Compensation and Comparable Worth:
What Lies Ahead for California's Preschool Teachers?

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Introduction

Throughout the field of early care and education, it has been generally recognized that the quality of services, and their benefits for young children, are closely intertwined with the qualifications, stability and compensation of the teaching and caregiving workforce (Cost, Quality and Child Outcomes Study Team, 1995; Kontos, Howes, Shinn & Galinsky, 1995; Phillips, Mekos, Scarr, McCartney & Abbott-Shim, 2000; Shonkoff & Phillips, 2000; Whitebook & Eichberg, 2001; Whitebook & Sakai, 2004). But in the absence of substantial gains in compensation for this profession, the difficulty of attracting and retaining skilled and well-qualified teachers has remained a persistent, often crisis-level problem for decades.

In the growing discussion of a Preschool For All system for California, there is wide agreement that the effort must be sufficiently well financed that pay in this sector of the field not only improves, but becomes comparable to the compensation of elementary school teachers. In fact, many look to Preschool For All as a route for solving, at least partially, the broader compensation problem in early care and education. The challenges, of course, are daunting. How will we guarantee that the Preschool For All system is funded adequately? How will this new system fit into the already highly complicated delivery system and rate structure that characterize early care and education in the 21st century? It may be easy enough to embrace the idea that we want comparable compensation from preschool through elementary school for comparably qualified teachers, but how will we make this a reality?

This policy brief is intended as a starting point for this discussion - not claiming to have the solutions, but rather laying out the complexities that must be grappled with in order for solutions to emerge. Among other opportunities, preschool planning has the potential to move our field at last from explaining why to improve compensation to resolving how to improve it.

First, some clarification of terms may be useful. Most policy makers, program developers, analysts and commentators raise the issue of compensation when discussing universal preschool, but it is uncertain whether all share the same goal. The goal of better compensation, for example, could be a rather modest one, since it would be hard not to

Special thanks to reviewers Rory Darrah, Netsy Firestein, Fran Kipnis, Susan Muenchow, Sue Russell and Fasaha Traylor for their helpful comments on earlier drafts of this paper.

1 While the focus of this brief is on comparable compensation for teachers in any future Preschool For All system, it should be noted that all early care and education teachers and providers deserve better compensation - and that it is worthwhile for the entire field to move toward comparable pay for all ECE practitioners who have comparable qualifications to those of K-12 teachers.
improve on the currently abysmal level of salaries in this field (Center for the Child Care Workforce, 2004). But how much better should they be? Some have argued that the workings of the labor market still allow early care and education programs to find and retain BA-level staff "for considerably lower salaries than those of kindergarten or elementary school teachers," and that parity with social work or other non-teaching professions could be an adequate goal (Brandon, 2004).

Others suggest that the compensation of preschool teachers should be competitive, in order to attract and retain a qualified workforce, but competitive with whom? To be competitive with Grades K-12 would mean having to come very close, assuming that preschool and K-12 teachers have similar qualifications. And in that case, if qualifications are similar, why not make the compensation of these teachers comparable? Otherwise, preschool salaries are unlikely to be truly competitive, and many of the most qualified teachers will continue to pursue working with older children, even if preschool teaching is their preference. But what does comparable mean?

Defining Comparable Worth

Comparable worth is based on the idea that those with equivalent qualifications and duties should receive equivalent compensation (i.e., salaries and benefits) for the amount of time they work (days or weeks per year). Other terms commonly used for this concept are parity or pay equity.

The first issue, then, is comparable qualifications. Currently, the required qualifications for early childhood practitioners in California fall far short of comparability with those that are set for K-12 teachers. Comparable qualifications would mean, for example, that teachers with a BA degree and a credential receive the same starting pay, regardless of setting (preschool or elementary school) or age of children. But two kinds of argument flow from this issue:

Are the two fields of teaching truly comparable, even if preschool and K-12 teachers gain comparable qualifications? Some might argue that it is not only appropriate for people teaching young children to earn lower compensation, but that certain trade-offs inherent in the work make a sufficient number of people willing to do so. Some might propose various reasons why the preschool setting is a less challenging place to work: there are more adults per child; the content of the teaching is (supposedly) less complicated; a lesser command of academic subject matter is required; behavior and discipline issues may seem less complex or difficult; there is greater informality in the classroom; and there is less emphasis on testing and student performance, a layer of pressure and bureaucracy that many teachers find challenging.

But a growing body of research has shown that educating and caring for young children, during this critical period of growth and development, requires the mastery of multiple, complex roles. An effective preschool teacher must understand how to work not only with students but also with parents, families and co-workers on a more intimate basis than most K-12 teachers do. The preschool years are a time of vulnerability and transition, requiring teachers to have keen observation and assessment skills; an ability to communicate with children in multi-faceted ways; an understanding of children’s physical and socio-emotional health and development, based on sound theory and practice; a knowledge of the foundations of literacy and numeracy, and of methods to foster the acquisition of these skills; and an appreciation of each child’s language and culture (Association of Teacher Educators & National Association for the Education of Young Children, 1991; Bowman, Donovan & Burns, 2001; Hyson, 2003). Since these years are also a critical time for the early identification of developmental problems and other special needs, early childhood educators are increasingly called upon to be knowledgeable in this area. Finally, it is unclear what kinds of student performance and outcome measures will be developed as part of Preschool For All, but it is unlikely that preschool teachers will be immune from the assessment aspect of K-12 teaching.

Is it appropriate for California to raise its standards for preschool teachers, and if so, how far? In the current debate about preschool teacher
qualifications, much of the argument against setting standards comparable to those for K-12 teachers (a BA and credential) is driven by concerns about cost, preserving diversity in the early education workforce, and the feasibility of getting current and other members of the workforce up to a higher standard within a reasonable time frame. But most states, thus far, have set such a standard. Of the 39 states (plus the District of Columbia) with a state-funded Pre-K program, 28 states and D.C. require a BA degree and certification for head teachers in state-funded Pre-K. And of the 15 states plus D.C. whose programs currently serve the highest percentage of their four-year-old populations (10% or more), all but California, Colorado and Georgia have set their preschool teacher standards at the BA-plus-credential level (Bellm, Whitebook, Cohen & Stevenson, 2004).

But even if California decided, for example, to require a BA but not a fifth year to earn a credential, comparability would still mean placing Pre-K teachers on the same pay scale as those who currently work in K-12 but are not yet credentialed (i.e., have only completed a BA). ²

The second issue is how to define comparable compensation. If we say, for example, that preschool teachers would earn the same as comparably qualified K-12 teachers, does this mean the same compensation over a course of a year, or on a per-hour basis? If preschool and K-12 programs run on a different daily schedule, and for a different program year, will salaries reflect this?

For example: preschool sites might offer one or two half-day Preschool For All sessions per day. Would preschool teachers then receive comparable pay to K-12 teachers only if they taught two sessions per day? (This is what many California school districts in the state do when Kindergarten teachers work in half-day sessions. Would those who teach a half-day session, and then provide an extended program for the remainder of the day, receive different pay rates (from different funding streams) for the two parts of the day, even though they are working with the same group of children?

Further, will tenure be rewarded similarly? - and will tenure be measured from the time that a preschool teacher started working, on when he or she has achieved comparable qualifications?

Some local preschool proposals have aimed for comparable starting salaries for preschool and K-12 teachers. The Los Angeles Universal Preschool (LA-UP) Workforce Task Group has articulated the goal of reaching comparable compensation, based on comparable qualifications and tenure, within 10 years of the program launch in early 2005. Thus, a kindergarten teacher and a preschool teacher who both have five years of experience in the system would earn the same compensation. (It remains to be decided, however, whether any credit would be given, in setting a preschool teacher's starting salary level, for other prior experience in the early care and education field, outside the LA-UP system.) ³

First 5 San Mateo County’s new Preschool For All Demonstration Project, which will begin in two school districts over the next three years, also sets a goal of reaching comparable compensation for Pre-K teachers by 2010 - namely, teachers with BA degrees and a Master Teacher Permit will receive salaries comparable to those of beginning K-12 teachers. The San Mateo County Office of Education, the agency leading the implementation of Preschool For All, is also establishing a committee to study other issues involved in reaching parity, such as how to provide

² Most California school districts have separate pay provisions for credentialed K-12 teachers and those who start with a "provisional" credential; these vary by district, however, since salary schedules are negotiated in collective bargaining. In the Santa Cruz Unified School District, for example, a starting teacher with a provisional credential earns about $3,000 less per year than a credentialed teacher.

³ In addition, many California school districts enhance K-12 teacher compensation by providing stipends for specific competencies such as fluency in a second language, or National Board Certification. Some districts in other states - notably Chattanooga and Denver - have even established "merit" pay provisions for teachers whose students meet certain achievement objectives.

⁴ On California's Child Development Permit Matrix, a Master Teacher permit requires the completion of 24 units of course work in early childhood education/child development, six specialization units, and two adult supervision units.
benefits comparable to those in public schools to Pre-K teachers in private settings, and how to address "step" increases.

Another difficulty yet to be worked out is how to avoid substantial differences in pay between publicly and privately operated preschool programs. A recent study of state-funded Pre-K found disturbing evidence of a "two-tier system" developing in states that housed both publicly and privately operated sites: "Privately operated programs, in effect, often appeared to serve as training and apprenticeship programs to prepare teachers for eventual employment in the higher-paying publicly operated programs" (Bellm, Burton, Whitebook, Broatch & Young, 2002; see Figures 1 and 2, taken from that study.)

Other issues related to comparable compensation include professional development days, vacation and sick leave, and health and retirement benefits. The latter are particularly challenging for programs operating outside public school systems, because privately operated programs find it all but impossible to compete in this arena. Many in the early care and education field have expressed the goal as achieving comparability in the total compensation package (Barnett, 2003; Bellm et al., 2002; Hill-Scott, 2004), but even a boost that falls short of this goal (the likelier outcome in the near future) would be a significant help because of the currently severe compensation gap.

The Challenges of Achieving Comparable Compensation for Preschool Teachers

The foremost areas of challenge related to securing comparable compensation for the preschool field are financing, teacher qualifications, and delivery system design.

Financing

Salaries are the major expense in any early care and education program; the higher staff salaries go, therefore, the higher the cost per child of delivering services. But many researchers and commentators have noted that, while the cost of high-quality universal preschool, taught by well-compensated teachers, may seem high, the long-term costs of failing to prepare young children for success in school and life are much higher (see, for example: Barnett, Brown & Shore, 2004; Fight Crime: Invest in Kids, 2004; Reynolds, Temple, Robertson & Mann, 2001).

Some policy planners, including LA-UP (Hill-Scott, 2004), are using the Kindergarten per-child cost as their standard, assuming the same length of program day, although preschool and Kindergarten classrooms have different adult-child ratios. As a guideline for preschool financing, the Kindergarten cost-per-child formula is relatively simple - and politically accepted - as a point of reference, in a way that comparability to higher elementary grades would not be. But setting a single statewide per-child rate would also raise issues of regional differences in the cost of living, and an additional formula to adjust for such variations might be necessary.

It is interesting to note that a recent effort to estimate the true costs of Preschool For All found that the direct preschool service cost per child would indeed be roughly similar to that for kindergarten in 2004, with additional indirect expenses for facilities and workforce development (Muenchow, Lam, Wang, Golin & Mitchell, 2004).

Qualifications

As noted above, it is by no means certain that policy makers will agree to set California preschool teacher standards at a level that is comparable to Kindergarten and elementary school - even though most states with publicly funded pre-Kindergarten

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5 Based on a model originally developed by the Institute for Women's Policy Research (IWPR) and Early Childhood Policy Research, Susan Muenchow of the American Institutes for Research (AIR) and Stacie Golin of IWPR, in conjunction with an advisory committee, are developing an estimate of the true cost of preschool per child in California. For a preliminary view of the methodology used in this study to estimate direct services, see "Estimating the Local Cost of Preschool For All," in the First 5 California Preschool For All Step by Step Toolkit (Muenchow, Lam, Wang, Golin & Mitchell, 2004).
*Indicates the range from the mean hourly wages for "child care workers" to the mean hourly wages for "preschool teachers," as reported by the Bureau of Labor Statistics (U.S. Department of Labor, 2000).

**Calculated by dividing the mean annual salary by 1,600 hours (40 weeks at 40 hours per week).

Source: Figure 1, Bellm et al. (2002).

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"Fully-paid" is defined here as covering the health care insurance costs of the employed teacher. No information about teacher use of such benefits was collected. Directors were asked about health benefits offered to full-time teachers.

**Refers to percentage of programs sampled whose teachers and/or assistants were covered by a collective bargaining agreement.

Source: Figures 4 and 5, Bellm et al. (2002).
systems have done so. If California does choose the standard of a BA plus credential, there will be significant challenges in setting up the appropriate infrastructure of higher education and certification programs in the state.

Most early childhood teacher training and education in California currently happens at the community college level, and there is a dearth of upper-division college and university programs that offer BA degrees in child development or early childhood education. The only early childhood credentials currently available are the Early Childhood Specialist credential - offered at only three campuses in the state, with the prerequisite of a Multiple Subjects Teaching Credential - and the Early Childhood Special Education credential, offered at 12 campuses (Bellm et al., 2004; Whitebook et al., 2004a&b).

Experience from other states, however, suggests that the availability of subsidy funds for tuition and books, as well as start-up funds, can facilitate the relatively rapid expansion of programs and/or the creation of new ones. New Jersey is currently in the process of meeting an ambitious timeline for bringing preschool teachers to the BA-plus-credential level, with the help of significant funds to strengthen the higher education infrastructure and to support students in completing a degree (Coffman & Lopez, 2003).

Similarly, over a five-year period, North Carolina has progressed from offering AA degrees in Early Childhood Education at 28 community colleges to offering such degrees at all 58 colleges, and has begun to see similar growth in its BA degree programs.

There may also be a need for specific financial incentives to encourage qualified students to remain in the preschool field, such as loan forgiveness programs requiring them to work in preschool classrooms for a certain period upon graduation - perhaps even requiring them to work in sectors where teacher recruitment is most difficult.

Finally, if there is a phase-in period during which not all teachers or programs have met the higher qualifications, it would be important to develop a reimbursement rate mechanism to reward programs that have met the higher standards, or are making progress toward meeting them - enabling them to provide higher salaries to teachers as they complete new requirements.

**Delivery System**

If California’s Preschool For All program were to be run exclusively within the public schools, then comparable compensation for preschool staff would be relatively simple to implement, assuming that sufficient funding is in place; pre-K would essentially become another grade, governed by the same rules as the rest of the school system. If Preschool For All becomes a mixed delivery system of publicly and privately operated programs - as most states have chosen to do, due to the need for more facilities, for assuring full-day care, and a host of other issues - then the complications are considerable (Bellm et al., 2002):

**Equity within preschool sites.** In Preschool For All classrooms that are housed within child care centers or other privately operated facilities, pre-K staff might earn significantly higher salaries than other workers in the center who are paid through separate funding streams - including those who meet the preschool teaching standards, and those who work with the same preschoolers at other parts of the program day, before and after the formal Pre-K session. This would raise troubling equity and supervisory issues - for example, for teachers with BA degrees working with younger children - as well as collective bargaining issues in unionized centers. The situation would be further complicated by questions of employee status; one current proposal would classify all preschool teachers, whatever the setting, as public employees, who would therefore have a very different salary scale and benefits package from others working in non-preschool classrooms at the site.
Higher costs in the private market. Even if privately operated facilities receive the same funding per preschool child as school districts do, these funds are unlikely to go as far in the private market because of higher costs - especially for rent and benefits.\(^6\) Because school districts operate many classrooms and grade levels, their health benefits purchasing pools and retirement funds are considerably larger, allowing them to offer more to staff for the same amount of money. (There may be possibilities to explore, however, around expanding school district purchasing pools to include preschool staff in privately operated programs.)

Differences in long-term costs. A similar issue relates to what happens over time. Even if all preschool programs start out by offering the same level of compensation, the privately operated programs are likely to lose a smaller portion of their workforce to retirement and other issues, since they employ a smaller pool of workers, and will therefore face higher cost-of-living increases. As publicly operated programs lose higher-paid teachers to retirement and bring in lower-paid novice teachers, the savings from retired teachers can be used to fund increases across the board.

Family child care. If there is a fixed cost per child in a mixed-delivery Preschool For All system, and family child care programs are included in the system, an equitable per-child rate will not necessarily lead to pay equity, since these providers take care of fewer children. On the other hand, if a family child care home were able to enroll only four-year-olds who are in the Preschool For All system, the entire revenue would go to the provider, whose operational costs would be underwritten and tax deductible. In such a case, however, the larger issue for providers would be their willingness to risk only enrolling four-year-olds and losing their entire population year after year.

Targeting of funds directly to teacher compensation. If Preschool For All sites are funded at a set amount per child, it will be necessary to ensure that the funds actually result in comparable compensation. Will there be a prescribed salary schedule? If so, how will programs that face higher operating costs be able to pay the same amount to teachers as other programs? Until program administrators know for certain that Preschool For All dollars will be ongoing and dependable,\(^7\) they may be reluctant to invest in staff wages and benefits, opting instead for stipends, professional development funds, or other mechanisms that fall short of an ongoing commitment to raising compensation (Whitebook & Eichberg, 2001). Even in Los Angeles, which is launching a large-scale effort, preschool funding is not yet secure over the long term.

How prescriptive, therefore, should preschool funding be with respect to providing benefits, training funds, professional development days or other educational leave, etc.? Without such prescriptive language, there is a risk that non-staff items will take a disproportionate amount of per-child funds, particularly in privately operated programs without union contracts, thus fueling teacher migration to better-paying, publicly operated programs (Bellm et al., 2002).

The following are three approaches that states have taken with regard to preschool teacher compensation:

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\(^6\) Some may argue that public school costs could be higher because of the need to build new facilities, but typically, such costs are funded separately - through a school bond, for example - and not passed on as part of program costs, whereas rent in the private sector is a program cost.

Another possible approach to facilities costs, however, is that used by some charter schools. Many states do not allow charter schools to "own" buildings, in order to avoid using public funds to create assets for non-public organizations. But a charter school's revenue stream over a period of years - since it would typically be funded at the same per-pupil rate as local public schools - can enable the financing of long-term leases, and is frequently enough to support substantial build-outs and renovations. Similarly, depending on funding levels, a community preschool could establish a parent corporation that would lease space at a sufficient amount to cover build-outs and other improvements.

\(^7\) In some states, such as New Jersey, administrators have not had such discretion, but have been required to meet certain salary schedules comparable to K-12 salaries in their districts. In other states, in the absence of strong guidelines, privately operated preschool programs have frequently paid lower compensation to teachers than publicly operated programs (Bellm et al., 2002).
Georgia has set a minimum salary scale that all programs, regardless of setting, must pay pre-K teachers, based on the teacher's degree and credential status. To assist diverse programs in meeting these salary scales, the state provides differential per-child reimbursement rates to pre-K programs according to three variables (Georgia Department of Early Care and Learning, 2004):

- Public-sector or private-sector operation, with higher rates going to private-sector programs;
- Location of privately operated programs in metropolitan Atlanta or elsewhere in the state, with metro Atlanta programs receiving roughly 10 percent more per child;
- One of three levels of educational background of the lead teacher, with reimbursement rates rising accordingly:
  - Associate degree or Montessori diploma (the state minimum requirement for lead teachers)
  - Bachelor's degree
  - Teacher certification.


As of September 2001, New Jersey set the standard of equal teacher compensation for equal qualifications, regardless of setting, in every prekindergarten program in the state's 30 "Abbott" school districts. Preschool teacher salary schedules, set by individual school districts rather than at the state level, have been designed for parity with public school salaries, prompted by the longstanding problem that certified teachers working in privately operated programs were moving on to school district programs in search of better pay. Benefits for teachers at privately and public operated programs, however, have not reached parity, and remain a troubling issue, since community-based providers have much less access to affordable health insurance than do school districts. As a result, the state is still seeing some teacher migration from private to public programs. Another motive for migration is the issue of teacher tenure, which is available to school district teachers after three years of service, offering a level of job security not found in the private sector.

In Oklahoma, prekindergarten teachers are hired by public school systems, whether they work in publicly or privately operated pre-K programs, and as a result, all teachers, regardless of the physical setting, are on the same state salary schedule. The minimum salary schedule for a head teacher begins with a bachelor's degree, since all head teachers must have a degree and credential at the time of employment; local school districts may pay above the minimum.

Effects on the rest of the early care and education system. If Preschool For All becomes the only part of the early care and education (ECE) system to achieve compensation rates comparable to elementary school, the most qualified ECE teachers will be likely to opt for preschool teaching - mirroring the staff migration patterns that have long existed between sectors of the ECE field, and between ECE and Grades K-6. This could place enormous pressure on the rest of the ECE system to change, with no additional funding, and make it even more difficult to find well-educated staff to work with infants and toddlers.

The Consequences of Not Achieving Comparable Compensation for Preschool Teachers

Despite these complexities, it's important to remember that the prospect of not achieving comparable compensation for preschool teachers carries equally serious consequences - chief among them, the difficulty of recruiting and retaining qualified teachers, and a continued migration of the most qualified staff from child care and Head Start to privately operated preschools, to public-schools.

8 New Jersey's Abbott prekindergarten program, so-called because of a series of state Supreme Court rulings since 1998 in the landmark school finance reform case, Abbott vs. Burke, serves three- and four-year-old children in the state's 30 poorest school districts.
preschool classrooms, and to Grades K-3. Not all of this migration is negative, but much of it is; one result over time, along with continued instability for children and families, is an overall lowering of levels of education and experience in California's ECE workforce (Burton, Laverty & Duff, 2002; Whitebook, Sakai, Gerber & Howes, 2001).

Designing a Preschool For All system for California without addressing the need for comparable compensation, above all, could drastically downscale the kind of labor force we have in mind for this new school readiness effort. And it would undermine any investments that the state makes in the professional development of preschool teachers, essentially by motivating the best trained among them to move on to Grades K-3. This trend is already in play throughout the state's higher education system; a high percentage of students who begin at the community college level, and then transfer to the California State University system or elsewhere to pursue upper-division work in child development or early education, end up teaching in elementary school (Whitebook et al., 2004a).

Of the three components that lead to quality in early care and education - the people, the program and the place - the people are by far the most important. And as long as California does not strive for comparability in pay and qualifications for this field, it continues to place an educational "ceiling" on the ECE workforce. Instead, a compensation system is needed that actively promotes the completion of training, moving teachers toward meeting appropriate goals and rewarding them for doing so. The field may not yet be in full agreement about how many people should reach what level of education, but all would surely agree that there is a significant role for college-educated practitioners in this field, which has such a critical stake in assuring children's lifelong learning and success. Preschool For All - which may well become the foremost early care and education reform of our time - therefore presents us with a challenge and an opportunity that we cannot afford to let slip by: how, at last, to attract, compensate, and retain the educationally successful people we need for the preschool teaching profession.

An improved preschool teacher compensation system could also lessen the negative effects of teacher turnover on children, by "standardizing" turnover to the end of the school year - i.e., making turnover more likely to happen at the time when children are experiencing a change anyway, as they transition into kindergarten. To reinforce this goal, the compensation structure might even include the use of an end-of-the-year bonus system. By contrast, high rates of turnover among ECE teachers and providers currently occur throughout the year, often due to poor compensation.

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