



Early Childhood Wage & Career Lattice Cost Estimates for New Mexico

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August 16, 2023

Overview

Improving access to high quality early care and education is a high priority for New Mexico lawmakers. The quality of early childhood programming is largely determined by the quality of the interactions between young children and their caregivers. Children benefit from consistent relationships with experienced teachers who are trained in early childhood development. Conversely, the quality of early education suffers when children cannot establish consistent, trusting relationships with classroom staff due to high turnover and/or lack of teacher training.

Operating a high-quality early education program requires more than just good teachers. Support staff including cooks, custodians and bus drivers are also critical. Adequate compensation for these key support roles helps retain good staff and reduces the cost and disruption that results from excessive turnover.

Better pay that increases with education and experience is key to increasing the size and qualifications of New Mexico’s early childhood workforce. State-subsidized wage and career lattices that establish wage floors and reward educational attainment and experience are one way to improve the compensation of early educators and support staff. An early childhood Wage and Career Lattice that includes elements recommended by early educators, parents, the New Mexico Early Childhood Education and Care Department, and staff of the state’s Legislative Finance Committee is presented in **Table A**.

Experience (Years)	Lead Teacher			Asst. Teacher, Floater or Substitute			Support Staff
	CDC/CDA	Associate	Bachelor’s	Less than CDC	CDC/CDA	Associate	
0	\$20.74	\$23.32	\$31.97	\$15.00	\$16.59	\$18.65	\$15.00
1	\$21.57	\$24.25	\$33.25	\$15.60	\$17.26	\$19.40	\$15.60
2	\$22.43	\$25.22	\$34.58	\$16.22	\$17.95	\$20.18	\$16.22
3	\$23.33	\$26.23	\$35.96	\$16.87	\$18.66	\$20.98	\$16.87
4	\$24.26	\$27.28	\$37.40	\$17.55	\$19.41	\$21.82	\$17.55
5	\$25.23	\$28.37	\$38.90	\$18.25	\$20.19	\$22.70	\$18.25
6	\$26.24	\$29.50	\$40.45	\$18.98	\$20.99	\$23.60	\$18.98
7	\$27.27	\$30.68	\$42.07	\$19.74	\$21.83	\$24.55	\$19.74
8	\$28.38	\$31.91	\$43.75	\$20.53	\$22.71	\$25.53	\$20.53
9	\$29.52	\$33.19	\$45.50	\$21.35	\$23.62	\$26.55	\$21.35
10	\$30.70	\$34.52	\$47.33	\$22.20	\$24.56	\$27.61	\$22.20
11	\$31.93	\$35.90	\$49.22	\$23.09	\$25.54	\$28.72	\$23.09
12	\$33.21	\$37.33	\$51.19	\$24.02	\$26.56	\$29.87	\$24.02
13	\$34.53	\$38.83	\$53.23	\$24.98	\$27.63	\$31.06	\$24.98
14+	\$35.92	\$40.38	\$55.36	\$25.98	\$28.73	\$32.30	\$25.98

This report estimates the first year cost to the State of adopting and subsidizing the wage and career lattices in **Table A**. Those costs, which include the subsidies necessary to implement the ladders,

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administrative costs for New Mexico’s Early Childhood Education and Care Department, overhead costs incurred by participating programs, and external third-party program evaluation are depicted in **Table B**.

Table B. ECE Wage & Career Lattices, Year 1 Cost Estimates (\$ Millions)	
Educator Wage & Career Lattice payments	\$69.20
Support Staff Wage & Career Lattice payments	\$4.63
Early Childhood Program Administrative Cost	\$7.38
ECECD Administrative Cost	\$3.60
External Program Evaluation	\$1.00
Total	\$85.82

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Introduction

The State of New Mexico seeks to improve access to high quality early care and education (ECE) for the state's young children. Well-qualified teachers are critical to the delivery of high-quality ECE programming. In New Mexico, the demand for properly-credentialed ECE teachers exceeds supply, due, in large part, to the sector's low wages. Increasing or augmenting the wages of highly-qualified ECE teachers can enhance educational quality by improving retention and encouraging teachers to enhance their qualifications through additional education, training, and experience.

Although well-qualified and engaged teachers are essential to the delivery of high-quality ECE services, an entire team, composed of cooks, drivers, and other support staff is needed to operate a child care program. Like teachers, ECE support workers are often paid less than they could earn doing the same jobs in more financially robust industries. Thus, to ensure an adequate supply of high-quality early childhood programming, it is also important to provide non-teaching ECE program staff with fair compensation that increases with experience.

Since 2020, New Mexico has implemented a number of wage supplement programs for early educators, the most significant of which, Competitive Pay for Professionals (CPP), provided a temporary \$3/hour salary supplement for teaching and non-teaching staff members in early childhood programs throughout New Mexico. CPP was a temporary program funded with one-time federal recovery dollars and has been discontinued.

This report explores the cost of taking the next step – establishing and subsidizing permanent minimum pay standards for New Mexico's early educators and support staff based on their qualifications. Determining the number and qualifications of the workers who will be eligible for and participate in such a program is the first step in determining its cost.

With that objective in mind, this report seeks to answer the following questions about educators in licensed center and home-based childcare, Head Start, Early Head Start, and community-based New Mexico Pre-K programs:

1. What credentials have they obtained? Specifically, how many educators have obtained a Child Development Certificate, an Associate Degree in early childhood education, a Bachelor's Degree in early childhood education, or a Master's Degree in early childhood education?
2. How many early childhood educators are currently enrolled in higher education and pursuing one of these certificates or degrees?
3. How much early childhood teaching experience do they have? Specifically, how many early childhood educators have taught for 0-5 years, 6-10 years, 11-15 years, 16-20 years, and 20+ years?
4. How much will implementing wage and career ladders for teachers and non-teaching staff delivered via grants to providers for wages in excess of \$15/hour cost the State and what percentage of that cost will be administrative?

Background: Wage Supplement Programs for Early Educators in New Mexico

Since 2020, New Mexico has successfully implemented four ECE wage supplement programs. All of these programs have been beneficial to early educators but none have provided the comprehensive salary structure and support needed to meaningfully increase the supply of highly-qualified early educators over the long-term. Recent initiatives to supplement the incomes of New Mexico’s early educators and support staff include:

1. Competitive Pay for Professionals (CPP)- CPP provided \$3 per hour wage supplements to all on-site staff of licensed programs who had passed an ECECD background check and provided or supported child care services including teachers, educational assistants, cooks, bus drivers, and directors. CPP was funded with one-time federal recovery dollars and was discontinued in FY 24.
2. The Pre-K Parity program seeks to equalize the salaries of teachers and directors with at least a Bachelor’s degree in community-based pre-K programs with those of teachers in public school-based NM Pre-K programs by paying the difference between their current salary and three “baseline” salaries: \$50,000 for staff with at least a BA and up to 3 years of experience in pre-K, \$60,000 for staff with at least a BA and more than 3 years of experience in pre-K, and \$70,000 for staff with advanced degrees and at least five years of experience in pre-K. For FY 23, 85 pre-K teachers received \$1.4 million, or an average of \$17,034, in Pre-K Parity Payments. Pre-K Parity is an ongoing program.
3. ECECD’s Wage Supplement program is an education-based supplement that requires participants with fewer than 60 credits towards an ECE degree to be actively pursuing further credentials. Wage supplements are provided every 6 months in amounts that range from \$125 for a part-time worker with 5 ECE credit hours to \$2,548 for a full-time educator with a Bachelor’s or more advanced degree in ECE. In FY 23, 503 ECE professionals received \$465,000 in wage supplement payments.¹
4. The Bilingual Incentive is a one-time \$1,500 payment to a broad spectrum of bilingual early childhood professional whose language abilities are documented and who provide direct support to children ages 0 to 5 in state licensed or funded programs. In the fourth quarter of FY 23, 104 participants received \$156,000 in bilingual incentive payments.²

All of these programs have benefitted members of the early education workforce. However, the most widely beneficial program, CPP, was discontinued in FY 24 and the three other programs narrowly target specific populations – degreed NM Pre-K teachers (Pre-K Parity), teachers actively pursuing further education (Wage Supplement) and bilingual educators (one-time bilingual incentive).

¹ CNM Ingenuity. Q4 FY23 Scholarship and Pay Incentive Report to ECECD.

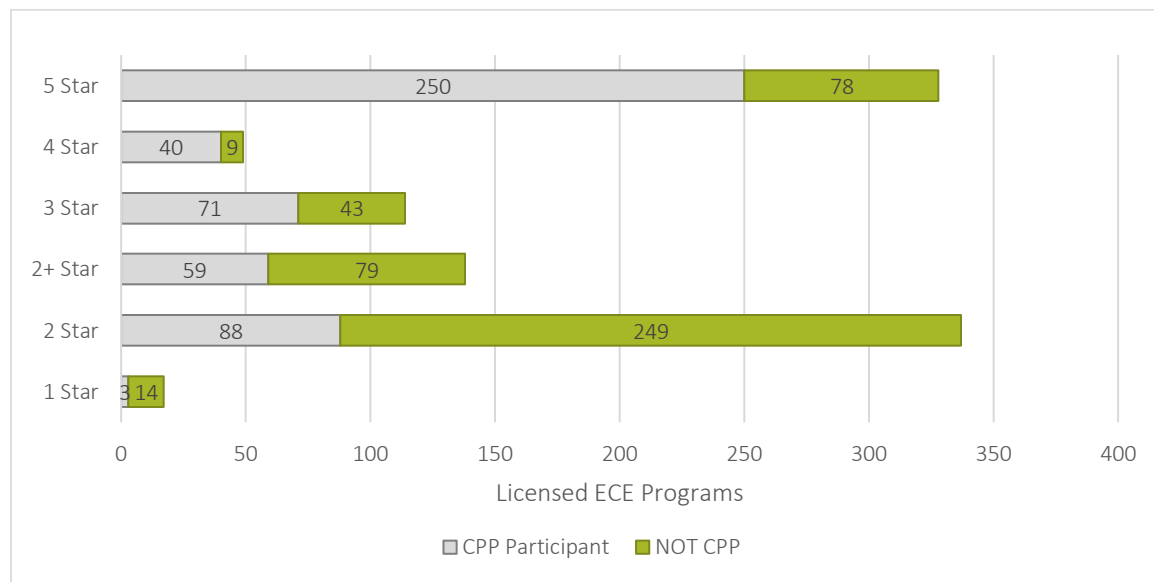
² CNM Ingenuity. Q4 FY23 Scholarship and Pay Incentive Report to ECECD

Data

Data for this report comes from a variety of sources including the Census Bureau, US Bureau of Labor Statistics, and New Mexico’s Early Education and Care Department (ECECD). The richest and most robust data derives from ECECD’s recently discontinued Competitive Pay for Professional (CPP) program. CPP participants represent just under two-thirds of the state’s licensed ECE capacity, thus CPP program data provides a strong basis upon which to estimate the size, educational attainment, and current wages of New Mexico’s ECE workforce.

Although only 47 percent of licensed providers participated in the first round of CPP (**Figure 1**), participating providers constituted 65 percent of the state’s licensed child care capacity (**Table 1**) and 72 percent of licensed capacity for children under 2 (**Figure 2**).

Figure 1. Licensed Providers by Quality and CPP Participation



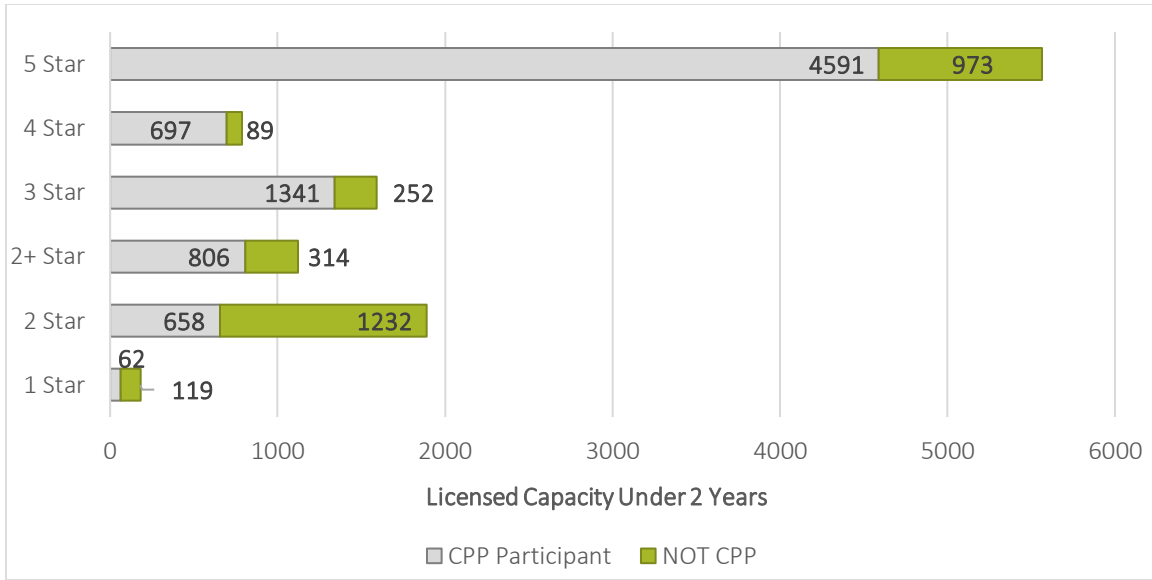
Source: New Mexico Early Childhood Education and Care Department

The likelihood of participating in CPP increased with program quality. Programs that participated in CPP constituted 82 percent of licensed total capacity in 4 and 5 star programs and 37 percent of licensed capacity in 1 and 2 star programs (**Table 1**).

	Participant Capacity	Non-participant Capacity	Total Capacity	CPP As % Total Capacity
1 Star	228	891	1,119	20%
2 Star	5,783	9,498	15,281	38%
2+ Star	3,554	4,092	7,646	46%
3 Star	5,555	2,243	7,798	71%
4 Star	2,982	514	3,496	85%
5 Star	22,707	5,186	27,893	81%
Grand Total	40,809	22,424	63,233	65%

Source: ECECD licensure and CPP program data

Figure 2. Licensed Capacity Under 2 Years by Quality and CPP Participation

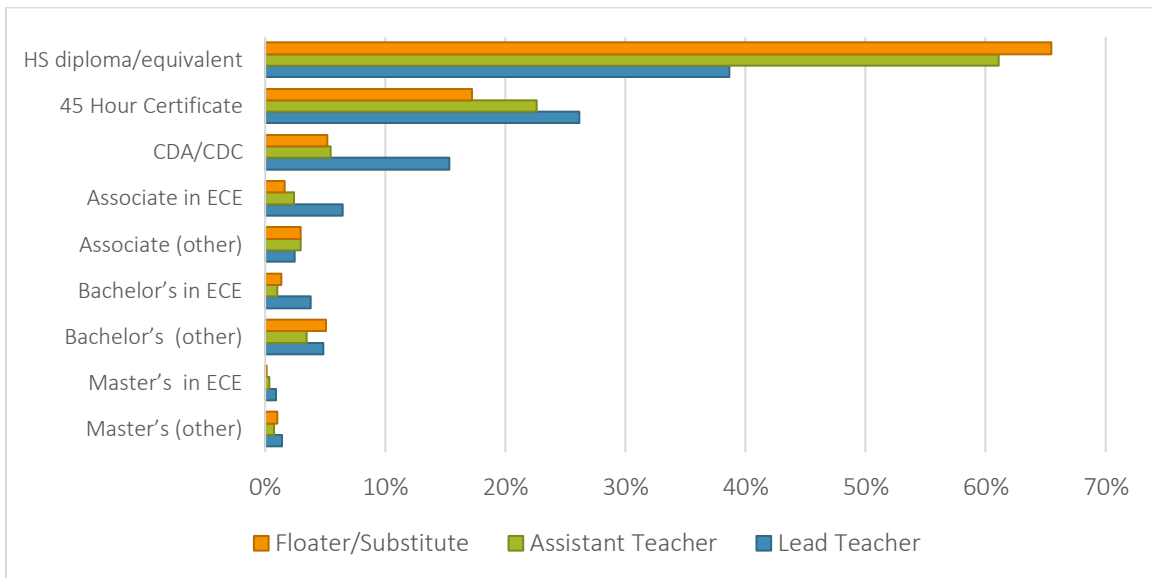


Source: New Mexico Early Education and Care Department. Competitive Pay for Professionals program data

Teacher Credentials

CPP also provided a rich source of data on the credentials of New Mexico ECE teachers. Eighty-four percent of assistant teachers, floaters and substitutes and 65 percent of lead teachers who participated in CPP had no education beyond a high school diploma and/or the state-mandated 45-hour course in ECE.

Figure 3. Educational Attainment of Early Educators in New Mexico



Source: New Mexico Early Education and Care Department. Competitive Pay for Professionals program data

Two groups of relatively well-credentialed early educators notably absent from the CPP data are public school-based NM Pre-K teachers, who are required to have at least a Bachelor's degree, and teachers in

Head Start, most of whom were precluded from CPP participation by federal funding restrictions. Public school NM Pre-K teachers would not be eligible for the proposed wage and career lattice because they are paid according to the salary schedules of their individual school districts. In contrast, Head Start teachers would qualify for the proposed wage and career lattice. Ninety-three percent of New Mexico’s Head Start teachers have at least a CDC (**Table 2**).

	Head Start		Early Head Start
	Lead Teachers	Assistant Teachers	Teachers
Advanced Degree	14	1	3
Bachelor’s Degree	95	11	42
Associate Degree	167	33	96
CDC/CDA	19	68	161
Less than CDC/CDA	23	156	62
Total	320	293	365

Source: US Department of Health and Human Services, Office of Head Start Program Information Reports. Retrieved from: <https://eclkc.ohs.acf.hhs.gov/data-ongoing-monitoring/article/program-information-report-pir>

Early Educator Higher Education Pipeline

A robust educational pipeline for early educators is critical both for improving the qualifications of the current ECE workforce and preparing the next generation of early educators. In recent years, much has been done to encourage and support the pursuit of additional education by teachers of young children. Although the FOCUS Tiered Quality Rating Improvement System (TQRIS) does not yet have a degree requirement for teachers in even the highest quality programs, it does require that teachers have professional development plans, be made aware of higher education opportunities and, at the higher star levels, have completed one or more courses toward a New Mexico Child Development Certificate (CDC).³ The state’s scholarship and wage supplement programs provide further incentive for classroom staff to obtain additional education and credentials.

ECECD provides scholarships for early educators seeking to advance their ECE-related education and skills at the state’s universities and community colleges. In Fall of the 2022-23 school year, ECECD awarded 747 scholarships to workers in child care and community-based NM Pre-K programs. That year, ECECD paid roughly \$1.4 million in tuition and other expenses for scholarship recipients currently working in child care and Pre-K programs.⁴

In school year 2020-21, the most recent year for which data are available, New Mexico universities awarded 145 ECE-related degrees and certificates. Bachelor’s degrees in early childhood or kindergarten/preschool teaching accounted for 84 percent of ECE degrees awarded by New Mexico universities (**Table 3**).

³ New Mexico Early Education and Care Department. New Mexico FOCUS: Essential Elements of Quality for Center-Based Early Care and Education Programs. Retrieved from: <https://www.nmeccd.org/wp-content/uploads/2020/11/FOCUS-CenterBasedCare.pdf>

⁴ CNM Ingenuity. Q4 FY23 Scholarship and Pay Incentive Report to ECECD.

Table 3: New Mexico University ECE Degrees Granted SY 2020-21

Institution	Program	Undergrad Certificate	Post-grad Certificate	Associate Degree	Bachelor's Degree	Master's Degree	Total
Western New Mexico University	Kindergarten/Preschool Education & Teaching	0	5	9	11	-	25
ENMU - Main	ECE & Teaching	-	-	-	16	-	16
UNM - Main	ECE & Teaching	-	-	0	-	-	0
Navajo Technical University	ECE & Teaching	-	-	3	17	-	20
NM Highlands	Kindergarten/Preschool Education and Teaching	-	-	-	50	-	50
NMSU Main	ECE & Teaching	2	-	-	20	-	22
Northern NM College	ECE & Teaching	-	-	4	7	-	11
University of the Southwest	ECE & Teaching	-	-	0	1	-	1
Total		2	5	16	122	0	145

Source: National Center for Education Statistics

In school year 2020-21 New Mexico community colleges awarded 308 ECE credentials. Associate's degrees in Early Childhood Education and Teaching accounted for two-thirds of ECE-related credentials awarded by community colleges in New Mexico (Table 4).

Table 4: ECE Degrees Granted by New Mexico Community Colleges in School Year 2020-2021

Institution	Program	Certificate (<1 year)	Certificate (1-2 year)	Associate Degree	Total
ENMU Roswell	ECE & Teaching	-	10	6	16
UNM Gallup	ECE & Teaching	-	3	4	7
	Kinder/PreK Education and Teaching	-	1	4	5
UNM Los Alamos	ECE & Teaching	-	0	0	0
UNM Taos	Kinder/PreK Education and Teaching	-	-	1	1
UNM-Valencia	ECE & Teaching	-	0	6	6
CNM	ECE & Teaching	14	-	72	86
Clovis Community College	ECE & Teaching	25	-	17	42
Luna Community College	ECE & Teaching	-	5	7	12
	Kinder/PreK Education and Teaching	-	0	0	0
Mesalands Community College	ECE & Teaching	-	-	1	1
New Mexico Junior College, Hobbs	ECE & Teaching	-	3	3	6
	Kinder/PreK Education and Teaching	-	0	0	0
NMSU Alamogordo	ECE & Teaching	-	-	1	1
NMSU Dona Ana	ECE & Teaching	15	-	45	60
NMSU Grants	ECE & Teaching	-	4	2	6
Santa Fe Community College	ECE & Teaching	29	-	19	48
SE NM College	ECE & Teaching	-	-	5	5
SW Indian Polytechnic Institute	ECE & Teaching	-	-	6	6
Total		83	26	199	308

Source: National Center for Education Statistics

According to from the federal Office of Head Start, in school year 2021-22 209 New Mexico Head Start and Early Head Start lead and assistant teachers were pursuing further education in early childhood (Table 5).

Head Start Lead Teacher	65
Early Head Start Teacher	57
Head Start Assistant Teachers	87
Total	209

Source: US Department of Health and Human Services, Office of Head Start Program Information Reports. Retrieved from: <https://eclkc.ohs.acf.hhs.gov/data-ongoing-monitoring/article/program-information-report-pir>

Teacher Experience

New Mexico-specific data on the experience levels of the state’s ECE classroom teachers is extremely limited. Therefore, national survey data was used to estimate teacher experience.

Nationally-representative data on the experience levels of center-based ECE teachers in the US comes from The National Survey of Early Care and Education (NSECE).⁵ The 2019 NSECE workforce survey included 5,192 respondents, representing 1.4 million teachers in community-based child care centers nationwide.

The 2019 NSECE found great a diversity of experience among the nation’s early childhood educators. Thirty-two percent of teachers (26% of lead teachers and 43% of assistant teachers) reported having five or fewer years of experience in ECE. Infant/toddler teachers had lower levels of experience, on average, than pre-k teachers. Thirty-eight percent of infant/toddler teachers had less than 5 years’ experience, compared to 27 percent of pre-k teachers.⁶

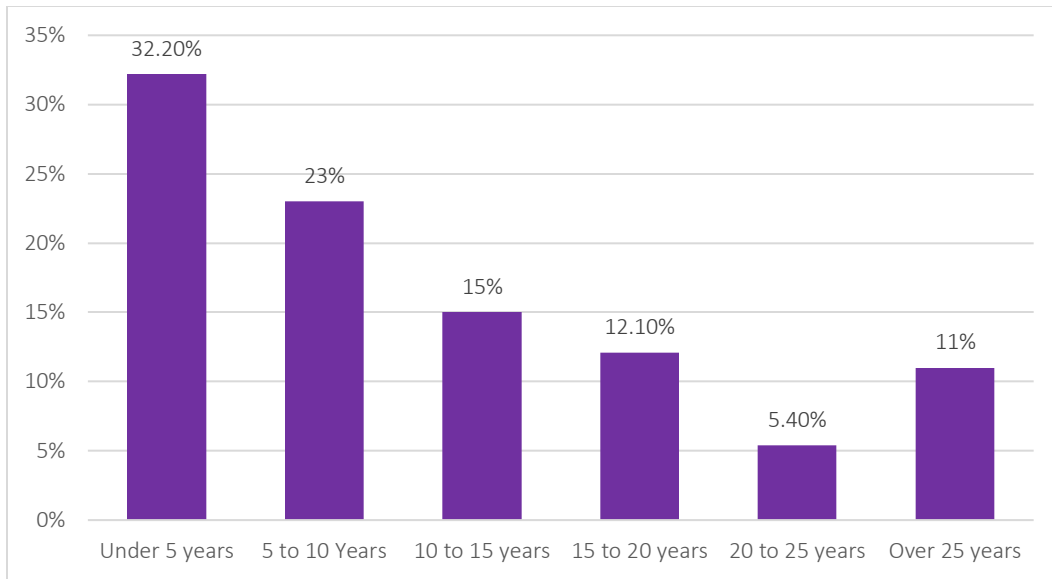
Another 38 percent of early educators (both lead and assistant teachers) in the NSECE reported between five and 15 years of experience in ECE. Just under 30 percent of teachers (35% of lead teachers and 20% of assistant teachers) had worked in ECE for 15 years or more (Figure 4).

⁵ NSECE Project Team (National Opinion Research Center). National Survey of Early Care and Education (NSECE), [United States], 2019. Inter-university Consortium for Political and Social Research [distributor], 2022-06-06. <https://doi.org/10.3886/ICPSR37941.v5> Retrieved from:

<https://www.childandfamilydataarchive.org/cfda/archives/cfda/studies/38290/publications>

⁶ United States Department Of Health And Human Services. Administration For Children And Families. Office Of Planning, Research And Evaluation. (2022). Study of Coaching Practices in Early Care and Education Settings (SCOPE), United States, 2019 (Version v1). ICPSR - Interuniversity Consortium for Political and Social Research. <https://doi.org/10.3886/ICPSR38290.V1>

Figure 4. US Center-based ECE Teachers by Years of Experience in ECE, 2019



Source: United States Department Of Health And Human Services. Administration For Children And Families. Office Of Planning, Research And Evaluation. (2022). Study of Coaching Practices in Early Care and Education Settings (SCOPE), United States, 2019 (Version v1). ICPSR - Interuniversity Consortium for Political and Social Research. <https://doi.org/10.3886/ICPSR38290.V1>

Data on teacher experience was also derived from the District of Columbia’s Educator Workforce data. Ninety-percent of teachers employed in early learning programs administered through the DC public schools have less than 10 years early childhood experience and almost half are in their first year of teaching (Table 6).

Experience Level	Early Childhood Teachers (#)	Early Childhood Teachers (%)
0-1 Year	31	48%
2-5 Years	13	20%
6-10 Years	14	22%
More than 10 Years	6	9%
Grand Total	64	100%

Source: DC Educator workforce data file SY 2022-23 <https://osse.dc.gov/page/dc-educator-workforce-data>

Early Childhood Support Staff

Although well-trained, experienced, and engaged teachers are essential to the delivery of high quality ECE services, an entire team, composed of administrators, cooks, drivers, and other support staff is needed to operate an early childhood program. Like teachers, ECE support workers are often paid less than they could earn doing the same jobs in more profitable industries. Therefore, in addition to the wage and career lattice for teachers, the present analysis also includes a wage and career lattice for program staff including drivers, cooks, administrative aids, and custodial/maintenance staff. Unlike the teaching ladder, the staff ladder is predicated solely on experience and is not a function of educational attainment.

Cost Estimates

The first year cost to the State of New Mexico of adopting and subsidizing the salary schedules for early educators and support staff depicted in **Tables 13** and **16** are summarized in **Table 8**. Total first year costs are estimated to range from \$69.1 million to \$107.8 million and average \$85.8 million.

	Mid-point	Low	High
Teacher/Floater/Sub Wage & Career Lattice	\$69.20	\$54.32	\$85.73
Support Staff Wage & Career Lattice	\$4.63	\$4.31	\$8.04
Program Administrative Cost	\$7.38	\$5.86	\$9.38
ECECD Administrative Cost	\$3.60	\$3.60	\$3.60
3 rd Party Program Evaluation	\$1.00	\$1.00	\$1.00
Total	\$85.82	\$69.10	\$107.75

Educator Lattices

The cost of subsidizing mandatory salary floors for teachers within New Mexico’s licensed early childhood sector was estimated by first identifying the universe of potentially eligible teaching staff, then estimating the share of those teachers and assistants currently earning less than the salary floor and likely to participate in the program during its first year and, finally, multiplying those numbers by the differences between current average salaries and the proposed salary floors.

To determine the universe of classroom teaching staff potentially eligible for the salary supplement we assumed that 95 percent of the 5,545 lead teachers, assistant teachers, substitutes and floaters that received CPP would also participate in the wage and career lattice. The proposed lattice does not mandate a minimum credential (beyond a high school diploma) for teachers, therefore all educators who received CPP are assumed to qualify for the proposed wage supplement. However, because the wage and career lattice will likely carry more stringent compliance requirements than CPP, it is assumed that 5 percent of programs that participated in CPP will not adopt the wage and career lattices in the first year.

In order to estimate the number of teachers potentially eligible for the supplement who didn’t participate in CPP we first derived ratios of teachers to licensed capacity by provider star level from the CPP data and then applied those ratios to the licensed capacity of providers who didn’t participate in CPP.

Programs with at least one employee who received a salary supplement through CPP account for roughly 65 percent of New Mexico’s licensed ECE capacity. The remaining 35 percent of licensed capacity is in programs that employ approximately 2,717 teachers, floaters, and substitutes likely to qualify for the proposed educator wage and career lattice.

Table 9 depicts the estimated distribution, by facility type and credentials, of the 8,261 ECE classroom teaching staff potentially eligible for the proposed wage supplement, 67 percent of whom participated in the first round of CPP.

Head Start accounts for roughly 600, or about a quarter, of teachers in licensed programs who didn’t participate in CPP. Pursuant to restrictions on the federal recovery monies used to fund the first round of

CPP salary supplements, Head Start staff were only permitted to participate in CPP if their program provided child care (in addition to or instead of pre-k) and then only for the portion of their work hours spent supporting the delivery of child care services.

Table 9: Universe of Community-Based ECE Teaching Staff Potentially Eligible for Proposed Wage & Career Lattice

	Lead Teacher/Home Provider	Assistant Teacher	Floater/Sub	Total
High school graduate or equivalent	1624	1568	985	4177
45 Hour Certificate	1087	584	258	1929
Child Development Certificate (CDC) or CDA	632	150	87	869
Associate Degree in Early Childhood	274	59	23	356
Associate Degree in unrelated field	105	72	40	217
Bachelor's Degree in Early Childhood	153	25	23	201
Bachelor's Degree in unrelated field	201	94	76	371
Master's Degree in Early Childhood	39	10	6	54
Master's Degree in unrelated field	57	15	11	83
PhD	3	0	0	3
Grand Total	4177	2577	1508	8261

Source: Author calculations, ECECD Licensure and CPP data

Salaries in the wage and career lattices increase with years of ECE experience. Due to the dearth of New Mexico-specific data on the experience levels of the state's ECE teachers, it was assumed that the average years of ECE experience for teachers in New Mexico falls between the NSECE national averages (Figure 4) and experience levels of DC's ECE teachers (Table 6). The levels of experience assumed for ECE teachers in New Mexico are depicted in Table 10.

Table 10: Assumed Years of Experience for NM Community-Based Early Educators (mid-point calculations)

Years of Experience	Lead Teachers	Asst Teachers, Floaters & Subs
0 (Starting wage)	20%	29%
1	10%	20%
2	6%	15%
3	5%	3%
4	5%	3%
5	5%	3%
6	5%	3%
7	5%	3%
8	5%	3%
9	5%	3%
10	5%	3%
11	5%	3%
12	5%	3%
13	5%	3%
14+	12%	3%

Data from CPP were used to calculate average current salaries for early educators. The differences between current average salaries and the minimum salaries specified in the wage and career lattice were multiplied by the estimated number of teachers, floaters and substitutes at each education level. Cost estimates were then adjusted to reflect a 95 percent first year take-up rate for current CPP recipients who qualify for the supplement and a 10 percent first year take-up rate for educators who didn't participate in CPP.

Table 11 shows weighted average salaries by education level for New Mexico community-based early educators derived from CPP data.

	Lead Teacher		Assistant Teacher	
	Hourly	FTE Annual	Hourly	FTE Annual
HS Grad/ equivalent	\$13.55	\$28,190	\$12.86	\$26,756
45 Hour Certificate	\$13.84	\$28,779	\$13.38	\$27,830
CDC/CDA	\$15.54	\$32,328	\$14.37	\$29,890
AA in ECE	\$17.36	\$36,098	\$15.23	\$31,669
Other AA	\$15.47	\$32,171	\$14.35	\$29,848
BA ECE	\$18.92	\$39,344	\$14.87	\$30,934
Other BA	\$17.65	\$36,722	\$15.22	\$31,657
MA ECE	\$22.93	\$47,689	\$13.77	\$28,631
Other MA	\$21.25	\$44,198	\$15.69	\$32,628
PhD	\$16.25	\$33,800	N/A	N/A

Source: New Mexico Early Education and Care Department, Competitive Pay for Professionals (CPP) Program Data

Table 12 shows the proposed New Mexico Early Educator Wage and Career Lattice expressed as hourly wages, assuming full time and year-round employment.

Experience in Years	Lead Teacher			Asst. Teacher, Floater or Substitute		
	CDC/CDA	Associate	Bachelor's	No CDC/CDA	Associate	Bachelor's
0	\$20.74	\$23.32	\$31.97	\$15.00	\$16.59	\$18.65
1	\$21.57	\$24.25	\$33.25	\$15.60	\$17.26	\$19.40
2	\$22.43	\$25.22	\$34.58	\$16.22	\$17.95	\$20.18
3	\$23.33	\$26.23	\$35.96	\$16.87	\$18.66	\$20.98
4	\$24.26	\$27.28	\$37.40	\$17.55	\$19.41	\$21.82
5	\$25.23	\$28.37	\$38.90	\$18.25	\$20.19	\$22.70
6	\$26.24	\$29.50	\$40.45	\$18.98	\$20.99	\$23.60
7	\$27.27	\$30.68	\$42.07	\$19.74	\$21.83	\$24.55
8	\$28.38	\$31.91	\$43.75	\$20.53	\$22.71	\$25.53
9	\$29.52	\$33.19	\$45.50	\$21.35	\$23.62	\$26.55
10	\$30.70	\$34.52	\$47.33	\$22.20	\$24.56	\$27.61
11	\$31.93	\$35.90	\$49.22	\$23.09	\$25.54	\$28.72
12	\$33.21	\$37.33	\$51.19	\$24.02	\$26.56	\$29.87
13	\$34.53	\$38.83	\$53.23	\$24.98	\$27.63	\$31.06
14+	\$35.92	\$40.38	\$55.36	\$25.98	\$28.73	\$32.30

Table 13 compares New Mexico’s current average annual (FTE) salaries to the minimum salaries in the lattice. New Mexico’s current average salaries for teachers in community-based ECE programs are between 13 percent and 41 percent lower than the proposed minimums. For the most part, the size of the gap between current average salary and the proposed minimum increases with educational attainment.

Role	Credentials	Proposed Minimum Salaries	Current Average NM FTE Salaries*	Annual Difference
Assistant Teacher	Less than a CDC/CDA	\$31,200	\$27,048	\$4,152
	CDC/CDA	\$34,512	\$29,890	\$4,622
	Associate degree or higher	\$38,800	\$31,031	\$7,769
Lead Teacher or Licensed	CDC/CDA	\$43,140	\$32,328	\$10,812
	Associate degree	\$48,500	\$35,008	\$13,492
Home Provider	Bachelor’s degree or higher	\$66,500	\$39,361	\$27,139

*Derived from CPP program data

Implementing the proposed salary schedule will eliminate the need for Pre-K Parity payments for teachers with at least a bachelor’s degree because the proposed salary schedule is more generous than the current Pre-K Parity supplements.⁷ In FY23, approximately \$1.4 million in Pre-K Parity payments were made to qualifying teachers.⁸ These amounts were subtracted to arrive at the first year teacher lattice cost estimates. Cost estimates do not, however, account for potential cost offsets from the bilingual incentive or wage supplement programs. Both of these programs are relatively low-cost and are available to a broad spectrum of ECE professionals. The bilingual incentive is a one-time payment and the wage supplement is an incentive to acquire additional education.

Supplementing the salaries of teachers in New Mexico’s licensed community-based early childhood programs to meet the minimum and recommended salaries in the early educator salary schedule would cost New Mexico roughly \$62.6 million (**Table 14**).

	Lead Teachers/ Home Providers	Assistant Teachers	Floater & subs	Total Cost
Total Cost	\$46.61	\$15.12	\$8.91	\$70.65
Less Pre-K Parity	-\$1.45			
Net Cost	\$45.16	\$15.12	\$8.91	\$69.20

Due to the uncertainty associated with educator experience levels, cost model results were also estimated using national average experience levels (depicted in **Figure 3**) from the NSECE as well as the years of experience reported by early educators in Washington DC’s ECE system (**Table 6**). The full range of results is presented in **Table 15**.

⁷ Pre-K Parity guarantees a salary of \$50,000 for community-based pre-K educators with at least a BA and up to 3 years of experience in pre-K, \$60,000 for educators with at least a BA and more than 3 years of experience in pre-K, and \$70,000 for staff with advanced degrees and at least five years of experience in pre-K

⁸ New Mexico Early Education and Care Department.

	Low (DC)	Mid (Table 9)	High (NSECE)
Annual Cost	\$54.3	\$69.2	\$85.7

Support Staff Lattice

Operating a high-quality early care and education program requires more than just good teachers. Support staff including cooks, custodians and bus drivers are also critical. Adequate compensation for these key support roles helps retain good staff and reduces the cost and disruption that results from excessive turn-over. Therefore, in addition to the wage and career lattice for teachers, this analysis includes a wage and career lattice (predicated solely on experience) for non-managerial support staff including drivers, cooks, administrative aids, and custodial/maintenance staff (**Table 16**).

Experience	Annual	Hourly
Starting	\$31,200	\$15.00
1	\$32,448	\$15.60
2	\$33,746	\$16.22
3	\$35,096	\$16.87
4	\$36,500	\$17.55
5	\$37,960	\$18.25
6	\$39,478	\$18.98
7	\$41,057	\$19.74
8	\$42,699	\$20.53
9	\$44,407	\$21.35
10	\$46,184	\$22.20
11	\$48,031	\$23.09
12	\$49,952	\$24.02
13	\$51,950	\$24.98
14+	\$54,028	\$25.98

Table 17 shows the total number of ECE support staff potentially eligible for the wage and career lattice depicted in **Table 16** by role. To determine the universe of ECE support staff potentially eligible for the wage and career lattice, we assumed that 95 percent of the 1,086 bus drivers, custodians, cooks, administrative assistants and other support staff that received CPP would also participate in the wage and career lattice.

In order to estimate the number of support staff potentially eligible for the supplement who didn't participate in CPP we first derived ratios of support staff to licensed capacity by role and provider star level from the CPP data and then applied those ratios to the licensed capacity of providers who didn't participate in CPP.

Driver	303
Cook	55
Administrative Assistant or Office Manager	346
Custodian/Maintenance	308
Other	543
Total	1,555
Source: Early Childhood Education and Care Department, CPP program data	

The CPP program augmented the salaries of all instructional and non-instructional program staff with a current ECECD background check. Thus, it is possible to derive average hourly wages by position for non-teaching staff who participated in CPP (**Table 18**).

Staff Role	Average Hourly Wage
Administrative Assistant/Office Manager	\$17.20
Bus Driver	\$13.75
Cook	\$13.67
Custodian/Maintenance	\$14.88
Other	\$16.08
Source: New Mexico Early Education and Care Department, Competitive Pay for Professionals (CPP) Program Data	

Very little is known about the experience levels of New Mexico’s ECE support staff. Because the proposed salary schedule is predicated on years of experience, it was necessary to make assumptions about average years of experience for this diverse group of workers. As with the teacher lattices, the cost of the support staff wage and career lattice was estimated using a range of assumptions about average years of experience, yielding the estimates presented in **Table 19**.

	Low (DC)	Mid	High (NSECE)
Annual Cost	\$4.31	\$4.63	\$8.04

Administrative Costs

Administering the wage and career lattices will require dedicated resources, both at ECECD and within individual programs. The District of Columbia subsidizes licensed ECE providers to adopt salaries equal to or above published minimums through its Early Childhood Educator Pay Equity Fund. Payments from the fund are managed by a third party administrator at an annual cost of roughly \$1.8 million. New Mexico’s ECECD licenses just over 1,000 providers statewide, approximately twice the number of providers licensed in DC, thus it is reasonable to anticipate annual administrative costs of about \$3.6 million.

Programs that adopt the wage and career lattices will incur additional payroll taxes and other administrative costs. An amount equal to 10 percent of salary supplement payments (\$7.4 million) is

allocated to offset additional payroll taxes and other administrative expenses of participating ECE programs.

Program Evaluation Costs

Program evaluation provides critical information for management, decision-making, and program improvement. Costs for third-party program evaluation can vary significantly depending on factors such as the size and complexity of the program being evaluated, the availability of reliable program data, and the program evaluation design. While budgeting between 15 and 20 percent of annual program costs for evaluation is considered a “best practice,”⁹ the present analysis assumes an annual evaluation budget of \$1 million.

⁹ Childcare Technical Assistance Network. Early Childhood Systems Building Resource Guide. Retrieved from: <https://childcareta.acf.hhs.gov/systemsbuilding/systems-guides/evaluation-and-improvement/what-program-evaluation/how-much-will#:~:text=As%20a%20rule%20of%20thumb,community%20who%20have%20conducted%20evaluations.>