Commonwealth of Massachusetts
Department of Early Education and Care

Board of Early Education & Care – January Meeting

January 10, 2023

Agenda

Routine Business

- Approval of Minutes from December 13, 2022 Meeting – VOTE

Items for Discussion and Action

1. EEC Overview: Who We Are & What We Do

2. Massachusetts Labor Market and Child Care
    - Ashley White, Mass Taxpayers Foundation, Senior Policy Researcher

3. Early Education & Care Workforce: Key Challenges & Opportunities

1 EEC Overview: Who We Are & What We Do

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Who We Are

Our Vision

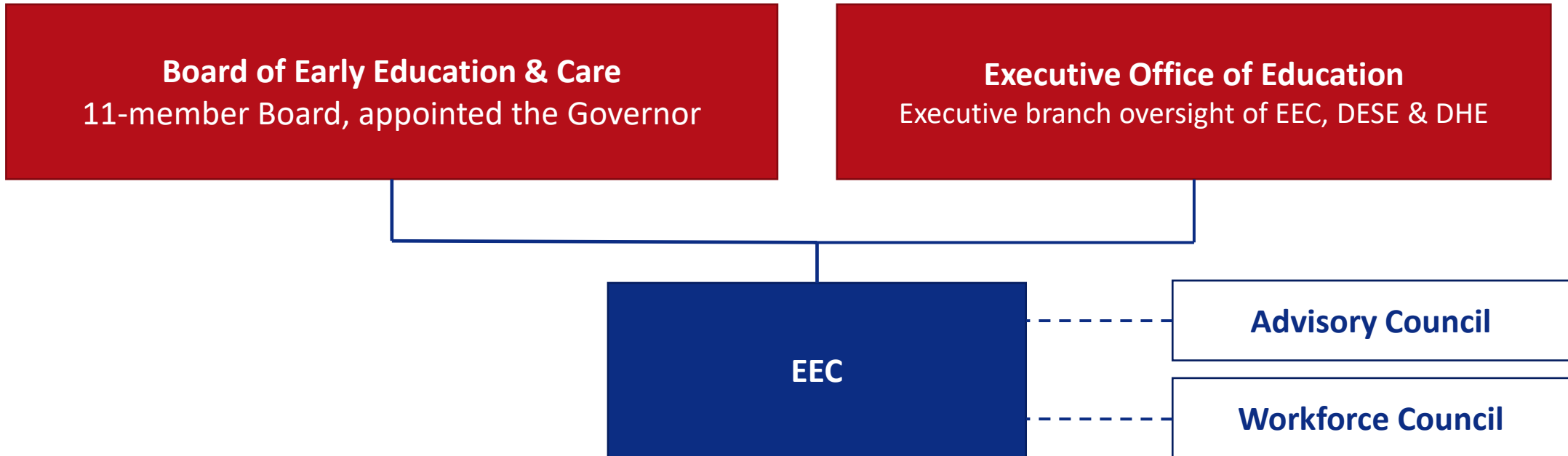EEC's vision is that children, youth, and families reach their full potential now and in the future.

Our Mission

EEC creates the conditions for children, youth, and families to thrive socially, academically, and economically.

We work to achieve our vision and mission by:

- Collaborating across organizations and sectors to build an equitable system of safe, affordable, high quality early education and care
- Supporting residential, placement, out of school and after school, and early education and care programs and educators in their essential work with children and youth
- Increasing opportunities for families to support their children and attain economic mobility.

EEC Oversight

Board of Early Education & Care	Executive Office of Education
11-member Board, appointed the Governor	Executive branch oversight of EEC, DESE & DHE

EEC

Advisory Council

Workforce Council

Meeting Frequencies

Board of Early Education & Care meets 10 times annually

Councils meet quarterly

Staffing & Structure

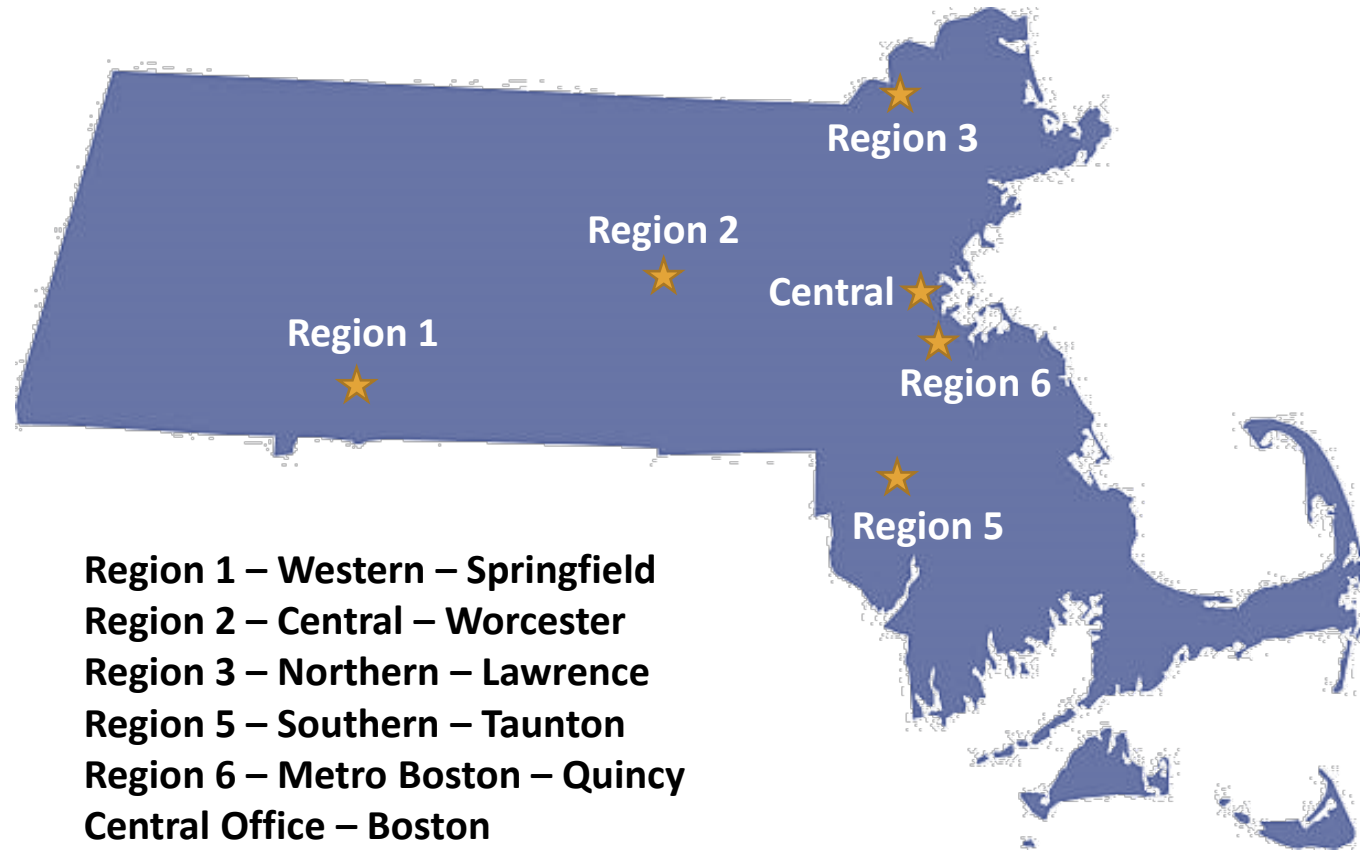EEC is comprised of 239 dedicated staff across 7 agency Divisions and the Commissioner's Office

Division	Staffing: #	Staffing: %
Commissioner's Office (Communications, External Engagement, Legislative Affairs)	6	2.5%
Operations (Fiscal, Operations, Product & Project Management)	27	11.3%
Legal & Background Record Checks	52	21.8%
Field Operations (Licensing & Investigations)	124	51.9%
Family Access & Engagement	6	2.5%
Workforce, Program Supports & Innovation	17	7.1%
Research, Data & Policy	7	2.9%

Organizational structure is designed to:

- Support and deliver on core agency functions
- Operationalize *Strategic Action Plan*/execute on priority projects/initiatives
- Align to and facilitate key "user" experiences/journeys
- Promote collaboration within EEC/strengthen cross agency collaboration
- Build capacity in existing and key areas of growth

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EEC Office Locations

- EEC operates six offices throughout the Commonwealth: five regional offices and one central office.

- 69% of the agency's staff are housed/stationed in one of the agency's regional offices
  - This includes field operations, administrative support, and specialized program and family support staff.

Region 3

Region 2

Central

Region 1

Region 6

Region 5

Region 1 – Western – Springfield
Region 2 – Central – Worcester
Region 3 – Northern – Lawrence
Region 5 – Southern – Taunton
Region 6 – Metro Boston – Quincy
Central Office – Boston

EEC Programs and Services Overview

Support Directly to Families

- Tuition subsidies
- Referrals
- Community collaboration and resources

Training and Support for Educators

- Professional development
- Teacher certification
- Teacher supports, training, coaching
- Higher Education Scholarships

Oversight and Support to Early Education and Care, Out of School Time, and Residential and Placement Programs

- Licensing and monitoring
- Safety and quality standards
- Workforce Background Record Checks

Cross-Agency Collaboration

- Department of Elementary and Secondary Education
- Department of Children and Families
- Department of Transitional Assistance
- Department of Higher Education
- Department of Public Health
- The Children's Trust

Our Work By the Numbers

Licensed Providers

Region	GSA	FCC	Residential
Western	391	757	57
Central	512	1,052	64
Northeast	675	1,162	55
Southeast	583	864	92
Metro Boston	685	1,029	68
Statewide	**2,846**	**4,864**	**336**

Licensed Capacity

Region	GSA*	FCC	Residential
Western	22,801	6,020	1,000
Central	35,348	8,387	908
Northeast	49,856	9,384	1,155
Southeast	37,892	6,906	1,697
Metro Boston	42,179	8,329	920
Statewide	**188,076**	**39,026**	**5,680**

Includes out of school time (OST) capacity

Caseload by Program – FY2023 YTD (as of 1/5/2023)

Child Count by Program	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22
DCF-Related Voucher	5,339	5,475	5,290	5,143	5,208
DCF-Related Contract	6,321	6,383	6,147	5,812	5,787
DTA-Related Voucher	8,895	9,069	9,165	9,031	9,219
Income Eligible Voucher	19,813	20,064	19,391	18,633	18,904
Income Eligible Contract	13,129	13,171	12,937	12,191	12,333
Total Number of Children	**53,497**	**54,162**	**52,930**	**50,810**	**51,451**

EEC Appropriations

$1.859 billion in FY23

Line Item	Description of Purpose and Investment	FY23
Administration	Funds staff positions and six offices across the Commonwealth	$12,201,537
Quality Supports	Funds monitoring and licensing activities, quality supports, coaching and technical assistance for programs and educators in the child care system	$44,551,119
System Wide Supports	This new line item supports system-wide infrastructure investments and improve access to early education and care services for children and families	$25,000,000
Access Management	Funds child care resource and referral activities, as well as a statewide parent hotline	$15,000,000
Subsidy Investments	Supports tuition reimbursement subsidies for children birth-fourteen enrolled in child care including a recently approved, historic rate increase for FY23	$753,650,367
Grants to Head Start	Supports a grant to all Head Start grantees in MA to help meet their non-federal match	$16,500,000
Commonwealth Preschool Partnership Initiative	Funds 9 communities across the state in an innovative funding partnership between the LEA and local child care providers	$15,000,000
Mental Health Consultation	Funds access to mental and behavioral health consultants for coaching and technical assistance to child care providers	$3,500,000
Community and Family Engagement	Supports a network of more than 90 community collaboratives designed to provide parenting resources and supports to all families in every community, inclusive of Parent Child Plus programs	$15,699,190
Neighborhood Villages	Funds a pilot program to provide high-quality economically-integrated infant and toddler classrooms	$1,000,000
Higher Education- Career Pathways	Supports a targeted initiative across all the network of state community colleges to develop credit-bearing CDA course work to increase the supply of qualified educators	$10,000,000
Reach Out and Read	Supports Reach Out and Read, a pediatric literacy intervention program which trains doctors, nurse practitioners, and other medical professional to incorporate evidence-based model into regular pediatric checkups	$1,548,228
Commonwealth Cares for Children (C3)	Ongoing monthly payments to support operating costs for all EEC-licensed child care providers	$455,093,303*
High-Quality Early Education & Care Affordability Trust Fund	This new trust fund will be leveraged to help finance a workforce strategy, based on recommendations of the Board's Workforce Working Group, EEC's Workforce Council, and legislative partners	$490,000,000*

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Includes appropriations made through FY23 GAA, economic development bill, and/or unspent funds from FY22

Funding Sources & Appropriations

FY23 Funding Sources

- $748,161,912
- $620,581,832
- $490,000,000
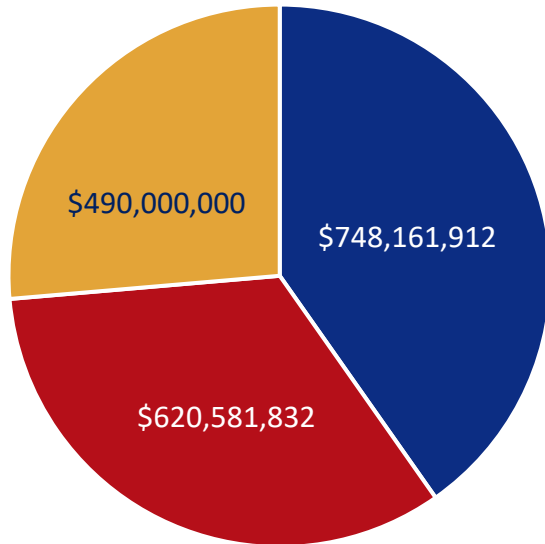
- ■ Federally-Claimed and Matching Funds
- ■ MA State Appropriation
- ■ High-Quality Trust Funding

FY23 % of Budget

- 8%
- 41%
- 25%
- 26%
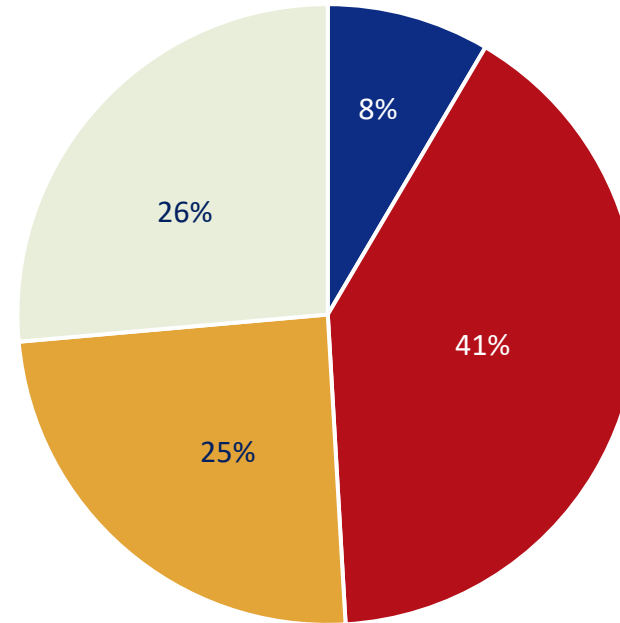
- ■ Admin, Quality Investments, Grant & Contract Funding
- ■ Subsidy Investments
- ■ Commonwealth Cares for Children (C3)
- ■ High-Quality Trust

EEC has continued to receive increased funding

EEC Funding FY14-FY23*
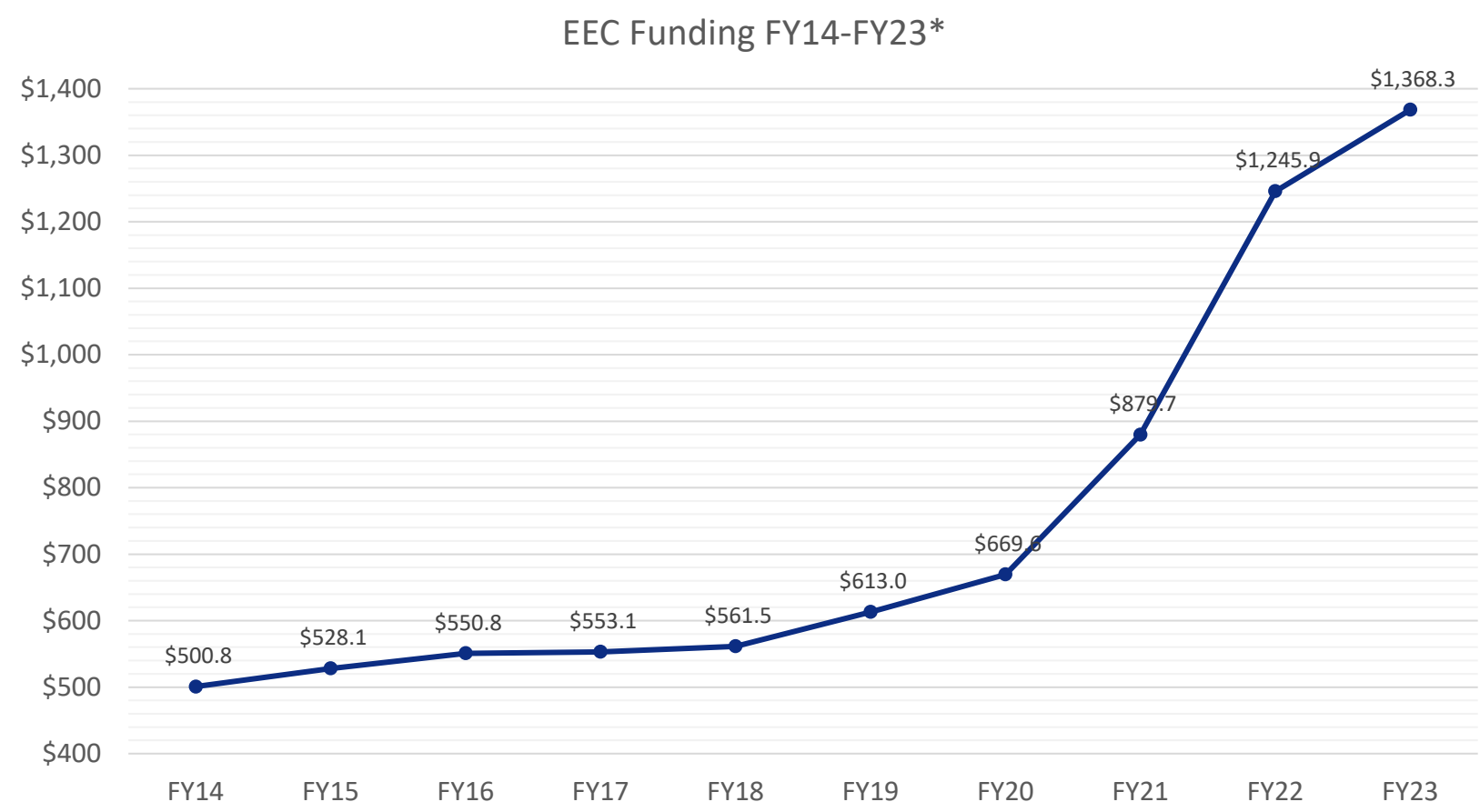
*Does not include High-Quality Early Education & Care Affordability Trust Fund in FY23 figure

FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
$500.8	$528.1	$550.8	$553.1	$561.5	$613.0	$669.0	$879.7	$1,245.9	$1,368.3

Strategic Pillars

Children, Youth & Families	Educators	Providers	State System
Children are on track for success in school and to reach their full potential. Their families are empowered to work, build their skills, and attain economic mobility while supporting their children's education and development.	The early childhood and out-of-school time workforce is professionally prepared, well supported, adequately compensated, and culturally and linguistically representative of the population it serves.	Programs will increase their sustainability, engage in continuous quality improvement, and promote high-quality education and healthy development among children and youth.	To efficiently and effectively steward public investments in early education and care with utmost integrity, transparency and accountability to the people of Massachusetts.

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Priority Outcomes and Indicators from Strategic Action Plan

Outcomes	Leading indicators
Programs stabilize and increase their sustainability	a) Growth in licensed capacity (slots) by region, program type b) Growth in licensed providers by region, program type c) Decrease in program closings
Greater supply of professionally qualified EEC workforce	a) Increase in professionally qualified EEC workforce across MA b) Increase in qualified EEC workforce diversity by race, ethnicity, primary language c) Increase in average compensation by professional category

Families gain equitable access to needed supports	a) Increase in licensed capacity in areas of greatest need b) Increase in #/% of children in low-income families receiving child care subsidies c) Increase in #/% of infants and toddlers in low-income households receiving child care subsidies d) Increase in # of children ages 9-35 months receiving developmental screening with parent-completed tool like ASQ
Children are on track to 3rd grade success	a) Increase in 4th grade reading proficiency levels b) Increase in 4th grade math proficiency levels

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Operationalizing the EEC Strategic Action Plan Implementation Framework & Operational Focus

Human/user-centered restructuring of agency operations and business processes to modernize and improve the staff and user experience

Key User Groups

Children, Youth and Families

Maximize access, streamline procedures and expand early education and care options

Providers

Provide consistent, ongoing supports that promote stable financing, quality services and health and safety

Educators

Facilitate meaningful career pathways, professional advancement and retention of educators in the field

Enabling Mechanisms

Data-driven decision making

New and expanded technology

Staff expertise and engagement

On-going stakeholder engagement

Targeted Program Integrity

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2 Massachusetts Labor Market and Child Care
Ashley White, Massachusetts Taxpayers Foundation, Senior Policy Researcher

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③ Early Education & Care Workforce: Key Challenges & Opportunities

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Overall systemwide licensed capacity continues to rebound

Number of Licensed Providers Over Time

Legend: Group and School Age (total) · Family Child Care (total) · Statewide Total

Category	Pre-COVID	Fall 2020	Spring 2021	Fall 2021	Spring 2022	Fall 2022
Statewide Total	8219	6716	6918	7317	7571	7648
Family Child Care (total)	5331	4311	4457	4566	4779	4809
Group and School Age (total)	2888	2405	2461	2751	2792	2839
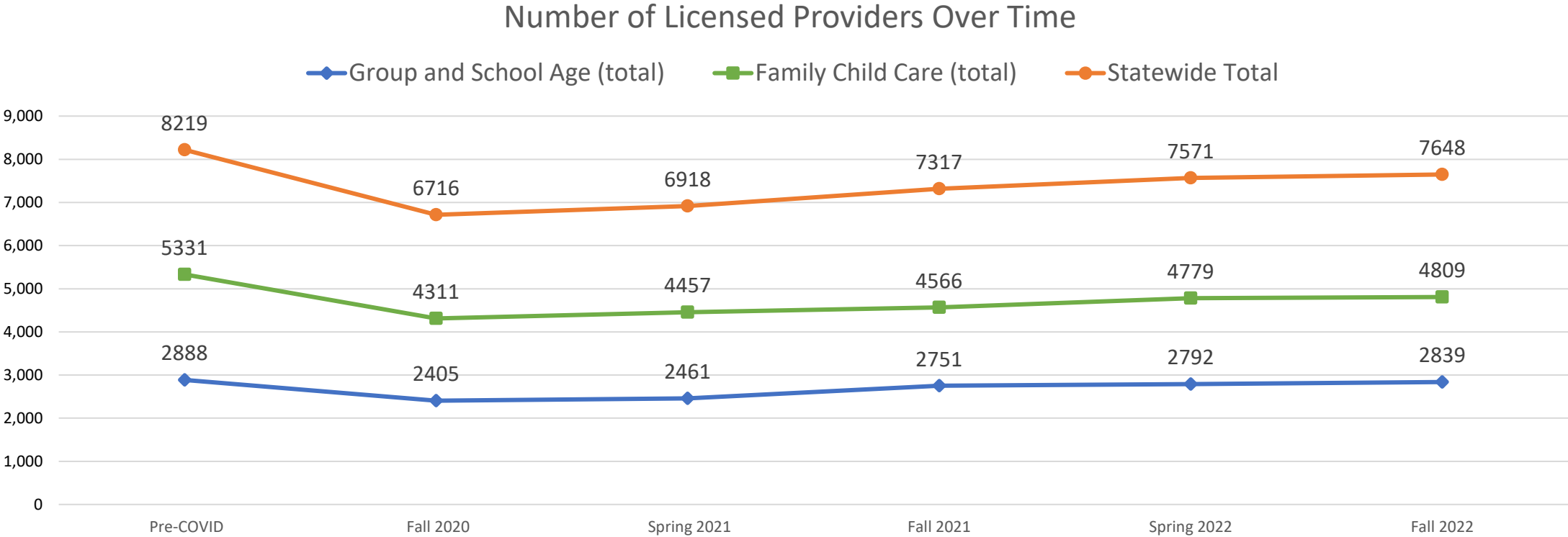
Overall licensed capacity is 3,441 seats lower (1.5%) compared to the immediate pre-pandemic period. Group and School Age center-based capacity has returned to pre-pandemic levels (+14 seats), while FCC capacity remains below pre-pandemic levels (-3,455 seats).

The monthly rate of new FCC providers now exceeds pre-pandemic levels

Estimated Average Number of Newly Licensed FCCs Monthly

Period	Value
March 2019 to Feb 2020	32.1
March 2020 to Feb 2021	17.4
March 2021 to Feb 2022	34.4
March 2022 - Present (Dec 2022)	47.8
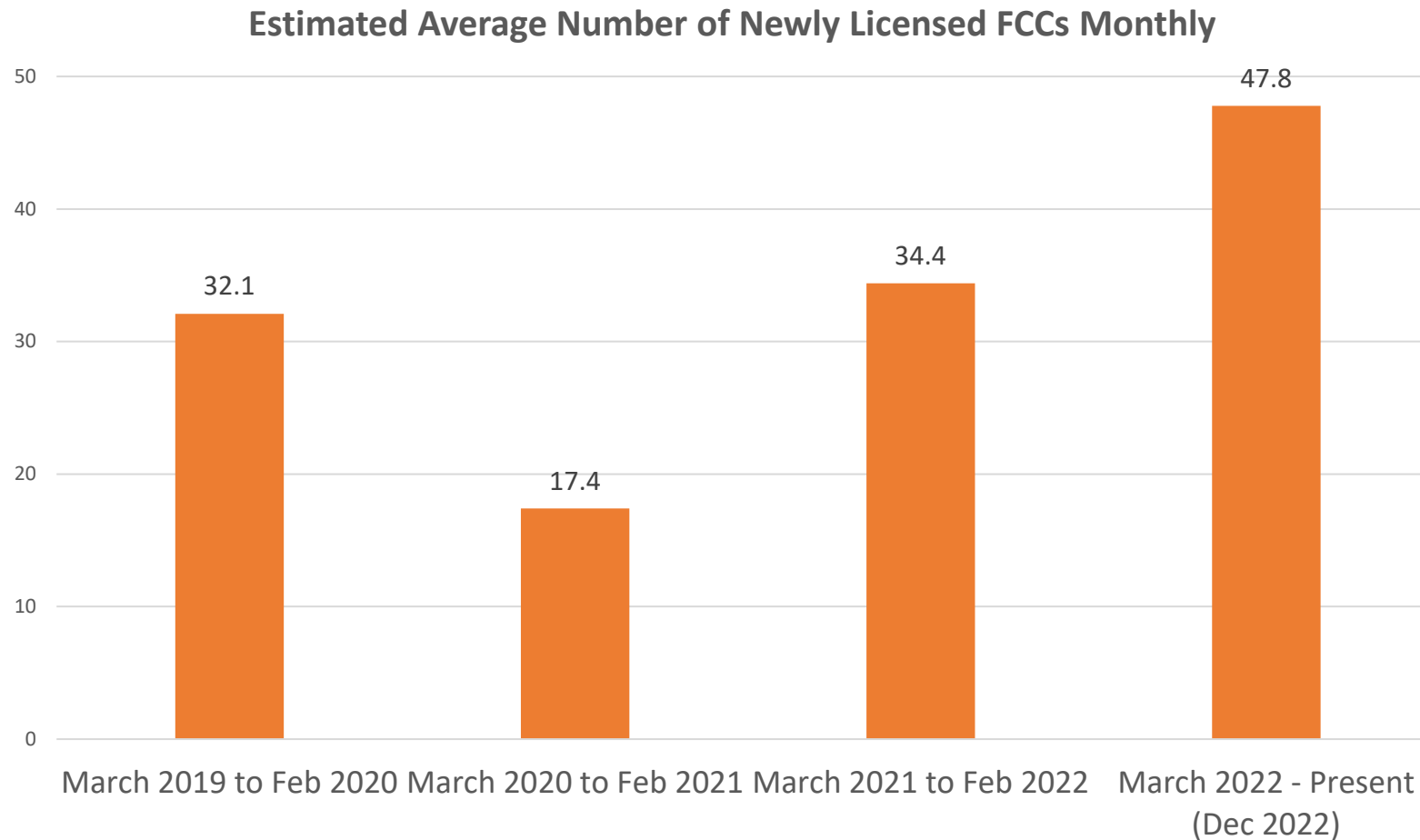
Among the 478 newly licensed FCC providers since March 2022:

- License capacity is 2,975 children

- 277 (58%) have a preferred language other than English

- 471 (99%) are still licensed today

376 FCC providers closed during the same period (March 2022-present)

- Resulting in a net gain of 102 FCC providers

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A sizeable number of programs are not currently able to serve their full licensed capacity because of staff openings

- The proportion of center-based providers that **are unable to serve their full capacity has increased** since the spring of 2022 (from 28% to 35%).

- Most of these programs (29% of all center-based providers) report that they are unable to serve their license capacity due to unfilled staff openings.
  - If these programs were fully staffed, they **could serve between 10,000 and 15,000 more children**.

- More than half (52%) of center-based programs report that they currently have at least one open educator position.
  - Among these programs, **the average program is hiring for 3.6 positions.**

About 12% of center-based positions statewide are currently open

Role	Number of Open Positions Statewide	Percent of All Open Positions Statewide	Percent of Positions that are Currently Open
Teacher	2,022	51%	12%
Assistant Teacher	1,219	31%	17%
Group Leader	393	10%	14%
Assistant Leader	175	4%	12%
Site Coordinator	53	1%	6%
Center Director	45	1%	2%
Program Administrator	28	1%	3%
All Positions	**3,935**	**100%**	**12%**

Providers report 2,022 open teacher positions, which make up 51% of all open positions and 12% of all open positions statewide

Almost 1/3 of educator positions have turned over in the past year

Educator Turnover Rates

- Statewide (n=2062): 32%
- Less than 33% Subsidized Children (n=1486): 30%
- At Least 33% Subsidized Children (n=576): 36%
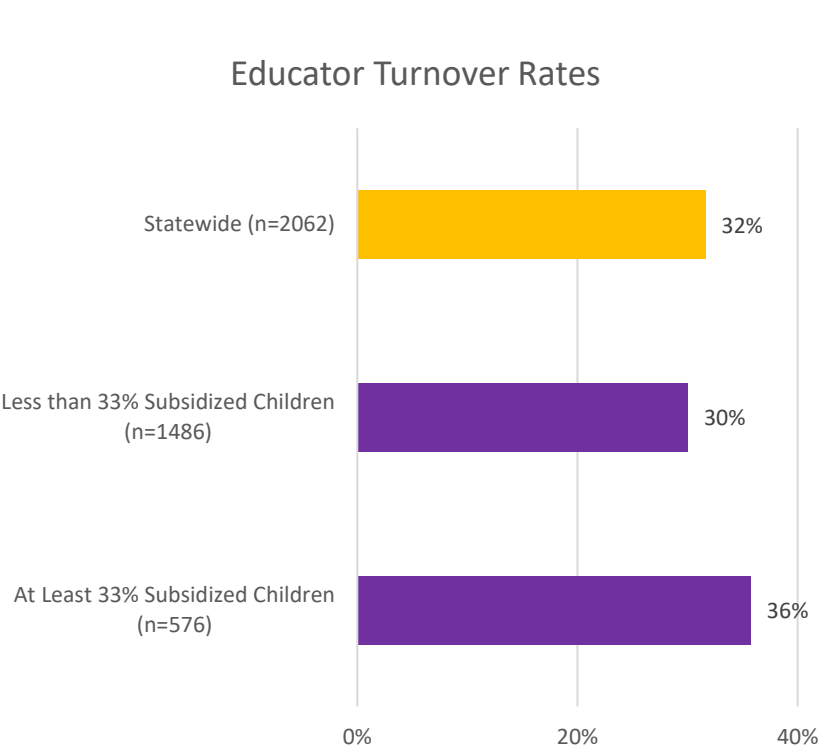
Educator turnover = % of educators (all educator roles) employed 12 months ago no longer employed by the program

Educator Turnover Rates

- Statewide (n=2062): 32%
- Central (n=377): 33%
- Southeast and Cape (n=434): 33%
- Northeast (n=465): 31%
- Metro Boston (n=477): 31%
- Western (n=287): 30%
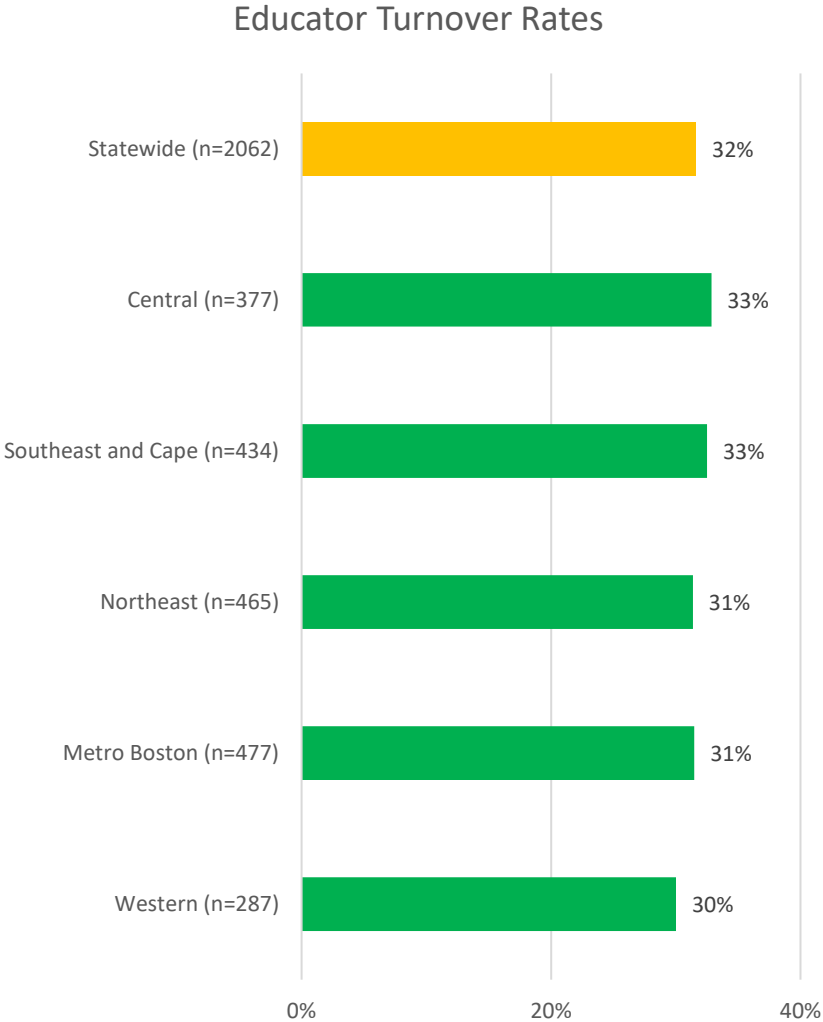
Educator hourly pay is increasing over time, yet remains low

Educator Average Highest and Lowest Hourly Pay Over Time

Legend: ● Average Highest Wage ● Average Lowest Wage ● Mid-Point

FCC Assistant

Jul-21: $15.72 / $14.83 / $13.94
Oct-22: $16.56 / $15.60 / $14.63

GSA Assistant

Jul-21: $16.34 / $15.44 / $14.54
Oct-22: $18.10 / $17.07 / $16.03

GSA Teacher

Jul-21: $21.46 / $18.90 / $16.34
Oct-22: $23.91 / $21.13 / $18.34

GSA Director

Jul-21: $30.22 / $28.59 / $26.97
Oct-22: $32.45 / $30.52 / $28.60
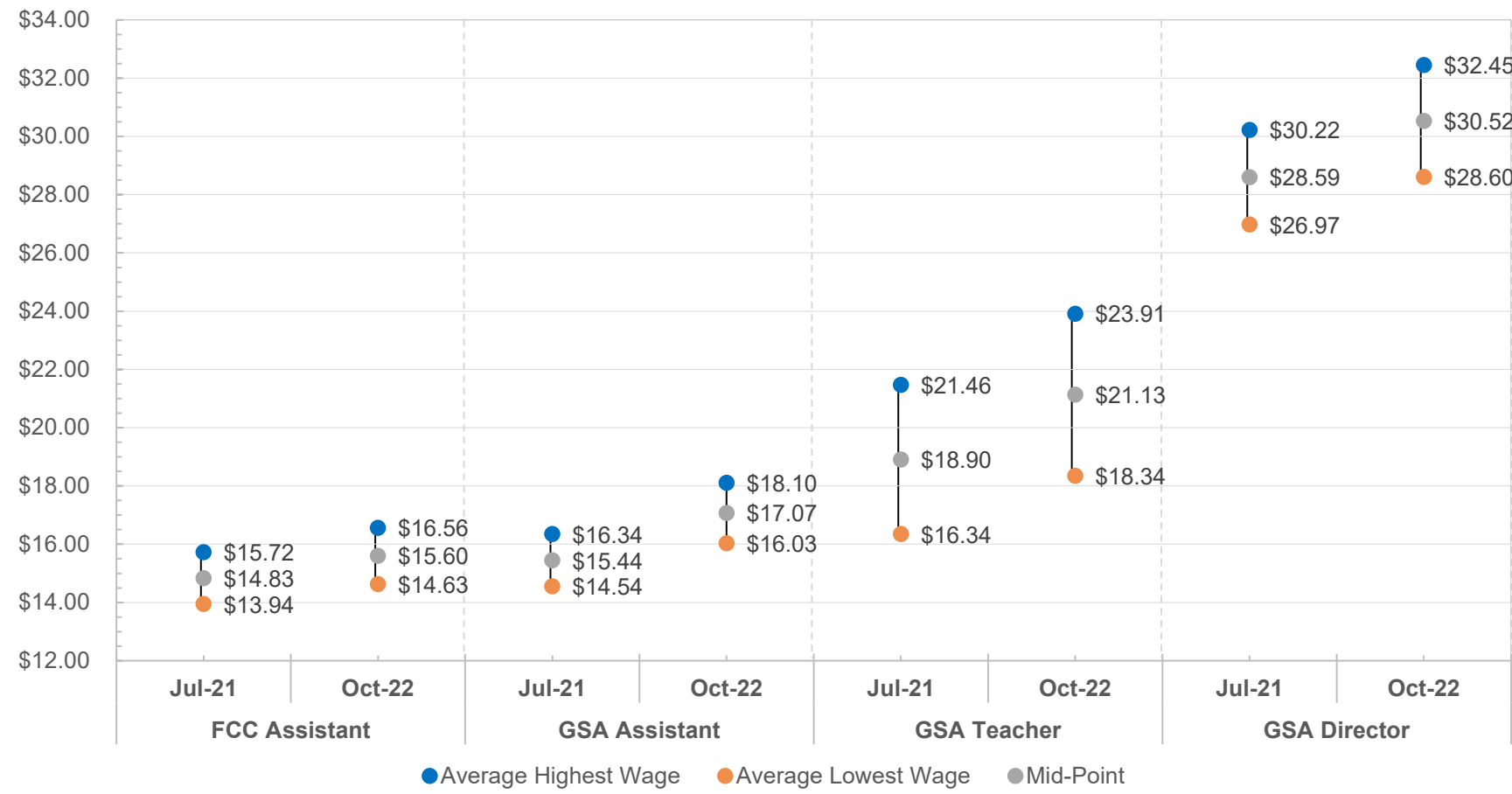
Providers report losing educators to opportunities in other sectors, as well as to public schools and other ECE programs

Most Common Reasons Reported for Educator Turnover

Reason	Percentage
Left for a position in another sector outside of licensed early care and education or the public school system (693)	46%
Left for a position in the public school system (584)	39%
Left for a position in another licensed early care and education or ASOST program (543)	36%
Decided to stay at home/not work for now (304)	20%
Don't know (155)	10%
Left to work as a babysitter (120)	8%
Retired (116)	8%
Left to work in or start a family child care (32)	2%
Other (291)	19%

Note: Providers were able to select up to three most common reasons for which educators left their programs.

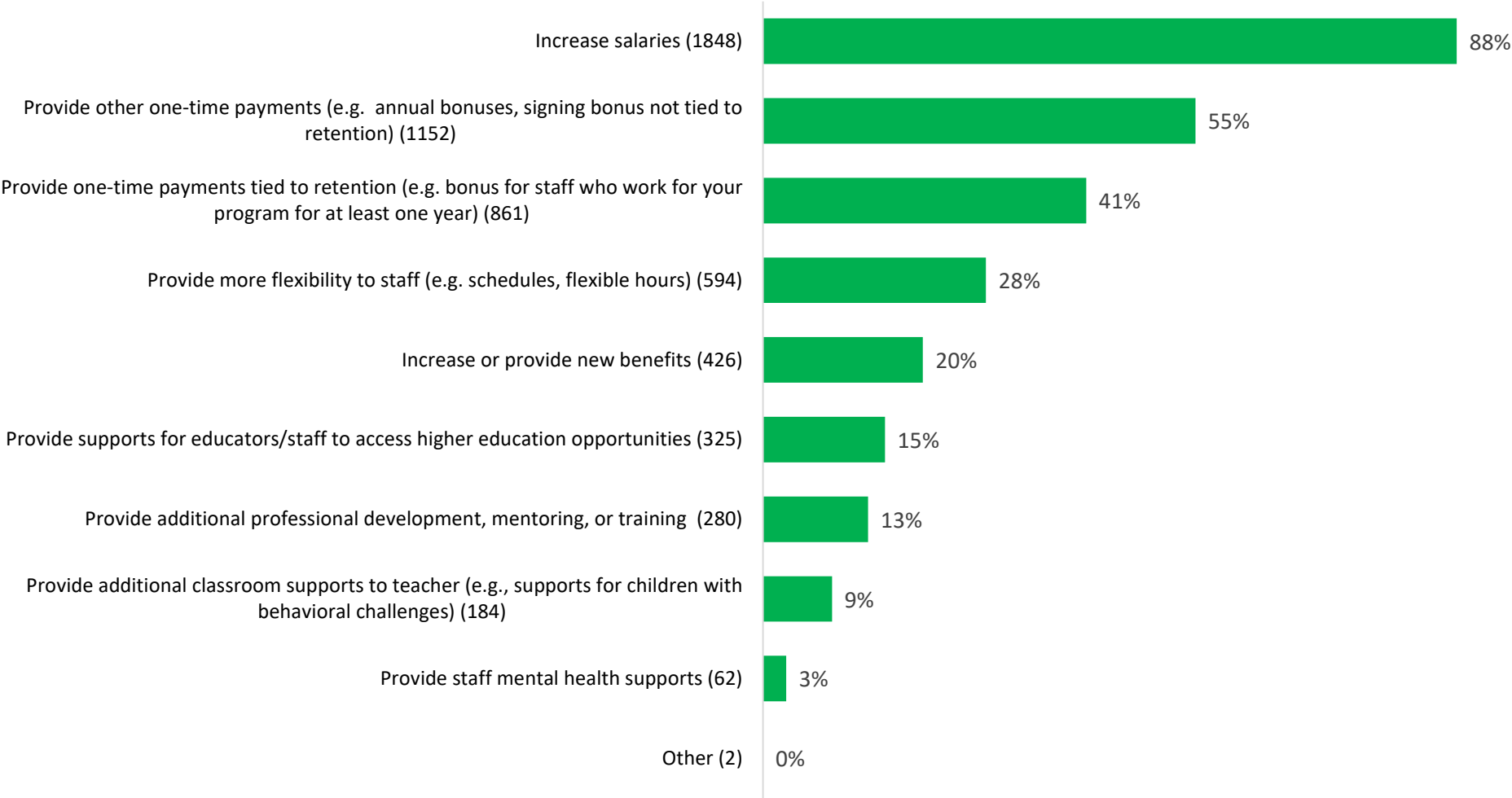# Programs are using a variety of strategies to recruit and retain staff, including compensation and other aspects of job quality

Strategies to Retain Staff (N= 2103)

- Increase salaries (1848): 88%
- Provide other one-time payments (e.g. annual bonuses, signing bonus not tied to retention) (1152): 55%
- Provide one-time payments tied to retention (e.g. bonus for staff who work for your program for at least one year) (861): 41%
- Provide more flexibility to staff (e.g. schedules, flexible hours) (594): 28%
- Increase or provide new benefits (426): 20%
- Provide supports for educators/staff to access higher education opportunities (325): 15%
- Provide additional professional development, mentoring, or training (280): 13%
- Provide additional classroom supports to teacher (e.g., supports for children with behavioral challenges) (184): 9%
- Provide staff mental health supports (62): 3%
- Other (2): 0%

WORKFORCE DEVELOPMENT STRATEGIC FOCUS BOARD WORKING GROUP UPDATE

Building the Workforce System: Transitioning from Current to Future State

EEC is working on two parallel, but equally important efforts to address system needs.

Work to build robust professional opportunities and career pathways for educators

- Access to Higher Education and Preparation Programs
- Workforce Pipeline, Educator Recruitment
- Stable Employers, Competitive Compensation
- Clear, Compelling Career Pathways

Immediate steps to address workforce capacity challenges

- Supported and clear pathways into the field:
  - Recruit new family child care providers into the field with pre-licensure, licensing and business operations assistance
  - New pipeline strategies for center-based staff (e.g., apprenticeships, mentorship programs and direct employer partnerships)
- Child care financial assistance (subsidies) for staff working in early education and care settings to enroll their own children
- Outreach campaign to connect new educators with employment opportunities and promote professional learning across the field.

Building the Workforce System: Transitioning from Current to Future State

Expected Outcomes

- Growth in FCC capacity to pre-pandemic levels

- Increased recruitment and retention of educators to support center-based programs serving full licensed capacity

- Reduced educator turnover tied to increased compensation and benefits

- Increased professional skills as demonstrated by educator achievement of higher certification and credential levels

- Increased certification and degree attainment of educators

Appendix

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Board of Early Education & Care: Roles and Responsibilities

- Established through MGL c.15D §3

- Consists of 11 members appointed by Governor including a Chair, the Secretary of Education, and the Secretary of Health and Human Services (or designee)

- Oversees Department of Early Education and Care, including appointment of Commissioner

- Approves regulations, subsidy rates, and serves as State Advisory Council for purpose of federal Child Care Development Block Grant (CCDBG) compliance

- Set policies and regulations for early education and care programs and services

- Oversee administration of high-quality system of public and private early education and care

- Oversee workforce development system designed to support early education and care workforce

- Oversee child care financial assistance system, including setting reimbursement rates, subject to appropriation

Key Data Sources

- **Licensing Education Analytic Database (LEAD):** Data from LEAD includes the number and license capacity of programs statewide, as well as program openings and closures.

- **Monthly Commonwealth Cares for Children (C3) Application Data:** Data from C3 monthly applications includes current educator hourly pay.

- **C3 Fall Survey:** In September 2022, EEC launched the third in a series of surveys to gather additional information about program use of C3 grant funds, ongoing financial needs, investments in educators, and services provided to families. Data from the fall survey includes programs' ability to serve their license capacity, educators by role, educator turnover, and strategies that programs are using to recruit and retain educators.
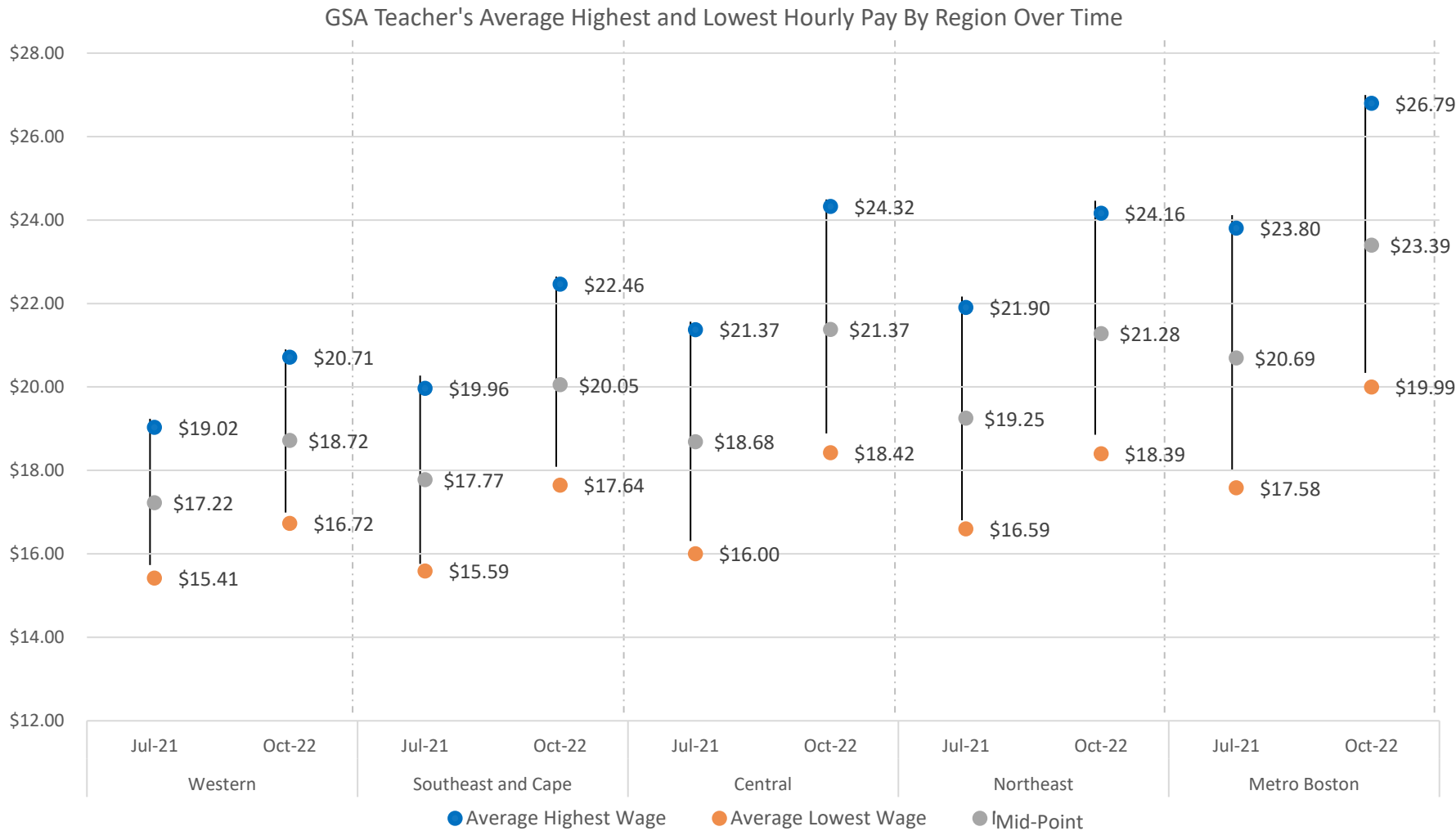
Size and composition of current center-based workforce

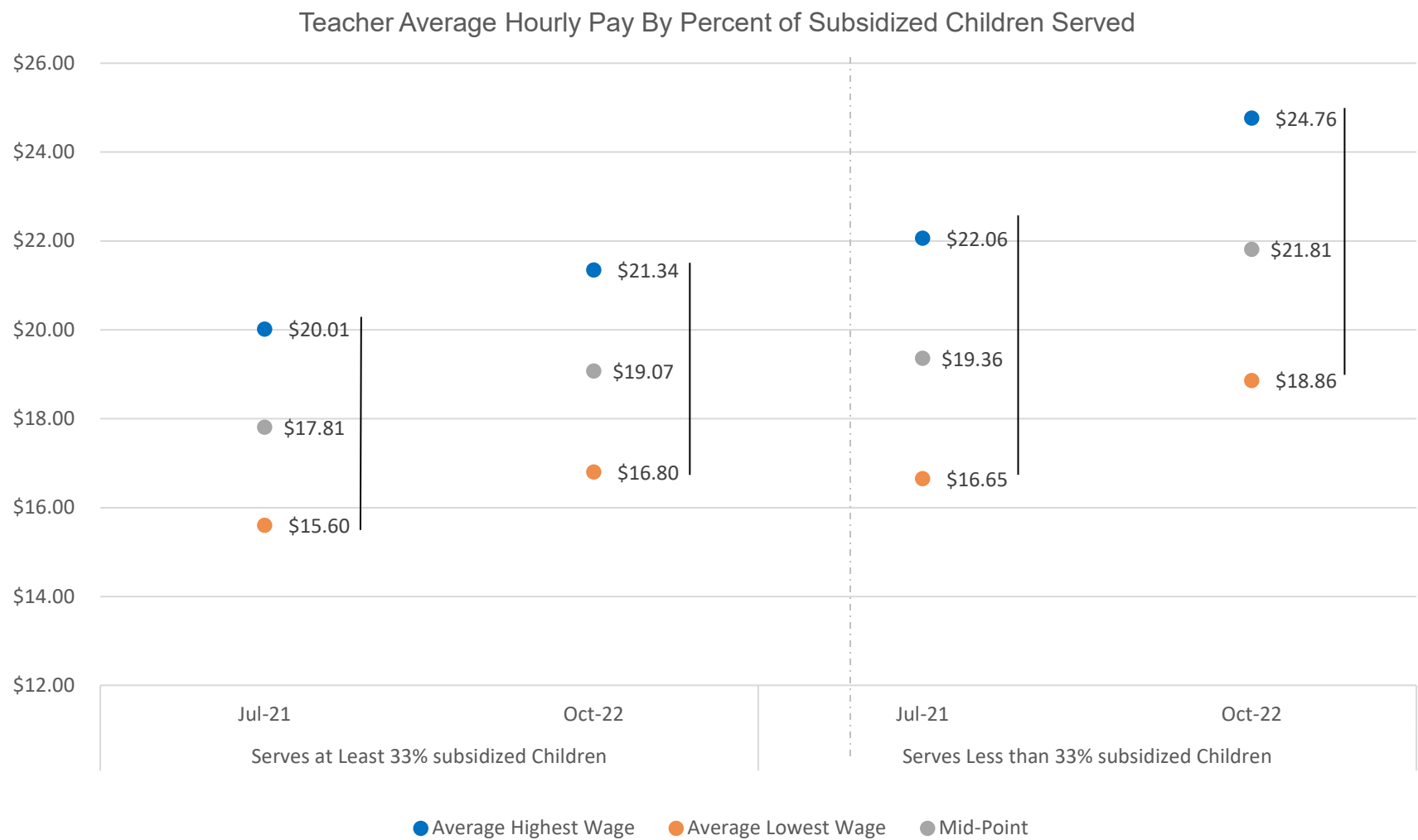| Role	Number of Educators	% of All Positions
Teacher	14,918	53%
Assistant Teacher	5,761	20%
Group Leader	2,410	9%
Assistant Leader	1,249	4%
Site Coordinator	775	3%
Center Director	2,068	7%
Program Administrator	993	4%
All Positions	**28,174***	**100%**

*If the C3 fall survey responses (n=2,103 or 73%) are extrapolated to all GSA programs, about 38,500 staff are employed statewide across these positions.
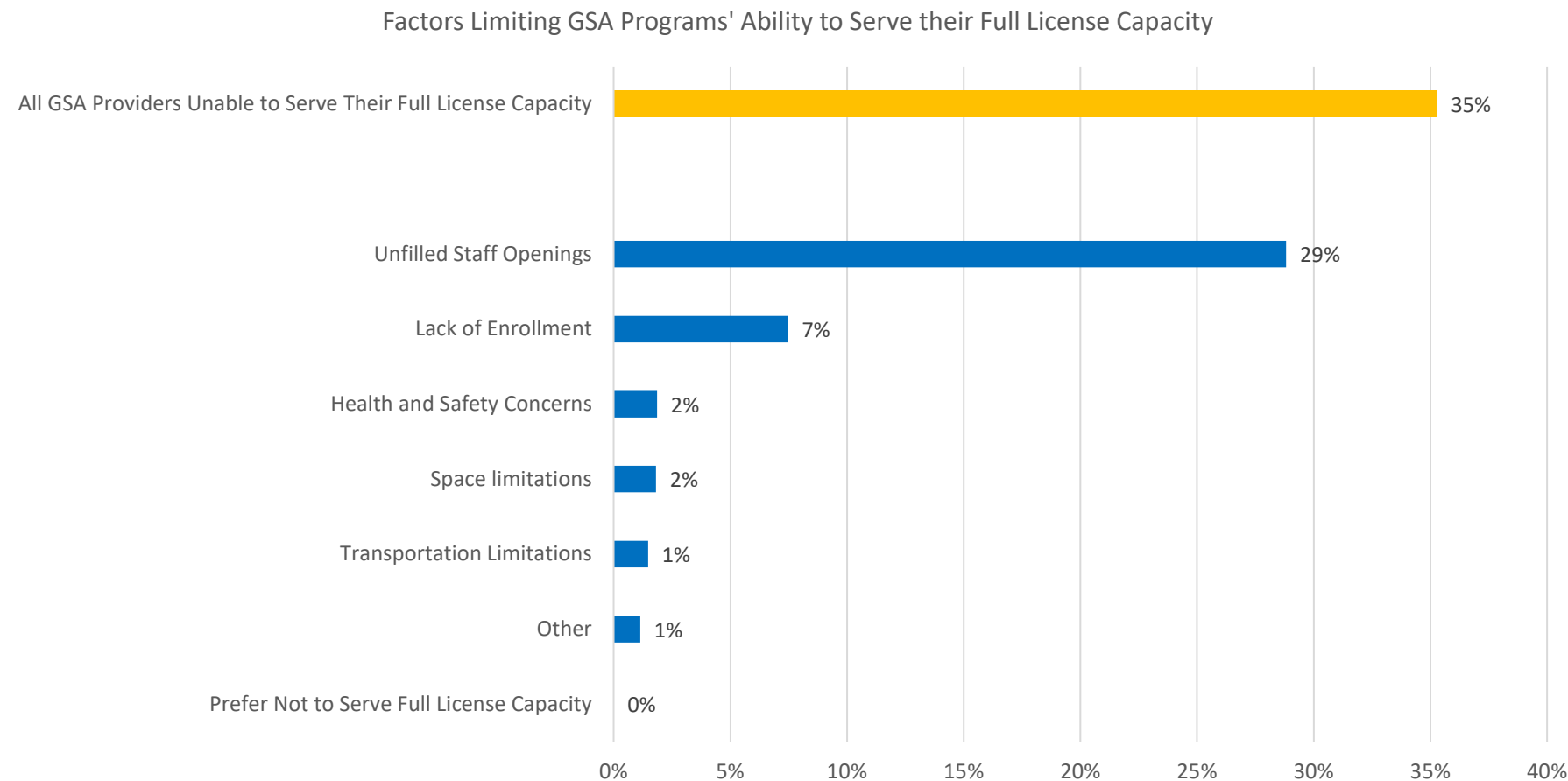
Educator hourly pay varies by region

GSA Teacher's Average Highest and Lowest Hourly Pay By Region Over Time

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Educator hourly pay is lower in programs that serve more children receiving state child care financial assistance

Teacher Average Hourly Pay By Percent of Subsidized Children Served

Serves at Least 33% subsidized Children — Jul-21, Oct-22
Serves Less than 33% subsidized Children — Jul-21, Oct-22

Serves at Least 33% subsidized Children:
- Jul-21: Average Highest Wage $20.01, Mid-Point $17.81, Average Lowest Wage $15.60
- Oct-22: Average Highest Wage $21.34, Mid-Point $19.07, Average Lowest Wage $16.80

Serves Less than 33% subsidized Children:
- Jul-21: Average Highest Wage $22.06, Mid-Point $19.36, Average Lowest Wage $16.65
- Oct-22: Average Highest Wage $24.76, Mid-Point $21.81, Average Lowest Wage $18.86

● Average Highest Wage   ● Average Lowest Wage   ● Mid-Point

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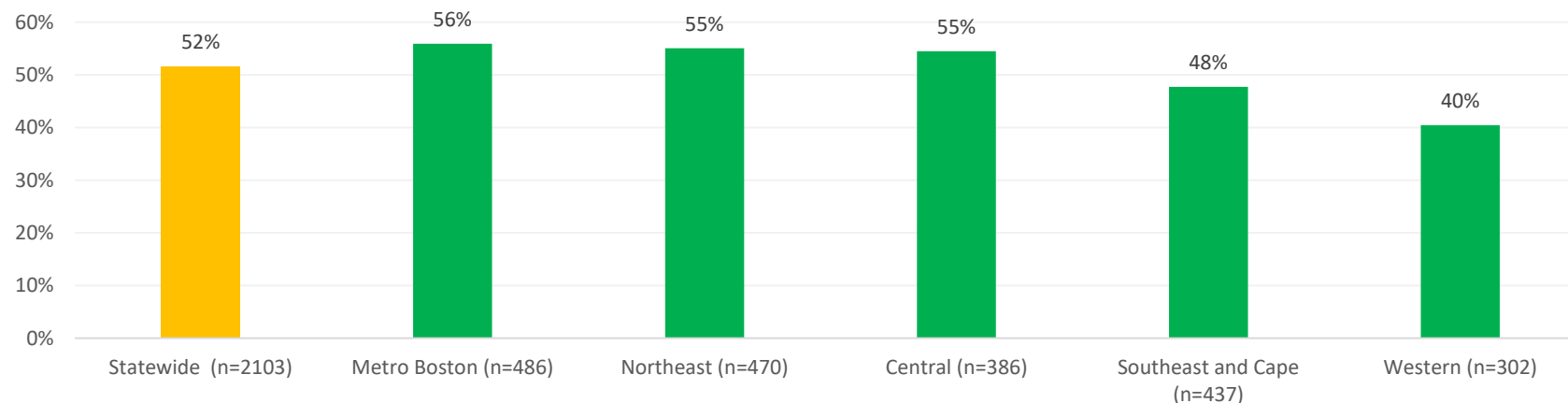**Department of Early Education and Care**

Overall, more than one-third of center-based providers report being unable to serve their full license capacity

The proportion of GSA providers that **are unable to serve their full capacity has increased** since the spring (from 28% to 35%). If these programs were fully staffed, they **could serve between 10,000 and 15,000 more children**.

Factors Limiting GSA Programs' Ability to Serve their Full License Capacity

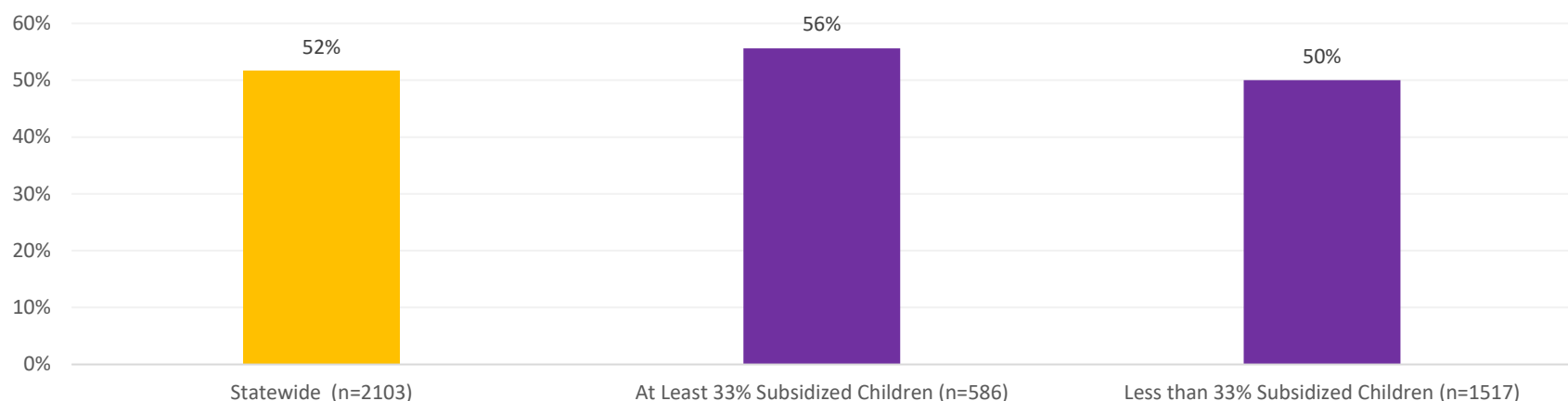| Factor	Percentage
All GSA Providers Unable to Serve Their Full License Capacity	35%
Unfilled Staff Openings	29%
Lack of Enrollment	7%
Health and Safety Concerns	2%
Space limitations	2%
Transportation Limitations	1%
Other	1%
Prefer Not to Serve Full License Capacity	0%

Providers continue to report staffing shortages

Percent of Providers with at Least One Open Educator Position

Category	Percent
Statewide (n=2103)	52%
Metro Boston (n=486)	56%
Northeast (n=470)	55%
Central (n=386)	55%
Southeast and Cape (n=437)	48%
Western (n=302)	40%

Percent of Providers with at Least One Open Educator Position

Category	Percent
Statewide (n=2103)	52%
At Least 33% Subsidized Children (n=586)	56%
Less than 33% Subsidized Children (n=1517)	50%

More than half (52%) of center-based programs report that they are currently hiring for at least one open educator position. Among these programs, the average program is hiring for 3.6 positions.

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