

Alaska's public education workforce

Who We Are



- NEA-Alaska exists to be an advocate for an excellent public education for each child in Alaska and to advance the interests of public school employees.
- Our members live and work in nearly every community in Alaska. With 67 local associations, including an active NEA-Alaska Retired local, we have pedagogical expertise, and regional knowledge.
- NEA-Alaska is member led, meaning all policy decisions are made by elected representatives from within our union and adopted through democratic processes.

Our union strives to uphold the rights of educators, enhance learning opportunities for students, and works to build a better Alaska.



Alaska used to be a top destination for educators



RECRUITMENT & RETENTION

How Bad Is the Teacher Shortage? What Two New Studies Say



By Madeline Will — September 06, 2022 () 6 min read

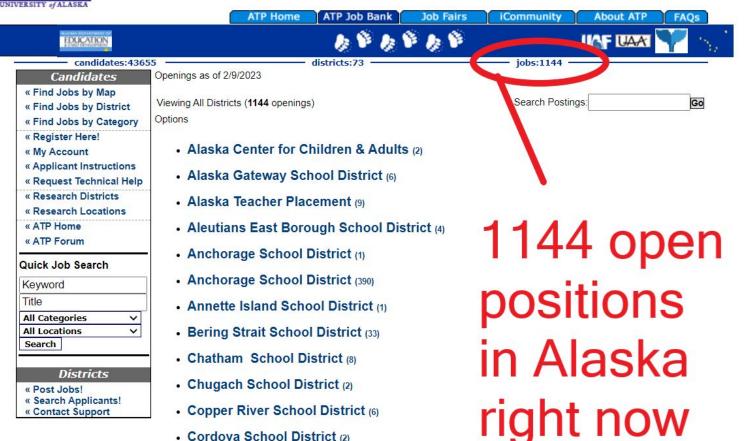
'Never seen it this bad': America faces catastrophic teacher shortage





TPAlaska Teacher Placement





Carin City Cabaala ...

Alaska Learns

Arts Council Libraries, Archives, & Museums Prof. Teaching Practices

PARENTS ✓ STUDENT LEARNING ✓ EDUCATOR & SCHOOL EXCELLENCE ✓ FINANCE & SUPPO

DATA CENTER

Home / Statistics / Quick Fact

Quick Facts

2021-2022

Pupil to Teacher Ratio - 17.17**

Number of classroom teachers - 7,42

Asserted Salani - \$74,800,47

**The Tupil to feacher fields is calculated by dividing the total number of studen (NG-12) by the total number of teachers.

2020 - 2021

Pupil to Teacher Ratio: 16.40** Number of classroom teachers: 7,734 Average Salary: \$73,061.45

**The Thight to feacher Porto' to calculated by dividing the total number of students OCC-12) by the total number of teachers. 2015 - 2016

Pupil to teacher Ratio - 16.6 Number of classroom teachers - 8,0 Average Teacher Salary - \$67,536.8

2014 - 2015

Pupil to teacher Ratio - 16.42 Number of classroom teachers - 8, Average Teacher Salary - \$68,755.

2013 - 2014

Pupil to teacher Ratio - 16.23 Number of classroom teachers - 8,1 Average Teacher Salany - 585 801 A 2010 - 2011

Pupil to teacher Ratio - 15.60

Number of classroom teachers - 8,468 including part-time

2021-2022

Pupil to Teacher Ratio - 17.17**

Number of classroom teachers - 7,427

2019 - 2020

There are 1,000 fewer certificated educators supporting student learning in Alaska's public schools today than in 2010.

Pupil to Teacher Ratio - 16.34

Average Teacher Salary - \$61,439.6



Introduction

The faculty and staff at UA's three universities have productive working relationships with schools, school districts, education leaders, and professional organizations across Alaska. Districts hire local teacher graduates, support student teachers, call on university personnel for professional development, and work together with the universities on assessments and on grant-funded projects that bring innovation to the classroom. Each of the three teacher preparation programs at the University of Alaska provides distinctive learning opportunities, and together they expand the range of course offerings and the modes of program delivery for both urban and rural students. All UA teacher preparation programs are CAEP/NCATE accredited; only 670 (28%) of the 2400 education programs in the nation have this quality endorsement. The programs graduate over 200 newly certified teachers each year, many of whom are employed in schools across Alaska.

However, it is clear that UA teacher education programs are not fully meeting the state need for teachers. Alaska continues to hire about 60 percent of its teachers from outside of the state. Parents, students, political leaders, stakeholder groups, and the public have increasing expectations for teacher qualifications and performance. UA has responded to these concerns in *Shaping Alaska's Future*, Theme 2: Productive Partnerships with Alaska's Schools. UA has committed to achieving the following:

ages will assist the teacher preparation programs in meeting their emoliment goals.

Deborah E. Lo, Ph.D., De

Allan Morot

Heather Rya

Currently about 980 public school teachers (550 urban, 430 rural) are hired each year, but about 24% of those positions are filled by returning Alaska teachers (individuals who were not teaching the previous year, but had formerly taught in Alaska). This means that there are about 750 slots filled by people who are new to teaching in Alaska, 120 by individuals newly certified in Alaska and 630 from outside Alaska. (Those individuals may either be new or experienced teachers). When the *Shaping Alaska's Future* effect of teacher turnover in rural districts being the same as that in urban districts is attained, the total new-to-Alaska-teaching hires per year would decrease to about 620, still far more than can be filled by the graduates of UA teacher preparation programs at their current enrollment levels. UA produces about 220 newly licensed graduates per year, but some of these take teaching jobs outside Alaska or in private schools. A survey of recent UA graduates showed that, of the individuals not employed as

Restoring a defined benefit retirement option is one of the most effective retention tools we have

Teacher Retention and Recruitment Survey Results

Prepared for the Alaska Department of Education & Early Development

Prepared by Dr. Barbara L. Adams Adams Analytic Solutions LLC



Table 1.2: Personal Importance Top 15 Rankings for Subgroups by Role.

Personal Importance Item	Total (N=4223)	Current Educator (N=2704)	Current Administrator (N=351)	Other (N=284)	Retired (N=266)	Unclassif (N=618
adequate compensation for assigned duties (salary)	1	1	2	2	3	1
positive workplace conditions	2	2	3	1	1	2
personal connections with students	3	3	6	3	2	3
retirement benefits	4	4	1	6	5	4
good healthcare benefits	5	5	4	5	6	5
positive school culture	6	7	5	4	4	6
manageable workload	7	6	10	8	7	7
being treated as a professional (afforded prestige and autonomy in return for performing at a high level)	8	8	7	7	9	8
quality support from principal(s)	9	9	9	10	8	9
quality support from district administration	10	12	8	9	11	10
reasonable district expectations	11	11	12	11	12	12
time to adequately prepare	12	10	19*	12	10	11
having ownership in my school system (personal responsibility and control)	13	13	11	13	15	15
having sufficient resources provided	14	14	13	15	13	13
being in a system where I have a voice	15	15	14	14	14	14

^{*}Items listed higher for Current Administrator include *collegiality among educators and staff, being included in shared decision making, serving the community and its expectations,* and *opportunity to develop my craft as an educator.*

Table 2.1: Ranking of all 34 Solution Influence items from most important (1) to least (34).

Ranking	Solution Influence Items (Part 2)			
1	competitive salary commensurate with cost of living			
2	enhanced salary schedule (scale based on years of experience, etc.)			
3	state goes back to a defined benefit retirement system			
4	annual retention incentives			
5	additional opportunities for salary advancement			
6	improved healthcare in the state			
7	contributing into social security			
8	state moves to a hybrid retirement with personal and state investments			
9	portability of my retirement savings			
10	creating or strengthening webs of support (new hire walkthrough process, teaching support, community support, leadership support, etc.)			
11	control of my retirement savings			
12	opportunity to earn bonuses (financial, technology, etc.)			
13	streamlined recertification requirements			
14	creating a statewide, seamless, supported induction model (support for teachers new to the state and/or profession)			
15	signing bonus			
16	support more district programs to increase the number of local adults becoming certificated			
17	strengthen recruiting efforts of educators who are the right fit			
18	improving teacher preparation programs			
19	expanded career opportunities (leadership role, technology role, department chair, content area liaison, etc.)			
20	increase the number of grow-your-own educator programs			
21	increased mental health support for educators			

22 system-wide collaboration of schools, communities, higher education, and state and local policy

Why is restoring a defined benefit retirement option so important to educators?

OPINION: Provide teachers the retirement they've earned

By Andrew Gray Janice Strickland, English Department Chair, Bettye Davis East Anchorage High School

"a homegrown Alaskan, but she's leaving because we have no retirement program...Lack of retirement also plays a role in (the other teacher's) decision to leave...And I hate to say this, but I believe I'm losing two more next year."

Alaska has the worst retirement system in the country.

- only state with DC only
- no Social Security for educators
- GPO/WEP

Overview of Teacher Retirement Offerings by State



<u>State</u>	Social Security Coverage	DB Access	Plan Type Details
Alabama	All	Yes	Defined Benefit
Alaska	Few/None	No	Defined Contribution Only
Arizona	All	Yes	Defined Benefit
Arkansas	All	Yes	Defined Benefit
California	Few/None	Yes	Defined Benefit
Colorado	Few/None	Yes	Defined Benefit
Connecticut	Few/None	Yes	Defined Benefit
Delaware	All	Yes	Defined Benefit
Florida	Nearly All	Yes	Choice: DB or DC Only
Georgia	Most	Yes	Defined Benefit





- We have a "Target Date Fund Simulation Exercise" or "multiple probability simulation"
- Developed by the Department of Revenue at the request of the Department of Administration in consultation with investment consultant Callan
 - Simulates 10,000 30-year-careers and shows the probability of having enough retirement savings to have a 30 year retirement
 - Find the full analysis here: https://bit.ly/AKmontecarlo

Probability of Success in Retirement per Model Study

Probability of Success

Alaska teachers

	PERS	Police/Fire	TRS
30-Year Career, No SBS	22%	22%	31%
30-Year Career, No SBS, With 6.13% Deferred Comp.	48%	48%	56%
30-Year Career, With SBS	69%	69%	*
30-Year Career, With SBS, With 6.13% Deferred Comp.	83%	83%	*
25-Year Career, No SBS	6%	6%	10%
25-Year Career, No SBS, With 6.13% Deferred Comp.	22%	22%	28%
25-Year Career, With SBS	43%	43%	*
25-Year Career, With SBS, With 6.13% Deferred Comp.	61%	61%	*

Success in retirement is defined as having 70% of your final pay available to you for 30 years



Why pensions?

- More efficient use of our investment dollar
- Liability to the state can be managed and/or mitigated
- Absolutely improves retention
 - Reduces recruitment costs
 - Increases investment in Alaska
 - Keeps more taxpayer dollars in the state
 - Improves student outcomes!

How did Alaska's unfunded liability develop? "when the

- Escalating and generous health care costs
- Declining investment earnings during the recession of 2000 – 2003
- Bad actuarial advice from Mercer

"when the actuary, Milliman, audited Mercer in 2002 they found that the number Mercer used was 14% too low. In a lawsuit against Mercer, by the state, it was later found that the Mercer actuaries not only erred,

but lied and covered up the errors for more than one valuation."

A BETTER BANG FOR THE BUCK 3.0

POST-RETIREMENT EXPERIENCE DRIVES PENSION COST ADVANTAGE





By William B. Fornia, FSA and Dan Doonan

January 2022

- Longevity risk pooling. The pooling of longevity risk in DB pensions enables them to fund benefits based on average life expectancy, and yet pay each worker monthly income no matter how long they live. In contrast, DC plans must receive excess contributions to enable each worker to self-insure against the possibility of living longer than average.
- Higher investment returns. DB pensions realize higher net investment returns due to professional management and lower fees from economies of scale
- Optimally balanced investment portfolios. DB pensions are "ageless" and therefore can perpetually maintain an optimally balanced investment portfolio rather than the typical individual strategy of downshifting over time to a lower risk/return asset allocation. This means that over a lifetime, DB pensions earn higher investment returns as compared to DC accounts.

Read the full report NIRS A Better Bang For The Buck 3.0

https://bit.ly/NIRSBetterbangforthebuck

A BETTER BANG FOR THE BUCK 3.0

POST-RETIREMENT EXPERIENCE DRIVES PENSION COST ADVANTAGE





By William B. Fornia, FSA and Dan Doonan

January 2022

Even with updated assumptions and methodology, DB pensions still offer substantial cost advantage over DC plans. The analysis finds:

- A typical DB plan, with advantages based on longevity risk pooling, asset allocation, low fees and professional management, has a 49 percent cost advantage compared to a typical individually directed DC plan;
 - The longevity risk pooling that occurs in the DB plan accounts for 7 percent cost savings;
 - The DB plan's ability to maintain a more diversified portfolio drives another 12 percent cost savings;
 - Superior net investment returns, due to lower fees and professional management, generate an additional 30 percent reduction in cost.

How do other states do it?

- Cautious assumptions about rate of return. Plans are built to become overfunded over time.
- Stabilizers and triggers are built-in to mitigate liabilities.
- Employee risk sharing mechanisms include:
 - Reducing or eliminating post-retirement cost-of-living adjustments.
 - Increasable employee contributions.

Additional Benefits to the State of Alaska

Additional Economic Benefits for Alaska

- Increased investment in Alaska
- Keeps more taxpayer dollars in the state

A modest but important income

However, the average pension benefit received per individual was a modest \$2,191 per month or \$26,297 per year. Still, that's important income, especially considering that many public employees in Alaska were and are barred from participating in Social Security as public employees, due to a decades-old agreement between the state and the feds.

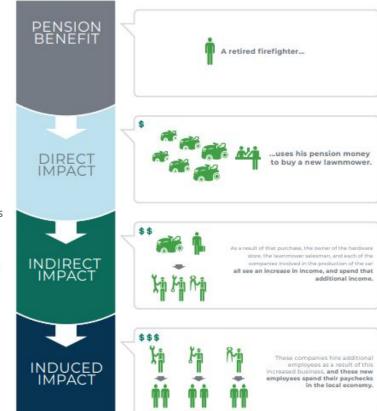
Looking at the big picture in Alaska, in 2018 expenditures stemming from state and local pensions supported:

- 8,778 jobs that paid \$490.9 million in wages and salaries
- \$1.6 billion in total economic output
- \$215.0 million in federal, state, and local tax revenues

Bottom line: Just by being a retired person in Alaska who is receiving a pension, you are making a significant contribution to the economic wellbeing and stability of the Alaskan economy. And there's more.

PENSIONOMICS 2021 6

The Multiplier Effect: How Spending Ripples Through the Economy, Supporting Jobs and Incomes in the Process



Executive summary

Low teacher retention - high turnover - affects student challenging issues in Alaska. Rates vary considerably frc between 2004 and 2014, district-level teacher turnover districts experienced annual turnover rates higher than often attributed to remoteness and a lack of amenities teachers who move to these communities face additior and adjusting to a new and unfamiliar culture and envir

Though urban districts have lower teacher turnover rat recruitment and retention, particularly in hard-to-fill pc mathematics) and in difficult-to-staff schools. Annually, teachers (500-600 are hired by its five largest districts), graduate only around 200.

The costs associated with teacher turnover in Alaska an systematically calculated, and this study emerged from policymakers, and stakeholders to better understand these costs. Using uata conected from administrators in 37 of Alaska's 54 districts, we describe teacher turnover and the costs associated with it in four key categories: separation, recruitment, hiring, and induction and training. Our calculations find that the total average cost of teacher turnover is \$20,431.08 per teacher. Extrapolating this to Alaska's 2008-2012 turnover data, this constitutes a cost to school districts of approximately \$20 million per year.

We focused on costs to Alaskan school districts, rather than costs to individual communities, schools, or the state. Our calculation is a conservative estimate, and reflects typical teacher turnover circumstances

The cost of teacher turnover in Alaska

A study by the Center for Alaska Education Policy Research at the Institute of Social and Economic Research

Dayna Jean DeFeo, PhD

Trang Tran, MPP

Diane Hirshberg, PhD

Dale Cope, PhD

Pam Cravez, JD

March 31, 2017

Increased retention increases student outcomes

In Alaska high teacher turnover correlated with poor student achievement

	Average Teacher Turnover	Average Percent of students scoring proficient in Reading
5 Lowest Turnover Districts	8.7%	85.8%
5 Highest Turnover Districts	37.9%	46.9%

Retention and Turnover of Teachers in Alaska: Why it Matters

Diane Hirshberg
Professor of Education Policy

UAA Center for Alaska Education Policy Research at ISER





The educator shortage CRISIS is real - and it's only going to get worse if we don't do something about it now.

2017 Alaska Teacher of the Year James Harris

"Unfortunately, the retirement system in Alaska, it was set up in a way that there was just absolutely no way for me to retire with any kind of dignity," he said.



https://www.knba.org/news/2021-10-27/alaska-has-a-teacher-retention-problem-the-state-is-ready-to-pay-someone-to-help-solve-it



Thank You.

Any questions?

(907) 274-0536 tom.klaameyer@neaalaska.org www.neaalaska.org