

An Implementation Evaluation of a Pilot Intervention to Enhance Salaries and Improve Quality in Rural Child Care Centers*

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The ExceleRate Contract Pilot (ECP) is a pilot intervention designed to enhance workforce salaries and improve program quality in rural child care centers. Participating centers receive relatively generous payment rates per qualified or credentialed staff member. In return, centers must pay staff based on an ECP wage scale, maintain staffing patterns above those required by licensing, and implement contract standards, including director coaching and support, team planning and assessment of improvement toward program goals, reflective supervision, and development of professional development plans. To facilitate compliance with contract requirements, ECP provides up-front funding and on-going supports and technical assistance, rather than rewarding programs with payment rate add-ons once higher quality has been achieved.

The ECP model is based on the premise that child care program revenue must be both sufficient and predictable for providers to maintain a stable, high-quality workforce and deliver quality programming to families. By decoupling ECP grant funding from CCAP vouchers (which can be a volatile revenue source) and providing upfront payments to child care centers conditional on provider investments in increased staffing, salaries, and quality features, ECP is expected to demonstrate workforce gains and program quality improvement and, by extension, increase access to quality care for low-income families.

In 2020, ECP was made available to all child care centers in rural areas of Illinois serving at least 40 percent subsidized children. It has been in operation in 35 centers since 2020. The state initiated ECP in rural areas (*Region 2*) because these areas are underserved with high-quality early childhood options. While launched in rural areas, Illinois plans to apply its learnings from ECP statewide through the forthcoming Smart Start Quality Support Grant program.

The University of Chicago conducted an implementation evaluation of ECP in 2022-2023 to address the following questions:

1. How have child care program directors participating in the *ExceleRate* Contract Pilot experienced the different components of ECP?
2. What recommendations can be drawn from the implementation evaluation for improving and expanding the initiative moving forward?

The implementation evaluation included exploratory background research (February to December 2022) including a review of relevant ECP materials and reports, informal interviews with stakeholders at the state and program level, and bi-weekly to monthly meetings with ECP program administrators. The research team also analyzed survey data that had been collected from the Governor's Office on Early Childhood Development in the pilot's first year. In the second year of the implementation evaluation (January to September 2023), the research team conducted and analyzed interviews with 27 center directors/owners who are participating in the ECP program.

Takeaways from Year 1 Exploratory Work

The unfolding of the COVID-19 pandemic in ECP's first year is critical context for understanding the implementation. ECP components evolved over time in response to early implementation challenges related to the pandemic and complexity of the contracting process and reporting requirements. Key ECP personnel provided a great deal of technical assistance and other support to providers throughout the pilot. The pilot was well received by policy stakeholders, administrators, and participating center directors, who were especially motivated to participate because of the funding incentive for salary and staffing and the focus on support for quality improvements.

Key Findings from Year 2 Director Interviews

Salary/Staffing, Recruitment, and Retention	Coaching and Community of Practice	Continuous Quality Improvement
<p>Positive response to minimum salary scale</p> <ul style="list-style-type: none"> • to elevate wages, incentivize training, and support recruitment and retention • \$ still insufficient to be competitive with other industries. <p>Concerns about administrative burden</p> <ul style="list-style-type: none"> • Serious IT system glitches Errors in payroll software • Insufficient IT support • Complexity & opaque reporting requirements 	<p>Positive response to monthly mentoring</p> <ul style="list-style-type: none"> • Coaching encouraged establishment of goals, accountability to action plans, and pursuit of leadership training. <p>Community of practice well received, but less valuable than coaching</p> <ul style="list-style-type: none"> • opportunity to share and learn from colleagues • time burden • insufficiently focused content 	<p>Mixed results of monthly "Plan-Do-Review" meetings</p> <ul style="list-style-type: none"> • Helpful for keeping classroom instruction focused on attainable goals, allowed for reflective supervision, teacher collaboration, and improvements in quality. • Concerns about paperwork burden, time constraints, "busy work", and insufficient teacher buy-in complicated by high turnover.

Recommendations

1. Continue pilot, with expanded wage & benefit supports and reset of wage increments for credentials. Consider rewarding experience in addition to credentials.
2. Continue monthly coaching, reduce frequency of community of practice sessions. Consider including informational sessions in addition to support groups.
3. Revise P-D-R to better align with daily routines of program and existing systems of goals and accountability. Establish process to bring new employees on board with CQI.
4. Invest in highly skilled and responsive program administrators and IT staff support with availability for one-on-one support.
5. Simplify payroll system and reporting requirements.

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