

Working In Child Care In Indiana



2014 Indiana Child Care Workforce Study

Acknowledgments

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For more information about the 2014 Indiana Child Care Workforce Study, please contact the Indiana Association for the Education of Young Children, Inc.

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Introduction

Every day, while they are working or going to school, Indiana families entrust the care and education of over 334,372 children from birth through age five to licensed child care centers, unlicensed registered ministries, licensed family child care homes, Head Start and Early Head Start programs and relatives/neighbors. (Source: U.S. Department of Labor, Bureau of Labor, 2013 American Community Survey 1-Year Estimate). In 2014, sixty-six percent (66%) of the children in Indiana under the age of six lived in families in which all parents present were in the workforce. (Source: U.S. Department of Labor, Bureau of Labor, 2013 American Community Survey 1-Year Estimate; Raw number adjusted to match population data from Puzzanchera, C., Sladky, A. and Kang, W. (2014)).

The Indiana Association for the Education of Young Children, Inc. (Indiana AEYC) in cooperation with the Indiana Family and Social Services Administration, Office of Early Childhood and Out of School Learning conducted the third *Indiana Child Care Workforce Study*, a statewide survey of the early care and education workforce in Indiana from October 2014-February 2015. This study provides comprehensive data on early care and education teachers, assistant teachers, directors and family child care home providers working in licensed child care centers, unlicensed registered ministries and licensed family child care homes. The 2014 Indiana Child Care Workforce Study is a follow-up study to the 2005 and 2010 Indiana Child Care Workforce Studies. Comparison of the data from the three surveys enables readers to learn about the continuities and changes in the early care and education system and workforce that may have occurred over this nine year interval 2005-2014.

Children are already learning at birth, and they develop and learn at a rapid pace in their early years, when the environments, supports, and relationships they experience have profound effects. Children's development from birth through age eight is not only rapid but also cumulative. Early learning and development provide a foundation on which later learning is constructed, and consistency in high-quality learning experiences as children grow up supports continuous developmental achievements. The adults who provide the care and education of young children bear a great responsibility for their health, growth, development, and learning, building the foundation for lifelong progress. Young children thrive and learn best when they have secure, positive relationships with adults who are knowledgeable about how to support their health, development, and learning and are responsive to their individual progress. Growing public understanding of the importance of early childhood is reflected by increased emphasis on this age group in policy and investments. Those who care for and educate young children currently are not acknowledged as a workforce unified by their common objective and share contributions to the development and early learning of young children and the common knowledge base and competencies needed to do their jobs well. (Source: Institute of Medicine and National Research Council and National Research Council of the National Academies: *Transforming the Workforce for Children Birth Through Age 8: A Unifying Foundation*; 2015).

The early care and education industry benefits not only the children who receive the education and care, but also the economy of Indiana. The availability of child care and early learning programs is associated with working parents' reduced absenteeism, reduced turnover, and increased productivity at their jobs. Access to

early childhood education services also allows greater labor market participation of parents and increases the ability of parents to pursue higher education.

Since 2010, Indiana has celebrated the creation of the Indiana Early Learning Advisory Committee (ELAC) which focuses on the accessibility, affordability, and high-quality early childhood education for all Hoosier children. In 2014, Indiana successfully launched two state-funded preschool (pre-K) pilot programs to expand the enrollment of low-income children in high quality early childhood education programs: *Early Education Matching Grant (EEMG)* and *On My Way Pre-K*.

The *2005 Indiana Child Care Workforce Study* provided a baseline of information about the working conditions of the child care workers in Indiana who care and educate our youngest children. The 2010 Indiana Child Care Workforce Study provided the first follow-up study comparing the data collected in 2010 to that collected in 2005. The 2014, the Indiana Association for the Education of Young Children, Inc., with funding from the Indiana Family and Social Services Administration, Office of Early Childhood and Out of School Learning coordinated a statewide survey to collect comprehensive data about the child care workforce in Indiana.

In November 2014 surveys were mailed and emailed to directors and teachers in licensed child care centers, unlicensed registered child care ministries, licensed Head Start and Early Head Start facilities, and to licensed family child care home programs. Usable surveys were obtained from 430 directors who constituted 35% (n=1,262) of all licensed child care centers and unlicensed registered ministries in Indiana. All licensed child care centers and unlicensed registered ministries received teacher surveys and were asked to distribute surveys to their teaching staff and useable surveys were returned from 2,227 teaching staff who constituted 21% (N=11,866). Useable family child care surveys were obtained from 371 or 15% of licensed family child care owners (N=2,716).

Child care employees who care for and educate children from birth through age eight in Indiana have an enormous influence on their lifelong success. The data gathered through the 2014 Indiana Child Care Workforce Study will provide information which will enable decision-makers to evaluate and plan statewide initiatives to support child care professionals and the children whom they care for and educate daily.



Methods

Survey Instruments

Three written questionnaires were used to collect information from licensed child care center directors, registered child care ministry directors, child care teachers in licensed child care centers and registered child care ministries, and licensed family child care owners.

Two of the three questionnaires were used to develop online surveys to gather information from licensed child care center directors, registered child care ministry directors, and licensed family child care owners.

Sampling Procedures

Licensed and registered child care program information was provided in October 2014 by the Indiana Family and Social Service Administration, Office of Early Childhood and Out Of School Learning to the Indiana Association for the Education of Young Children, Inc. One hundred percent of the facilities provided on the list were included in the original sampling of all ninety-two (92) counties.

Survey Mailing and Data Collection

Survey packets were mailed to 1,262 directors, 11,886 teachers, and 2,716 family child care homes across Indiana. Licensed child care center/registered child care ministry survey packets included a cover letter and director survey, as well as cover letters and teacher surveys. Licensed family child care home survey packets included a cover letter and a family child care owner survey. All packets included program incentive tickets that were completed and returned with the survey in the business reply envelopes provided. Surveys were returned to a designated post office box.

The initial mailing began the second week of November and was completed by December 4th, 2014. After the initial mailing, phone calls (3,459 reminder calls were placed), and repeated mailings and emails (a total of 5,493 surveys were emailed or re-mailed) were initiated for sites that had not yet responded to the survey. Directors at licensed child care centers and registered ministries were asked to remind teachers to return the surveys. The data collection and data entry phase culminated on April 17th, 2015.

During the data collection phase Indiana Association for the Education of Young Children, Inc. project staff worked with the Indiana Family and Social Services Administration, Office of Early Childhood and Out of School Learning to clarify disconnected phone numbers, incorrect addresses, and program closures.

Exclusions

The original sample size for each type of survey was adjusted through the data collection phase. Sample size was reduced to 1,262 directors through identification of facility closures and facilities where no children were enrolled. The licensed family child care home provider sample size was reduced to 2,716 due to location closures. The licensed child care center/registered child care ministry teacher sample was reduced to 11,866 as

a result of directors' survey responses about the number of teacher surveys distributed. Phone calls were made to licensed child care ministry/registered child care ministries not responding to the survey.

Reporting Data

Median numbers have been reported in this study in order to convey the value that separates the highest half from the lowest half of each sample. For purposes of this study, percentages have been rounded, which may cause the variables in tables and figures to equal more or less than 100%.



Key Findings

- Child care workforce earnings in Indiana remain low despite increases from 2010 and 2005. The median hourly wage for directors was \$16.40 per hour, a ten percent (10%) increase from 2010; \$9.50 per hour for teachers, a six percent (6%) increase from 2010; and \$15.77 per hour for family child care homes an eighteen (18%) percent increase since 2010.
- Directors, teachers and family child care home providers responding to the survey were predominantly female.
- The majority (51%) of directors, (51%) of teachers and (50%) of family child care home providers have an associate degree or higher in early childhood education. This is higher than found in prior studies.
- Wages are closely tied to educational attainment in early childhood education, however wages for college-educated early childhood teachers are much lower than for comparably educated workers in the overall economy.
- Fifty-three percent of teachers, 29% of family child care home providers and 13% of directors have an annual family income below \$30,000.
- Median age of teachers is 33 years, directors 44 years of age and family child care providers 48 years of age.
- Sixty percent of directors responding to the survey reported that their licensed child care centers and unlicensed registered ministries do not help employees pay for health insurance coverage.
- Forty-two percent of the licensed family child care home providers reported having help from a paid assistant and another 24% received assistance from a family member.
- Higher percentage of directors reported enrollment in Paths To QUALITY™ with a higher percentage of teachers acknowledging enrollment in Paths To QUALITY™.
- Teacher turnover in 2014 increased to 33% comparable to the 2005 turnover rate of 26%. Sixteen percent of the teachers reported planning to leave the field in the next three years. Nine percent of directors, down from 11% in 2010, reported they are planning to leave the field in the next three years.

Survey Participants

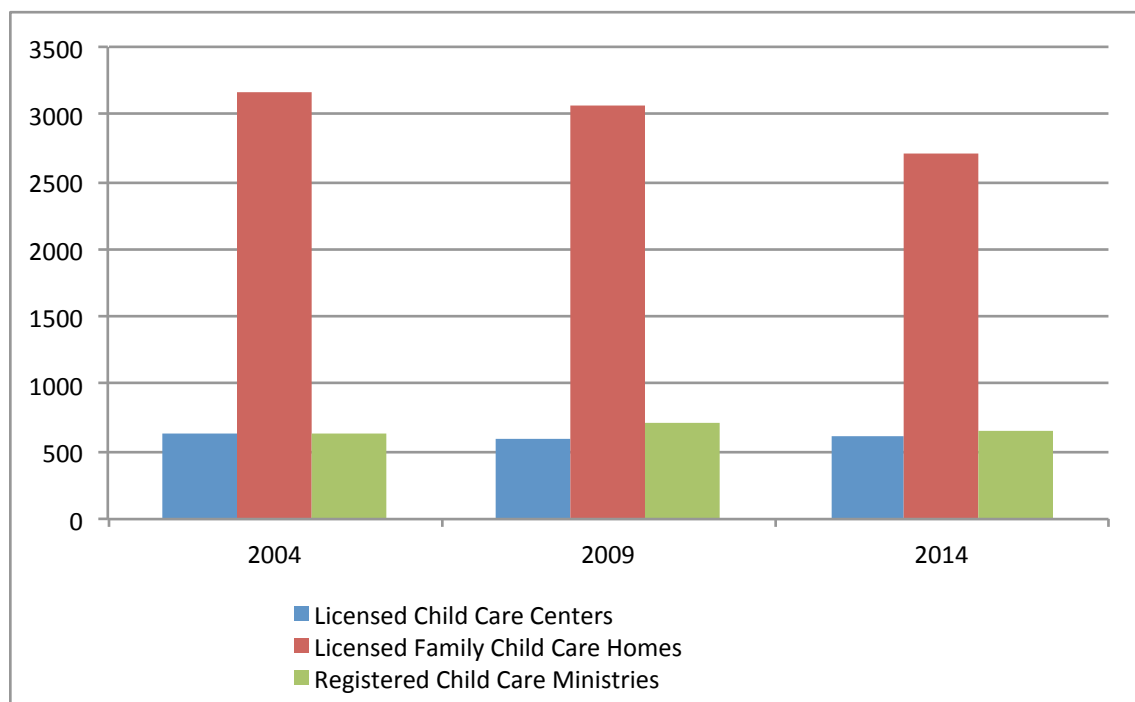
The survey participants included licensed and registered types of child care. For clarification purposes, a definition provided by the Indiana Family and Social Services Administration, Office of Early Childhood and Out of School Learning licensing regulations and laws (Indiana Administrative Code) follows:

Licensed Child Care Center - a nonresidential building where at least one child receives child care from a provider unattended by a parent, legal guardian, or custodian for regular compensation for more than four hours but less than twenty-four hours in each of ten consecutive days per year, excluding intervening Saturdays, Sundays, and Holidays.

Registered Child Care Ministry – a child care operated by a church or religious ministry that is a religious organization exempt from federal income taxation under Section 501 of the Internal Revenue Code, unlicensed but registered with the Indiana Family and Social Services Administration, Office of Early Childhood and Out of School Learning and the Office of the State Fire Marshal.

Licensed Child Care Home – a residential structure in which at least six children (not including the children for whom the provider is a parent, stepparent, guardian, custodian, or other relative) at any time receive child care from a provider while unattended by a parent, legal guardian, or custodian for regular compensation for more than four hours but less than twenty four hours in each of ten consecutive days per year, excluding intervening Saturdays, Sundays and Holidays.

Figure 1: Number of Child Care Facilities Regulated by the Indiana Family and Social Service Administration for Fiscal Years 2004-2014



Licensed Child Care Centers and Unlicensed Registered Child Care Ministries

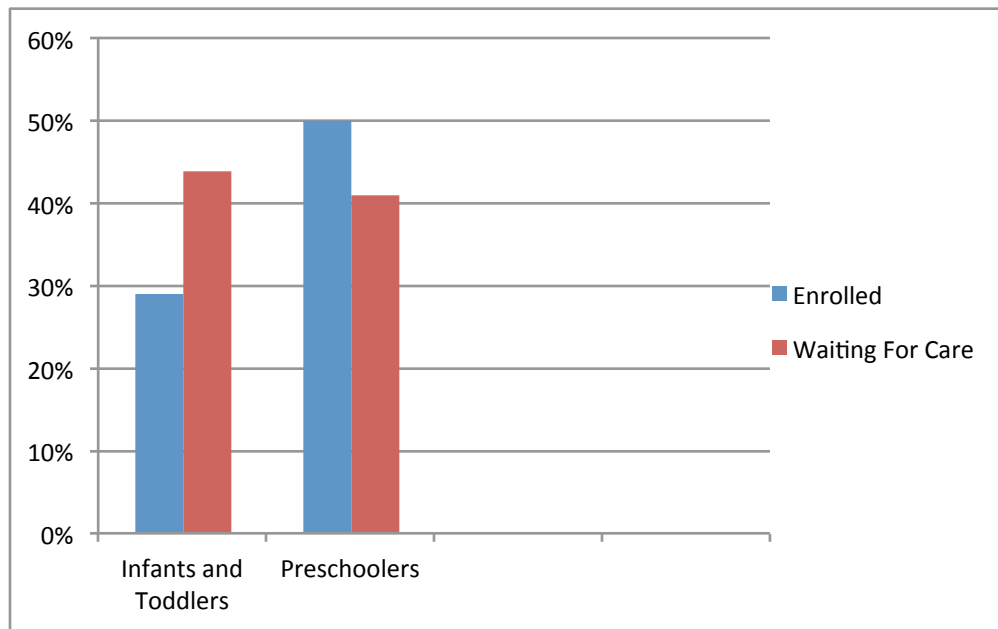
Licensed child care centers and unlicensed registered child care ministries participating in the survey operated under several auspices. Most of the director surveys represented not-for-profit facilities (66%). Programs included not-for-profit centers sponsored by faith communities, private not-for-profit centers sponsored by a community/board, and not-for-profit government sponsored centers, such as Head Start and Early Head Start programs. For-profit centers included privately-run single centers and corporations/companies that operated multiple centers enrolling hundreds of children (Table 1).

**TABLE 1. Licensed Child Care Center/Unlicensed Registered Child Care Ministry
Director Survey Respondents By Auspice**

Center and Ministry Organizational Structure	Percentage of Return
Private for-profit (single center)	18%
Private for-profit (multi-center)	11%
Private not-for-profit (community/board sponsored)	19%
Private not-for-profit (sponsored by faith communities)	34%
Employee Sponsored Program	1%
Head Start and Early Head Start	10%
Public School (licensed program)	3%
Other Public Programs	4%

In October 2014, licensed child care and unlicensed child care ministries enrolled a median 70 children from birth to age five (not including school-age children) per site and employed a median of seven full-time and three part-time teachers. Eighty percent of the programs completing the survey had children on a waiting list for enrollment. Infants and toddlers were 29% of the total number of children enrolled in licensed centers/unlicensed registered ministries but represented 44% of the children on the waiting list for care (compared to 34% in 2010). Preschool children from three to five years of age were 50% of the total number of children enrolled (compared to 54% in 2010) and represented 41% of children waiting for care (compared to 47% in 2010). See Figure 2

Figure 2 – Percentage of Children Enrolled and Waiting on Care In Licensed Centers/Unlicensed Registered Ministries in October 2014



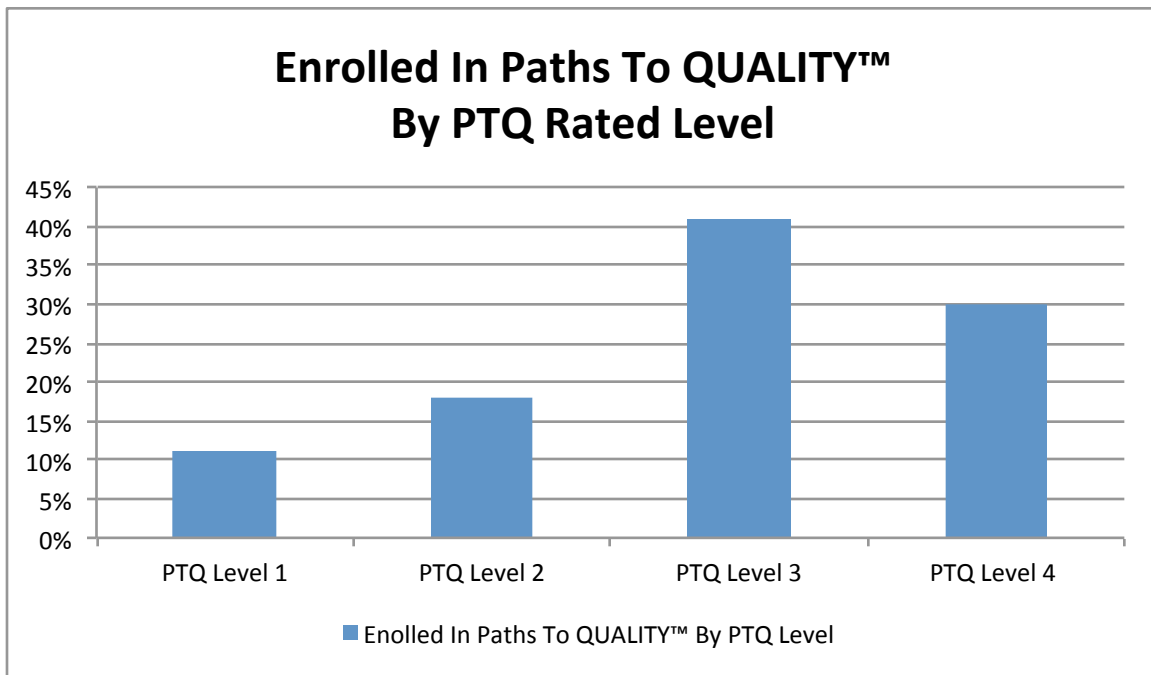
Funding Sources

Licensed child care centers and unlicensed registered ministries rely on a combination of funding sources to cover operating expenses. Fees paid by families, child care subsidy payments, and reimbursements from the USDA Child and Adult Food Program for food costs are the primary sources of income. Weekly child care fees charged by licensed centers and unlicensed registered ministries ranged from a median of \$198.78 for infant care (compared to \$157.78 in 2010) to a median of \$156.25 for preschool care (compared to \$124.04 in 2010). Eighty percent of the licensed centers and unlicensed registered ministries reported the enrollment of at least one child whose family was utilizing child care subsidy assistance (compared to 31% in 2010 and 70% in 2005). Sixty-two percent of the licensed centers and unlicensed registered child care ministries were participating in the USDA Child and Adult Care Food Program to support the cost of serving nutritious meals to the children (compared to 56% percent in 2010 and 48% in 2005).

Paths To QUALITY™ and Early Education Matching Grant Participation

Paths To QUALITY™ - Indiana's voluntary quality rating and improvement system designed to help families find high-quality care and education for their children was implemented statewide beginning in 2008. The *2010 and 2014 Indiana Child Care Workforce Studies* included questions related to the licensed centers and unlicensed registered ministries participation in Paths To QUALITY™ and the current rating level. Eighty percent of the licensed centers and unlicensed registered ministries responding to the survey were enrolled in Paths to QUALITY™ (compared to 63% in 2010). See Table 3

**TABLE 2. Survey Participants Enrolled In Paths To QUALITY™
By PTQ Rated Level October 2014**



In 2013 the Indiana General Assembly set aside \$2 million a year to provide low income 4-year olds with a high quality pre-kindergarten education (IC12-17.2-3.6). Research has shown that high quality early education prepares children for school. Children who start school ready are much more likely to experience school success. The Early Education Matching Grants (EEMG) grants are awarded annually by the Indiana Family and Social Services Administration through a competitive process to early education programs that meet the requirements including having a rating of Level 3 or Level 4 on Paths to QUALITY™. Nine percent of the licensed centers and unlicensed registered ministries responded to the survey that the facility was receiving an Early Education Matching Grant (EEMG).

Staffing

Child Care facilities represented a wide variety of positions in the child care profession and worked with children of all ages. Those completing the director survey held titles such as Director (86%) compared to (80%) in 2010 and (86%) in 2005, Director/Owner (8%) compared to (7%) in 2010 and (8%) in 2005, the position of “Principal” (1%) was included in the 2014 survey, and “Other Positions” (7%) compared to (13%) in 2010 and (6%) in 2005.

For purposes of this report, and to compare the responses to the 2005 and 2010 Indiana Child Care Workforce Studies, the term “Teacher” refers to all teacher survey respondents. ‘Lead Teacher’ refers to the self-reported titles of Lead Teacher and Teacher, and ‘Assistant Teacher’ refers to the self-reported title of Assistant Teacher. Respondents held titles of Lead Teacher (37%) compared to (44%) in 2010 and (24%) in 2005, Assistant Teacher (25%) the same response rate as 2010 and (2%) below the 2005 response rate.

Fourteen percent described their position as “Other Position” as compared to (11%) in 2010 and (13%) in 2005. Most teachers responding worked with children from birth through five years of age. Ten percent (10%) worked with school-age children.

Employment Benefits

Employment benefits offered by licensed child care centers and unlicensed registered child care ministries in Indiana are shown in Table 3. Sixty percent (60%) of directors responding to the survey reported that their licensed child care centers and unlicensed registered child care ministries do not help employees pay for health insurance coverage. This is a six percent decrease since 2010 in the number of licensed child care centers and unlicensed registered ministries reporting that their facilities are not helping employees pay for health insurance coverage. There has been a 7% decrease since the 2005 Indiana Child Care Workforce Study in the licensed child care centers and unlicensed registered ministries providing free child care for their employees (23% in 2005, 18% in 2010 and 16% in 2014). Thirty percent of the teaching staff indicated that their children were enrolled in the child care facilities where they work compared to 28% in 2010 and 36% in 2005.

Although teachers work with young children who are frequently ill, 30% of licensed child care centers and unlicensed registered child care ministries do not offer a single day of paid sick leave (compared to 41% in 2010 and 2005). Forty-four percent of the teaching staff reported that they had worked more than 40 hours per week at some point: 57% of those who worked more than 40 hours per week said that the licensed child care center or unlicensed registered ministry paid them time and a half for the overtime hours worked.

Table 3. Employment Benefits in Licensed Child Care Centers and Unlicensed Registered Ministries (As Reported By Directors)

Type of Benefit (Percentage of Centers/Ministries Offering Benefits)	2005	2010	2014
Fully Paid Health Insurance	7%	4%	4%
Partially Paid Health Insurance	33%	42%	36%
Free Child Care	23%	18%	16%
Reduced Child Care Fee	52%	44%	72%
Paid Sick Leave	59%	60%	70%
Paid Vacation	82%	80%	85%
Paid Holidays	83%	85%	87%
Paid Retirement Benefits	29%	34%	37%

Family Child Care Homes

Family Child Care Home providers responding to the survey had been in business for a median of thirteen (13) years as compared to 12 years in 2010 and 8.5 years in 2005. Providers reported working an average of 50 hours per week as compared to an average of 40 hours per week in 2010 and 55 hours per week in 2005. Forty-two percent reported having help from a paid assistant compared to 49% in 2010. Another 25% reported receiving assistance from a family member in 2014 and 2010 compared to 27% in 2005. Special services offered by family child care providers included evening care: 25% compared to 29% in 2010, overnight care: 7% compared to 12% in 2010, holiday care: 10% compared to 12% in 2010, and weekend care: 12% the same as in 2010. Forty-seven percent of the family child care home providers reported caring for children on a drop-in basis compared to 43% in 2010. Nearly all family child care home providers (98%) required families/parents to sign a written agreement before enrolling their children. Others (65%) offered fee discounts to families enrolling more than one child this is an increase of 5% from 2010. In 2014 and 2010, fifteen percent of licensed family child care home providers offered scholarships or sliding-fee scales compared to 9% in 2005. Forty three percent of licensed family child care home providers reported that they sometimes allowed sick children to attend child care.

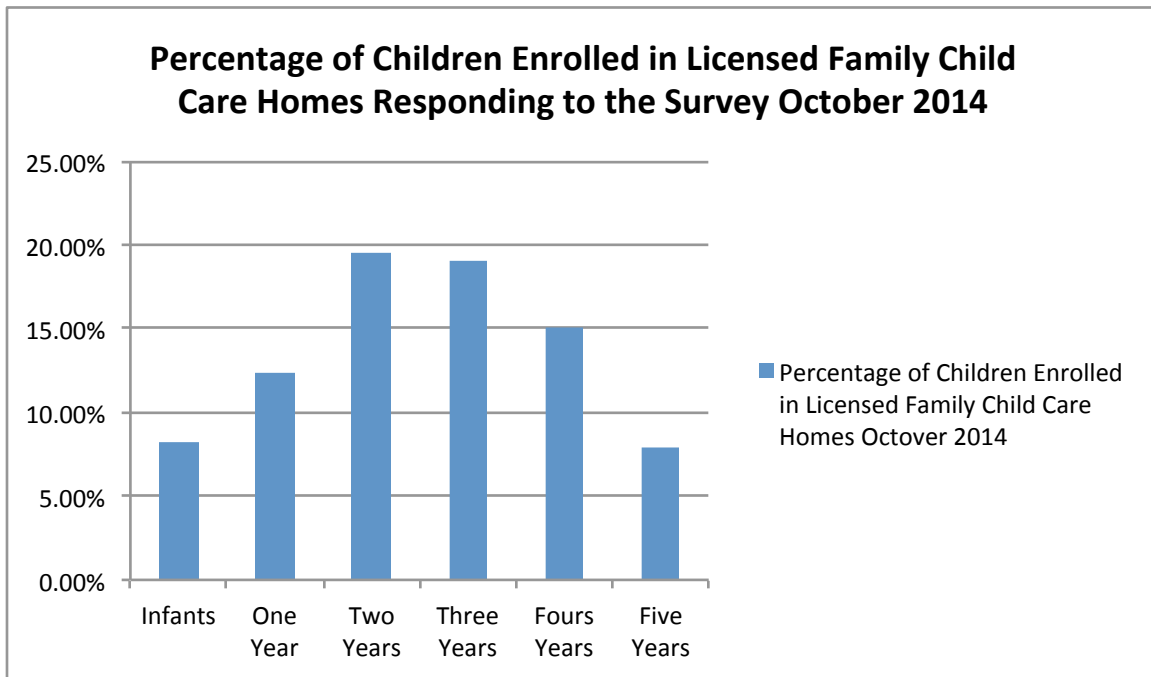
Twenty-two percent of licensed family child care home providers respondents indicated that their family child care home was in the process of becoming accredited. Fourteen percent of licensed family child care home providers responding had achieved national accreditation compared to 11% in 2010 and 7% in 2005.

As of October 2014, licensed family child care home providers reported a median of ten young children enrolled in their family child care business. Figure 3 shows the percentage of children birth to five years of age enrolled in licensed family child care homes responding to the survey. Three percent of the enrolled children from birth to five years of age were the licensed family child care home providers' own children compared to 4% in 2010.

Licensed family child care homes weekly child care fees varied by age group. The median weekly fee for full-time infant care was \$125 compared to \$109 in 2010 and \$90 in 2005. The median full-time fee for three year olds was \$100 per week compared to \$93 per week in 2010 and \$80 per week in 2005. Median fees from licensed family child care homes were lower than licensed child care centers or unlicensed registered child care ministries.



Figure 3 – Percentage of Children Ages Birth to Five Enrolled in Family Child Care Homes Responding to the Survey in October 2014



Earnings and Expenditures

Licensed family child care home providers' median gross monthly earnings (based on child care fees, subsidy payments, and USDA Child and Adult Food Program reimbursements) for October 2014 were \$4,772.00 compared to \$4,277.97 in 2010 and \$2,439.68 in 2005. Monthly median expenditures were \$1,619.00 compared to \$1,292.50 in 2010 and \$930 in 2005. Sixty-one percent of licensed family child care homes reported enrolling children who received child care subsidy as compared to 52% in 2010 up from 44% in 2005. Food cost represented 37% of licensed family child care home providers' monthly expenditures as compared to 37% in 2010 an increase from 33% in 2005. Seventy-six percent of the licensed family child care homes responding to the survey reported defraying their food expenses by participating in the USDA Child and Adult Care Food Program. The median reimbursement that providers reported receiving for October 2014 was \$799.50 compared to \$634.00 in 2010 and \$445.52 in 2005. Median hourly earnings were \$15.77 as compared to \$13.32 in 2010 up from the \$8.83 in 2005 representing a 44% increase over a ten year period. This was estimated by dividing net monthly earnings by the number of hours each licensed family child care home is open. This estimate does not include home occupancy costs, such as utilities, home improvements or repairs, cleaning, rent or mortgage. Table 4 shows the earnings and expenditures in licensed family child care home in October 2014.

Table 4. Earnings and Expenditures in Licensed Family Child Care Homes for October 2014

Total Monthly Earnings (Median)	\$4,772.00
Total Monthly Expenditures (Median)	\$1,619.00
Net Monthly Income (Median)	\$3,153.00
Hours Worked Per Week (Median)	50
Hourly Earnings (Median)	\$ 15.77

Benefits

Forty-two percent of licensed family child care home providers reported having help from a paid assistant; another 24% received assistance from a family member both compared to the same percentages in 2010 and 2005. Forty-one percent of licensed family child care home providers charged parents for weeks when they were on vacation and not providing care; fifteen percent reported that they do not take vacations. Twenty-four percent of licensed family child care home providers reported that they worked when they were sick, and 43% charged the parents for the days that they were sick and not providing care. Sixty-six percent of licensed family child care home providers have health insurance compared to 63% in 2010 and 76% in 2005. More than 38% of those licensed family child care home providers reported that their insurance is provided through a spouse's insurance policy as compared to 53% covered by a spouse's insurance policy in 2005. Only 28% of licensed family child care home providers have their own health insurance policy compared to 21% in 2010.



Demographic Profile of Indiana's Child Care Workforce

The child care workforce in Indiana is more than 98% female and includes a large proportion of workers who have children of their own. (See Table 5) A total family income of less than \$30,000 was reported by 13% of directors up 2% since 2010, 53% teachers consistent with 2010 data, and 29% licensed family child care home providers. Of those in the \$30,000 or less annual income bracket, 21% directors, 64% teachers, and 89% of the family child care home providers reported having children of their own. Thirty-nine percent of the directors, 45% of the teachers, and 63% of the family child care home providers with a family income of less than \$30,000 reported themselves as being single parents.

Table 5. Demographic Profile of the Child Care Workforce by Position

	Directors	Teachers	Family Child Care Providers
Median Age	44	33	48
Female	97%	99%	98%
People of Color	15%	21%	31%
Have Children	87%	69%	89%
At Least One Child Birth-18 Years	56%	47%	52%
Single Parent of Children Birth-18 Years	16%	22%	29%
Annual Family Income Below \$30,000	13%	53%	29%

Education of the Child Care Workforce

Fifty-one percent of the directors responding to the survey, 51% of the teachers, and 50% of the licensed family child care home providers have an associate's degree or higher in early childhood education compared to 29% directors, 15% teachers and 10% family child care home providers in 2010. This is a significant increase in the degree attainment. Nineteen percent of the directors completing the survey, 14% of the teachers and 7% of the family child care home providers have a bachelor degree in early childhood education.

In 2005 and 2010, Indiana child care professionals reported an interest in achieving a higher level of education and the reported data indicated a significant increase in the percent with early childhood degrees. As shown in Table 6 and 7, many directors, teachers and family child care home providers have completed college courses toward a degree. Of the survey respondents who were not taking courses 29% of the directors, 54% of the teachers and 32% of the family child care home providers indicated interest in attending college to earn a degree.

Table 6. Educational Attainment of Licensed Child Care Center and Unlicensed Registered Child Care Ministry Directors and Family Child Care Home Providers

Education	Center/Ministry Directors	Family Child Care Home Providers
Highest Education Completed***		
Bachelor Degree or Higher in ECE/CD*	19%	7%
Bachelor Degree or Higher in Other Field	51%	32%
Associate Degree in ECE/CD*	32%	43%
Associate Degree in Other Field	9%	27%
High School + Any College Courses	67%	49%
High School + Workshops	13%	25%
High School Diploma or G.E.D.	9%	27%
Some High School	0%	1%
Other Educational Credits		
Child Development Associate (CDA) Credential	14%	50%
Educational Pursuits		
Currently Taking ECE/CD* Courses	12%	17%
Interested in Attending College To Earn A Degree**	29%	32%

*ECE/CD – Early Childhood Education/Child Development

**Percentages were drawn from survey respondents currently taking courses

***Percentages do not total 100% due to multiple responses possible

Table 7. Educational Attainment of Teachers in Licensed Child Care and Unlicensed Registered Child Care Ministries

Education	Teachers	Lead Teachers	Assistant Teachers
Highest Education Completed***			
Bachelor Degree or Higher in ECE/CD*	12%	14%	7%
Bachelor Degree or Higher in Other Field	31%	40%	17%
Associate Degree in ECE/CD*	30%	37%	11%
Associate Degree in Other Field	7%	18%	22%
High School + Any College Courses	42%	20%	49%
High School + Workshops	12%	15%	24%
High School Diploma or G.E.D.	25%	21%	26%
Some High School	-1%	0%	1%
Other Educational Credits			
Child Development Associate (CDA) Credential	72%	74%	66%
Educational Pursuits			
Currently Taking ECE/CD* Courses	20%	26%	24%
Interested in Attending College to Earn Degree**	45%	54%	41%

*ECE/CD-Early Childhood Education/Child Development

**Percentages were drawn from the survey respondents not currently taking courses

***Percentages do not total 100% due to multiple responses possible

Earnings of Indiana's Child Care Workforce

The earnings of the child care workforce in Indiana continue to be low. (See Table 8 and 9)

In 2014, median annual earnings for child care teachers in Indiana in licensed child care centers and unlicensed registered child care ministries were \$19,760 as compared to \$18,720 in 2010 and \$16,596 in 2005. According to the Indiana Department of Workforce Development information on industry wages, jobs with salaries comparable to the wages of child care teachers include general merchandise store employees and transit and ground passenger transportation service providers (Source: Indiana Department of Workforce Development, Industry Wages Information, Quarter 2, 2014).

Fourteen percent of teachers and 12% of family child care providers reported that they worked another paid job in addition to their job in child care. Teachers worked a median of 12 hours in these additional jobs, and family child care providers worked a median of 20 hours in these additional jobs.

Table 8. Self-Reported Earnings of Teachers in Licensed Child Care Centers and Unlicensed Registered Ministries

	Teachers	Lead Teachers	Assistant Teachers
Highest Hourly Earnings (90th Percentile)	\$16.00	\$19.00	\$13.00
Median Hourly Earnings (50th Percentile)	\$9.50	\$10.00	\$9.00
Lowest Hourly Earnings (10th Percentile)	\$7.25	\$8.00	\$7.25

The mean hourly wage of a preschool teacher in Indiana (excluding child care workers and special education preschool teachers) is \$26,470. This is 54% of the mean annual salary (\$49,440) of a kindergarten teacher in Indiana. (Source: Indiana Department of Workforce Development, 2013 Occupational Employment Statistics)

Licensed child care center and unlicensed registered ministry directors' median self-reported wage barely competes with the mean annual salary of a kindergarten teacher at \$49,440. Median annual earnings for licensed child care center and unlicensed registered ministry directors were \$32,864.00. Fifty-eight percent of the licensed child care center and unlicensed registered ministry directors reported working over 40 hours per week compared to 49% in 2010.

Table 9. Earnings of Licensed Child Care Center and Unlicensed Registered Ministry Directors and Family Child Care Home Providers

	Center/Ministry Directors	Family Child Care Home Providers
Highest Hourly Earnings (90th Percentile)	\$45.00	\$42.00
Median Hourly Earnings (50th Percentile)	\$15.80	\$15.77
Lowest Hourly Earnings (10th Percentile)	\$8.25	\$5.00

How do wages in the child care profession compare to education levels of the workforce? Figure 4 shows the median hourly wages earned by licensed child care center and unlicensed registered ministry directors and family child care home providers at three levels of educational attainment.

Figure 4 – Median Hourly Wage of Licensed Child Care Center and Unlicensed Registered Ministry Directors and Family Child Care Home Providers by Educational Attainment

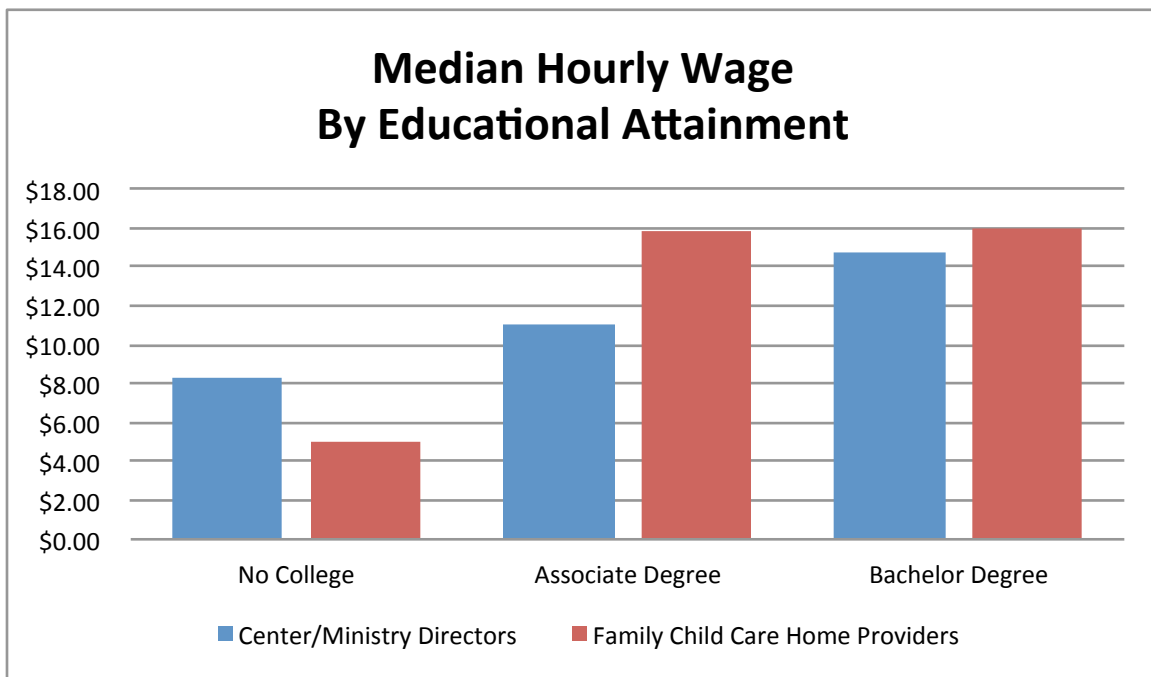


Table 10 shows the growth potential in earnings for teachers within licensed child care centers and unlicensed registered ministries that have achieved national accreditation. Accrediting bodies included are the National Association for the Education of Young Children (NAEYC), the National Early Childhood Program Accreditation (NECPA), the Association of Christian Schools International (ACSI), the Council on Accreditation (COA) and the Council on Accreditation –After School (COA-After School). Thirty-four percent of the licensed child care centers and unlicensed registered ministries respondents indicated that their program was in the process of becoming nationally accredited.

Table 10. Pay Rates of Lead Teachers and Assistant Teachers (reported by directors) in Licensed Child Care Centers and Unlicensed Registered Ministries, and Nationally Accredited Licensed Child Care Centers and Unlicensed Registered Ministries

	Median Starting Wage	Median Highest Wage
Lead Teachers		
Unlicensed Registered Child Care Ministries	\$8.50	\$10.15
Licensed Child Care Centers	\$9.50	\$11.95
Accredited Licensed Child Care Centers and Registered Ministries	\$10.50	\$12.50
Assistant Teachers		
Unlicensed Registered Child Care Ministries	\$8.00	\$9.00
Licensed Child Care Centers	\$8.50	\$9.50
Accredited Licensed Child Care Centers and Registered Ministries	\$9.00	\$10.00

Pay rates for teaching staff, including the typical starting wages and the typical highest wages paid to lead teachers and assistant teachers, were reported by licensed child care center and unlicensed registered child care ministry directors. Unlike self-reported earnings, these data highlight wage ranges within the licensed child care centers and unlicensed registered child care ministries. The lowest median starting wage reported for a lead teacher in an unaccredited program was \$8.50 per hour as compared to \$7.00 per hour in 2005; the median starting wage reported for a lead teacher in an accredited program was \$10.50 compared to \$7.50 in 2005. The median highest wage reported for a lead teacher in an unaccredited program was \$11.95 per hour compared to \$8.50 in 2005; the median highest wage reported for a lead teacher in an accredited program was \$12.50 per hour as compared to \$10.00 in 2005. This pattern of increase was also found among assistant teacher wages. The difference between the starting wage and the highest wage provides insight into the possibilities for growth in earnings.

Professional Support for the Child Care Workforce

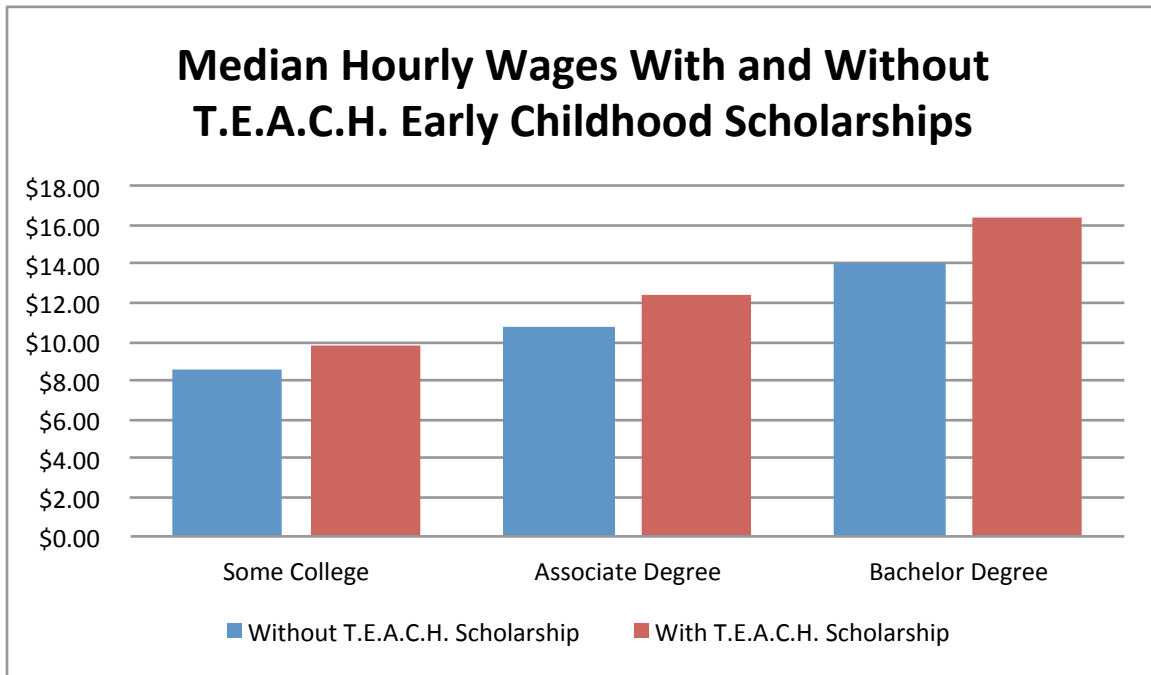
T.E.A.C.H. Early Childhood® INDIANA Project

Seventy-four percent of the licensed child care center and unlicensed registered ministry directors reported that at least one staff member had received a T.E.A.C.H. (Teacher Education and Compensation Helps) Early Childhood®INDIANA scholarship at some point since the Project's implementation in 1999.

Twenty-five percent of the teachers and 48% of family child care home providers reported having received a T.E.A.C.H. Early Childhood® INDIANA scholarship. Only two percent of the licensed child care center and unlicensed registered ministry directors, 8% of teachers and 4% of family child care home providers reported having never heard of the T.E.A.C.H. Early Childhood® INDIANA scholarships.

Figure 5 compares the median hourly wage of teachers who have not received a T.E.A.C.H. Early Childhood® INDIANA scholarship with those who have received the scholarship. T.E.A.C.H. Early Childhood® INDIANA scholarships are available for eligible applicants who are pursuing a Child Development Associate (CDA) Credential, Associate or Bachelor degree in early childhood education or child development.

Figure 5. Median Hourly Wages by Educational Attainment of Teachers With and Without a T.E.A.C.H. Early Childhood® INDIANA Scholarship



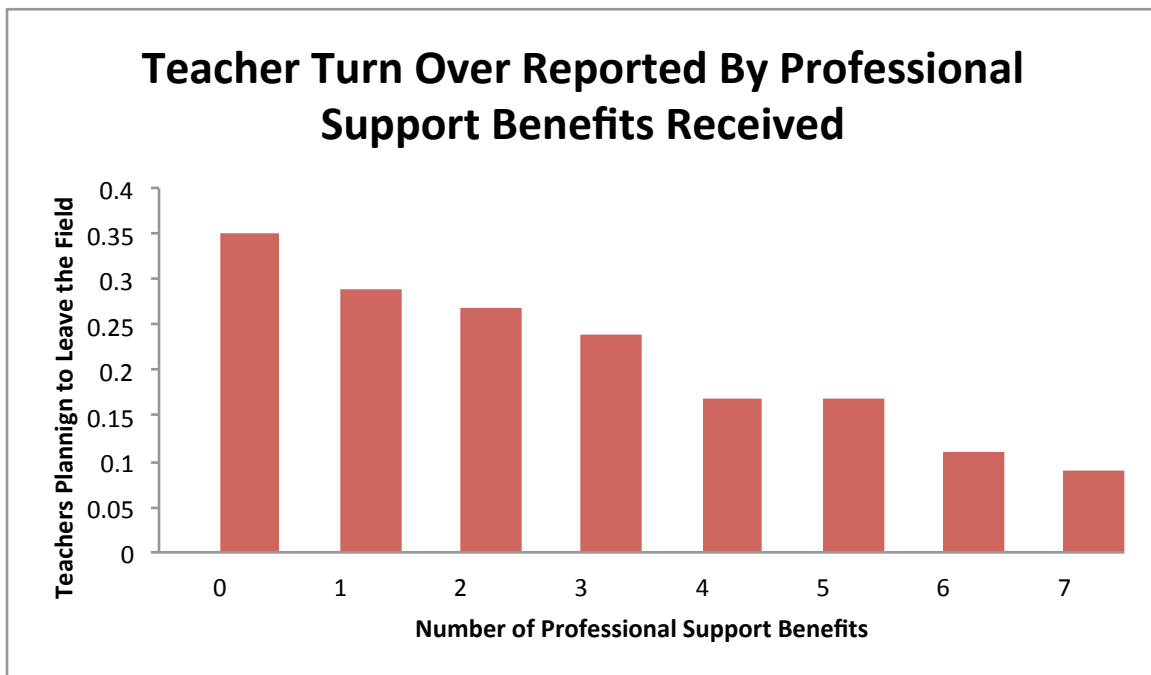
Other Professional Supports

There are many ways that licensed child care centers and unlicensed registered ministries can support their teachers and their professional development. The workforce survey asked about seven types of work place supports: paid breaks, paid time off for professional development, paid planning and preparation time, paid education/training, orientation, written job descriptions and written personnel policies. (See Table 11) Over 99% of the licensed child care centers and unlicensed registered ministries offered at least one of these types of benefits as compared to 55% in 2005.

Table 11. Professional Support Benefits for Teachers in Licensed Child Care Centers and Unlicensed Registered Ministries

	Percentage of Centers/Ministries Offering Benefits
Paid Breaks	56%
Paid Time Off for Professional Development and Training	77%
Paid Planning/Preparation Time	84%
Paid Education/Training	85%
Orientation	94%
Written Job Descriptions	91%
Written Personnel Policies	96%

Providing these types of professional support benefits may be a means for licensed child care centers and unlicensed registered ministries to reduce teacher turnover. Whereas, sixteen percent of teachers statewide reported that they would leave the child care profession within three years compared to 26% in 2005. Only 5% of teachers working in licensed child care centers and unlicensed registered ministries offering the seven work place supports listed in Table 11 reported they plan to leave the profession within three years. (See Figure 6) It is not clear if these professional supports alone lower turn-over, there is definite pattern established with increased benefits.

Figure 6 – Teachers Planning to Leave the Child Care Field Within Three Years by Number of Professional Support Benefits Received

Paths To QUALITY™ Indiana's Quality Rating and Improvement System

A quality rating and improvement system provides a framework for building strong early care and education systems within states. In Indiana this system is Paths To QUALITY™. Paths To QUALITY™ was implemented statewide beginning in 2008 with the enrollment of licensed centers, licensed family child care homes, and unlicensed registered ministries that meet a voluntary certification system. Quality Rating and Improvement Systems assess the quality of care within a program, work to improve that quality level, and give families an easy to recognize symbol that makes the difficult decision of choosing child care easier. These systems also provide an accountability measure for funding and create an alignment between licensing, subsidy and quality across child care, Head Start and the Department of Education's early learning guidelines. In the state fiscal year (SFY) 2008, there were 1,436 child care facilities with a total capacity to serve 58,986 enrolled in Paths To QUALITY™. In state fiscal year (SFY) 2010 there were 1,867 child care facilities with a capacity of 69,264 children enrolled in Paths To QUALITY™. In state fiscal year (SFY) 2014 there were 2,527 child care facilities with a capacity of 96,765 children enrolled in Paths To QUALITY™.

Paths To QUALITY™ gives families an easy to recognize tool for selecting a child care program. Families can look for the Paths to QUALITY™ logo to determine what level their provider has achieved. Each level builds on the foundation of the previous one, resulting in significant quality improvements at each stage and in national accreditation at the highest level. The system validates child care programs for ongoing efforts to achieve higher standards of quality and provides incentives and awards for success. The four levels address:

- Level One: Health and safety needs of children met.
- Level Two: Environment supports children's learning.
- Level Three: Planned curriculum guides child development and school readiness.
- Level Four: National accreditation (the highest indicator of quality) is achieved.

The 2010 and 2014 Indiana Child Care Workforce Study survey included questions for directors, teachers and family child care home providers about program enrollment and status in Paths To QUALITY™. In 2010, sixty-three percent of the directors from licensed child care centers and unlicensed registered ministries responded that their program was enrolled in Paths To QUALITY™. In 2014, eighty percent of the directors from licensed child care centers and unlicensed registered ministries responded that their program is currently enrolled in Paths To QUALITY™, representing a 17% increase in respondent's enrollment in Paths To QUALITY™. In 2010, seventy percent of teachers responding to the survey reported that their center was enrolled in Paths To QUALITY™ compared to 82% in 2014. In 2010, sixty-seven percent of the licensed family child care home providers reported that their home was enrolled in Paths To QUALITY™, compared to 80% in 2014.

Eighty-two percent of the teachers employed in licensed child care centers and unlicensed registered ministries reported that their center was enrolled in Paths To QUALITY™ (9% Level 1; 12% Level 2; 41% Level 3 and 38% at Level 4).

Experience and Turnover of Indiana's Child Care Workforce

Young children need consistent, experienced, well-educated child care teachers with whom they can form close attachments. Current national data on turnover in child care by settings is not available, but historically, turnover rates have hovered around 30 percent per year compared to 15 percent in the K-12 system. Compensation is the primary driver of occupational and job turnover in the child care workforce compared to teachers in the K-12 system leave to seek another occupation, pregnancy, or retirement. (Source: Center for the Study of Child Care Employment, Institute for Research on Labor and Employment, University of California, Berkeley, September 2014) Indiana has a combination of child care professionals who have remained with their current programs for several years and those who have either just entered the field or started in a new child care program. (See Table 12) The median years that directors have worked in their present position is five (5) years the same as in 2010 compared to 4 years in 2005. The range included directors who have worked in their position less than one year up to a maximum of 40 years. Among licensed family child care home providers, the median length of time in the business is 13 years compared to 12 years in 2010 and 8 in 2005. The range included licensed family child care providers who have worked as a family child care provider for less than a year up to 45 years.

Table 12. Child Care Workforce Median Years of Experience

	2005	2010	2014
Teacher			
Median Years in Current Center	2.5	3	2.5
Median Years in Child Care Profession	6	8	7
Directors			
Median Years in Current Center	4	5	5.2
Median Years in Child Care Profession	12	15	15
Family Child Care Providers			
Median Years as Family Child Care Provider	8	12	13

The survey included two measures of turnover: (1) the percentage of teachers who left their licensed child care centers or unlicensed registered ministries during the previous year, and (2) the percentage of directors, teachers, and family child care providers who are planning to leave the child care field within the next three years (See Table 13) A proportion of all full-time teachers (33%) left their licensed child care centers or unlicensed registered ministries in the previous twelve months compared to (16%) in 2010 and (26%) in 2005. Sixteen percent of the teachers responding to the survey are planning to leave the child care profession in the next three years compared to 18% in 2010 and 26% in 2005.

Table 13. Child Care Workforce Turnover

	2005	2010	2014
Full Time Teacher Turnover	26%	16%	33%
Part Time Teacher Turnover	37%	20%	50%
Teachers Planning To Leave the Field Within 3 Years	26%	18%	16%
Directors Planning To Leave the Field Within 3 Years	13%	11%	9%
Family Child Care Home Providers Planning To Leave The Field Within 3 Years	11%	9%	9%

Potential Turnover

Nine percent of the directors employed in licensed child care centers or unlicensed registered ministries responding to the survey reported that they are planning to leave the field within the next three years. This is a decrease from the 2010 and 2005 surveys. Thirty-three percent of full time teachers reported that they are planning to leave the field within the next three years. This is a significant increase from the 2010 and 2005 surveys. Directors, teachers and family child care home providers commonly indicated compensation as the reason for leaving the field. This year for the first time the directors reported the “ability to hire qualified teachers” as a condition that would change their intentions to leave. Indiana Workforce Development data indicates a shortage of qualified teachers to meet the demand for the workforce.

Final Comments

Children from birth through five years of age are estimated to comprise 9.2% of the total Hoosier population (508,938 children). Nearly two-thirds of those children require early care and education programs or relative care because they live in families where all adults are in the labor force. (Source: U.S. Department of Labor, Bureau of Labor, 2013 American Community Survey 1-Year Estimate; Raw number adjusted to match population data from Puzzanchera, C., Sladky, A. and Kang, W. (2014).

High-quality early care and education experiences, regardless of age, depend on effective, nurturing, consistent, well-compensated teachers. Every day while they are working or attending school, Indiana’s families entrust the care and education of their young children to child care directors, teachers and family child care providers. Since 2010, the Indiana early childhood landscape has changed drastically offering families additional choices for their young children. Legislation was enacted offering pre-kindergarten opportunities in five of Indiana’s counties with additional funding to support Early Education Matching Grants (EEMG) and local counties invested additional funding to support families. Paths To QUALITY™ - Indiana’s voluntary quality rating and improvement system has continued to enroll facilities and expand access for to high-quality for children.

The increased accessibility, affordability and quality of child care in Indiana have increased the demand for a qualified workforce. The 2005, 2010 and 2014 Indiana Child Care Workforce Studies provides a state portrait of the early childhood workforce working directly with young children in both licensed child care centers and unlicensed registered ministries and licensed family child care homes every day.

The 2014 Indiana Child Care Workforce Study provides comprehensive data on various issues facing the child care workforce.



Glossary

Association of Christian Schools International (ACSI): A worldwide accrediting organization uniquely dedicated to delivering the message of Christ dedicated to school improvement to assist schools in changing for the better in an orderly and systematic way through accreditation.

Child Care Services Association (CCSA): Located in Chapel Hill, North Carolina, CCSA is a non-profit, United Way agency committed to ensuring the affordability, accessibility and quality of child care. Through research, services and advocacy, CCSA works to improve child care systems across the United States. CCSA has developed several innovative and effective quality improvement initiatives, including the T.E.A.C.H. Early Childhood® Project, Child Care WAGES® Project, and numerous other child care quality improvement projects.

Child Development Associate Credential (CDA): The CDA is a national competency-based certification for individual child care providers awarded through the national Council for Professional Recognition. The credentialing program focuses on the skills of early care and education professionals and is designed to provide performance-based training and assessment of preschool teachers, home visitors, and family child care providers.

Council on Accreditation (COA): An international organization partnering with human service organizations to improve service delivery outcomes by developing, applying, and promoting best practice standards for programs serving all ages. Accreditation for Early Child Care and Development Services and for After School Programs provided.

Early Education Matching Grant (EEMG): Annual grants awarded by FSSA through a competitive process to early education programs that meet the requirements including having a rating of Level 3 or Level 4 on Paths to QUALITY™, Indiana's early education and child care quality rating and improvement system. EEMG grants provide low income 4-year olds with a high quality pre-kindergarten education.

Head Start and Early Head Start: Head Start is a federally funded comprehensive child development program for children from age three to kindergarten entry and their families. Head Start is a child-focused program with the overall goal of increasing the school readiness of young children in low-income families. Early Head Start serves pregnant women, infants and toddlers up to age three. All programs provide early childhood educational, social, medical, dental, nutritional and mental health services to the enrolled children and are based on comprehensive child development services, parent involvement and community partnerships.

National AfterSchool Association (NAA): An accrediting organization of afterschool professionals dedicated to the development, education and care of children and youth during their out-of-school hours.

National Association for the Education of Young Children (NAEYC): Founded in 1926, NAEYC is dedicated to improving the well-being of all young children, with particular focus on the quality of educational and developmental services for all children from birth through age eight. In 1985 NAEYC developed a national voluntary accreditation system to set professional standards for early childhood programs and to help families identify high-quality programs. The accreditation system is administered by the NAEYC office in Washington, D.C.

National Association for Family Child Care (NAFCC): A non-profit organization dedicated to promoting quality child care by strengthening the profession of family child care.

National Early Childhood Program Accreditation (NECPA): An international accrediting organization dedicated to raising early care and education program's quality bar, bringing tangible benefits and experiences to the lives of the children and families they serve.

On My Way Pre-K: On My Way Pre-K awards grants to four year olds from low-income families so that they may have access to a high-quality Pre-K program the year before they begin Kindergarten. Families who receive a grant may use the grant at any approved On My Way Pre-K Program in Indiana.

T.E.A.C.H. Early Childhood® INDIANA Project: T.E.A.C.H. Early Childhood® stands for Teacher Education and Compensation Helps Early Childhood, an umbrella for a variety of different scholarship programs. The T.E.A.C.H. Early Childhood® INDIANA project provides scholarships for teachers, directors, and family child care providers who are working in legally exempt or regulated early childhood programs. Each scholarship is made up of four components and includes an educational scholarship, completion of formal education, compensation upon completion of the education, and a commitment by the scholarship recipient to remain at the site or in the field for a specified period of time. All T.E.A.C.H. scholarships link continuing education with increased compensation and require that recipient and their sponsoring child care programs share in the cost. Project funding comes from the Indiana Family and Social Services Administration, Division of Family Resources, Bureau of Child Care through the federal Child Care and Development Block grant.

USDA Child and Adult Care Food Program (CACFP): CACFP is a federal program that provides healthy meals and snacks to children and adults receiving day care. The facilities that receive reimbursement for their meal costs include child care centers, family child care homes, after school care program, homeless shelters, and adult day care services.

Appendix A

Facility Summary Review by Auspice

Child Care Facilities	State Total	For-Profit Centers	Not-For-Profit Faith-Based Centers	Not-For-Profit Centers
	n=430	n=67	n=146	n=138
Median Center Preschool (0-5) Enrollment	35	65	42	53
Accredited Centers	129	49	2	78
Turnover Rate of Full-Time Teachers	16.0%	18.0%	14.0%	17.0%
Median Starting Teacher Wage	\$8.00	\$8.00	\$7.50	\$8.50
Median Highest Teacher Wage	\$16.00	\$15.25	\$13.00	\$16.00
Fully Paid Health Insurance	4.0%	< 1%	2.0%	5.0%
Annual Vacation Days	53.0%	59.0%	43.0%	65.0%
Paid Sick Leave	37.0%	35.0%	39.0%	62.0%
Job Protected Parental Leave	62.0%	60.0%	45.0%	72.0%
Retirement Contributions	37.0%	34.0%	10.0%	56.0%
Paid Education/Training Expenses	84.0%	92.0%	66.0%	96.0%
Paid Time Off for Training	84.0%	79.0%	49.0%	83.0%
Provide Orientation	94.0%	99.0%	76.0%	98.0%
Reduced Cost Child Care	72.0%	62.0%	63.0%	62.0%
Free Child Care	16.0%	14.0%	28.0%	9.0%

Directors	State Total	For-Profit Centers	Not-For-Profit Faith-Based Centers	Not-For-Profit Centers
	n=430	n=67	n=146	n=138
Median Hourly Wage	\$15.80	\$16.75	\$14.58	\$18.26
Median # of Years in Center	5.2	3.0	5.5	4.5
Median # of Years in the Child Care Field	15.0	12.0	14.0	16.0
Associate Degree or Higher in ECE	59.0%	53.0%	37.0%	69.5%

Teachers	State Total	For-Profit Centers	Not-For-Profit Faith-Based Centers	Non-Profit Centers
	n=2,227	n=646	n=757	n=824
Median Hourly Wage	\$9.50			
No Health Insurance	25.0%	26.0%	28.0%	23.0%
Median # of Years in Center	2.5	2.7	3.5	3.0
Median # of Years in the Child Care Field	7.0	12.0	5.0	6.5
Associate Degree or Higher in ECE	44.0%			

Indiana's Family Child Care Provider Summary Data

Family Child Care Providers	State Total
	n=389
Median Hourly Wage	\$15.77
Median # of Years as a Family Child Care Provider	13.0
Associate Degree or Higher in ECE	50.0%



INDIANA ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN, INC.

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