

Salary & Benefits Schedule and Teacher Tenure Study

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UAA Center for Alaska
Education Policy Research
UNIVERSITY *of* ALASKA ANCHORAGE

Legislative mandate

HB278 Section 52

No later than June 15, 2015, the Department of Administration shall present to the legislature a written proposal for a **salary and benefits schedule** for school districts, including an **evaluation of, and recommendations for, teacher tenure.**



Contract Deliverables

- Develop geographic cost differentials for different school districts
- Develop base salary and benefit schedules for teachers and principals
- Describe superintendent duties, compensation, and responsibilities in Alaska districts
- Prepare a list of different benefit options school districts offer their employees and their associated costs
- Provide recommendations regarding teacher tenure policy
- Describe similarities and differences between the certified and classified labor markets in Alaska



No salary schedule for principals proposed

- Both superintendent and principal positions are too few in number and vary too much in scope and responsibility to recommend a single salary schedule for these positions.



Methods

- Reviewed literature and other states' policies
- Interviews & focus groups with key informants and stakeholders
- Survey of stakeholders
- Statistical analysis informed by above and combining:
 - Data on school district & community characteristics
 - District compensation terms
 - Employment records for certified staff



Key Findings: Community Salary Differentials

- Accounts for multiple factors that affect teacher recruitment and retention, e.g.,
 - Community demographic and geographic characteristics
 - Cost of living indicators
 - Student demographics
- Differential for each community that, when multiplied by the base salary schedule, compensates teachers for factors that make the community more or less attractive than Anchorage



Key Findings: Community Salary Differentials cont'd

- Range from 0.85 to 2.01
 - Differential less than 1 indicates teachers prefer those communities to Anchorage
- Districts with multiple communities showed significant variation between those communities



District name	Pay relative to proposed Anchorage pay schedule			Proposed pay relative to current pay	
	Same differential across district	Community differentials varying across district		Percent change from current salary	
		Lowest	Highest		
Alaska Gateway		1.28	1.68	55%	
Aleutian Region		1.54	2.01	60%	
Aleutians East		1.22	1.64	43%	
Anchorage		1.00		10%	
Annette Island	1.01			17%	
Bering Strait		1.45	1.66	62%	
Bristol Bay	1.27			42%	
Chatham		1.13	1.33	42%	
Chugach		1.16	1.40	60%	
Copper River		1.26	1.70	61%	
Cordova City		1.06		24%	
Craig City	1.03			23%	
Delta-Greely		1.14	1.24	37%	
Denali		1.06	1.37	40%	
Dillingham	1.28			44%	
Fairbanks	0.85		-6%		
Galena	1.26		20%		
Haines	0.94		13%		
Hoonah	1.22			47%	
Hydaburg	1.14			45%	
Iditarod		1.37	1.79	63%	
Juneau	0.88			-3%	
Kake	1.10		29%		
Kashunamiut	1.43		66%		
Kenai Peninsula			0.93	1.40	14%
Ketchikan	0.89			2%	
Klawock	1.05		25%		
Kodiak Island			1.11	1.86	33%
Kuspuk			1.35	1.93	53%
Lake and Peninsula		1.40	1.75	68%	
Lower Kuskokwim		1.14	1.78	42%	
Lower Yukon		1.42	1.55	60%	
Mat-Su		0.88	1.20	1%	
Mt Edgecumbe	0.91			12%	
Nenana	1.28		50%		
Nome	1.23		28%		
North Slope			1.44	1.97	63%
Northwest Arctic		1.25	1.74	53%	
Pelican	1.66			105%	
Petersburg	1.07		26%		
Pribilof			1.49	1.75	57%
Saint Mary's	1.43				66%
Sitka	0.91			-1%	
Skagway	1.03		25%		
Southeast Island			1.06	1.70	48%
Southwest Region			1.22	1.68	66%
Tanana	1.54			88%	
Unalaska	1.41		53%		
Valdez	1.00		17%		
Wrangell	1.02		16%		
Yakutat	1.12			26%	
Yukon Flats		1.52	1.83	78%	
Yukon-Koyukuk		1.41	1.71	39%	
Yupit		1.43	1.56	66%	



Key Findings:

Base Salary & Benefit Schedule

- Base salary schedule calculated to allow ASD to attract & retain highly qualified teachers without overpaying
- Multiplying by community salary differentials should allow other districts to attract & retain highly qualified teachers
- Step & lane schedule proposed for now
- Merit/performance pay worth further consideration once new evaluation systems fully implemented
- Base schedule with differentials would cost more than current salary levels



Proposed base step-and-lane salary schedule for Alaska teachers

STEP	B	B+15	B+30	M B+45	M+15 B+60	M+30	M+45	D
0	\$51,719	\$53,988	\$56,257	\$58,527	\$60,795	\$63,066	\$65,338	\$67,608
1	\$53,988	\$56,257	\$58,527	\$60,795	\$63,066	\$65,338	\$67,608	\$69,880
2	\$56,257	\$58,527	\$60,795	\$63,066	\$65,338	\$67,608	\$69,880	\$72,147
3	\$58,527	\$60,795	\$63,066	\$65,338	\$67,608	\$69,880	\$72,147	\$74,416
4	\$60,795	\$63,066	\$65,338	\$67,608	\$69,880	\$72,147	\$74,416	\$76,686
5	\$63,066	\$65,338	\$67,608	\$69,880	\$72,147	\$74,416	\$76,686	\$78,954
6	\$65,338	\$67,608	\$69,880	\$72,147	\$74,416	\$76,686	\$78,954	\$81,224
7	\$67,608	\$69,880	\$72,147	\$74,416	\$76,686	\$78,954	\$81,224	\$83,494
8		\$72,147	\$74,416	\$76,686	\$78,954	\$81,224	\$83,494	\$85,764
9			\$76,686	\$78,954	\$81,224	\$83,494	\$85,764	\$88,035
10				\$81,224	\$83,494	\$85,764	\$88,035	\$90,305
11					\$85,764	\$88,035	\$90,305	\$92,573
12						\$90,305	\$92,573	\$94,843
13						\$92,573	\$94,843	\$97,115



Key Findings: Superintendent Duties & Compensation

- Superintendent roles & responsibilities vary enormously in Alaska
- Compensation does not necessarily correlate with magnitude of responsibilities or community differentials
- Statewide, superintendent salaries are lower than national averages



Key Findings: Employee Benefits

- Benefits are part of the teacher compensation package and can make jobs more attractive
- Retirement is the only universal & uniform benefit in Alaska (set by the state)
- Health care & personal leave offered in all districts, but teacher contributions for health care and number of leave days vary
- Other benefits vary



Key Findings: Teacher Tenure

- We asked teachers what they would be willing to exchange (financially) to:
 - Give up tenure
 - Extend the probationary period
- Teachers value tenure highly
 - > \$34,000 (over the course of a career) compared with no tenure
 - \$16,000 for tenure awarded at the end of three years compared with five years
- Offering tenure allows districts to pay lower salaries
- Some concerns about tenure are based on inaccurate information



Key Findings: Certified & Classified Labor Markets

- Certified & classified labor markets differ considerably
 - Teachers & principals - statewide (and national) market
 - Districts compete with other districts, but not with other employers in their communities
 - Classified personnel - local labor pools
 - Districts compete with other employers in their communities for administrative, maintenance & clerical personnel
- Related service providers
 - Difficult to recruit and retain
 - Many hired via contract services
 - Contract service labor market is national
 - Some services provided via distance



Key Recommendations

- We don't recommend that the state adopt a single teacher salary schedule at this time
- If the legislature chooses to implement a single salary schedule for teachers, we can only recommend using a step-and-lane schedule
- We recommend further research around how to create an effective merit-based system
- We do not recommend changing tenure policy at present



Final Thoughts

- There is real interest across Alaska in improving teacher compensation and tenure structures.
 - The work the state has done in modifying the teacher evaluation and student assessment systems will provide valuable data to accomplish this. However, the state needs to ensure that those new systems are working as intended before they are used to revise compensation and tenure.



Final Thoughts...

- Context is changing
 - More hiring in the lower 48
 - Fewer students pursuing teacher education
- Current system not working well for teachers and students in remote communities
- Alaska can't afford to pay what needed to attract and retain the quality of teachers we want
- Is it time to do something different?



For more information

Department of Administration website:

<http://doa.alaska.gov/dop/HB278SchoolStudy/>

CAEPR website: www.iser.uaa.alaska.edu/CAEPR/

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