

New Funding Initiative Aims to Boost Wages for Early Educators — And Help Fix a Broken System

[Connie Matthiessen](#) | [December 12, 2023](#)



America’s child care system is broken,” the Annie E. Casey Foundation stated flatly when it released its [Kids Count Data Book](#) this year. Each year, the foundation provides an overview of American children and their wellbeing, and this year, it focused on the “[inaccessible and unaffordable](#)” child care system. “While the cost of care burdens families, child care workers are paid less than 98% of professions.”

There are many ways our early care system isn’t working, and dismally low early educator salaries is a big part of the problem. Since the pandemic,

many early educators have simply walked away, creating a severe staffing shortage. A recent report by the [Council for a Strong America](#) found that 40,800 child care educators around the country left their jobs since February 2020. As an early education center director told [ABC News](#), “We're not paying what Target pays. We're not paying what Chick-fil-A pays — because we can't afford to.”

For one early education funding collaborative, increasing that level of compensation is a top priority. The [Early Educator Investment Collaborative](#)'s tagline reflects this mission: “Professional Educators. Professional Compensation. Prepared Students.” The collaborative recently launched an [initiative](#) that will support efforts to boost early educator wages by building on some of the emergency government response that arose during the pandemic.

The collaborative was created in 2017 by a who's who of funders committed to strengthening early childhood education (ECE), as [IP previously reported](#). The Bill & Melinda Gates Foundation is a partner funder; contributing funders that serve on the steering committee include the Ballmer Group, the Bezos Family Foundation, the Buffett Early Childhood Fund, the Foundation for Child Development, the Heising-Simons Foundation, the David & Lucile Packard Foundation and the Stranahan Foundation.

Through its new initiative, the organization is investing \$9 million in grants to government agencies and local partners in Colorado, the District of Columbia and Louisiana. The grants will support efforts by the three partner teams to develop comprehensive and sustained increases in early educator pay and benefits.

Ola Friday, who directs the Early Educator Investment Collaborative, said the goal of the funding is to support innovative programs that local and state governments initiated with federal [emergency child care stabilization funds](#) provided during the pandemic under the American Rescue Plan. That

funding ended earlier this fall; the [Biden administration has since asked Congress](#) to provide an additional year of child care stabilization dollars.

“Our funding provides an opportunity to continue and build on a lot of the exciting work that states and localities had started with federal resources that are now going away,” Friday said. “We really want to support the capacity of local and state governments to continue those initiatives, and to scale and grow them.”

Taking risks, pushing the envelope

The collaborative put out a request for proposals for the new initiative after spending a year in conversations with strategic partners, state and local governments and ECE experts around the country. These conversations convinced collaborative partners that they should target state and local government agencies, which, with federal funding evaporating, are making decisions about ECE financing and educator compensation.

“We are looking to support folks who are creative, innovative, willing to take risks and push the envelope,” Friday said. “We feel like we identified some grantees that are doing that — some already have pilot programs underway — and our funding will allow them to expand on those efforts.”

A major challenge, perhaps *the* major challenge for early education advocates, is identifying sources of revenue to support early care overall and increased educator compensation in particular. Last year, for example, advocates championed a constitutional amendment that makes ECE a right in New Mexico and provides funding through that state’s Land Grant Permanent Fund, as [IP reported](#).

The District of Columbia has also had some success: In 2021, the D.C. Council adopted a law that taxes high-income residents to support increased pay for early educators through a [Pay Equity Fund](#). The D.C. effort is one of the first in the country to give early educators salaries

equivalent to those that starting K-12 teachers receive. The new funding from the Early Educator Investment Collaborative will help the D.C. team implement and evaluate its new pay equity measure. The team will also be working to identify new funding streams, expand health insurance for early educators and eliminate barriers to continuing education opportunities. Sara Mead, D.C.'s deputy superintendent of early learning, told [The Hechinger Report](#) that the District will be documenting its efforts so other states can learn from its experience.

The collaborative grant will allow the Colorado team to enhance its Early Childhood Teacher Salary Increase Pilot program, conduct research and submit a state budget request for a salary increase for early educators. The Louisiana team will use the funding to implement compensation demonstration projects that can be scaled across the state and promote state policies to improve compensation.

One of the initiative's goals is to bring diverse government entities to the same table. "Our existing financial systems and mechanisms tend to be siloed and redundant and disconnected in ways that don't maximize available revenue or leverage new revenue sources," Friday said. "We want to emphasize the idea of bringing the fiscal and budget agencies and the educational program agencies together in partnership to identify revenue sources, scale them, amplify them and put solutions into practice."

Seeders, catalysts and amplifiers

When the Early Educator Investment Collaborative issued its request for proposals, it received far more applications than it could fund. Many of those who applied were grateful for the opportunity — even if they didn't receive funding.

"We've gotten feedback that folks were excited that we even put out the ask," Friday said. "We heard things like, 'Thank you so much for putting out this grant opportunity and for framing it the way you did, because it

helped us to gain buy-in for what we've already been trying to do.” The Early Educator Investment Collaborative is seeking additional aligned funding to support some of the other teams that submitted promising proposals, and Ola Friday reiterated that the collaborative welcomes new partners.

As the child care crisis deepens, there is growing appreciation of the essential role early educators play and a consensus that, to address the crisis, fair compensation must part of the solution. The Biden administration, for example, recently announced a [proposal](#) that would increase annual wages for Head Start teachers by more than \$10,000.

Friday believes philanthropy can be the accelerant that helps innovative efforts grow and succeed. “In philanthropy, we're seeders, we're catalysts, we're amplifiers,” she said. “We see this as an opportunity to support innovative change — much of which had already started in the state and local context, but needs additional resources to grow or to sustain. We can not fully fill the gap, but with our investment, we can help continue a lot of that innovative work, grow it and support it and shine a light on it so our partners can continue to leverage other resources. That's exactly what I think the role of philanthropy should be.”