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Testimony on EarlyLearn NYC

Before the

New York City Council

January 14, 2015

The Day Care Council of New York would like to thank Councilmember Stephen Levin, Chair of the New York City Council's General Welfare Committee, for his vigilance and those members of the Committee in seeking information on an important initiative that affects the lives of more than 40,000 pre-school children. This public hearing on the progress of EarlyLearn is a testament to your concern to ensure the program that was put in place three years ago is operating according to the goals and objectives established by the Administration for Children's Services.

My name is Andrea Anthony and I am the Executive Director of the Day Care Council of New York, Inc. As the largest membership organization within New York City's child care system, the Day Care Council of New York's member agencies currently serve the early childhood education interests of 106 non-profit organizations that operate more that 200 child care centers. We are proud of their long-standing commitment to providing a strong head start to New York's most vulnerable citizens. We have been in existence for 66 years organized to advocate on behalf of our members for sufficient funding for program services and most importantly, a fully educated and trained workforce to fulfill their mission of providing stellar early childhood education.

We recognize that there are a number of concerns about the operation of EarlyLearn programs. However, the major area we will focus on is the recruitment and retention of qualified individuals for management and teaching positions in these programs. This particular issue among EarlyLearn programs has become critical with the introduction of full-day Universal Pre-kindergarten (UPK). Part of the overall success of any nonprofit agency is having qualified staff that are compensated for their work through competitive salaries and benefits. This is the area that has been overlooked for far too long.

Our testimony focuses on salaries for workers in EarlyLearn programs; the provision of health insurance; and how the expansion of UPK to full-time has caused major disruptions among EarlyLearn staff.

The Salary Gap

The workers in Day Care Council member agencies, which are EarlyLearn programs, are unionized under District Council 1707/Local 205 representing teachers and support staff and the Council of Supervisors and Administrators representing directors. We are the management representative charged with negotiating the collective bargaining agreements on behalf of our member agencies with these two labor unions. We do this work in collaboration with the City's Office of Labor Relations. To clarify further, salaries and benefits are incorporated in the EarlyLearn rate, but it is the City administration that decides the level of compensation through the labor negotiations. These negotiations have not been held since 2005.

Day Care Council of New York Testimony on EarlyLearn NYC January 14, 2005 Page 2

As such, the workers in both unions have not had salary increases in nine years. For example, let's take a look at the salary of a certified teacher who started working in an EarlyLearn center nine years ago.

- She began her job in September of 2005 at a salary of \$39,350 (as delineated in the collective bargaining agreement). Today in 2015, she is still making the same salary.
- If we applied a compounded 2.2% cost of living increase over the nine years, her salary would now be \$47,305, a difference of \$7,955.
- Furthermore, if we compared this salary with the new UPK salary for certified teachers, \$50,000, the difference would be \$2,695.
- Projecting one step further, if the City began labor negotiations with the Day Care Council and the
 unions today, we would request the same (or better) wage increase that has been given to other
 unionized workers in our city, which is 2%.
- Adding a 2% increase to the projected salary of \$47,305 equals a new salary of \$48,451. Granted, this
 certified teacher is still making less than the UPK teacher, but the difference would be \$1,549 annually
 not \$10,650 that it is currently.

In addition, it is inequitable to have three separate pay scales for certified teachers in our early childhood education system. The starting salary for a master level certified teacher in child care is \$39,350. For Head Start programs, it is \$48,509 and \$52,459 for teachers with the same credentials at the Department of Education. We strive to recruit and compensate individuals who invest the time and money to achieve a higher educational degree and pass a state required licensing test. Shouldn't we work towards figuring out a way to equal this playing field for the people we expect to achieve great results for our children?

Health Insurance

We will now take a look at one of the most important benefits for workers in any sector, health care insurance. Last year, due to the closure of the City's Central Insurance Program, unionized child care workers were terminated from a city-sponsored health insurance program that provided this benefit at no cost to the worker. Approximately 3,000 workers were affected by this closure. We negotiated with the unions what we perceived was the lowest cost health insurance plan; unfortunately, about half of the workers opted out of the plan because they could not afford it. The actual health insurance costs were established after the EarlyLearn rate was released by ACS and were significantly higher than what was built into the rate. Our members stated that they would not have been able to afford the health insurance if all of their staff enrolled in the plan.

Keep in mind these workers have made the same salary for nine years and were told that their current health insurance plan was being eliminated and they would be responsible for 20 percent of the monthly premium. In effect, this was a salary cut. We must also note that the Day Care Council/DC 1707 Welfare Fund is contributing 5% for workers towards their monthly premium payments. This assistance reduces their contribution to 15% with 80% from employers and 5% from the Welfare Fund. Unfortunately, the Welfare Fund will eventually deplete its reserve fund without additional public funding.

Day Care Council of New York Testimony on EarlyLearn NYC January 14, 2015 Page 3

<u>Universal Pre-Kindergarten</u>

Finally, the EarlyLearn sector has been grappling with the introduction of full-day UPK and its impact on staffing, morale, and the confusion over worker benefits. We acknowledge the tremendous achievement of our Mayor in securing \$300 million dollars in State funding to make Universal Pre-Kindergarten accessible for all four year olds in our City.

In highlighting recruitment and retention of workers in EarlyLearn program as a number one priority, our concerns with the implementation of full-day UPK are: (1) the Mayor's directive to provide higher starting salaries for certified UPK teachers in non-profit settings but not equal benefits packages or incremental increases based on years of service; (2) the lack of parity for qualified teachers for two and three-year-old classrooms, who are now making less than their counterparts in UPK classrooms; and (3) let's not forget certified Directors who administer child care programs. In some cases, we have directors earning less than their newly hired UPK teachers. We must also consider support staff as well, i.e., assistant teachers, custodians, and cooks, who are in desperate need of proper compensation.

To address the salary increases and health insurance benefits, the most expedient way is to begin labor negotiations immediately with the clear understanding that the City is willing to contribute sufficient funding to meet these special circumstances. This is where we need your support and hope that you will convey your concern for child care workers in EarlyLearn programs. It's shameful that these individuals who educate and support young children have not had a salary increase in nine years and more than half do not have health insurance because they cannot afford it. Thank you for the opportunity to testify today.

Submitted by Andrea Anthony, Executive Director Day Care Council of New York, Inc. January 14, 2015