Salary Scale
Overview

What is it?

A salary scale is a tool to help determine proper compensation for the early childhood workforce. They define expected earnings in a uniform way, usually comprised of a number of levels, with beginning and end points, that have clearly defined criteria (such as education, roles, and responsibilities) that promote transparency and equity.

Why is it valuable?

This salary scale is valuable because it establishes a transparent, equitable compensation framework that reflects the skills, experience, and qualifications of early childhood professionals. Grounded in living wage principles and aligned with professional standards, the scale empowers programs to recognize and reward educator expertise while supporting long-term recruitment and retention. By connecting compensation directly to demonstrated competencies and clear role definitions, the salary scale promotes organizational stability and professional growth. Ultimately, it serves as a critical tool for strengthening the early childhood workforce and advancing the quality of care and education for young children.

How do I use it?

Click here for **The Salary Scale**
Click here for **User Guide Worksheet for Implementing a Salary Scale in Your Early Childhood Business**
Click here for **User Guide: Implementing a Salary Scale in Your Early Childhood Business**

Where can I learn more?

Click here for **The Salary Scale White Paper**
Click here for **The Impact of Compensation and Benefits on the ECE Workforce**
Click here for the **CCI at NCMC**
Click here for the **Living Wage Calculator at MIT**
Click here for **NAEYC's Unifying Framework for the Early Childhood Education Profession**
Click here for **MI's ECE Professional Standards and Competencies**
Click here for the accompanying **Evaluation Tool**

Who can I talk to?

A CCI team member is available to consult with you on your customization.
Contact us at **ECE@ncmich.edu**

Salary Scale

How do I use it?

First, you'll have an opportunity to look at the salary scale created for the Early Learning Center at North Central Michigan College.

Our template uses the NAEYC Power to the Profession: One Profession, Three Designations Framework (ECE I, ECE II, ECE III) and the addition of a base or entry-level position. Additionally, it looks at education, role, and hourly wage.

The CCI adopted both NAEYC's Professional Standards and Competencies for Early Childhood Educators and the MI's ECE Professional Standards and Competencies.

Using the Living Wage Calculator from the Massachusetts Institute of Technology to determine the cost of living in Emmet County, Michigan, our team has developed a Living Wage Salary Scale for Early Childhood Professionals. Our starting point on the scale was $20.71/hr, which is the wage necessary for One Adult with Zero Children, living in Emmet County.

The Salary Scale is designed to be used in conjunction with our Evaluation Tool and Self-Evaluation Tools. These guide both the professional and their supervisor in understanding where an employee is in their development related to the MI ECE Professional Standards and Competencies, using the indicators: beginning, developing, achieving, or extending.

Child Care Initiative
North Central Michigan College

The Salary Scale for the Early Learning Center at North Central Michigan College

B	**Beginning**	**Requires information/education** to build knowledge.
ECE I	**Developing**	**Identifies/demonstrates** some knowledge.
ECE II	**Achieving**	**Describes/articulates** knowledge and theoretical perspectives.
ECE III	**Extending**	**Analyzes/synthesizes** theoretical perspectives/core research.

Salary Scale	B	ECE I	ECE II	ECE III
	High School Diploma	CDA or ECE/CD Associate	CDA or ECE/CD Associate - ECE/CD/ED Bachelor or Master	ECE/CD/ED Bachelor or Master
Assistant Teacher	$18-$20/hr	$20-22/hr	-	-
Associate Teacher	-	$45,760-$54,080	$52,000-$58,240	-
Lead Teacher	-	$45,760-$54,080	$56,160-$62,400	$62,400-$70,720
Administrator	-	-	$60,320-$66,560	$66,560-$74,880

Salary Scale
Template

Start by looking at the professional roles in the left-hand column of this scale and thinking about your business. Make a list of your staff members at each level.

Next, identify where each of your staff members is in their development related to the MI ECE Professional Standards and Competencies. For more specific information related to the standards and competencies, see the accompanying Evaluation Tools...

Additionally, you could use this table to envision the wages you want to see for your employees. For example, right now, your lead teachers (ECE II) might start at $16/hr, but you'd really like to be able to start them at $24/hr. Contact the CCI to help design a plan to help you get from point A to point B.

The Salary Scale for Your Early Childhood Business

- **B** — **Beginning** — **Requires information/education** to build knowledge.
- **ECE I** — **Developing** — **Identifies/demonstrates** some knowledge.
- **ECE II** — **Achieving** — **Describes/articulates** knowledge and theoretical perspectives.
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Salary Scale	B	ECE I	ECE II	ECE III
	High School Diploma	CDA or ECE/CD Associate	CDA or ECE/CD Associate - ECE/CD/ED Bachelor or Master	ECE/CD/ED Bachelor or Master
Assistant Teacher			-	-
Associate Teacher	-			-
Lead Teacher	-			
Administrator	-	-		

If you would like to partner with the CCI to work towards developing a Salary Scale for your early childhood business, please contact us a **ECE@ncmich.edu.**

We would love to work with you!

To learn more about how the salary scale was developed, click here to read our **Salary Scale White Paper.**

Implementing a Salary Scale in Your Early Childhood Business

User Guide

What is a Salary Scale?

A salary scale is a structured compensation tool that defines pay levels for the early childhood workforce based on clearly defined criteria such as education, experience, role responsibilities, and professional competencies. By outlining uniform earning expectations, a salary scale supports transparency, equity, and retention within your workforce. In many cases, salary scales are informed by local cost of living data, ensuring that wages align with the economic realities of your community.

Step 1: Understand Your Current Compensation Structure

Start by identifying what you currently pay your staff. Next, identify the current monthly tuition charged to families. Example: Staff are paid $15/hr. Families are charged $1200/month.

Step 2: Set a Compensation Goal

Define your compensation goal using tools like the **MIT Living Wage Calculator** to identify what it truly costs to live in your area. This provides a realistic target for early educator wages. Example: You aim to raise wages from $15/hr to $20/hr, the local living wage, and increase tuition from $1200/month to $1600/month to support the increase sustainably.

Step 3: Understand Budget Drivers

Every early childhood program's budget is unique, but most include similar core drivers: Staff Wages/Benefits (75-80%), Facilities (10%), Materials (5-7%), and Professional Learning/Quality (5-7%). These percentages serve as a general guide for structuring a True Cost Operational Budget, or a budget that reflects actual costs and aligns with quality and workforce goals.

Step 4: Create a Compensation Timeline

Achieving your compensation goal requires a phased approach. Below are sample wage and tuition increase strategies over 3-year and 5-year timelines with a starting hourly rate of $15/hr for the ECE workforce and $1200/month for families, and an ending hourly rate of $20/hr for the ECE workforce and $1600/month for families.

	3 Year Plan **Hourly Rate - Monthly Tuition**	**5 Year Plan** **Hourly Rate - Monthly Tuition**
Year 1	$16.67/hr - $1333/month	$16/hr - $1280/month
Year 2	$18.52/hr - $1467/month	$17/hr - $1360/month
Year 3	$20.57/hr - $1600/month	$18/hr - $1440/month
Year 4		$19/hr - $1520/month
Year 5		$20/hr - $1600/month

Example
Anna's Preschool

At Anna's Preschool, a small early childhood program serving 16 children aged 3 to 4, staffing costs make up the core of the annual operating budget. The classroom is supported by four full-time staff members, each earning $20 per hour—an annual wage of $38,400. With added benefits (35%) and payroll taxes (25%), the total annual cost per staff member rises to $61,440, bringing the total staffing cost to $245,760.

Since staffing accounts for 80% of the overall operating budget, Anna must also plan for facilities (10%), materials (5%), and professional learning and quality improvements (5%). These additional costs bring the total annual budget to $307,200. To meet this amount, Anna would need to charge $19,200 per year, or $1,600 per month, per child to ensure the program remains financially sustainable while maintaining high-quality care and learning.

Anna's staff used to earn $15/hr, but when she struggled with staff attraction and retention, she decided to make a change. Her goal was to compensate her staff $20/hr; however, that increase did not happen overnight. Anna chose to increase staff wages and tuition for families using the 3-year plan in the table above. In Year 1, she raised staff wages to $16.67/hr and tuition for families to $1333/month. In Year 2, she raised staff wages to $18.52/hr and tuition for families to $1467. At Year 3, she was able to raise staff wages to $20.57/hr by charging families $1600/month for tuition. She gradually increased both amounts, clearly communicating her intent with both staff and families.

Final Thoughts
From Goals to Action

A goal without a plan is just a wish. Whether you adopt a 3-year or 5-year compensation timeline, implementation requires intentional planning, transparent communication, and a commitment to both workforce equity and family affordability. Raising tuition to reflect the true cost of care can also be balanced with support strategies for families.

Consider the following:

	Qualifications/Criteria	Total Amount of Savings for Families
CDC Scholarship (Family Driven)	Families must qualify based on income.	Potentially 100%
Tri-Share (Employer Driven)	Families must qualify based on income. Employer must offer.	Potentially 66%
Duo-Share (Employer Driven)	Employer must offer.	Potentially 50%
Child Care Benefit (Employer Driven)	Employer must offer.	Varies by Employer (if offered) 1-100%

This user guide is designed to be used in conjunction with the attached worksheet, helping you transition from aspiration to action and ensuring your early childhood business is financially sustainable, professionally rewarding, and grounded in quality care for every child.

Worksheet for Implementing a Salary Scale in Your Early Childhood Business

Purpose

To support early childhood program leaders in aligning staff wages with the true cost of care through strategic use of a salary scale, tuition planning, and budget forecasting.

1. Current Snapshot

Current Staff Compensation	# Staff	Hourly Rate/Staff	Monthly Cost
- Lead Teacher			
- Assistant Teacher			
- Associate Teacher			
Total Compensation			
Current Tuition Rates	# Enrolled	Tuition/Child	Monthly Tuition
- Infant			
- Toddler			
- Preschool			
Total Tuition			

2. Compensation Goal

Target Wage:
Determine using MIT's Living Wage Calculator $ ____________

Goal:
Increase staff wages from $ ____________ to $ ____________

3. Budget Planning (True-Cost Fiscal Model)

Budget Driver	Percentage	Monthly Amount
Staff Wages/Benefits	75%-80%	

Facilites	~10%	
Materials	5-7%	
Professional Learning & Quiality	5-7%	
Total Expenses	100%	

4. Compensation Timeline: 3 Year Plan 5 Year Plan

	3 Year Plan **Staff Hourly Rate - Monthly Tuition**	5 Year Plan **Staff Hourly Rate - Monthly Tuition**
Year 1	$_____/hr - $_____/month	$_____/hr - $_____/month
Year 2	$_____/hr - $_____/month	$_____/hr - $_____/month
Year 3	$_____/hr - $_____/month	$_____/hr - $_____/month
Year 4		$_____/hr - $_____/month
Year 5		$_____/hr - $_____/month

Tools for Offsetting the Cost of Care for Families

	Tools	Total Savings	Steps to Offer/Implement
☐	CDC Scholarship (Family Driven)	Potentially 100%	
☐	Tri-Share (Employer Driven)	Potentially 66%	
☐	Duo-Share (Employer Driven)	Potentially 50%	
☐	Child Care Benefit (Employer Driven)	Varies by Employer (if offered) 1-100%	
☐	Other	Varies	

Action Plan

Task	Due Date	Lead	Notes
Assess Current Wages/Tuition			
Research local living wage			
Draft a 3-year or 5-year plan			
Communicate with families/			
Implement Year 1			