



EXECUTIVE SUMMARY

EARLY CHILDHOOD RECOVERY INITIATIVE-SIGNING AND RETENTION PROGRAM

Ordinance 905-2022

Name of Requesting Entity: Starting Point
Address of Requesting Entity: 4600 Euclid Ave., Cleveland, OH. 44103
Geographic Scope of Project: City wide

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AMOUNT REQUESTED \$ 2,668,750

DESCRIPTION

High quality early childhood learning and a strong local workforce are intimately intertwined and both necessary in a city with growing and vibrant neighborhoods. COVID exacerbated the long-standing weaknesses in the early childhood system and placed most harm on teachers, students, and families. To stabilize, rebuild, and improve Cleveland's quality early childhood system, we have to first stabilize the sector's workforce. Providers across the city are unable to maintain healthy enrollment (80%) due to hiring and retention challenges. In turn, this lack of childcare is contributing to labor shortages across multiple sectors, because reliable childcare is unavailable to working families. **The Early Childhood Recovery Initiative-Signing and Retention Bonus program** will grow a pipeline of new educators, and maintain the current labor force. This two-part program is one element of a comprehensive strategy for stabilizing and growing this essential workforce. The Sign-on bonus is for 500 individuals entering or returning to the early childhood profession. Paying \$100 at hire and the additional \$400 after 90 days. The Retention bonus will be a \$250 payment to 5,000 individuals working in a licensed childcare program in the City of Cleveland. An additional \$200 in retention bonus payments will be available in a second payment after 6 months.

TIMELINE

Oct-Dec 2022: Recruit and hire staff, create application/administration process, **Jan-July 2023:** Launch bonus program and administer first 100 sign on and first 2,000 retention bonuses, **August-Dec 2023:** administer 200 sign on, 3,000 retention, and 1,000 2nd retention bonuses, **Jan-July 2024:** administer 75 sign on and 2,750 2nd retention bonuses, **August –Dec 2024:** administer 25 sign on and 1,500 2nd retention bonuses.

This program is intended to be time bound. However, the administrative tools and data collected on recruitment practices will be added to the Starting Point infrastructure, and shared with the early childhood sector.

IMPLEMENTATION

Starting Point will implement this work and increase their capacity through the hire of additional accounting and programming staff.

PARTNERS

Starting Point is Northeast Ohio's regional resource and referral agency and partnered with Pre4CLE, Step Forward, and Invest in Children in the development of this strategy.



GOALS

The goals are to support early childhood providers in the stabilization of their workforce so they can reach a steady growth in enrollment of 12% by 2024, and to grow the pipeline of the early childhood educator workforce.

RACIAL EQUITY

The early childhood workforce is predominantly female and Black and Brown, across the United State 94% and 40% respectively. This same workforce is among the lowest paid in the nation with 53% of childcare workers’ families enrolled in at least one public assistance program like SNAP or TANF. In greater Cleveland the average pay of an early childcare worker is \$13/hr. Extrapolated data estimates that Cleveland is home to 3,000 African-American and 600 Hispanic childcare providers. A recent article listed early childhood educators as one of the lowest paid with an annual mean salary of \$\$26,370. See here: <https://www.cleveland.com/data/2022/08/what-are-the-lowest-paying-jobs-in-the-cleveland-metro-area.html>

COMMUNITY IMPACT

This investment will impact 5,500 early childhood educators, and have the potential to fill a 50% vacancy rate with an indirect impact on 529 early childhood programs.

DIFFERENTIATION

Right now Cleveland is set apart by not investing in our future and stabilizing early childhood. This allows Cleveland to catch up with the rest of the nation where ARPA funds have been used just like this to stabilize the early childhood system. Including Franklin County, OH, which invested 2.8 M in bonuses for early childhood educators. There is an opportunity to learn from those early adopters and improve the implementation.

FINANCIAL LEVERAGE

Starting Point has secured up to 1.6 M from ODJFS. This reimbursement based funding must be spent by 2024. The funding cannot be used for direct incentives to educators but is being used to support providers with improving their quality rating, and communications, outreach strategies, and web based tools.

ENVIRONMENTAL SUSTAINABILITY

While outreach to marginalized communities call for targeted communications, a number of these engagements will be web based and reduce paper use and the sustainability footprint of the organization.

BUDGET

Project Budget	Notes
\$250,000	\$500 signing bonus for 500 people
\$1,250,000	\$250 retention bonus for 5,000 people
1,050,000	\$200 retention bonus for 5,250 people
\$56,250	50% Salary and benefits for \$112,500 for 2 years 100% FTE
\$62,500	Salary and benefits for \$125,000 for 2 years 100% FTE
\$2,668,750	