

# ECE Compensation

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# The Problem is Clear

**Families can't find or afford child care because compensation is too low to attract and retain early childhood educators.**

The staffing shortage has real impacts on educators, families, and children.

- *Nationally, 46% of recent survey respondents say fewer children are being served (49% in VT)*
- *38% say they have a longer waitlist (45% in VT)*

# Stabilization Grants Have Helped...

- 34% of programs nationally reported that their program would have closed without grants (*38% in VT*)
- 50% of respondents nationally received more money from a wage increase or supplement in the last year (*63% in VT*)

## But when stabilization grants end:

- 43% of child care center directors nationally say their programs will have to raise tuition (*36% in VT*)
- 23% of national respondents report that their programs will have to cut wages or be unable to sustain wage/salary increases (*24% in VT*)

- 78% of respondents believe that burnout and exhaustion are “greatly” or “to some extent” contributing to problems retaining qualified teachers (*89% in VT*)
- 37% of respondents indicated that the overall mental health of themselves and their colleagues was either “excellent” or “good”
- 30% of respondents reported experiencing financial insecurity (*27% in VT*)

*“How will I continue with current inflation and no stabilization grants? These funds helped to hold us afloat. We were struggling before COVID, we can’t go back to the old system in the new reality.” – VT family child care provider*

# Pipeline Crisis Ahead

	Vermont	National
<b>Future Challenges</b>		
Total indicating “yes” or “maybe” to considering leaving their job or closing their family child care home	35.5%	29.2%
› In the field 5 years or less indicating “yes” or “maybe” to considering leaving their job or closing their family child care home	45.5%	45.0%
› Family child care providers considering leaving	46.2%	36.4%
Number one thing needed to stay	Competitive wages	Competitive wages

These substantial losses would:

- Decrease the field’s celebrated diversity
- Diminish families’ choices
- Increase educator turnover
- Add to instability

# Compensation for Early Childhood Educators Drives the Quality and Supply of Child Care.

## Comparable compensation with benefits.



Differences in settings and funding streams do not dictate differences in the nature of the work being done.



Early childhood educators with similar experience and qualifications will be comparably compensated regardless of whether they work in a community-based center, elementary school, or family-based child care home.



**Compensation increases with competency.**

*Compensation should increase commensurate with increased preparation and increased competency.*



**Compensation will not be differentiated on the basis of the ages of children served.**

*We must address the wage penalty affecting early childhood educators working with infants and toddlers, which disproportionately affects educators from communities of color.*



- Increase **wages and professional benefits**, including paid leave, health insurance, retirement, loan forgiveness, child care assistance for child care providers, and substitute pools (*State Examples: Washington, Washington, D.C., Kentucky, Vermont*)
- Create **compensation scales** and align them with professional pathways in the Unifying Framework (*State Examples: Connecticut, Delaware, Washington, D.C., Minnesota*)
- Establish **cost of quality studies that accurately reflect what's needed for ECE compensation** (*State Examples: New Mexico, Washington, D.C.*)

- **States moving to create and align them with professional pathways**
  - Examples include: Connecticut, Delaware, District of Columbia, Illinois, Minnesota, Nebraska, North Carolina, Oregon, Rhode Island, Washington
- **Key decision points include:**
  - Educational alignment
  - Wage floor benchmarking
  - Percentage increases between levels
    - *How do these choices incentivize educational levels?*
  - Geographic variability
  - Benefits

## Compensation Schedules: What They Are, Why They Matter & How To Use Them In Your States

[https://youtu.be/YDkZ\\_HtGAR0](https://youtu.be/YDkZ_HtGAR0)  
*Madeleine Bayard, Rodel; Julie Bieber, Kingswood Community Center Early Learning Academy; Theresa Hawley, Northern Illinois University; Lisa Hildebrand, RIAEYC; Khadija Lewis-Khan, Beautiful Beginnings Child Care Center; Ann McCully, Child Care Aware of Minnesota; Bela Moté, Carole Robertson Center for Learning Illinois; and Zina Noel, Northwestern University*

# Salary schedule increase: state examples

	State		
Fixed percentage increases	<u>Minnesota</u>	<ul style="list-style-type: none"> <li>25% increases between ECE I (CDA) , ECE II (A.A.), and ECE III (B.A.), reaching parity with K-12 at ECE III</li> </ul>	<ul style="list-style-type: none"> <li>25% increases are based on compensation increases observed in other industries</li> <li>Starting wages also align with MN cost of living data</li> </ul>
	<u>District of Columbia</u>	<ul style="list-style-type: none"> <li>CDA is 95% of CDA + 15, which is 90% of A.A., which is 95% of AA + 30, which is 90% of B.A., which achieves parity with public school</li> <li>B.A. is 97% of B.A. + 15, which is 97% of M.A. or B.A. + 30</li> </ul>	<ul style="list-style-type: none"> <li>B.A. achieves parity with public schools</li> </ul>
Variable percentage increases	<u>North Carolina</u>	<ul style="list-style-type: none"> <li>CDA is 58% of K-12 parity, A.A. is 75% of parity, B.A. is 95% of parity</li> </ul>	<ul style="list-style-type: none"> <li>Parity achieved with public school teachers at B.A. + Birth-K License</li> <li>CDA level is statewide average of livable wage</li> </ul>
	<u>Rhode Island</u>	<ul style="list-style-type: none"> <li>\$3/hr increases between CDA, A.A., and B.A., equating to a 19% and 16% increases, respectively</li> </ul>	<ul style="list-style-type: none"> <li>Level 1 (CDA) is \$1 above minimum wage, Level 6 (B.A. + 24 ECE credits) achieves parity with Kindergarten teachers</li> </ul>
	<u>Oregon</u>	<ul style="list-style-type: none"> <li>A.A. and CDA salaries are 85% and 65% of average Kindergarten teacher salary, respectively</li> </ul>	<ul style="list-style-type: none"> <li>B.A. achieves parity with Kindergarten teachers</li> </ul>
	<u>Nebraska*</u>	<ul style="list-style-type: none"> <li>High school degree is 91% of CDA, CDA is 81% of A.A., A.A. is 75% of B.A.</li> </ul>	<ul style="list-style-type: none"> <li>B.A. achieves parity with Kindergarten teachers</li> </ul>
	<u>Washington</u>	<ul style="list-style-type: none"> <li>9% increase from A.A. to B.A., 10% increase from B.A. to M.A.</li> <li>Includes incremental steps by credit attainment between each level</li> </ul>	<ul style="list-style-type: none"> <li>Entry hourly wage tied to WA state Early Childhood Program Specialist Classifications</li> <li>Lead teacher with B.A. achieves parity with comparable Seattle School District instructional staff</li> </ul>

# MN Compensation Scale

[Learn more about MN's Unifying Framework-aligned compensation scale](#)

ECE Level	Educational Requirement	Role	Hourly Wage	Annual Wage
Base level	High School Diploma	Entry level	\$15.00	\$31,200
ECE I	CDA Certificate	Support	\$18.20	\$37,856
ECE II	Early Childhood-related Associate Degree	Lead in birth - age 5 settings; Guide practice of ECE I	\$22.75	\$47,320
ECE III	Early Childhood Ed BA	Lead birth - age 8 settings; Guide practice of ECE I & II	\$28.44	\$59,072

# Details of Wage Increases

The wage rate for ECE I is set to match the family living wage (\$18.20)

- Cost of living for a family of three with one adult working full time, one adult working part time and one child based on the Cost of Living analysis. This is the most typical family structure in Minnesota.

The wage for ECE II is then set at 1.25% of the ECE I rate (\$22.75)

- Lower end of wage percentage increases in the compared fields.

ECE III is set at 1.25% of that rate (\$28.44)

- Creates wage parity between public school ECE professionals (prekindergarten and kindergarten teachers) and the rest of the early care and education workforce, ensuring that ECE professional with bachelor's degrees or beyond are able to earn comparable wages to their public school counterparts.

- ✓ **Increase Access to Benefits**
  - Align with other systems and funding streams
  - Put income disregards in place
  
- ✓ **Create Stability and Accountability**
  - Increase investments in contracts and grants
  - Pay via licensed capacity rather than attendance
  
- ✓ **Prepare for Mixed-Delivery Success**
  - Expand comprehensive scholarships and apprenticeships
  - Strengthen and expand credit for prior learning policies

## Compensation Matters Most

Why and How States Should Use Child Care Relief Funding to  
Increase Compensation for the Early Childhood Education Workforce

June 2021

April 2022

### Loan Forgiveness Programs for Early Childhood Educators

Directly increasing compensation for early childhood educators working with children birth through age 8, across all settings, is the most important step policymakers can take to drive the supply and quality of early childhood education, and recruit and retain staff.

In addition, however, policymakers have sought to reduce the cost burden that current educators experience, including by forgiving student loan payments for those who have pursued higher education degrees and credentials.

This document summarizes the three main federal loan forgiveness programs for which some early childhood educators may qualify. You can see the entire list of federal student aid options here: [Student Loan Forgiveness | Federal Student Aid](#). In addition, some states and employers support loan forgiveness programs, and we encourage early childhood educators to reach out to their state agencies, including those that manage early childhood, higher education, or student assistance, to see what types of forgiveness may be available at the state level.

Please note that the information in this document may change subject to additional legislation and/or guidance from Congress and the US Department of Education. This document is for informational purposes only and should not be considered legal or financial advice.

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#### Public Service Loan Forgiveness (PSLF)

<https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>

- Adopt and **align with the Professional Standards and Competencies** for Early Childhood Educators
- Support and fund **institutions of higher education** to complete NAEYC higher education accreditation
- Invest in **shared services and staffed family child care networks**
- Improve **equitable access** to grants and contracts
- Collect and **disaggregate data**

# Thank you!

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