noticeably higher turnover among assistant teachers than other positions (see Table 27).

**Table 27: Turnover in Past Three Months across Center Positions**

Position	Number of Centers providing information on position	Number of Centers with turnover in position	Percentage with Turnover in position	Average Turnover Rate
Director	44	4	9%	7%
Assistant Director	15	1	7%	7%
Head Teacher	29	4	14%	3%
Teacher	36	4	11%	3%
Assistant Teacher	32	14	44%	20%
Other staff	30	6	20%	13%
All positions combined	47	23	49%	8%

We examined the data to determine if there were relationships between turnover rates and wages or benefits. There were no significant correlations between overall turnover rates, or specific position turnover rates, and low or high hourly wages for any of the center positions. However, there were some significant relationships between benefits and turnover rates. Specifically, overall turnover was lower in centers that provided fully paid employee health insurance ( $r = .35, p < .05$ ), and financial support to attend college courses ( $r = .32, p < .05$ ). Head teachers' turnover rates were lower among centers that provided financial support to cover required continuing education ( $r = .43, p < .05$ ). Teachers' had lower turnover in centers with fully paid family health insurance ( $r = .69, p < .01$ ), disability insurance ( $r = .41, p < .01$ ), and financial support for professional development beyond required continuing education ( $r = .34, p < .05$ ). Finally, lower assistant teacher turnover rates were associated with centers that provided medical insurance ( $r = .45, p < .01$ ), reduced rates for staff children ( $r = .36, p < .05$ ), and financial support to attend college level course ( $r = .38, p < .05$ ).

## *Revenue sources*

### **Tuition**

Centers reported weekly tuition by age group (see Table 28). When survey respondents provided a range of tuition rates (e.g., for sliding scale fees), an average was calculated and that average used in reporting.

**Table 28: Weekly Tuition Rates for Child Care Centers by Age Groups**

Age Group	Number of Centers Reporting	Average and Range of Weekly Tuition Rates			
		Mean	Median	Minimum	Maximum
Infants (under 2)	28	\$182.21	\$180.00	\$150.00	\$325.00
Toddlers (2 to 3)	30	\$174.64	\$170.00	\$140.00	\$272.00
Preschool (3 to 5)	42	\$161.89	\$155.99	\$103.00	\$250.00
Kindergarten full day	11	\$147.00	\$154.50	\$ 82.50	\$200.00
Before and after school	12	\$ 95.07	\$ 84.50	\$ 65.00	\$186.00

### **Revenue from sources other than tuition and subsidies**

Survey respondents were asked “what percent of your yearly budget comes from sources other than tuition and child care subsidies?”

Less than half of the centers (n=20, 43%) reported that they have revenue sources other than tuition and subsidies. These additional sources of revenue covered from 1% to 80% of centers’ annual budgets. On average, additional revenue sources covered 18% of the center annual budget.

In 12 centers (60% of those reporting additional revenue sources), these sources accounted for 10% or less of the annual budget. The primary source of additional revenue was government grants, which includes local, state and federal funds (see Table 29 and 30). (Note that not all respondents who identified specific sources of additional revenue also provided a proportion of the budget covered by additional sources.)

**Table 29: Number and Percent of Centers Reporting Additional Sources of Revenue**

Sources of Revenue	Number of Centers	Percent
Private grants	14	30%
Government grants	24	51%
Cash donations	14	30%
Reduced rent	4	9%
Collaborative staffing	6	13%
In-kind contributions	13	28%

**Table 30: Number of Centers Reporting Additional Source of Revenue by Source**

Percent of annual budget not tuition or subsidy	Private grants	Government grants	Cash donations	Reduced rent	Collaborative staffing	In-kind contributions
1% to 5% (n=8)	4	6	4	2	1	3
10% to 15% (n=5)	3	5	3	1	1	3
30% or more (n=5)	4	4	4	2	2	3
Total	11	15	11	5	4	9

Child care centers with NAEYC accreditation and tax exempt status were significantly more likely to report use of additional funding sources (see Table 31). Other characteristics of centers, including size and ages of children served were not related to funding sources.

**Table 31: Number of Centers Reporting Funding Sources beyond Tuition By Type of Center**

Type of Child Care Center	Funding Sources in Addition to Tuition contribute to Annual Budget	
	Number of Centers	Percent of Centers
Accreditation*		
Non-accredited	9	33%
NAEYC accredited	17	85%
Tax exempt status**		
For profit	9	32%
Not-for-profit	16	89%

\*  $\chi^2_{(df=2)} = 17.1, p < .001$     \*\*  $\chi^2_{(df=4)} = 15.3, p < .01$

Teachers in centers who received funding from additional sources had significantly higher wages than teachers in centers that relied entirely on tuition (\$12.26 vs. \$10.84 per hour on average) ( $F_{(1,33)} = 4.0, p = .05$ ). This significant relationship between wages and funding sources did not hold for any other child care center position.

Some specific benefits, though, were related to the center's funding sources. As shown in Table 32, child care centers with funding sources beyond tuition were significantly more likely to offer employees medical insurance, pre-tax flexible spending plans, and retirement plans.

**Table 32: Number of Centers with Employee Benefits by Funding Sources**

Benefits	Tuition Only		Additional Funding		Total	
	Number	Percent	Number	Percent	Number	Percent
Medical insurance*	11	34%	21	66%	32	100%
Pre-tax flexible spending plan**	4	20%	16	80%	20	100%
Retirement plan***	4	18%	18	82%	22	100%

\*  $\chi^2_{(df=1)} = 4.3, p < .05$     \*\*  $\chi^2_{(df=1)} = 8.6, p < .01$     \*\*\*  $\chi^2_{(df=1)} = 11.8, p < .001$

## **Summary and Conclusion**

### **Employment market for child care workers**

Survey results indicated that the 51 centers represented employed a total of 610 child care workers. Extrapolating from these results, we estimate that at the time of the survey, there were approximately 1,000 persons employed by child care centers in Chittenden County. Based upon the percentages of employees reported in each survey category, we estimate that there are approximately 300 persons employed as teachers, 240 employed as assistant teachers and 200 employed as head teachers. In addition, there are 90 directors, 30 assistant directors and 140 other paid staff.

### **Wages**

Wages for some positions varied more noticeably than for others; directors' wages ranged widely with about one-quarter of directors earning \$10.45 or less an hour to another quarter earning \$17.17 or more an hour. Among other staff positions, wages were less variable; on average teachers earned about \$10 to \$11 per hour while assistant teachers earned about \$9.00 an hour.

While there were no differences in wages for most positions due to center characteristics and quality indicators, directors' and head teachers' wages did differ on some of these measures. Centers serving more children paid higher director wages. Centers with accreditation paid higher director and head teacher wages than those without accreditation. Similarly, as many of the NAEYC accredited centers are not-for-profit, wages for directors and head teachers were significantly higher in not-for-profit centers, teachers' wages were also significantly higher in not-for-profit centers.

Director and teacher wages were also significantly related to staff credentials. Specifically, as the number of staff members that held bachelor's degrees increased, the higher the directors' and teachers' wages. In addition, as the number of staff members with master's degrees increased, wages increased for directors, head teachers, and teachers.

### **Benefits**

Medical insurance is one of the primary benefits offered by child care centers; more than two-thirds of the centers provide medical insurance for full time employees. The majority of centers also provide full time and part time staff with reduced rates for staff children to attend the center; financial support to cover the cost of required continuing education (12 hours/year); and, financial support for additional hours of professional development.

Child care centers that provide medical insurance to their employees most often pay part of the employees' insurance premium. Centers that cover family members also cover a higher proportion of the premiums.

Nearly all centers offer full time employees paid time on holidays and the majority give full time employees time off through paid vacation, sick leave, and personal leave. Only about a third of the centers reporting using combined time off. While a slight majority of centers give part time employees paid holidays, less than a third provide any other form of paid time off. On average, full time employees receive a total of about 20 paid days off.

There were few differences in benefits associated with variations in center characteristics or quality indicators. However, accreditation and tax exempt status were significantly related to four of the nine benefits identified in the survey. Both accredited and not-for-profit centers were significantly more likely to offer full time employees medical insurance, pre-tax flexible spending plans, and retirement plans; not-for profits were more likely to offer disability insurance.

## **Turnover**

About half of the centers reported losing at least one employee during the past three months. The turnover rate averaged of 8% over this period. Assistant teacher turnover rates averaged 20% over this time period. While there were no clear relationships between turnover rates and characteristics of centers or wages, some specific benefits were associated with lower turnover rates among some positions. Centers offering health insurance and financial support for professional development (including continuing education and college courses) had lower turnover rates, particularly among head teachers, teachers, and assistant teachers. Lower assistant teacher turnover rates were also associated with reduced rates for staff children to attend the child care program.

## **Revenue Sources**

Less than half of the centers reported that they have revenue sources other than tuition and subsidies. On average, additional revenue sources covered 18% of the center annual budget. The primary source of additional revenue was government grants, which include local, state and federal funds

Child care centers with NAEYC accreditation and tax exempt status were significantly more likely to report use of additional funding sources. Other quality indicators or characteristics of centers, including size and ages of children served were not related to funding sources.

Teachers in centers who received funding from additional sources had significantly higher wages than teachers in centers that relied entirely on tuition. This significant relationship between wages and funding sources did not hold for any other staff position. Some specific benefits, though, were related to the center's funding sources. Centers with funding sources beyond tuition were significantly more likely to offer employees medical insurance, pre-tax flexible spending plans, and retirement plans.

## **Conclusion**

It is important to note that accredited centers, with tax exempt status, were over-represented in our sample, providing an excellent picture of these centers. While the sample did not have proportional representation of for-profit non-accredited centers, there were sufficient numbers to provide meaningful analysis.

In any event, survey results indicate that centers with NAEYC accreditation are, overall, more likely to provide higher wages and more benefits to employees. In addition, these centers are also more likely to use sources of funding beyond tuition and subsidies.

Data provided through this study may be helpful to child care providers, community members, and policy makers in understanding child care workforce issues, including wages, benefits, and credentials.



## **APPENDIX A**

### **Survey Instrument**

Survey of Chittenden County Child Care Centers  
Child Care Worker Wages and Benefits – 2006

Thank you for taking the time to complete the following questions about your child care center. Your responses will be kept completely confidential, and all information will be reported in aggregate. Return your completed survey in the self-addressed stamped envelope to Joy Livingston at Flint Springs Associates. If you have any questions about the survey, contact Joy at [joy@madriver.com](mailto:joy@madriver.com) or 802-482-5100.

- Over the past three months, on average, how many individual employees were on your payroll in each of the following positions?

<b>Position</b>	<b>Average number of employees on payroll during past quarter.</b>
Director	
Assistant Director	
Head Teacher	
Teacher	
Assistant Teacher	
Other paid staff	
Total over all Positions	

- Over this same quarter, how many individual employees left their positions for any reason?

<b>Position</b>	<b>Number of employees that left position.</b>
Director	
Assistant Director	
Head Teacher	
Teacher	
Assistant Teacher	
Other paid staff	
Total individuals	

- What are the lowest and highest wages employees in your center currently earn? Provide either hourly wages or salary, depending on your wage structure.

<b>Position</b>	<b>Lowest hourly wage</b>	<b>Highest hourly wage</b>	<b>Lowest salary</b>	<b>Highest salary</b>
Director				
Assistant Director				
Head Teacher				
Teacher				
Assistant Teacher				

**OVER→**

4. How many months in a year do employees work?

<b>Position</b>	<b>Number of months worked per year</b>
Director	
Assistant Director	
Head Teacher	
Teacher	
Assistant Teacher	

5. On average, how many hours do employees work each week?

<b>Position</b>	<b>Average number of hours worked each week</b>
Director	
Assistant Director	
Head Teacher	
Teacher	
Assistant Teacher	

6. How many staff members in your program have attained the following credentials:

<b>Credential/Degree</b>	<b>In Early Childhood Education</b>	<b>In a field related to education</b>	<b>In an unrelated field</b>
CDA		XXXXXXXXXXXX	XXXXXXXXXXXX
Associate's			
Bachelor's			
Master's			

7. If you provide medical insurance to employees, indicate the appropriate response for both full and part time employees (otherwise, skip to Question #8):

<b>Medical insurance is</b>	<b>Full Time Employees</b>		<b>Part Time Employees</b>		<b>Percent of premium covered by Employer</b>
a. Fully paid for employee only	Yes	No	Yes	No	---
b. Fully paid for employee & family	Yes	No	Yes	No	---
c. Partially paid for employee only	Yes	No	Yes	No	___%
d. Partially paid for employee & family	Yes	No	Yes	No	___%

**MORE→**

8. Please circle the appropriate response indicating whether each of the following benefits is available to full and part time employees.

Benefit	Available to Full Time Workers		Available to Part Time Workers	
	Yes	No	Yes	No
a. Medical insurance	Yes	No	Yes	No
b. Dental insurance	Yes	No	Yes	No
c. Disability insurance	Yes	No	Yes	No
d. Pre-tax flexible spending plan	Yes	No	Yes	No
e. Retirement plan	Yes	No	Yes	No
f. Reduced rates for staff's children	Yes	No	Yes	No
g. Financial support to cover required continuing education (12 hours/year)	Yes	No	Yes	No
h. Financial support for additional hours of professional development in-service or conferences	Yes	No	Yes	No
i. Financial support to attend college level courses	Yes	No	Yes	No

9. Now, we have a question about time off for child care center employees. Please circle the appropriate response for each type of time off. When a type of time off is offered, please indicate the *average* number days per year this time off is available.

Type of Time Off	Available to Full Time Workers		Available to Part Time Workers		Average Number of Days per Year
	Yes	No	Yes	No	
Paid vacation time	Yes	No	Yes	No	
Paid sick leave	Yes	No	Yes	No	
Paid personal leave	Yes	No	Yes	No	
Combined Time Off	Yes	No	Yes	No	
Paid holidays	Yes	No	Yes	No	
Unpaid Time Off	Yes	No	Yes	No	

10. Is your center accredited by NAEYC? \_\_\_ Yes \_\_\_ No

**OVER→**

11. What percentage of your yearly budget comes from sources other than tuition and child care subsidies? \_\_\_\_\_%

12. Please indicate which of the following additional sources may contribute to annual revenue.

Source	Contributes to Center's Revenue	
Private grants	Yes	No
Government grants (local, state or federal)	Yes	No
Cash donations	Yes	No
Reduced rent	Yes	No
Collaborative staffing (e.g., Head Start)	Yes	No
In-kind contributions for services, including administration, repairs, maintenance	Yes	No
Other source – please describe:	Yes	No

13. Please tell us about the children served in your program.

Age Group	How many children do you take in this age group?	How many groups of children do you have in this age group?	How many adults per child do you have in this age group?	What is your weekly tuition for this age group?
Infants (under 2)				
Toddlers (2-3)				
Preschoolers (3-5)				
Kindergarten Full-day				
Before and after school				

**Thank you!**

**Please return the completed survey in the stamped, self-addressed envelope to**

Flint Springs Associates  
402 Fletcher Farm Rd.  
Hinesburg, VT 05461

**by May 5, 2006.**

**APPENDIX B**

**Cover Letter for Survey Distribution**

Dear \_\_\_\_\_:

Do you wonder how your center compares with other centers when it comes to paying staff? In 2002 the Vermont Child Services Division published the *Vermont Child Care: Wages, Benefits and Credentials* study. This report provided this information and unfortunately has not been updated since.

Child Care Resource often gets questions about wages from providers and individuals looking for employment. Since the only information we have is more than 4 years old, we've decided to contract with Flint Springs Associates to conduct a similar, **confidential** study. The study is focused on full-time licensed programs in Chittenden County. The information collected will be summarized in a report which will:

- Provide current and prospective child care employers and employees with information about the employment market for child care workers, specific to program size and type.
- Inform the broader community about wages and benefits for child care workers.
- Explore the relationship between wages and benefits, and access to financial support beyond tuition and child care subsidies.

We are asking for your participation as an important member of our child care community. Enclosed, please find a survey and stamped, self-addressed envelope in which to return your completed survey to Flint Springs Associates.

***In order to maintain confidentiality, your survey will go directly to Flint Springs Associates. No one at Child Care Resource and no other child care provider will see your survey responses. Flint Springs will be solely responsible for analyzing responses, and will report all results in aggregate so that no one child care center will be identifiable.***

Every participant will receive a copy of the final study report. In addition, Flint Springs will enter your name into a drawing for these great prizes:

\$150 scholarship to a CDA class of your choice – 3 will be given away  
\$55 scholarship to a Jeannine Fitzgerald Seminar – 3 will be given away  
\$10 workshop coupon – 20 will be given away

**Thank you for completing and returning the enclosed survey by May 5.**

If you have any questions about the study, please feel free to contact either of us.

We look forward to working with you to provide all of Chittenden County child care providers with this critical information.

Sincerely,

Elizabeth Meyer  
Child Care Resource  
802-863-3367  
[emeyer@childcareresource.org](mailto:emeyer@childcareresource.org)

Joy Livingston  
Flint Springs Associates  
802-482-5100  
[joy@madriver.com](mailto:joy@madriver.com)