



QRIS FINANCIAL INCENTIVES

About QRIS

A quality rating and improvement system (QRIS) is a systemic approach to assess, improve, and communicate the level of quality in early and school-age care and education programs. Similar to rating systems for restaurants and hotels, QRIS award quality ratings to early and school-age care and education programs that meet a set of defined program standards. By participating in their State's QRIS, early and school-age care and education providers embark on a path of continuous quality improvement. Even providers that have met the standards of the lowest QRIS levels have achieved levels of quality that are beyond the minimum requirements to operate. The U.S. Department of Health and Human Services has a High Priority Performance Goal to increase the number of States and Territories with strong quality rating and improvement systems.

QRIS are composed of five common elements: (1) program standards; (2) supports for programs and practitioners; (3) financial incentives; (4) quality assurance and monitoring; and (5) consumer education.

QRIS Financial Incentives

All of the existing statewide QRIS provide **financial incentives** of some kind. These may include subsidy payments at higher rates (i.e., tiered reimbursement), bonuses tied to quality levels, quality grants or merit awards for programs, loans linked to quality ratings, tax credits linked to quality ratings, provider wage initiatives, scholarships, or other professional development initiatives linked to QRIS participation.

The following are some examples of QRIS financial incentives, including tiered reimbursement as well as compensation awards, quality bonuses, and others. These examples do not include all States that have financial incentives, but are meant to represent a range of approaches States have taken to develop/implement QRIS. It should be noted that there are States that provide financial incentives to child care providers for improving quality, but do not have a QRIS. These States often provide a higher rate of subsidy reimbursement to providers that achieve national accreditation or meet other quality indicators.

Unless otherwise stated, all State examples in this memo were found on the QRIS Compendium (BUILD Initiative, The Early Learning Childhood Collaborative, and Child Trends, 2014).

Tiered Subsidy Reimbursement

The most common financial incentive related to QRIS is tiered subsidy reimbursements, in which higher quality programs are paid higher reimbursement rates for the children who receive child care assistance (if programs charge tuition at or above that higher reimbursement rate). The information included in this summary is specific to the States with QRIS. The following information was obtained from State Web sites, Child Care and Development Fund (CCDF) Plans, and other documents related to States' QRIS.

Delaware

Providers participating in the Purchase of Care (POC) subsidy program receive reimbursement at the following percentages of the market rate:

Table 1. Delaware Tiered Subsidy Reimbursement

Star Level	Percent/amount above the max reimbursement level
Star Level 1	0%
Star Level 2	0%
Star Level 3	80% of the 75 th percentile
Star Level 4	90-93% of the 75 th percentile
Star Level 5	100-102% of the 75 th percentile

The standard POC rate for any program in the state of Delaware is 65 percent of the market rate. Additional information is available in Delaware Stars for Early Success Program Guide 2014 at <http://www.delawarestars.udel.edu/wp-content/uploads/2014/02/Program-Guide-7-14.pdf>.

Illinois

Providers participating in the Excelerate Illinois QRIS are eligible to receive a quality add-on through the Illinois DHS Child Care Assistance Program. Programs receive a one-time CCAP bonus at the Bronze Circle of Quality, a 10% CCAP add-on at the Silver Circle of Quality, and a 15% CCAP add-on at the Gold Circle of Quality. Additional information about financial incentives within Excelerate Illinois can be found at <http://www.excelerateillinoisproviders.com/benefits/incentives>.

Indiana

Providers participating in Indiana's Paths to QUALITY who achieve and maintain accreditation through an approved accrediting body are eligible to receive an ongoing 10 percent higher reimbursement rate through the CCDF Voucher Program. Additional information about Paths to QUALITY is available at <http://www.in.gov/fssa/carefinder/2554.htm>.

Kentucky

Kentucky has a four-star QRIS and Star Quality Incentive Award, an annual incentive paid quarterly for programs that achieve levels two through four and serve subsidized children. For type I centers, the size of the award is based on the size of the program, number and ages of subsidy children, and star level. For certified family child care homes and type II licensed family child care homes, the amount is based on the ages of the subsidized children.

The STARS for KIDS NOW Achievement Award and STAR Quality Incentive Award Chart –Type I Child Care Centers (June 2008), which includes the award amounts, is available at <http://chfs.ky.gov/NR/rdonlyres/0AC16EDF-6187-40C1-92BA-2397A132C435/0/TypeISTARIncentives1.pdf>.

The STARS for KIDS NOW Achievement Award and STAR Quality Incentive Award Chart – Type II Licensed and Certified Family Child Care Homes (June 2008), which includes the award amounts, is

available at <http://chfs.ky.gov/NR/ronlyres/3378F4E3-7F6F-4D9F-AF44-E24F9EE8373B/0/STARsforKIDSNowAwardsTypellandCertified.pdf>.

Maine

Providers who meet Quality for ME's Steps 2-4 receive a quality bump in their subsidy reimbursement.

Table 2. Quality for ME Tiered Subsidy Reimbursement

Star Level	Quality Bump Amount
Step 1	N/A
Step 2	5%
Step 3	13%
Step 4	25%

Additional information is available at <http://www.maine.gov/dhhs/ocfs/ec/occhs/qualityforme.htm>.

Maryland

Maryland's new EXCELS QRIS has a tiered reimbursement system that has different reimbursement levels depending upon the age of the child, the type of care, and the check level rating of the program. The payments are as follows:

Table 3. Maryland EXCELS Tier Payments by Check Level

Tier Payments	Level 3	Level 4	Level 5
Family Child Care			
Under 2 years of age	11%	22%	29%
2 years of age and over	10%	21%	28%
Child Care Center			
Under 2 years of age	22%	37%	44%
2 years of age and over	10%	19%	26%

More information is available at:

<http://olms.cte.jhu.edu/olms2/data/ck/sites/217/files/Tiered%20Reimbursement%20Information%208%2023%2013.pdf>.

Mississippi

Centers that participate in the Mississippi Child Care Assistance Program, a subsidy program for low-income working parents, can receive tuition subsidy bonuses for earning quality ratings. The bonuses are staggered:

Table 4. Mississippi Rates by Star Level

Star Level	Monthly Bonus Percentages
Two Stars	+7%
Three Stars	+17%
Four Stars	+22%
Five Stars	+25%

Additional information about Mississippi's reimbursement rate, for centers participating in the Mississippi Child Care Assistance Program is available at <http://earlychildhood.msstate.edu/programs/qualitystars/assistanceprog/index.php>. Additional information about the Mississippi Child Care Quality Stars System is available at <http://earlychildhood.msstate.edu/programs/qualitystars/>.

Montana

Montana has a tiered reimbursement incentive for programs participating in the Best Beginnings STARS to Quality Program, the QRIS. Adjusted rates are available over base rate for STARS 2 and higher, ranging in 5% increments, from 5% at STAR 2 to 20% at STAR 5. Additional information is available at <http://www.dphhs.mt.gov/hcsd/ChildCare/STARS.aspx>.

New Mexico

FOCUS is a five-star system. Participation in New Mexico's FOCUS program, a 5-level quality rating and improvement system for licensed homes and centers, allows for higher reimbursement rates to providers. The differential rates paid to licensed child care providers with 2 through 5 STAR licenses are as follows:

Table 5. New Mexico Rate Differentials by Star Level

Star Level	Rate Differentials Per Month Per Child
2-Star	\$88.00
3-Star	\$100.00
4-Star	\$180.00
5-Star	\$250.00

More information about FOCUS is available at https://www.newmexicokids.org/content/caregivers_and_educators/focus/.

North Carolina

North Carolina has a five-star QRIS. Subsidy payment rates are established for each level of the program. The current rates for each level are available by county in the following two documents:

- Division of Child Development Subsidized Child Care Market Rates for Child Care Centers Effective 10/1/07 is available at http://ncchildcare.dhhs.state.nc.us/pdf_forms/center_market_rate_table_effective_100107.pdf.
- Division of Child Development Subsidized Child Care Market Rates for Family Child Care Homes Effective 10/1/07 is available at http://ncchildcare.dhhs.state.nc.us/pdf_forms/home_market_rate_table_effective_100107.pdf.

Oklahoma

The Oklahoma Department of Human Services' Reaching for the Stars QRIS has four levels: one star, one star plus, two star, and three star. The reimbursement rates for each star level for rated centers and family child care homes are in the document Child Care Eligibility/Rates Schedule, Appendix C-4 (revised 11/1/2013), available at <http://www.okdhs.org/NR/rdonlyres/49930792-BCCE-4B60-8DF8-76D5342446D8/0/C4B.pdf>.

Pennsylvania

Child care providers participating in Keystone STARS receive a subsidy add-on for every child they serve that is enrolled in the subsidy program. The subsidy add-on is applicable to family child care homes, group child care homes, and centers and increases with each STAR level. The add-on is automatically applied to the daily subsidized child care rate for the program.

The current add-on rates are as follows:

Table 6. Keystone STARS Subsidy Add-On Increases by Star Level

Daily increase for:	STAR 1	STAR 2	STAR 3	STAR 4
Full-time care	\$0.35	\$0.95	\$2.80	\$5.00
Part-time care	\$0.15	\$0.45	\$1.05	\$1.35

Additional information is available at

<http://www.pakeys.org/uploadedContent/Docs/Early%20Learning%20Programs/Keystone%20STARS/Keystone%20STARS%20Grant%20and%20Award%20Structure%20Overview%202014-15.%20.pdf>.

Tennessee

Providers participating in Tennessee's Star-Quality Child Care Program receive higher reimbursement rates. One-star programs receive 5 percent more than the base rate; two-star programs receive 15 percent more; and three-star programs receive 20 percent more. More information is available at <http://www.tnstarquality.org/html/star-quality.htm>.

Texas

Texas Rising Star (TRS) Provider certification is a process for improving the quality of child care services provided in Texas. A TRS Provider is a child care provider that has an agreement with a Board's Child Care Contractor to serve Texas Workforce Commission (TWC) subsidized children and that voluntarily

meets requirements that exceed the State's Minimum Licensing Standards for child care facilities. The TRS Provider certification system provides graduated levels of certification as providers meet progressively higher certification requirements. TRS providers are reimbursed at five percent above the maximum reimbursement rate for non-TRS providers. Additional information is available at <http://www.twc.state.tx.us/svcs/childcare/provcert.html>.

Vermont

According to the Child Development Division, Department for Children and Families, Vermont Agency of Human Services Web site for STARS (STep Ahead Recognition System), child care providers with star ratings are eligible to receive higher tuition reimbursement (i.e., subsidy) rates. The percentage of reimbursement rate increases are as follows:

Table 7. Vermont STARS Rates by Star Level

Star Level	Rates
One Star	+5%
Two Stars	+10%
Three Stars	+20%
Four Stars	+30%
Five Stars	+40%

Additional information is available at <http://dcf.vermont.gov/cdd/stars/benefits>.

Quality Grants, Bonuses, and Awards

Several States provide quality grants—linked to QRIS—for program improvement and professional development. In most States, quality grants are offered as one-time bonuses or awards and are designed as incentives for QRIS participation (Stoney, 2004; Mitchell, 2005). The terminology used to define these incentives varies by State, as do the eligibility criteria, financial amount, timeframe (e.g., one-time award or ongoing support), and the specific objectives of the incentive. For instance, in some States, achievement bonuses or awards may be given to providers upon completion of specific requirements to improve quality based on the levels established in the States' QRIS. Some States may provide improvement grants to help providers who want to participate in QRIS. Other States may give early care and education programs participating in QRIS preference for facility grants, scholarships for professional development, and/or other quality grants available for all providers.

Quality bonuses or merit awards can be linked to a QRIS but not be integrated into the subsidy reimbursement system. Such incentives are intended to benefit all children, not just those served with subsidy funds (Mitchell, 2005).

Delaware

Delaware's Stars for Early Success offers several awards and grants to providers participating in the QRIS. Quality Improvement Grants are available based on annual funding determinations to programs at Star Levels 2, 3, and 4 that are actively working toward the next Star Level. Grant requests must relate to goals on a program's Quality Improvement Plan and may be used for materials and/or professional development. Grant funding may not be used for materials or professional development that is required to meet licensing standards. The award amounts are as follows:

Table 8. Delaware Quality Improvement Grants

Facility Type	Grant Amount
Family Child Care	Up to \$750
Large Family Child Care	Up to \$1,000
Small ECE Center	Up to \$2,500
Medium ECE Center	Up to \$3,000
Large ECE Center	Up to \$4,000
Extra Large ECE Center	Up to \$5,000
Small School Age Program	\$1,000
Medium School Age Program	\$1,500
Large School Age Program	\$2,000

The Quality Improvement Grants may be used for materials and/or professional development. A separate grant for professional development is not available.

Grantees are required to maintain records, including receipts to verify the use of grant funds towards quality improvement. Random audits to request these documents will be conducted by Delaware Stars and the State of Delaware.

Programs must be a vendor with the State in order for payment to be processed and there may be a cap on grant funding in some cases.

More information is available at <http://www.delawarestars.udel.edu/wp-content/uploads/2013/11/2014-Grant-Guidelines-Agreement.pdf>.

Georgia

Georgia has developed a variety of bonuses and grants for programs in its Quality Rated program. The Quality Rated Portfolio Submission Bonus is a one-time bonus award of \$500 that is given upon the submission of the program's completed portfolio. The money is paid out in recognition of the program's commitment to quality and is intended to support staff recognition, program enhancement, and/or professional development.

The Quality Rated Enhancement Grant is a one-time grant available to child care programs who participate in the Quality Rated Technical Assistance Track. The \$1,000 grant is available to programs that need equipment, materials, or supplies to provide the necessary level of care and instruction for children. More information is available at https://qualityrated.decal.ga.gov/Content/Documents/PM_ProgramManual.pdf.

Georgia Quality Rated also has a system of Bonus Packages. These packages are designed to assist the program in achieving a higher level of quality or maintaining the highest level of quality. Once a program has been rated, they are eligible to select bonus packages based on their quality level. The bonus packages vary based on child care setting (Learning Center, Family Day Care Home, Group Day Care Home), and by age of children served. Programs may choose from a variety of packages that may include some or all of the following: furniture; classroom materials; materials to assist with assessments; cash bonuses for teachers and/or directors; and/or paid attendance for professional conferences. Details about bonus packages are available at <https://qualityrated.decal.ga.gov/Shared/Help.aspx?v=bp>.

Indiana

Indiana's Paths to QUALITY gives financial awards to providers who achieve certain QRIS levels. Providers who achieve the third level and desire to move on to the fourth level, which includes becoming accredited, will be eligible for financial support for the accreditation process. After completing the standards for the fourth level, providers are eligible for a special one-time cash recognition award to recognize their achievement. The State also offers annual Level 4 accreditation maintenance awards to providers who annually maintain the standards for the fourth level as well as accreditation. Additional information is available at <http://www.in.gov/fssa/pathstoquality/3735.htm>.

Table 9. Indiana Cash Recognition Awards and Maintenance Awards

	Homes	Centers	Ministries
Level One- Startup Award	\$50 non-cash	\$50 non-cash	\$50 non-cash
Level Two- One Time Award	\$300 non-cash	\$1,000 non-cash	\$1,000 non-cash
Level Three- One Time Award	\$300 non-cash	\$1,000 non-cash	\$1,000 non-cash
Level Four- One Time Award	\$500 cash	\$1,500 cash	\$1,500 cash
Level Four- Annual Award	\$300 cash	\$1,000 cash	\$1,000 cash

Iowa

According to the Iowa Department of Human Services Web site, the five-level Iowa Child Care QRIS includes payment of achievement bonuses to licensed child care centers and family child care homes. The amount of the bonus is determined by the size of the program and quality level achieved. For example, the bonus amounts range from \$800 at the second level to \$2,000 at the fifth level for a licensed center with 26–50 children. Achievement bonuses are paid each time a rating is redetermined or renewed. A quality rating level is in effect for 2 years.

Table 10. Iowa Quality Rating System Achievement Bonus Schedule for Child Development Homes

QRS Level	Bonus
2	\$400
3	\$600
4	\$800
5	\$1,000

Table 11. Iowa Quality Rating System Achievement Bonus Schedule for Licensed Child Care Centers

QRS Level	Licensing capacity for up to 25 children	Licensing capacity for 26-50 children	Licensing capacity for 51-100 children	Licensing capacity
2	\$400	\$800	\$1,200	\$1,600
3	\$600	\$1,200	\$1,800	\$2,400
4	\$800	\$1,600	\$2,400	\$3,200
5	\$1,000	\$2,000	\$3,000	\$4,000

Achievement bonuses are paid each time the rating is re-determined or renewed. A quality rating level is in effect for two years. Programs that do not increase their level at re-application receive half the bonus amount listed in the bonus chart. Additional information is available at <http://www.dhs.state.ia.us/iqrs/faqs/index.html>.

Kentucky

Kentucky's participation/star initial achievement award is a one-time cash award given for reaching each star level, beginning at the second level (with a nominal participation award given for the first level). At levels two through four, the size of the award is based on facility size, ranging from \$250 to \$5,000. These awards are given to all participating programs, not just those that serve children receiving child care subsidies.

In addition, programs at the third and fourth star levels receive an annual achievement award. These awards range from \$850 to \$2,500 (depending on star level and number of children served) for child care centers and from \$250-\$500 (depending on star level) for family child-care homes.

The *STARS for KIDS NOW Achievement Award and STAR Quality Incentive Award Chart – Type I Child Care Centers* (June 2008), which includes the award amounts, is available at <http://chfs.ky.gov/NR/rdonlyres/0AC16EDF-6187-40C1-92BA-2397A132C435/0/TypeISTARIncentives1.pdf>.

The *STARS for KIDS NOW Achievement Award and STAR Quality Incentive Award Chart – Type II Licensed and Certified Family Child Care Homes* (June 2008), which includes the award amounts, is available at <http://chfs.ky.gov/NR/rdonlyres/3378F4E3-7F6F-4D9F-AF44-E24F9EE8373B/0/STARsforKIDSNowAwardsTypellandCertified.pdf>.

Massachusetts

The QRIS Program Quality Improvement Grants were created by the Massachusetts Department of Early Education and Care and administered by United Way of Massachusetts Bay and Merrimack Valley. The grant's purpose is to provide funding to eligible programs/educators for quality improvements and to make direct program improvements in pursuit of upward progress on the levels defined in the QRIS system. There are two types of funding options. The first, Individual Program Planning Funding, is designed to be used to support compensation for a consistent, familiar substitute staff person to allow the program's staff/educators out-of-classroom planning time during the regular work day when they will not be responsible for the care of children. The second funding option, Individual Durable Goods and Services Funding, is designed to be used for the purchase of durable goods and services that are linked to a QRIS standard area to support a program in advancing in QRIS. Funding amounts are based on the number of children served.

Additional information is available at <http://www.cybergrants.com/qrigrants/>.

Pennsylvania

Pennsylvania's Keystone STARS offers two grant programs, including annual STARS merit awards for programs with two to four stars that range from \$1,000 for a two-star family child care home to \$49,250 for a very large four-star center. Award amounts are based on the type of program, size of program, and percentage of subsidized children.

RISING STARS Support Grants are awarded to selected providers in targeted areas. Providers selected may be eligible for enhanced Professional Development, materials, financial awards, or any other good or service identified by the sponsoring Regional Key.

The two grant programs are available to STARS participants with approved expenses and submitted receipts based on the Keystone STAR level. Family Child Care homes could also be eligible if they belong to CACFP's Tier I program. Charts with maximum eligibility amounts for each award are available at

<http://www.pakeys.org/uploadedContent/Docs/Early%20Learning%20Programs/Keystone%20STARS/Keystone%20STARS%20Grant%20and%20Award%20Structure%20Overview%202014-15.%20.pdf>.

Vermont

Providers who participate in the STARS program or are nationally accredited receive a one-time financial bonus payment based on the number of stars earned. The bonus payments for accredited providers are in addition to the current Child Development Division (CDD) \$1,000 bonuses for accreditation, credentialing, and renewals.

The bonus payments are as follows:

Table 12. Vermont Bonus Payments by Star Level

Star Level	Payment
One Star	\$250
Two Stars	\$500
Three Stars	\$1,000
Four Stars	\$1,150
Five Stars	\$1,550

Additional information about benefits to providers is available at <http://dcf.vermont.gov/cdd/stars/benefits>.

Loans Linked to Quality Ratings

States and communities have established special low- or no-interest loan initiatives for early care and education programs. Frequently, these efforts include a program assessment as part of the loan process.

North Carolina

North Carolina worked with its statewide Community Development Financial Institution, Self-Help, to offer financing for a wide range of purposes including minor renovations to existing buildings (whether leased

or owned), working capital, bridge loans, equipment purchases, and startup expenses. In a direct link to the QRIS, the loan fund has a special provision to activate a Disaster Relief Child Care Loan program if counties are declared Federal disaster areas by the Federal Emergency Management Agency. Applications are accepted up to 1 year after the date of the disaster. If during the loan period the participating provider raises its QRIS quality level, its loan can get a partial conversion to a grant. Additional information about loan programs is available at <http://www.self-help.org/business/loans-credit/child-care-loans.html>.

Scholarships

Providers need access to education that leads to the qualifications and credentials specified in the QRIS. Some States offer scholarships to help pay for the college courses needed (Mitchell, 2005, p. 40). Scholarship programs provide funds to early care and education workers to cover the costs of higher education or training. Scholarships for professional development make education more accessible and program participation in the QRIS more likely. Some States (e.g., Maryland, North Carolina, and Pennsylvania) give priority for scholarship programs, such as T.E.A.C.H. (Teacher Education and Compensation Helps) Early Childhood®, to programs participating in the QRIS and working to improve their ratings (Mitchell, 2005, p. 42).

Twenty-three States, including the District of Columbia, have a T.E.A.C.H. Early Childhood Project, 18 of which have a QRIS— Arizona, Colorado, Delaware, District of Columbia, Indiana, Iowa, Kansas, Michigan, Minnesota, Nevada, New Mexico, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, and Wisconsin. Additional information about the T.E.A.C.H. Early Childhood Project is available on the Child Care Services Association Web site at http://www.childcareservices.org/ps/teach_ta_gac/.

Georgia

Georgia's SCHOLARSHIPS program allows eligible staff to receive financial assistance towards pursuing credentials or degrees in early education. More information on SCHOLARSHIPS is available at <http://www.decalscholars.com/>.

Idaho

IdahoSTARS has a Professional Development System (PDS). Those enrolled in the PDS can receive: scholarships for trainings in the Core Knowledge Components; reimbursement for college coursework; academic degree scholarships that include tuition and paid release time for those taking courses towards an early childhood development CDA, Technical Certificate, Associate Degree, or Bachelor's degree; reimbursement for GED testing; and/or a scholarship for CDA assessment and renewal. More information is available at <http://idahostars.org/?q=scholarships>.

Kentucky

Those involved in STARS for KIDS NOW QRIS are eligible to participate in the Kentucky Early Childhood Development Scholarship which provides tuition scholarships for Kentucky students pursuing a Commonwealth Child Care Credential, a Childhood Development Associate, an Associate Degree in Early Childhood Education, a Bachelor's Degree in Interdisciplinary Early Childhood Education or related program, or a Director's Credential. More information is available at <http://kentuckypartnership.org/info/ecpro/ECPD/scholar/scholar.aspx>.

Maine

Employees of Quality for ME providers can participate in the Maine Roads Scholarship Program to help pay for the cost of earning a CDA or a college degree. More information is available at <http://muskie.usm.maine.edu/maineroads/pd/scholarship.htm>.

Oklahoma

The Scholars for Excellence in Child Care initiative provides scholarships to help pay for tuition, fees, and books. Scholar coordinators in each community college help students enroll and access Pell grants, act as advisors, observe students' application of learning in their child care program, and encourage their progress. To qualify for the Scholars for Excellence initiative, child care providers must work in one-star plus or above child care facilities that are licensed by the Department of Human Services or Tribes and care for subsidized children (at least 10 percent of children in care must receive subsidies). Additional information about the initiative is available on the Oklahoma State Regents for Higher Education Web site at <http://www.okhighered.org/scholars/>.

Pennsylvania

Pennsylvania now offers the RISING STARS Tuition Assistance Program. It pays 95% of tuition costs for eligible college coursework taken by early learning professionals, with a maximum benefit of \$4,500 per individual each fiscal year. The program covers tuition costs only, and does not include books, materials, or fees. This program replaces the College Tuition Reimbursement Voucher Program that previously existed.

There is also a CDA Assessment Fee Voucher Program that covers the \$425 CDA assessment fee. More information is available at http://www.pakeys.org/pages/get.aspx?page=Career_Financial.

Washington

The Washington Early Achievers program includes a scholarship program. Different types of scholarships are available for CDA programs, Certificates, and Associate's Degrees and Bachelor's Degrees in Early Childhood Education. Awards include tuition and books/materials. Additional information is available at http://www.del.wa.gov/publications/elac-qrisc/docs/EA_Scholarships_one_pager.pdf.

Wage Supplements

Wage incentives, also known as wage/compensation supplements, are designed to reward early care and education teachers and providers based on their levels of education and years of tenure. Although quite a few States and communities have established early childhood practitioner wage initiatives, these efforts are rarely linked directly to QRIS participation. Stoney (2004) reported the following:

The individuals interviewed for this paper were quick to point out, however, that these efforts were in effect linked because each level on the QRIS includes standards for both programs and practitioners. Thus, there is a strong incentive for programs that seek to advance up the QRS to build linkages with the state or local practitioner wage initiative.
(p. 25)

Georgia

Georgia's INCENTIVES program is a statewide salary supplement program that rewards eligible professionals for earning a credential or degree in the field and for tenure with their employer. More information is available at <http://www.decalscholars.com/>.

Idaho

The IdahoSTARS Professional Development System (PDS) incorporates required wage increases for those who successfully complete an academic scholarship. In addition, IdahoSTARS provides an anniversary award or level move award for continued progress on the career lattice based on number of training hours, college credits, or degree completed within a provider's anniversary cycle. More information is available at <http://idahostars.org/?q=recognition>.

Maryland

To be eligible for an achievement bonus, a provider must apply, be accepted, participate in the Maryland Child Care Credential Program for a least 1 year, and complete continued training and professional activities as well as 1 year of continued employment in a child care facility. A one-time bonus, at each level, will be paid directly to the participating provider only upon completion of all requirements, in the following amounts:

Table 13. Maryland One-Time Bonuses by Credential Level

Credential Level	Payment	Frequency
Staff Credential Level Two	\$200	One Time Only
Staff Credential Level Three	\$300	One Time Only
Staff Credential Level Four	\$500	One Time Only
Staff Credential Level Four Plus	\$600	Annual
Staff Credential Level Five	\$750	Annual
Staff Credential Level Six	\$1,000	Annual
Administrator Credential Level One	\$400	One Time Only
Administrator Credential Level Two	\$750	Annual
Administrator Credential Level Three	\$1,000	Annual
Administrator Credential Level Four	\$1,500	Annual

Attainment of these credentials is included in the standards for the Maryland Child Care Tiered Reimbursement program. Information about the credential program is available on the Office of Child Care, Division of Early Childhood Development, Maryland Department of Education Web site at http://www.marylandpublicschools.org/MSDE/divisions/child_care/credentials/mdcred.htm.

Oklahoma

REWARD Oklahoma provides education-based salary supplements to teachers, directors, and family child care practitioners working with young children in child care settings. REWARD Oklahoma provides education-based salary supplements to providers based on their qualifications. The REWARD Oklahoma

program is offered statewide with funding provided by Child Care Services within the Oklahoma Department of Human Services.

Participants may be eligible for up to \$1,500 annually, depending on educational level achieved. Teachers and family child care home providers must be active on the Oklahoma Professional Development Registry and be at Level 3 or above on the Registry's Professional Development Ladder (PDL). Directors must be active on the Oklahoma Professional Development Registry and have a Gold or Silver Oklahoma Director's Credential (ODC) to be eligible. Using either scale, the amount of the supplement increases as the level of education increases.

Additional information is available at <https://www.cecpcd.org/en/provider-programs/reward-oklahoma/faqs/>.

Pennsylvania

Programs at the second, third, and fourth star levels are eligible for annual ongoing education and retention awards for staff with degrees or credentials in early childhood education or related fields. The following chart shows the award amounts for FY 2013-2014:

Table 14. PA Keys Education and Retention Awards

STAR Level	Director- BA in ECE	Staff- BA in ECE	Staff- AA in ECE	CDA/School-Age Credential
STAR 2	\$3,090	\$2,320	\$1,545	\$600
STAR 3	\$3,650	\$2,705	\$1,805	\$700
STAR 4	\$4,120	\$3,090	\$2,060	\$800

Additional information is available at:

<http://www.pakeys.org/uploadedContent/Docs/Early%20Learning%20Programs/Keystone%20STARS/Keystone%20STARS%20Grant%20and%20Award%20Structure%20Overview%202014-15.%20.pdf>.

Washington

Those who receive a Washington Scholarships for Child Care Professionals General Scholarship or a Washington Scholarships for Child Care Professionals Bachelor's Degree receive either a \$300 bonus or a 1.5% raise upon completion of the program. Additional information is available at http://www.del.wa.gov/publications/elac-qrisc/docs/EA_Scholarships_one_pager.pdf.

Tax Credits

Governments can use tax credits to help parents pay for child care. The report Making Care Less Taxing: Improving State Child and Dependent Care Tax Provisions (April 2011), by Nancy Duff Campbell, Amy K. Matsui, Julie G. Vogtman, Anne W. King, for the National Women's Law Center, evaluates tax policies relating to care for children and adult dependents; reviews the reasons supporting enactment of child and dependent care (CADC) tax provisions; describes the Federal Child and Dependent Care tax credit, which serves as the basis for many State provisions; and provides an overview of the State CADC tax provisions in effect for tax year 2010. The report is designed to help State policymakers and advocates develop the best CADC income tax provisions possible for their States. The report also identifies policy decisions commonly made when enacting and implementing CADC income tax provisions, and makes recommendations designed to help policymakers and advocates identify and pursue the best decisions for families. This resource is available at <http://www.nwlc.org/resource/2011-making-care-less-taxing-improving-state-child-and-dependent-care-tax-provisions>. A supplement to this report for 2014 is available

at <http://www.nwlc.org/resource/2014-supplement-making-care-less-taxing-improving-state-child-and-dependent-care-tax-provis>.

Arkansas

According to Individual Income Tax Regulations (Code: 1.26-51-502(c)(1) Twenty Percent (20%) Approved Child Care Facility Credit), Arkansas allows qualified taxpayers to claim an additional 20 percent of their Federal CADC tax credit for expenses incurred by a “qualified individual” for child care services provided by an “approved child care facility.” Only parents of children who attend facilities at levels 2 and 3 of the QRIS are eligible for this tax credit. These facilities provide early childhood programs for children ages 3 through 5 as certified by the Arkansas Department of Education.

This resource is available on the Arkansas Department of Finance and Administration Web site at http://www.dfa.arkansas.gov/offices/policyAndLegal/Documents/it1997_4.pdf.

Louisiana

In 2007, the Louisiana Legislature passed a package of tax credits known as the School Readiness Tax Credits that support the Quality Start QRIS. The tax credits took effect on January 1, 2008, and include the following:

- **Child care providers** participating in Quality Start will receive a refundable tax credit based on the number of stars they earn and number of children they serve in the Child Care Assistance Program or children in foster care. The size of the credit is based on the center’s star level and the number of children being served who are in the Child Care Assistance Program or are foster children in the custody of the Department of Social Services. The credit is NOT dependent on whether the center owes income taxes, and is available for both for-profit and non-profit centers. The following table shows the amount of the tax credit for each rating level:

Table 15. Louisiana Child Care Provider Tax Credits by Star Level

Star Level	Tax Credit Per Eligible Child
One Star	\$0
Two Stars	\$750
Three Stars	\$1,000
Four Stars	\$1,250
Five Stars	\$1,500

- **Families** with a child younger than age 6 enrolled in child care will be eligible for a refundable tax credit based on the star rating of the center their child attends.

Table 16. Louisiana Family Tax Credits by Star Level

Star Level	Percent Increase to Louisiana Child Care Tax Credit
One Star	0%
Two Stars	50%
Three Stars	100%
Four Stars	150%
Five Stars	200%

- **Child care teachers and directors** will be eligible for a tax credit if they teach in centers participating in Quality Start. This credit will be based on the level of their education.
- **Businesses** that support quality child care will also be eligible for a tax credit based on the star rating of the center. These credits may be available to businesses that construct, renovate, or expand a child care center, purchase equipment for a center, maintain or operate a center, or subsidize child care for their employees. Businesses may also receive a tax credit for donations made to child care resource and referral agencies.

Additional information is available at <http://www.qrsloouisiana.org/tax-credits>. Additional information about Quality Start is available at <http://www.qrsloouisiana.org/>.

Maine

A Maine taxpayer who enrolls a child in a child care center or home that has a Quality Certificate (issued by the Department of Human Services' Child Care Division) is eligible for a double child care tax credit on his/her Maine individual income tax return.

Additional information can be found in the "Section §5218, Chapter 822: Tax Credits, Part 8: Income Taxes, Title 36: Taxation" in Maine Revised Statutes. Information about the income tax credit for child care expenses is available on the Maine Revenue Services Web site at <http://www.mainelegislature.org/legis/statutes/36/title36sec5218.html>.

Child care credit applications and instructions are available at <http://www.state.me.us/revenue/incomeestate/childcare.html>. For additional information about Quality Certificates, contact the Office of Child Care and Head Start at 207-624-7909 or visit <http://www.maine.gov/dhhs/ocfs/ec/occhs/quality.htm>.

Vermont

In June 2002, Vermont implemented a refundable Low Income Child and Dependent Care Credit for taxpayers with adjusted gross incomes less than \$30,000 (or \$40,000 for married, filing jointly) and who enroll their child(ren) in accredited child care facilities or family child care homes. The credit is equal to 50 percent of the Federal CADC credit. The statute "32 V.S.A. § 5828c. Low-income child and dependent care credit," in "Chapter 151: Income Taxes," in "Title 32: Taxation and Finance," in Vermont Statutes, is available at <http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=32&Chapter=151&Section=05828C>.

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