



CASE STUDY

Community School for People Under Six

Carrboro, North Carolina

The Community School for People under Six (CSPU6), is a five-star licensed child care program offering multicultural, community based services for children and families in the Chapel Hill-Carrboro area. The program serves children who are two months through school age, accepts families receiving subsidized child care and offers the NC Pre-Kindergarten Program.

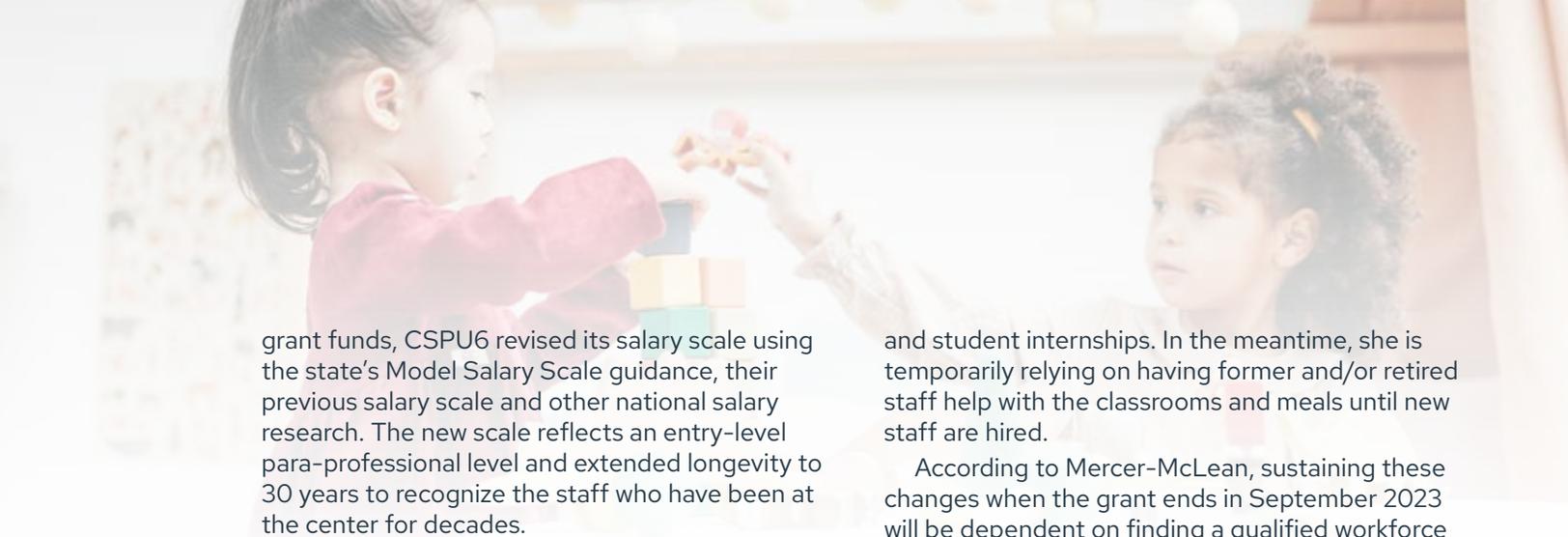
In 1970, CSPU6 started as a parent/staff cooperative program to meet the needs of affordable, high-quality child care for low- and middle-income families. The tradition of strong parent and community involvement continues today. When COVID-19 hit, the staff decided not to close, even though they could be at risk. With a maximum enrollment of 52 children, the center dropped down from 35 to just 13 children for emergency services for essential workers. The center established a strategic plan in March 2019 to help the center survive. Parents valued the center and their children's teachers and opted to pay full tuition for several months to help sustain the center. Their initial support, along with the subsequent operating grant funds received, kept the program afloat during the pandemic.

Even with this support, the center has experienced challenges with recruiting and retaining qualified early education teachers with a dedication and commitment to the work. "CSPU6 has always been looking for good teachers with educational backgrounds and experience in this field and has always offered competitive wages and benefits," said Anna Mercer-McLean, the executive director. As a result, 75% of their teaching staff have an associate degree or bachelor's degree, and most teaching staff have years of experience.

With the advent of the Stabilization Grants, Mercer-McLean said their top priority was to retain the qualified staff they had by increasing salary and benefits. "We have an older workforce and several want to retire. We do not want to lose them, and we want to attract the next generation of early childhood teachers."

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With the grant funds, CSPU6 first offered staff \$600 bonuses and established a new salary scale that allowed teachers to be paid according to their education and experience. Staff who reached their level on the scale received a 5% salary increase. A staff salary increase of 3-4% was given prior to the Stabilization Grant based on their performance evaluations. The center has long used a salary scale that includes steps for education and longevity, which was modeled on the Child Care WAGE\$ program and the Early Educator Certification Scale developed by the NC Institute for Child Development Professionals. With the help of the



grant funds, CSPU6 revised its salary scale using the state's Model Salary Scale guidance, their previous salary scale and other national salary research. The new scale reflects an entry-level para-professional level and extended longevity to 30 years to recognize the staff who have been at the center for decades.

"The Stabilization Grants have afforded CSPU6 the opportunity to give teachers the salary they deserve, which we have wanted to do for a very long time," said Mercer-McLean. The center has now fully implemented the scale improving the wages of all teachers, and plans on sustaining the new scale and benefits into the future if at all possible.

In addition, CSPU6 surveyed staff on what benefits they wanted and increased staff benefits by raising the monthly benefits allowance from \$150 per month to \$500 per month for all staff. CSPU6 offers a cafeteria-style plan that allows staff to choose among health, dental, vision, life insurance, child care and retirement, and also pays child care benefits separately for parents and teachers.

Mercer-McLean had hoped that this generous salary and benefits package would help them recruit new teachers and address the workforce shortage. But despite these efforts, no new staff have been hired since June 2021. "We have not had any luck since then, and still cannot find staff. It remains our biggest challenge," she said.

For the first time, the center does offer new staff a \$500 hiring bonus after three months of employment. But other child care programs in the area are paying \$1,500 to \$2,500 for hiring bonuses, even if their salaries and benefits might be lower than what CSPU6 provides. Mercer-McLean does not plan to increase the bonus amount and believes permanent salary and benefit changes are a better approach than bonuses to attract and retain qualified staff.

To try to retain their current teaching staff, CSPU6 is considering other options like gas stipends for staff who are getting up at 4:00 a.m. and traveling up to two hours per day to work, and a medical emergency fund for staff who have high medical bills that health insurance does not cover. Mercer-McLean also plans to try new hiring strategies such as flexible scheduling, hiring part-time staff for morning and afternoon classroom shifts or to cover meal preparation

and student internships. In the meantime, she is temporarily relying on having former and/or retired staff help with the classrooms and meals until new staff are hired.

According to Mercer-McLean, sustaining these changes when the grant ends in September 2023 will be dependent on finding a qualified workforce and reaching and maintaining full enrollment, which is currently at 39 children or just 75% of full enrollment. "For example, we would like to expand our infant-toddler classroom, but we can't unless we find good, qualified teachers."

Budgeting is a constant challenge, juggling private pay tuition payments with child care subsidy funding and NC PreK funding, which are paid on a reimbursement basis with low rates and occasionally late payments. She has created a sustainability and savings fund, hoping to save a little bit for the future health of the program and replenish the center's \$50,000 emergency fund, which it exhausted when it moved locations and had to renovate its current building and playground.

She said they are constantly balancing different funding sources to cover payroll. "Salaries are 80% of the center's operating budget, and we cannot expect families to bear the brunt of child care costs. They cannot afford it," she said, citing the high rates of child poverty and homelessness, even in Orange County which is better off economically than most other counties.

Mercer-McLean said "it takes more money, and we need a strategic plan to sustain the workforce and determine what we fully need. The operational grants helped centers survive to cover payroll and operational cost; and made the biggest difference, prior to the Stabilization Grants." Centers need a stable, upfront monthly allocation to support programs and to make a difference. She also recommends a fund for teachers to cover salary and benefits, and she believes that increasing the reimbursement rates for child care subsidies is another important strategy to sustain programs.

Mercer-McLean adds that child care centers are going to need help thinking about strategies to make these changes permanent. After more than 30 years in this field, she said, "You never know what's going to happen in child care. Child care is the backbone that supports families."