The Value of Early Childhood Educators

A Pathway Forward to Salary Parity for Community-based Organizations

Prepared by Mai Miksic, Senior Research Analyst
May 2019
Dear Colleagues:

We are proud to share with you our report on the importance of salary parity in early childhood education programs in New York City. Advocates, providers, and city officials agree: individuals who work in our communities with the same education, qualifications, and work experience as their counterparts in the public education system should be paid a comparable salary.

The Day Care Council of New York’s report, *The Value of Early Childhood Educators: A Pathway Forward to Salary Parity for Community-based Organizations*, contains a number of data sources that together provide an approximate estimate of the cost of salary parity for 983 community-based organizations (CBOs) that employ 3,006 certified teachers. We also included the cost to increase the salaries of directors, who are equally important to the system. The total funding needed to achieve salary parity is $83 million in the first year, and $438 million over an additional four years.

Those of us who work in the field recognize that we can no longer maintain quality early childhood education programs if we do not have the basic infrastructure to operate a program, namely a program director and certified teachers in every classroom. In 2014, Mayor de Blasio was successful in securing $300 million in state funding to expand part-day Universal Pre-kindergarten to full day. It was a sudden and immediate accomplishment requiring the Department of Education to add thousands of seats to accommodate the number of families that would take advantage of free education for their four-year-old children. Community-based organizations became a critical part of this expansion.

The expansion was slow until the Mayor announced that he would pay certified teachers $50,000 to work in CBOs. Many certified teachers in the unionized publicly funded child care system, who had not received a salary increase in 10 years, either remained with their agencies by working in Pre-K for All classrooms or left for higher salaries in the public school system.

At this time, we have an opportunity to convince the City’s Administration that salary parity for early childhood teachers with the same education and certification credentials as their counterparts in the public school system is the right and just thing to do. We know you agree with this goal.

Sincerely yours,

Andrea Anthony
Executive Director
Thank you

The Day Care Council of New York would like to thank the following individuals and agencies for their assistance in gathering data for this report:

- DCCNY member agencies
- NYC Department of Health & Mental Hygiene, Bureau of Child Care
- Cultural Institutions Retirement System
- Head Start Sponsoring Board Council, President Andre Lake
- NYC Department of Education, Division of Early Childhood Education & Human Resources Department
- Privately run community-based Pre-K for All programs (NYCEECs) who responded to our survey

A special thank you to Kendra Hurley for her invaluable feedback and keen editorial eye.

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Executive Summary

High-quality early education programs promote the cognitive and social development of young children and support families outside of the classroom with wraparound services. The early childhood educators in these programs ensure that these children can begin formal schooling on the same level as children from families with more resources. The Day Care Council of New York (DCCNY) proposes salary parity for certified teachers and salary increases for the directors of the child care centers where they teach as a first step towards stabilizing the early childhood education system. This would create a pathway to parity for all support staff in the future.

Since its inception in 2014, Pre-K for All has become the largest universal pre-kindergarten program in the nation. Approximately 92 percent of all programs meet or exceed quality standards. To achieve this goal — and with record speed — the Mayor leveraged existing early education resources, including community-based organizations (CBOs) which had been already providing early education for decades. As a result, CBOs make up 60 percent of all Pre-K for All programs.

Despite this success, there were unintended consequences for CBOs. In addition to competition for children among programs that has resulted in overcrowding in public schools, salary disparities between CBO lead teachers and their public school counterparts have created a staffing crisis that threatens the viability of community-based early childhood programs.

If teachers are not adequately compensated for their work, there is increased risk of burnout and high turnover. Interruptions in staffing have serious implications for a child’s development and for program quality. Additionally, researchers have also cautioned that the financial returns on investments in early childhood are contingent on the quality of programming. High-quality early childhood education programs require high-quality teachers. Effective public policies can prevent turnover by providing adequate compensation to teachers. The Day Care Council of New York’s salary parity proposal includes four components:

1. Bring all certified group teachers up to same salary as their equally qualified public school counterparts immediately via contract amendment.
2. Maintain the current 22.8 percent salary differential between unionized certified MA teachers and child care center directors.
3. Provide a 2.8 percent COLA per year in the subsequent four years.
4. Renegotiate salary increases for all unionized support staff in the next round of labor negotiations, which begins in September 2020.

Early education teacher salaries are determined by a variety of factors, often driven by labor contracts and braided public funding streams. A large portion of the CBO workforce are unionized members of District Council 1707 (DC 1707), covered by collective bargaining agreements that define salaries for all staff. For CBOs without unionized staff, salaries are determined in two ways. First, for EarlyLearn NYC staff who provide care
for infants, toddlers, and preschoolers from birth through age four from income-eligible households, salaries generally mirror the collective bargaining agreement (CBA) between DC 1707 and DCCNY. Unlike their unionized counterparts, they usually do not receive the same healthcare insurance or retirement benefits.

Second, the City’s Department of Education (DOE) has set a maximum teacher salary it will pay to CBOs with Pre-K for All contracts, based on teacher education levels. For a certified teacher with a master’s degree, the DOE will reimburse the salary up to $50,000; for certified teachers with only a bachelor’s degree, the salary is $44,000. Although pay is theoretically not limited by those amounts, few CBOs can afford to add to these salaries. As a result, early education teachers in CBO programs are seldom paid above what is earned by their unionized counterparts in public schools, who are represented by the United Federation of Teachers (UFT).

<table>
<thead>
<tr>
<th>Table A. The Cost of Salary Parity</th>
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<tbody>
<tr>
<td>Cost Estimates</td>
</tr>
<tr>
<td>Year 1</td>
</tr>
<tr>
<td>5 Years, 2.8% compounded</td>
</tr>
</tbody>
</table>

The Department of Health and Mental Hygiene, which regulates child care programs and keeps track of teacher qualifications, provided the main dataset used to calculate DCCNY’s salary parity estimate. It includes the total number of teachers and their qualifications. The analysis used salaries from union CBAs. Costs that would change as a function of the salary increase were also included, such as the increased employer contribution to the pension and Social Security and Medicare contributions, both of which are paid for by the City.

The first-year cost of salary parity for certified teachers and salary increases for center directors is $83 million ($62 million for teachers; $21 million for directors) an amount that was included in the New York City Council’s Budget Response to the Mayor’s preliminary budget.

By July 2019, EarlyLearn, the City’s subsidized early childhood education program will be merged with Pre-K for All under the DOE, creating a true birth-to-high-school continuum of education. It promises to create a truly unified early childhood system. Mayor de Blasio’s Executive Budget outlines his priorities and values. Public policy and research points to salary parity as the solution to the inequities that currently exists in the system. The one-time cost of $83 million is the first step towards resolving these inequities, and a down payment on fully funding the Mayor’s signature early childhood program.
I. Introduction

High-quality early education programs promote the cognitive and social development of young children and support families outside of the classroom with wraparound services. Decades worth of research have demonstrated the importance of early childhood education, especially for children from low-income and historically disadvantaged backgrounds. During this critical period in a child’s life, early education serves as the foundation for life-long learning skills and helps foster school readiness. The educators and support staff in these programs ensure that these children can begin formal schooling on the same level as children from families with more resources.

In addition to benefiting children and their families, research has also shown that investments in early education have the potential to produce long-term economic savings for society. One of the most well-known studies of the effects of high-quality early education programs is the Perry Preschool Project. Longitudinal analysis of the Perry Preschool Project has shown that birth-to-five interventions produce returns as great as 10 percent.

When New York City Mayor Bill de Blasio successfully launched the largest universal pre-kindergarten program (Pre-K for All) in the nation in 2014, many observers heralded him as a great progressive politician. The Mayor successfully convinced New York State officials to inject additional universal pre-kindergarten (UPK) funding into the City’s existing early childhood programs, in addition to helping to fund new programs as well. He created a program that was supposed to not only address social inequities, but also potentially produce massive savings to the City in the long run. In order to achieve this goal, the Mayor immediately offered full-day pre-kindergarten contracts to community-based organizations (CBOs), who had been providing child care for decades. One of the reasons the Mayor was able to launch his Pre-K for All program with record speed was because of CBOs. Today, all Pre-K for All programs are considered “high quality,” with 92 percent of programs either meeting or exceeding quality standards.

Despite this success, there were unintended consequences for the CBOs that operate 60 percent of Pre-K for All programs (see Graph 1). In addition to the competition between public schools and community-based programs for children and the overcrowding in public schools as a result of the expansion, the salary disparities between the CBO lead teachers and their unionized public school counterparts have created a staffing crisis that continually threatens the sustainability of community-based child care centers.

Community advocates have long emphasized the need for salary parity between CBO and public school teachers. However, the estimated cost of salary parity has largely been absent from the conversation. The lack of an estimate has historically stalled advocacy efforts on this issue. Nevertheless, given the upcoming transition of child care from the New York City Administration for Children’s Services (ACS) to the Department of Education (DOE), there is an urgent need for a cost analysis of what it would take to establish salary parity for teachers in CBOs.
II. Day Care Council of New York’s Salary Parity Proposal

The purpose of this report is to build a framework for estimating the cost of salary parity and to produce a cost estimate of salary parity for certified group teachers and center directors in community-based early education programs. While this report does not cover the cost for salary increases for all teaching staff and support staff in child care centers, it opens up a pathway to salary increases for all staff going forward. The two questions that this report answers are:

1) What is the increased cost associated with giving certified group teachers in CBOs the current salaries as their equally qualified unionized counterparts in public schools?

2) What is the increased cost associated with maintaining the same salary differential between certified group teachers and directors in child care centers?

The Day Care Council of New York (DCCNY) proposes salary parity for certified teachers immediately through an amendment to the current existing contracts, which will create a pathway to parity for all other support staff in the future. The proposal includes four components:

1. Bring all certified group teachers up to same salary as their equally qualified public school counterparts immediately via contract amendment.

2. Maintain the current 22.8 percent salary differential between certified MA teachers and child care center directors.

3. Provide a 2.8 percent COLA per year in the subsequent four years.

4. Renegotiate salary increases for all other unionized support staff in next round of labor negotiations with DC 1707, which begins in September 2020.

This report begins by providing background on community-based early education providers, then establishes a rationale for why this analysis focuses on salary increases for certified group teachers and directors. Next, the analytic strategy used to inform the cost estimate is described, including the sources of data and the variables used in the cost estimate formula. Finally, this report discusses the implications for these costs within the context of the City’s current budget concerns.

Salary disparities between CBO lead teachers and their public school counterparts have created a staffing crisis that threatens the viability of community-based early childhood programs.
III. Community-based Organizations

One of the major criticisms of Mayor Bill de Blasio’s signature early education program has been the salary disparities across different early education settings. This section provides a brief description of CBOs and their involvement in early childhood education in New York City. Graphs 1 and 2 illustrate the capacity of New York City’s current publicly funded and private licensed early childhood programs. A majority of the system serves preschool-aged children, mainly comprised of four-year-olds. Approximately 60 percent of all early childhood programs are located in CBOs. The DOE refers to CBOs that operate Pre-K for All programs as New York City Early Education Centers (NYCEECs). However, since 1949, CBOs have operated funded child care programs via contracts with the City.

As Graph 3 illustrates, some NYCEECs that directly contract with the DOE also operate EarlyLearn NYC (EarlyLearn) programs via direct contract with the ACS. EarlyLearn is the largest contracted child care program in the nation and is overseen by the ACS. It is funded by braiding federal Child Care Development Block Grant (CCDBG) and Head Start dollars with mandated local and State contributions. EarlyLearn programs only serve income-eligible children, ages zero to twelve months (infants), twelve months to thirty-six months (toddlers), and ages three to four (preschool-aged). Graph 2 shows the proportion of age groups across EarlyLearn programs, with the majority of the entire system serving preschool-aged children.

As a part of the launch of Pre-K for All in 2014, additional State UPK funding was added to EarlyLearn classrooms with eligible four-year-old children in order to extend the hours of operation to full-day status. These EarlyLearn classrooms are referred to as
A. PRE-K FOR ALL AND ITS EFFECTS ON COMMUNITY-BASED PROVIDERS

The expansion of Pre-K for All required a partnership with CBOs. New York City (NYC) public schools did not have the staff or the physical space to accommodate the additional 40,000 new children who needed full-day pre-kindergarten seats. The DOE leveraged the existing resources in CBOs to staff both its own public school Pre-K for All programs and provide additional full-day seats for new children. CBOs were absorbed into the expansion of the UPK programs, but inequitable treatment of child care and public school teachers persisted. When the program expanded, higher salaries were offered to non-unionized teachers in Pre-K for All CBOs. This set up a pay differential amongst unionized and non-unionized teachers, sometimes within the same nonprofit organization. This pay differential was in addition to the much larger pay disparity between teachers in CBOs and public school programs.

Child care has not always been considered an education setting, and the salary changes that occurred as a result of the expansion of Pre-K for All exacerbated that difference.

These salary disparities have contributed to difficulties in the recruitment and retention of qualified group teachers in CBOs. A recent report from the National Center for Children and Families at Teachers College documented that CBOs have a more difficult time with recruitment and retention of credentialed teachers compared to public schools. The Department of Health and Mental Hygiene (DOHMH)’s Article 47, the city health code that regulates child care centers, requires a qualified group teacher to lead a classroom. These group teachers develop lesson plans that direct classroom learning. Group teachers are also responsible for supervising assistant teachers and teacher aides. However, these teachers stand to gain tens of thousands of dollars in yearly salary if they leave CBO child care programs to go work in public schools. Unsurprisingly, these salary disparities have resulted in a mass exodus of teachers from CBOs to public schools. A Day Care Council of New York report in 2016 showed that over 50 percent of DCCNY member agencies had lost a certified teacher in the past year.
III. Community-based Organizations

B. THE LINK BETWEEN TEACHER COMPENSATION & PROGRAM QUALITY

Researchers have cautioned that the often-touted financial returns on investments in early childhood are contingent on those programs being of “high quality.”13 Above all else, a high-quality early childhood education program requires a high-quality teaching workforce. Early education teachers play a central role in not only making sure children are academically ready for formal schooling, but also supporting positive socioemotional growth by providing stable care and a safe place to explore and learn. When teachers are not compensated adequately for their work, the quality of a program can suffer,14 which can in turn affect children’s learning, development, and overall well-being.15 The Center for the Developing Child at Harvard University includes the follow Statement amongst its policy recommendations on how to support the developing brain of a young child: “Ensure that workers in service programs have adequate compensation, professional development, and supervision in order to reduce the high level of turnover in these positions that disrupts relationships between staff and clients.”16 The research is clear that interruptions in staffing have serious implications for a child’s well-being.

Above all else, a high-quality early childhood education program requires a high-quality teaching workforce.

Yet, it is important to note, once again, that despite the fact that salary disparities have led to high turnover rates in early childhood programs in CBOs, the quality of those programs continue to be considered very high. As Graph 1 showed (on pg.6), 60 percent of programs are located in CBOs and approximately 92 percent of programs either meet or exceed early childhood program quality standards. These facts together imply that while the dangers of low retention and recruitment of qualified group teachers loom as a large consequence of the Pre-K for All expansion, the effects on program quality and children’s well-being has yet to occur. Based on the available research, the time is right to reconcile salary disparity between CBO group teachers and public school teachers before it ultimately affects the quality of the Mayor’s signature early education program.
IV. Who Is a Group Teacher?

Group teachers lead classrooms in CBO child care programs, which are governed by New York City’s Department of Health and Mental Hygiene’s health code Article 47. Group teachers can also be referred to as lead teachers in UPK programs. This section discusses the educational background and qualifications of group teachers and defines the Article 47 provision for study plans. This section also describes the teachers who are on study plans and explains why so many teachers require them. Finally, this section answers the difficult question surrounding who should receive salary parity.

A. QUALIFICATIONS OF GROUP TEACHERS

While child care centers have not historically been treated as places of education, recent trends in the professionalization of early childhood education have led to increased regulation of teacher credentials. Now, early education teachers in State-funded UPK programs must hold State certification just like public school teachers, even if they are employed in community-based settings. Certified group teachers are invaluable to early education programs. CBOs need certified teachers not just because New York State regulations require them for four-year-old classrooms, but also because they enhance the quality of the classrooms.

While City and State regulations do not require infant-toddler group teachers to be certified, staffing management and classroom quality considerations create a strong argument for having certified teachers in infant-toddler classrooms as well. First, certified infant-toddler teachers can work as substitutes when preschool teachers are out sick or on vacation. Second, center directors have reported to DCCNY that many of their infant-toddler teachers are indeed certified or working towards their certification. DCCNY’s Career Ladder program documents that infant-toddler teachers are working towards their State certification as well, as summarized in its most recent report. Finally, certified infant-toddler teachers enhance the quality of the classroom. Certified teachers who are educated and trained on the latest evidence-based pedagogy are of the utmost importance during such a critical time for brain development. Infant-toddler lead teachers must be included in any estimate of salary parity.

While New York State UPK funding mandates that certified teachers lead four-year-old classrooms, local City regulations complicate staffing requirements by providing exceptions for meeting education credentials. Staff qualifications in community-based child care programs are governed by New York City’s DOHMH Article 47 regulations, which provide a mechanism—study plans—that allows group teachers who do not meet certification requirements to lead classrooms while they are pursuing their credentials. Study plans are written agreements between the directors and teachers that documents their progress towards meeting regulations by enrolling and passing college courses or enrolling in certification exam programs. Prior to 2018, Article 47 required all group teachers, with the exception of infant-toddler teachers, to be certified or working towards their State certification.

Prior to July 2018, there were three ways in which a preschool group teacher in a child care setting could be considered a qualified group teacher. First, a teacher can have a bachelor’s degree in early childhood
education and his or her State Initial Certificate. Since the Initial Certificate expires after five years, an ini-
tially certified teacher must eventually earn a master’s degree and pass all State certification exams before
becoming permanently certified by obtaining the Professional Certificate.

Second, group teachers can now be considered qualified if they have a bachelor’s degree in early childhood
education and two years of experience at minimum—no State certification required. There were two main
reasons for this change that ultimately benefits CBOs. First, high turnover and the difficulties of retaining
certified teachers due to the salary disparities across CBO and DOE settings led to early education programs
in CBO settings repeatedly receiving fines for not having certified staff.

Third, DOHMH’s decision to honor the years of invaluable work experience that group teachers in CBOs
often have, as well as acknowledging that these teachers possess other unquantifiable skills, including
cultural competency and an intimate knowledge of the families in their neighborhoods. These intangible
skills can often be just as important as State certification. In summary, DOHMH made changes to staff quali-
fication requirements in Article 47 as a way of both recognizing the effects of salary disparities on CBOs and
valuing the expertise of CBO teachers.

B. STUDY PLAN TEACHERS

In addition to the administrative difficulties of juggling staff turnover, child care center directors must also
supervise and support group teachers who are on study plans. A “study plan” is a provision of Article 47
that allows a group teacher to lead a classroom while working towards mandated education and/or work
experience credentials. For example, a study plan requires documentation from an accredited university
confirming a group teacher’s enrollment in early childhood education coursework if that teacher does not
currently have a bachelor’s degree in early childhood education.

Study plan requirements may differ from person to person, and thus approval of a study plan is at the
discretion of DOHMH inspectors. For that reason, it is administratively difficult to keep track of study plan
progress, especially when multiple teachers have study plans. If study plans are not documented and ap-
proved with DOHMH, it is a common consequence for child care centers to get cited by health inspectors
for violations of Article 47 staff qualification. Child care center staff with unapproved study plans can often
cost their agencies hundreds of dollars. Under Article 47 regulations, group teachers can be on study plans
for up to seven years.

The three graphs below draw upon DOHMH data compiled by the Bureau of Environmental Surveillance
and Policy (BESP, March 2018). Graphs 4 and 5 and Tables 1 and 2 show the high proportion of group
teachers on study plans; approximately a quarter are on officially registered study plans and another quar-
ter of the population may include staff with unregistered study plans. Only about 50 percent of all group
teachers, including infant-toddler teachers, meet the education requirements of Article 47. Even though
Table 1. Qualifications of Group Teachers in DCCNY-Represented EarlyLearn Programs

<table>
<thead>
<tr>
<th>Group Teachers in DCCNY-represented Programs (n=199)</th>
<th>Qualified</th>
<th>Study Plan</th>
<th>Missing*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child Care &amp; Dual (n=183, 92%)</td>
<td>548</td>
<td>302</td>
<td>274</td>
<td>1,124</td>
</tr>
<tr>
<td>Head Start (n=16, 8%)</td>
<td>53</td>
<td>29</td>
<td>31</td>
<td>113</td>
</tr>
<tr>
<td>Total</td>
<td>601</td>
<td>331</td>
<td>305</td>
<td>1,237</td>
</tr>
</tbody>
</table>

*Information for group teacher is missing due to unregistered study plan, pending approval of study plan, or a teacher vacancy.

Table 2. Qualifications of Group Teachers in EarlyLearn Programs

<table>
<thead>
<tr>
<th>Group Teachers in EarlyLearn Programs (n=369)</th>
<th>Qualified</th>
<th>Study Plan</th>
<th>Missing*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child Care &amp; Dual (n=294, 79.7%)</td>
<td>921</td>
<td>557</td>
<td>484</td>
<td>1,962</td>
</tr>
<tr>
<td>Head Start (n=75, 20.3%)</td>
<td>269</td>
<td>100</td>
<td>133</td>
<td>502</td>
</tr>
<tr>
<td>Total</td>
<td>1,190</td>
<td>657</td>
<td>617</td>
<td>2,464</td>
</tr>
</tbody>
</table>

*Information for group teacher is missing due to unregistered study plan, pending approval of study plan, or a teacher vacancy.

Table 3. Qualifications of Lead Teachers in NYCEECs (No EarlyLearn Contracts)

<table>
<thead>
<tr>
<th>Group Teachers in NYCEECs (n=614)</th>
<th>Qualified</th>
<th>Study Plan</th>
<th>Missing*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYCEECs</td>
<td>1,816</td>
<td>756</td>
<td>594</td>
<td>3,166</td>
</tr>
</tbody>
</table>

*Information for group teacher is missing due to unregistered study plan, pending approval of study plan, or a teacher vacancy.
IV. Who Is a Group Teacher?

Infant-toddler teachers are not required to be certified, they must meet a minimum level of education. Thus, they are included in those three graphs in either the qualified, study plan, or missing information categories depending on whether they meet Article 47 requirements for their positions. Nonetheless, there is still a high number of teachers who are on study plans.

Table 3 and Graph 6 provide information on the qualifications of lead teachers in NYCEECs with direct Pre-K for All contracts. There is a higher proportion of qualified lead teachers in NYCEECs compared to those who work in EarlyLearn programs. In the case of study plans, any UPK program funded with State dollars may be led by a study plan teacher, however, that lead teacher may only be on a study plan for a maximum of three years from the date of hire or by June 30, 2020—whichever date is later.20

C. SALARY PARITY FOR WHOM?

Within the greater discussion on the need for salary parity in CBOs settings, it has been unclear which teachers should receive salary increases. The fight for pay equity between CBOs and the DOE has relied on the term “salary parity” to describe the social problem and its implied consequences. Merriam-Webster’s Dictionary defines parity as “the quality or state of being equal or equivalent.” Equal pay has been the focus of the salary parity rhetoric, but equal qualifications has been just as strong of an argument, which some advocates have used for those individuals with the same qualifications doing the same work.

Equal pay has been the focus of the salary parity rhetoric, but equal qualifications has been just as strong of an argument

At the same time, other advocates have argued that all teaching staff, inclusive of any other support staff, should receive pay parity. But it is important to note that study plan teachers do not have a formal equivalent in public schools. The DOE requires that all lead teachers in public schools have their State teaching certifications. If salary parity rests solely on the equal pay for equally credentialed rhetoric, then there is no argument for providing pay parity to teachers who are not yet credentialed.

Finally, teaching support staff are not included in these estimates. There is no parity of qualifications for assistant teachers, teacher aides, or directors in child care settings compared to their respective counterparts in public schools. Assistant teachers and teacher aides in CBOs have substantially different qualifications as outlined in Article 47 compared to those employed in public schools. Similarly, directors of child care centers do not have the same qualifications and duties as public school principals. However, separate from pay parity there is a compelling argument for why directors should receive some salary increase given that their education and experience exceed that of group teachers, not to mention that they supervise those group teachers. The strategy for costing out salary increases for directors is discussed later in this report.
From the perspective of recruiting and retaining certified teachers, it is also important to consider exactly who is and who is not leaving CBOs to work in the DOE. The group teachers who are able to leave a CBO for the DOE are teachers who already have the required qualifications to teach in the DOE, i.e., they are certified and therefore qualified to work public schools. If the goal of providing salary parity is to stop certified teachers from leaving for the DOE, salary parity should be focused on retaining certified teachers. This is the strategy that guides the Day Care Council of New York’s salary parity analysis. Separate from this goal of retaining certified teachers is another fight for pay equity across the entire early childhood system. This larger and equally important pay equity campaign requires a different analysis than what is provided here, but that analysis would be the next step towards fully funding the nonprofit sector.

Given the transition of child care to the DOE, a core component of a truly unified early childhood system should be equally qualified teachers who are equally compensated for their work, regardless of CBO or public school setting and regardless of any changes that have occurred in Article 47. Those changes were largely made so that CBOs would not be cited and fined for a recruitment and retention problem caused by salary disparities. It is the teachers who hold master’s degrees and State certification who are leaving community-based programs to work in public schools. In order to maintain high-quality early childhood education programs in CBOs, it is in the best interest of all community-based programs to retain certified teachers and recruit new equally qualified teachers.

**In order to maintain high-quality early childhood education programs in CBOs, it is in the best interest of all community-based programs to retain certified teachers and recruit new equally qualified teachers.**
V. The Salaries of Group Teachers

There are two primary determinants of salaries for child care staff in community-based programs. The first determinant is the most clearly defined; a large portion of the child care workforce in EarlyLearn programs are unionized under District Council 1707 (DC 1707). Workers in child care programs are in DC 1707 Local 205 (Local 205), and workers in Head Start programs are in the same union under Local 95. DCCNY represents the agencies with child care workers and the Head Start Sponsoring Board represents the Head Start agencies. The collective bargaining agreement between DCCNY and Local 205 and the Head Start Sponsoring Board and Local 95 outlines the salaries for all staff, both teachers and support staff. These salaries are funded by the City through a CBO’s EarlyLearn contract.

Graph 7. Starting Salary for Teachers with a Master’s Degree and State Certification

For CBOs with unionized staff who are not covered by the DCCNY-DC 1707 Local 205 CBA, salaries are determined in two ways. First, salaries generally mirror the agreement between DC 1707 and DCCNY and are outlined in the agency’s contract with the City. However, unlike their CBA-covered unionized counterparts, these non-unionized workers may or may not receive healthcare insurance or retirement benefits. This particular issue is unclear and is determined on a case-by-case basis. For example, if the salary for a teacher with a master’s degree and certification is $47,858, a teacher who is not covered by the CBA would most likely receive the same salary except without the healthcare insurance and retirement benefits. However, salaries are only outlined in the EarlyLearn or Pre-K for All contracts between the CBO and either ACS or DOE, respectively. The CBA provides benefits such as health care insurance and pension—not unlike teachers in public schools who are unionized by the United Federation of Teachers (UFT). Graph 7 shows the starting salary for a certified...
teacher with a master’s degree in DC 1707 compared to a teacher in the UFT. Due to the lack of salary increases for teachers in CBOs and the tenure steps, longevity bonuses, and cost of living adjustments (COLAs) that UFT teachers receive, salary disparities grow exponentially over the course of a teacher’s career, as depicted in Graph 8.

A second determinant of salary is funding source and program requirements. There are times in which a program’s design and funding will allow for higher salaries. For example, when Pre-K for All launched, additional UPK money was added to EarlyLearn pre-kindergarten four-year-old classrooms to enhance the salaries of certified lead teachers. Those qualified teachers received an additional increase in salary. A lead teacher with a bachelor’s degree and certification received a salary of $44,000, and a lead teacher with a master’s degree and certification received $50,000.

These salaries were higher than the amount in the CBA at the time of the launch of Pre-K for All in 2014. However, the current CBA between DC 1707 and DCCNY sets teachers on track to earn these same salaries in classrooms without UPK enhancement funding by September 2020. This scheduled CBA salary increase and the announcement of teacher salaries set forth in the DOE’s recent Birth-to-Five and Head Start RFP means that by September of 2020, all teachers in CBOs, regardless of union status, will be paid the same salary, with the primary difference being the healthcare insurance and retirement benefits.
VI. Calculating the Cost of Salary Parity

This section describes the analytic strategy used to calculate the cost of salary parity for certified group teachers. Because of the complexity of the many factors that determine a teacher’s salary (union status, tenure, education, etc.), the majority of the efforts that have gone into this project have focused on obtaining the necessary data for the analysis. Next, each individual data source is described in order to understand the importance of the variable in calculating the final costs.

A. DATA SOURCES

The variables necessary to calculate salary parity and the sources of the data are presented in Table 4 below. The analysis in this report relies largely on the data provided by DOHMH and prepared by the Bureau of Environmental Surveillance and Policy (BESP). The dataset, called the Active Group Child Care (GCC) Facilities - Teachers, Assistant Teachers Counts by Qualifications, was used as of March 2018. This dataset includes information on the number of group teachers, assistant teachers, and their respective qualifications. Program information such as permit type (infant-toddler or preschool) and program model (child care, Head Start, UPK) allows the teacher data to be broken out into categories. For example, the dataset enables group teachers to be categorized into different EarlyLearn models, i.e., child care or Head Start.

<table>
<thead>
<tr>
<th>Salary Formula Component</th>
<th>Data Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher salaries</td>
<td>Child Care, DC 1707 Local 205 &amp; DCCNY CBA (December 2018)</td>
</tr>
<tr>
<td></td>
<td>Head Start, DC 1707 Local 95 CBA (February 2019)</td>
</tr>
<tr>
<td></td>
<td>Public Schools, UFT CBA (February 2019)</td>
</tr>
<tr>
<td></td>
<td>UFT, Interview with DOE HR (October 2018)</td>
</tr>
<tr>
<td></td>
<td>DCCNY Salary Parity Survey (December 2018)</td>
</tr>
<tr>
<td>Certified teacher qualifications</td>
<td>DOHMH Article 47 Staff Requirements (March 2018)</td>
</tr>
<tr>
<td>Number of teachers, DOHMH permit by program type and funding source</td>
<td>DOHMH &amp; Bureau of Environmental Surveillance and Policy (March 2018)</td>
</tr>
<tr>
<td>Teacher tenure (years in pension)</td>
<td>Cultural Institution Retirement System (CIRS)</td>
</tr>
<tr>
<td></td>
<td>Pension Data (May 2018)</td>
</tr>
<tr>
<td>Retirement benefits contribution (pension)</td>
<td>CIRS Employer Contribution: 11.1%  Head Start: ~7%</td>
</tr>
</tbody>
</table>

While the DOHMH dataset identified whether or not teachers were qualified to lead their classrooms under Article 47 requirements as of March 2018 (which at the time required group teachers to be certified), this dataset did not identify the highest level of education each teacher had obtained. Instead, data was organized at the program level. As a result, individual data on each teacher could not be analyzed. This is an important distinction because salaries are differentiated by education in collective bargaining agreements, i.e., a teacher with only a bachelor’s degree gets paid significantly less than a teacher with a master’s
degree. There are two primary ways to become a certified teacher. A teacher can earn a bachelor’s degree in early childhood education and Initial Certification, or he or she can earn a master’s degree in early childhood education and Professional Certification. Both teachers can be referred to as a “certified teacher.” To be clear, the dataset did not distinguish whether any individual teacher had a bachelor’s or master’s degree, only that he or she was certified.

However, in the absence of an individual’s education data, this salary parity cost analysis uses the salaries of teachers with master’s degrees for the purposes of cost estimation. Teachers with bachelor's degrees and Initial Certification must eventually get their master’s degrees and Professional Certification (permanent). The Initial Certification expires after five years, and while teachers can apply for an extension, all teachers must eventually obtain their master’s degree and Professional Certification to stay in the teaching profession. Data from the DCCNY-DC 1707 Early Childhood Career Ladder (ECCL) program has documented that teachers who obtain their bachelor’s degree and Initial Certification typically earn their master’s degree. This runs contrary to what has been documented about teachers on study plans, many of whom remain on those study plans for extended amounts of time without completing certification. Using the salaries of teachers with master’s degrees as a substitute for teachers who might only have their bachelor’s degree and Initial Certification produces an upper-bound estimate for the total cost of salary parity that appropriately takes into account the total cost of salary parity of all certified teachers.

The salaries of group teachers were taken from the respective collective bargaining agreements of the unions representing program staff. In addition to using the salaries directly from the UFT CBA, interviews were conducted with the DOE’s Human Resources Department (HR) in October 2018 in an effort to thoroughly understand the salary tables of the UFT CBA.

For non-unionized NYCEEC programs, a salary survey was distributed to community-based Pre-K for All programs without unionized staff or EarlyLearn contracts. Since NYCEECs are free to set salary rates for their teachers up to a ceiling as outlined in their contracts, it was necessary to use a survey to assess whether NYCEECs are paying their teachers below, at, or above the DOE rate. This salary survey was conducted in December 2018. Using NYC’s Open
Data website, a list of NYCEECs was compiled from the DOE’s Pre-K for All directory. This directory was cross-checked with the DOHMH dataset to verify contact information, program model, and funding sources. The salary survey was emailed to NYCEECs in early December 2018. The data obtained from this survey was compiled and analyzed in January 2018. Fifty-four programs responded to the salary survey, although only 43 sites answered the question about salaries for teachers. Results from the salary survey showed a wide range of salaries for teachers with master’s degrees, as shown in Graph 9. The lowest salary reported by a program was $32,000 and the highest salary reported was $60,000. The average salary of teachers with master’s degrees was $50,086. The median salary was $50,000, which is consistent with the DOE’s maximum reimbursement rate for teachers with master’s degrees.

### Table 5. Costs Associated with Salary Increases

<table>
<thead>
<tr>
<th>Variables Included in Cost Estimate</th>
<th>Not Included (Unchanged Benefit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, including tenure costs</td>
<td>Unemployment &amp; disability insurance</td>
</tr>
<tr>
<td>Number of teachers</td>
<td>Workers compensation</td>
</tr>
<tr>
<td>Employer retirement contribution</td>
<td>Mandatory paid leave</td>
</tr>
<tr>
<td>FICA (Employer Social Security and Medicare contribution)</td>
<td>Health insurance benefits</td>
</tr>
<tr>
<td>Cost of living adjustment (COLA), 2.8%</td>
<td>Overtime</td>
</tr>
<tr>
<td></td>
<td>Longevity bonus</td>
</tr>
<tr>
<td></td>
<td>Retention bonus</td>
</tr>
</tbody>
</table>

### B. TEACHER TENURE AND SALARIES

Teacher tenure must be considered when calculating salary parity cost because it is a key factor for determining salaries for teachers in the UFT. Unionized teachers in public schools not only receive longevity bonuses and COLAs, but they also receive salary increases for working consecutive years in the system called tenure steps. Workers unionized under DC 107 do not receive tenure steps as a part of their salaries. As Graph 8 showed, these tenure steps and longevity bonuses cause the salary disparities between teachers in CBOs and public schools to grow exponentially over the course of teachers’ careers.

As the data presented in Graph 8 shows, teachers who have been working in child care centers for longer have even greater salary disparities compared to teachers represented by UFT, largely due to tenure steps as well as longevity bonuses that UFT teachers receive. This analysis relied on pension data taken from the Cultural Institution Retirement System (CIRS) to act as a proxy for the tenure of DC 1707 Local 205 teachers. The pension data measures how long they have been working in their unionized positions.

Comparable pension data was not available for teachers in EarlyLearn Head Start programs represented by DC 1707 Local 95. However, experts in the area of Head Start have suggested that the spread of tenure across Head Start teachers is comparable. Additionally, anecdotal data shows that Head Start programs face similar problems of teacher recruitment and retention, which supports the idea that a majority of their qualified
teachers are younger and earlier in their careers. As a result, the CIRS pension data used to estimate teacher tenure for Local 205 workers was also used as a proxy for Local 95 teachers as well.

Table 6 shows that approximately 53.7 percent of DC 1707 Local 205 workers have five or less years of experience. Finally, it should be noted that these cost estimates include employer contributions to the retirement benefits of workers. For teachers in child care programs, CIRS has reported that this contribution is 11.1 percent. The Head Start Sponsoring Board did not respond to inquiries about the employer contribution to that pension. Based on interviews with DCCNY members, an estimate of 7 percent was used as the employer contribution.

<table>
<thead>
<tr>
<th>Years of experience</th>
<th>Percent of total staff</th>
<th>DC 1707 Local 205 (12/31/2018) MA - Certified</th>
<th>UFT** (02/14/2019) MA - Certified</th>
<th>Salary Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 years</td>
<td>53.2%</td>
<td>$47,858</td>
<td>$65,026</td>
<td>- $17,168</td>
</tr>
<tr>
<td>5 to 9 years</td>
<td>24.2%</td>
<td>$47,858</td>
<td>$69,071</td>
<td>- $21,213</td>
</tr>
<tr>
<td>10 years or more</td>
<td>22.6%</td>
<td>$47,858</td>
<td>$83,924</td>
<td>- $36,066</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Years of experience</th>
<th>Percent of total staff</th>
<th>DC 1707 Local 95 (02/01/2019)</th>
<th>UFT** (02/14/2019)</th>
<th>Salary Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 years</td>
<td></td>
<td>$53,568</td>
<td>$65,026</td>
<td>- $11,458</td>
</tr>
<tr>
<td>5 to 9 years</td>
<td></td>
<td>$53,568</td>
<td>$69,071</td>
<td>- $15,503</td>
</tr>
<tr>
<td>10 years or more</td>
<td></td>
<td>$53,568</td>
<td>$83,924</td>
<td>- $30,356</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Years of experience</th>
<th>Percent of total staff</th>
<th>NYCEECs (12/31/2018)</th>
<th>UFT** (02/14/2019)</th>
<th>Salary Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 years</td>
<td></td>
<td>$50,086</td>
<td>$65,026</td>
<td>- $14,940</td>
</tr>
<tr>
<td>More than 5 years</td>
<td></td>
<td>$50,086</td>
<td>$65,026</td>
<td>- $18,985</td>
</tr>
</tbody>
</table>

**Does not include longevity bonuses**

The data presented in Table 6 is excerpted from the calculations of the cost of salary parity and shows how teacher tenure drives the ultimate cost of salary parity. Since the salaries presented in Table 6 are designed to show how tenure affects salary, bonuses and COLAs are not included in the salaries of the UFT. This means that the salaries for both DC 1707 and UFT teachers solely reflect tenure and no other sources for salary increases. Pension data from CIRS is used to calculate the cost differential of tenure at three different categories of experience: less than five years, five to nine years, and ten years or more.
VI. Calculating the Cost of Salary Parity

This pension data is consistent with what is known about when certified teachers typically leave CBOs, which is after about five years of working in a CBO.23 This juncture in a teacher’s career is a prime time for departure from the system because he or she would have vested in the CIRS pension and be eligible to apply for his or her permanent (professional) certification. The combination of experience and permanent certification would result in the highest pay increase for a teacher moving from a CBO to the DOE. Table 6 shows that the difference in starting salaries between DC 1707 workers in Local 205 who have less than 5 years of experience and their UFT counterparts is $17,168.

Approximately 24.2 percent of the workforce has between five to nine years of experience, and 22.6 percent of the population has 10 or more years of experience. By the time a teacher reaches this point in his or her career, he or she will be making $36,066 less than a UFT teacher. This substantial salary differential is one of the drivers of the cost of salary parity, but it is important to include these large costs in the final salary parity estimate. While salary parity is intended to stop teachers with five or less years of experience from leaving, it must also acknowledge the individuals who choose to stay.

C. COST OF LIVING ADJUSTMENTS

This salary parity estimate does not include longevity bonuses due to the fact that longevity bonuses have to be negotiated between DC 1707 Local 205 and DCCNY. This lack of precedence makes it unrealistic to include longevity bonuses. At the same time, salaries cannot stay stagnant and must be adjusted in some way over a period of time to reflect changes in the cost of living.

One way of planning for salary increases over time is to include a COLA that would account for inflation. It is also important to include COLAs calculating multi-year estimates of what salary parity might cost over time, as is the practice of NYC’s Office of Management and Budget. In order to project the cost of salary parity over a period of five years, this salary parity estimate includes a 2.8 percent COLA that is compounded four times over a period of five years.

The 2.8 percent COLA applied to this salary parity analysis is consistent with the current COLA for Social Security. The 2.8 percent Social Security COLA is calculated by the Federal Bureau of Labor Statistics based on the Consumer Price Index. This COLA is calculated using data from 2018 and applied to 2019. Using a 2.8 percent COLA then keeps salaries up with the inflation costs at the same rate as Social Security. Table 7 compares the 2.8 percent COLA across various CBAs. Out of the three CBAs included in Table 7, only the CBAs of DC 1707 Local 95 and UFT have true COLAs built in. In other words, the salary increases in their CBAs reflect an adjustment meant to keep salaries up to pace with inflation.

While there are salary increases in the DC 1707 Local 205, those increases were not designed to keep up with inflation. Instead, they were designed to increase the salaries of Local 205 up to the same salaries of the...
non-unionized counterparts. As previously mentioned, when Pre-K for All launched in 2014, the DOE set salaries for teachers at a maximum of $50,000 for those with master’s degrees and $44,000 for those with bachelor’s degrees. This was significantly higher than the existing salaries for unionized child care workers.

Salary increases were built into DC 1707 Local 205’s CBA to bring teachers up to the same salaries as their non-unionized counterparts in other CBOs by 2020. The salary increases of 2 percent (2017), 2 percent (2018), and 4 percent (2020) brings the salaries of Local 205 teachers from $46,000 to $50,000. To be clear, the intention of these salary increases was not to get teacher salaries closer to those of the UFT, nor were they intended to keep up with the cost of living. DC 1707 Local 95 does receive COLAs and most recently received a 2.6 percent COLA in February of 2019.

<p>| Table 7, Comparison of Salary Increases or Cost of Living Adjustments Across Collective Bargaining Agreements |</p>
<table>
<thead>
<tr>
<th>Year</th>
<th>DC 1707, Local 205 Child Care</th>
<th>DC 1707, Local 95 Head Start</th>
<th>NYC DOE UFT</th>
<th>Social Security (BLS, CPI)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Salary Increase Proposed</td>
<td>Current</td>
<td>Current</td>
<td>Current</td>
</tr>
<tr>
<td>2017</td>
<td>–</td>
<td>2%</td>
<td>1.8%</td>
<td>3%</td>
</tr>
<tr>
<td>2018</td>
<td>–</td>
<td>2%</td>
<td>1%</td>
<td>–</td>
</tr>
<tr>
<td>2019</td>
<td>2.8%</td>
<td>0%</td>
<td>2.6%</td>
<td>2%</td>
</tr>
<tr>
<td>2020</td>
<td>2.8%</td>
<td>4.5%</td>
<td>–</td>
<td>2.5%</td>
</tr>
<tr>
<td>2021</td>
<td>2.8%</td>
<td>–</td>
<td>–</td>
<td>3%</td>
</tr>
<tr>
<td>2022</td>
<td>2.8%</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Table 7 also outlines the salary increases in the newest UFT CBA, which includes a 2 percent, 2.5 percent, and 3 percent series of increases across three years. However, in reality, teachers in the UFT receive much higher salary increases from year to year. For example, a teacher with his or her master’s degree and five years of experience, starting his or her sixth year of work would receive a salary of $70,292 as of February 2018 (see Table 8A), which includes a five-year longevity bonus of $1,219. After one year, that teacher gains another year of experience and receives a tenure salary increase. But he or she also receives a 2.5 percent cost of living increase for the year 2020. His or her salary in May 2020 would be $74,940 (see Table 8B). Going from a salary of $70,292 to a salary of $74,940 would be a 6.2 percent increase in total.

In summary, building in a modest 2.8 percent COLA for early education teachers in CBOs would not come near the salary increases that teachers in UFT receive from year to year, especially considering the fact that child care programs operate for 10 hours each day and 12 months out of a year, compared to a school day/year model. Accordingly, the 2.8 percent COLA was used to calculate the five-year cost estimate of salary parity.
### Table 8A. EXCERPT - UFT Collective Bargaining Agreement Salary Table for Teachers – February 14, 2019

**Teacher Salary Schedule – Feb 14, 2019**

<table>
<thead>
<tr>
<th>Education Years Exp</th>
<th>BA C1</th>
<th>C1 + PD</th>
<th>BA + 30 C2</th>
<th>C2 + ID</th>
<th>MA C2 + PD</th>
<th>C2 + ID</th>
<th>MA + 30</th>
<th>MA + 30 C6</th>
<th>MA + 30 C6 + PD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1B</td>
<td>57,845</td>
<td>63,084</td>
<td>59,786</td>
<td>63,376</td>
<td>65,026</td>
<td>68,612</td>
<td>66,969</td>
<td>72,205</td>
<td></td>
</tr>
<tr>
<td>2A</td>
<td>58,995</td>
<td>64,234</td>
<td>60,936</td>
<td>64,526</td>
<td>66,176</td>
<td>69,762</td>
<td>68,119</td>
<td>73,355</td>
<td></td>
</tr>
<tr>
<td>2B</td>
<td>58,995</td>
<td>64,234</td>
<td>60,936</td>
<td>64,526</td>
<td>66,176</td>
<td>69,762</td>
<td>68,119</td>
<td>73,355</td>
<td></td>
</tr>
<tr>
<td>3A</td>
<td>59,483</td>
<td>64,722</td>
<td>61,424</td>
<td>65,014</td>
<td>66,664</td>
<td>70,250</td>
<td>68,607</td>
<td>73,843</td>
<td></td>
</tr>
<tr>
<td>3B</td>
<td>59,483</td>
<td>64,722</td>
<td>61,424</td>
<td>65,014</td>
<td>66,664</td>
<td>70,250</td>
<td>68,607</td>
<td>73,843</td>
<td></td>
</tr>
<tr>
<td>4A</td>
<td>60,343</td>
<td>65,582</td>
<td>62,284</td>
<td>65,874</td>
<td>67,524</td>
<td>71,110</td>
<td>69,467</td>
<td>74,703</td>
<td></td>
</tr>
<tr>
<td>5A</td>
<td>61,089</td>
<td>66,328</td>
<td>63,030</td>
<td>66,620</td>
<td>68,270</td>
<td>71,856</td>
<td>70,213</td>
<td>75,449</td>
<td></td>
</tr>
<tr>
<td>6A</td>
<td>61,890</td>
<td>67,129</td>
<td>63,831</td>
<td>67,421</td>
<td>69,071</td>
<td>72,657</td>
<td>71,014</td>
<td>76,250</td>
<td></td>
</tr>
<tr>
<td>6A + 5</td>
<td>63,109</td>
<td>68,348</td>
<td>65,050</td>
<td>68,640</td>
<td>70,290</td>
<td>73,876</td>
<td>72,233</td>
<td>77,469</td>
<td></td>
</tr>
<tr>
<td>6B</td>
<td>63,026</td>
<td>68,265</td>
<td>64,967</td>
<td>68,557</td>
<td>70,207</td>
<td>73,793</td>
<td>72,150</td>
<td>77,386</td>
<td></td>
</tr>
<tr>
<td>6B + 5</td>
<td>64,245</td>
<td>69,484</td>
<td>66,186</td>
<td>69,776</td>
<td>71,426</td>
<td>75,012</td>
<td>73,369</td>
<td>78,605</td>
<td></td>
</tr>
<tr>
<td>7A</td>
<td>64,712</td>
<td>69,951</td>
<td>66,653</td>
<td>70,243</td>
<td>71,893</td>
<td>75,479</td>
<td>73,836</td>
<td>79,072</td>
<td></td>
</tr>
<tr>
<td>7A + 5</td>
<td>65,931</td>
<td>71,170</td>
<td>67,872</td>
<td>71,462</td>
<td>73,112</td>
<td>76,698</td>
<td>75,055</td>
<td>80,291</td>
<td></td>
</tr>
</tbody>
</table>

(Bonuses)

L5 (5 year) 1,219
L10 (10 year) 4,980
L13 (13 year) 7,541

*Subject to Correction

### Table 8B. EXCERPT - UFT Collective Bargaining Agreement Salary Table for Teachers – May 14, 2020

**Teacher Salary Schedule – May 14, 2020**

<table>
<thead>
<tr>
<th>Education Years Exp</th>
<th>BA C1</th>
<th>C1 + PD</th>
<th>BA + 30 C2</th>
<th>C2 + ID</th>
<th>MA C2 + PD</th>
<th>C2 + ID</th>
<th>MA + 30</th>
<th>MA + 30 C6</th>
<th>MA + 30 C6 + PD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1A</td>
<td>59,291</td>
<td>64,661</td>
<td>61,281</td>
<td>64,960</td>
<td>66,652</td>
<td>70,327</td>
<td>68,643</td>
<td>74,010</td>
<td></td>
</tr>
<tr>
<td>1B</td>
<td>59,291</td>
<td>64,661</td>
<td>61,281</td>
<td>64,960</td>
<td>66,652</td>
<td>70,327</td>
<td>68,643</td>
<td>74,010</td>
<td></td>
</tr>
<tr>
<td>2A</td>
<td>60,470</td>
<td>65,840</td>
<td>62,460</td>
<td>66,139</td>
<td>67,831</td>
<td>71,506</td>
<td>69,822</td>
<td>75,189</td>
<td></td>
</tr>
<tr>
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VII. The Cost of Salary Parity

This section presents the results of the cost analysis for salary parity for certified group teachers and salary increases for child care center directors. **Table 9** outlines the salary parity costs for certified group teachers for the immediate year as well as a five-year estimate, which includes the 2.8 percent compounded COLA. **Table 10** summarizes the baseline costs for providing salary increases for child care center directors. All costs are broken down by type of program EarlyLearn or NYCEECs. In the context of these cost estimates, NYCEECs are directly contracted with the DOE and operate Pre-K for All programs with no EarlyLearn contracts. EarlyLearn programs include four-year-old classrooms that receive UPK enhancement funding. To ensure there is no double counting of programs, NYCEECs and EarlyLearn programs are calculated separately.

### A. GROUP TEACHERS

For programs represented by DCCNY, salary parity will cost approximately $15.6 million in the first year and $82.5 million over the course of five years. For all EarlyLearn programs, including programs represented by DCCNY, it will cost $28.7 million in the first year, and then $152 million over five years to bring CBO-certified teachers up to the same salaries as their equally qualified counterparts. For NYCEECs without EarlyLearn contracts, it will cost $33.2 million in the first year, and then $175 million over five years to give salary parity to non-unionized workers. In total, it will cost the City $64 million in the first year and $327 million over five years to give salary parity to all certified group and lead teachers in publicly funded early education programs in CBOs. These costs are summarized in **Table 9**.

**Table 9. Salary Parity Costs for Certified Group Teachers**

<table>
<thead>
<tr>
<th>Programs</th>
<th>Year 1 Cost</th>
<th>5-Year Cost (COLAs included)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EarlyLearn programs (n=369 programs, n=1,190 certified teachers)</td>
<td>$28.7 million</td>
<td>$152 million</td>
</tr>
<tr>
<td>NYCEECs, No EarlyLearn (n=614 programs, n=1,816 certified teachers)</td>
<td>$33.2 million</td>
<td>$175 million</td>
</tr>
<tr>
<td>All Birth-to-Five programs</td>
<td>$62 million</td>
<td>$327 million</td>
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</table>

### B. CHILD CARE CENTER DIRECTORS

Some advocates have called for pay parity between center directors and public school principals, the DCCNY proposal does not include salary parity for directors on par with public school principals for a number of specific reasons. First, the qualifications for center directors compared to public school principals are not the same. Principals must have seven years of teaching experience before they are eligible to apply for the New York State School Building Leader (SBL) certificate, which is required to become a principal. Under Article 47, child care center directors need two years of experience before becoming a director and the SBL is not required. Therefore the “apples-to-apples qualifications” argument for salary parity does not apply to center directors.
VII. The Cost of Salary Parity

Second, center directors are, more often than not, responsible for fewer children across fewer age categories than principals. Supervising teachers across a wider range of ages and grades comes with more expertise and administrative responsibilities, and the pay rates reflect that differential. Finally, the origin of the salary parity fight was to stop certified teachers from leaving CBOs to go work in public schools. Directors can and do leave CBOs to go work in public schools but only if they are willing to take a demotion in responsibilities. In other words, directors who leave CBOs to work in public schools must become teachers again. Many directors prefer to stay in their administrative roles for this reason.

Not providing salary increases for center directors would create a pay inequity within early education programs.

There are strong arguments for providing some salary increases for child care center directors since their qualifications and duties are greater than those of the group teachers who they are supervising. First, center directors must have been employed as a group teacher for two years before being promoted to a director position. In fact, it is common for education directors to sometimes substitute for lead teachers in their absence, particularly if there is already a supervising executive director. Thus, directors have the same teacher certification as the group teachers they supervise. In addition to those qualifications, center directors have their years of supervision and administrative duties. Finally, large salary increases for certified teachers would result in teachers getting paid more than their supervisors. This pay inequity would undermine the goal of salary parity, which is focused on the pay inequity between teachers of equal qualifications in different settings. Not providing salary increases for center directors would create a pay inequity within early education programs.

Because only approximately half of all EarlyLearn child care center directors are unionized under the Council of Supervisors and Administrators (CSA), it is more challenging to determine how much directors are being paid, and therefore more difficult to determine an appropriate salary to use in cost calculations. A number of assumptions had to be made in order to do the calculations. Data from the CSA Welfare Fund showed a total membership of 196 child care center directors. The total number of EarlyLearn sites is 369, according to the previously mentioned DOHMH data. Assuming there is at least one director for each EarlyLearn center results in a total of 173 non-unionized directors. This is a lower-bound estimate because it is possible for centers to have assistant directors or multiple directors, depending on the number of children enrolled and staff that need supervising.

This cost calculation uses salaries from the CSA collective bargaining agreement. Salaries from the collective bargaining agreement are also used as a proxy for the salaries of the non-unionized directors. In order to uphold the terms of the current agreement between CSA and DCCNY, this salary parity cost estimate maintains the current salary differential between a certified group teacher with a master’s degree and a
child care center director. This differential is currently 22.8 percent. As Table 10 illustrates, maintaining this differential increases the salary of a certified center director with a master’s degree from $58,778 to $79,865; this is a salary increase of 26.4 percent. Similar analysis was done for directors of NYCEECs, which assumed one director for each NYCEEC. This resulted in a total sample of 614 non-unionized directors. While these estimates require significantly more assumptions to be made than the calculations for group teachers, they are a baseline approximation for what the additional cost of salary increases might be for child care center directors. Table 11 outlines the final estimate for salary increases for directors to be $8.8 million for EarlyLearn programs and $12.1 million for NYCEECs. The total cost of salary increases for directors for both program types is $20.9 million, with a five-year cost of $110.8, with the 2.8 percent COLA included.

<table>
<thead>
<tr>
<th>Programs</th>
<th>1-Year Cost</th>
<th>5-Year Cost</th>
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<tbody>
<tr>
<td>EarlyLearn programs</td>
<td>$8.8 million</td>
<td>$46.7 million</td>
</tr>
<tr>
<td>NYCEECs</td>
<td>$12.1 million</td>
<td>$64.1 million</td>
</tr>
<tr>
<td>All Birth-to-Five programs</td>
<td>$20.9 million</td>
<td>$110.8 million</td>
</tr>
</tbody>
</table>
IX. Conclusion: The Budget Context

This section provides context for interpreting and understanding the scope of the salary parity cost estimates. Table 12 summarizes the cost for both teachers, and directors. The one-time $83 million cost of salary increases for certified group teachers, and center directors is minor compared to the overall budgets of several programs. As Table 13 shows, all EarlyLearn contracts are valued at $369.6 million, of which $360.5 million comes from the City’s share of federal Child Care Development Block Grant (CCBG) dollars. The City’s EarlyLearn Head Start contracts are valued at $173.5 million. The entire transfer of EarlyLearn, including contracts, staff, and services, from ACS to DOE is valued at $604 million.

<table>
<thead>
<tr>
<th>Table 12. The Cost of Salary Parity</th>
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<tbody>
<tr>
<td><strong>Cost Estimates</strong></td>
</tr>
<tr>
<td><strong>Year 1</strong></td>
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<tr>
<td><strong>5 Years, 2.8% compounded</strong></td>
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</table>

The $83 million salary parity cost is .03 percent of the DOE’s budget, of which $25.6 (80 percent of total DOE budget) is the operating budget and $867 million is exclusive to the Pre-K for All program. This means that the cost of salary parity for early childhood educators in CBOs is 0.3 percent of the total DOE budget.

<table>
<thead>
<tr>
<th>Table 13. New York City Budget Comparisons</th>
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<tbody>
<tr>
<td>TOTAL NEW YORK CITY BUDGET Fiscal Year 2019 (FY19): $89 billion Proposed FY20: $92.2 billion</td>
</tr>
<tr>
<td>• EarlyLearn child care contracts (ACS FY18):</td>
</tr>
<tr>
<td>• NYC CCBG share (ACS FY18):</td>
</tr>
<tr>
<td>• EarlyLearn Head Start contracts (ACS FY18):</td>
</tr>
<tr>
<td>• EarlyLearn Transfer – ACS to DOE (FY19): (includes staff, services, and contracts):</td>
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<tr>
<td>• UFT contract value (FY19-21):</td>
</tr>
<tr>
<td>• DOE overall budget (FY19):</td>
</tr>
<tr>
<td>• Operating budget:</td>
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<tr>
<td>• Pre-K for All:</td>
</tr>
<tr>
<td>• Mayor’s preliminary budget seeking in savings across all city agencies:</td>
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<tr>
<td>• DOE budget cut:</td>
</tr>
</tbody>
</table>
The Mayor’s most recent Executive Budget continues the City’s efforts to expand 3-K for All, which would increase the number of pre-kindergarten seats for three-year-olds, regardless of family income. At the same time, the salary disparities across early childhood settings threaten the stability of the entire birth-to-five system and the very viability of CBOs. Budgets outline an administration’s priorities and values. Public policy and research points to salary parity as the solution to the inequities that currently exist in the system. The one-time cost of $83 million is a first step towards resolving these inequities and a down payment on fully funding the Mayor’s signature early childhood program.

At a time when funds are being cut from the City budget, there continues to be additional funding added to the DOE’s budget for 3-K expansion. At the same time, the salary disparities across early childhood settings threaten the stability of the entire birth-to-five system and the very viability of CBOs.
References


3 The most recent open data shows that 60% of Pre-k for All seats are located in CBOs. This data can be retrieved from: https://data.cityofnewyork.us/Education/Universal-Pre-K-UPK-School-Locations/kiyv-ks3f.


10 In child care programs regulated by Department of Health and Mental Hygiene (DOHMH), classroom teachers are called group teachers. These teachers are called lead teachers in DOE classrooms.


18 Bachelor’s degree in early childhood education and New York State teacher certification, or a teaching certification from another agency or organization with reciprocity agreements with New York State, or a bachelor’s degree in early childhood education and five years of supervised experience working in a preschool setting, or be on a DOHMH approved study plan.

19 There are two types of teacher certifications for early childhood educators. The first certification is called the Initial, which expires over time (5 years with possible extensions). The second certification is called the Professional, which requires a master’s degree in early childhood education and is permanent. It should be noted that under New York State education regulations, any early education program that receives UPK enhancement funding must be led by a head teacher with State certification. Thus, having master’s degree in early childhood education and State certification is the final State of certification for all career teachers.

20 New York State Consolidated Law, Education Laws - EDN § 3602(e) and 3602(ee).


22 Article 47 dictates that assistant teachers need a high school diploma and be 18 years old in order to qualify for their position. Paraprofessionals in public schools, however, must obtain the New York State Assessment of Teaching Assistant Skills (ATAS) certification, which involves passing an exam and making progress towards obtaining college credit hours in early childhood education coursework.

23 The terms “group teacher” and “lead teacher” can be used interchangeably depending on the type of classroom and its funding. “Group teacher” is a title taken from Article 47, whereas “lead teacher” is a title taken from UPK guidelines.


Day Care Council of New York Member Agencies

1332 Fulton Avenue Day Care Center, Inc.
Action Nursery, Inc.
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Billy Martin Child Development Center
Birch Family Services
Blanche Community Progress DCC, Inc.
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Brooklyn Community Services
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Northeast Bronx Day Care Center, Inc.
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Omega Psi Phi Fraternity-Nu Omicron Chapter ECEC
Open Door Associates, Inc.
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SCAN-New York
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The Child Center of New York
The League for Better Community Life, Inc.
The Salvation Army
Tolentine Zeiser Community Life Center
Trabajamos Community Head Start
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Tremont Monterey Day Care, Inc.
Union Settlement Association, Inc.
United Community Centers, Inc.
United Federation of Black Community Organizations, Inc.
University Settlement
Urban Strategies
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