

# Busting the Myths

**The Child Care WAGE\$® Project**, with funding from participating local Smart Start partnerships and the Division of Child Development and Early Education, provided tiered education-based salary supplements to 3,299 early childhood teachers, directors and family child care educators working in 53 counties across NC in FY17. The supplements are designed to close the gap between what the workforce is paid and what they deserve, and the awards help increase retention and education among participants.

Have you ever considered funding the Child Care WAGE\$® Project? Do you have questions or concerns about the program or how it is administered? Please let us know! We've compiled some information below that may help address some common misconceptions.

**Misconception: Centers can and should pay teachers more. Private businesses should not be subsidized.**

Most centers want to pay their teachers more and struggle to keep good teachers with the rates they can afford to pay. Unfortunately, to increase the salaries for teachers, most employers would have to increase the cost to parents. But the vast majority of parents cannot afford to pay more and often find it difficult to cover their current child care costs. Many teachers who work in early education report that they cannot even afford to have their own children in child care.

The WAGE\$ supplements help address this “compensation conundrum” by providing education-based awards directly to individual teachers, directors and family child care providers without any cost to parents. This isn't a subsidy for the child care employer. The supplements recognize and reward the individual for her/his education and commitment to children. One director with staff on the program said, “I think [WAGE\$] is very important. We strive to provide the highest quality care and need the highest quality teachers. Parents cannot afford outrageous tuition and we unfortunately cannot pay our teachers what we know they are worth. This Project helps to provide benefits to our staff that we desperately need.”

**Misconception: WAGE\$ is too expensive.**

It is really up to each funder to determine the “cost” of WAGE\$ because the program is designed to meet local needs. In other words, WAGE\$ can typically work with the budget approved by a partnership and reach the applicants that can be covered by that amount using the funder’s chosen tier and eligibility requirements. We can reach more individuals and/or provide higher awards with greater funding, or we can tailor the program to reflect the funding provided. In those cases, WAGE\$ will work with the partnership to determine the best strategies to employ within the county based on the available options. In addition, when funding WAGE\$, partnerships receive a significant benefit by having the bulk of administration covered by the Division of Child Development and Early Education (DCDEE). WAGE\$ operates on blended funding between Smart Start partnerships and DCDEE, but the *entire amount* that a partnership allocates will go directly to supplements in the communities it represents. In other words, it goes directly into the hands of your participants! Because WAGE\$ is a statewide initiative and administered at CCSA, partnerships should also consider the money and time saved at the local level in administration and evaluation. If you are interested in WAGE\$, call us and see what options we can provide with your potential budget. We will do our best to craft a productive and results-oriented solution.

**Misconception: If we cannot fund everyone, it isn’t worth the investment.**

WAGE\$ makes a difference even when partnerships cannot reach 100% of their eligible pool with the funding available. When you have an educated teacher who stays, you are impacting the lives of that teacher and her/his family, the children s/he serves year after year and their families, her/his coworkers and the community overall because children have a better chance to succeed. Your dollars may go directly to the teacher, but the impact certainly doesn’t stop there.

Turnover of WAGE\$ participants has ranged from 12% to 16% over the past five years, and the participants have reached higher levels of education, enabling stable and educated teachers for young children. The average six-month supplement in FY17 was \$1,000 and this compensation has had a wide-ranging impact. The participants and their employers make it clear that the investment *is* worth making:

“WAGE\$ attracts better educated and committed teachers. ... It is the single best use of funds to help raise the quality of teachers in child care.” (director)

“I think it is very important because as a child care teacher I do not make enough to meet the basic needs of my family and at times it is very stressful. Every time that check comes in, it is a weight lifted off my shoulders. Without it, I do not know how I would be able to make ends meet.” (teacher)

“The staff I have who are participating in the program have benefited immensely and have definitely continued their education because of the financial assistance. I am able to advertise to incoming parents that we have teachers who have completed their education, which makes a positive difference. With their continued education, the staff are equipped to perform their jobs successfully and with confidence.” (Forsyth, director)

Please see the [Child Care WAGE\\$ FY17 annual report](#) for additional results and participant feedback.

*For more information about WAGE\$, please see the Child Care Services Association website at <http://www.childcareservices.org> or call 919-967-3272.*