Educator Compensation: How does North Carolina Compare?

Educator Effectiveness and Compensation Task Force

Lanier McRee Fiscal Research Division February 25, 2013





Compensation

Two Components

1. Salaries

- Statewide minimum salary schedule
- Longevity
- Local salary supplement and extra duty pay

2. Benefits

- Annual leave
- Defined benefit pension system
- Employer-paid health insurance as an employee

2

- Employer-paid health insurance as a retiree

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NC Salary Schedule

- Sets a statewide minimum salary for all teachers and instructional support
- Traditional step & lane schedule
 - Step = experience / Lane = education, certification
 - Schedule outlines salary to be paid given step and lane
 - 37 steps
- Step freeze began in FY 2009-10
 - One increase of 1.2% in FY 2012-13



3

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Surrounding States

Teacher & Instruct. Support Base Salaries

State	State Salary Schedule	Starting Pay	Top Pay
NC	Y - 37 steps	\$30,800	\$53,180
GA	Y – 21 steps	\$33,424	\$50,285
SC	Y – 22 steps	\$29,523	\$45,364
TN	Y – 4 steps	\$30,876	\$37,461
VA	N	N	N

Based on state-wide minimum salary schedules and excludes local supplements

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Surrounding States

Actual Salaries

State	Starting Pay	Nat'l Rank	Average Pay	Nat'l Rank
NC	\$30,779	47^{th}	\$46,058	46 th
GA	\$33,673	28^{th}	\$52,938	22 nd
SC	\$31,685	42 nd	\$47,428	38 th
TN	\$33,287	30^{th}	\$47,082	40 th
VA	\$36,737	16 th	\$48,703	30 th
Average	\$35,672	-	\$55,418	-
Min.	\$26,734 (MT)	-	\$38,804 (SD)	-
Max.	\$51,539 (DC)	-	\$73,398 (NY)	-

Based on National Education Association 2011-12 Rankings:

http://www.nea.org/assets/img/content/NEA_Rankings_And_Estimates-2013_(2).pdf http://www.nea.org/home/2011-2012-average-starting-teacher-salary.html



5

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Salary Supplements

Education

	Bachelor (B)	Bach. Adv. (BA)	Masters (M)	Masters Adv. (MA)	PhD
NC1	\$30,800	-	10% over B	M + \$126/ month	M + \$253/ month
GA ²	\$33,424	-	15% over B	13% over M	11% over MA
SC	\$29,523	4.5% over B	14.5% over B	24.5% over B	34.5% over B
TN	\$30,876	-	11%	-	-
VA	-	-	-	-	-

¹ Per S.L. 2013-360, Sec. 8.22, teachers obtaining advanced degrees after the 2013-14 school year will no longer be eligible for the supplement.

6

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² GA has two tiers of licensure with lanes on the salary schedule – Teacher and Provisional Teacher; these supplements are for Teachers relative to the Bachelor's Teacher base.



Salary Supplements NBPTS Certification

	Bachelor (B)	NBPTS Supplement
NC	\$30,800	12% over Bachelor or Master schedule
GA	\$33,424	Authorized in legislation but unfunded
SC	\$29,523	\$5,000 annually
TN	\$30,876	N/A – encouraged to include in local plans
VA	-	Recently created a state-funded incentive bonus fund; \$5,000 bonus in the first year after certification \$2,500 bonus thereafter



7

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Differentiated Pay

North Carolina

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- What is differentiated pay?
 - Ties educator pay to assignments, like teaching in lowperforming schools or difficult to staff subjects
 - Ends paying educators *purely* based on years of experience and credentials
- No requirement for local districts to differentiate pay
 - Currently, no specific state funding for differentiated pay
 - Starting in FY 2014-15, funds available for \$500 annual raise for 25%
 - Flexibility to differentiate pay using non-state funds
 - Limited flexibility to use state funds to differentiate pay

8

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Differentiated Pay

Georgia

- Requires differentiated pay for math, science teachers starting July 1, 2010, contingent upon appropriation
- Grades 6 to 12: Required to pay on at least Step 4
 - Must be certified by Professional Standards Commission, teach qualified classes, and meet achievement criteria by year 5
- Grades K to 5: Provide a stipend of \$1,000 per endorsement per year for up to 5 years
 - Must have math/science endorsements from Professional Standards Commission and teach qualified classes
- Developing Tiered Certification → teacher career ladder



9

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Differentiated Pay

Tennessee

- Implemented a new statewide minimum salary schedule for teachers in FY 2013-14
 - Four-step schedule, provides for a master's pay supplement
 - Steps are ranges based on years of experience:
 - Year 0; years 1-5; years 6-10, years 11+
- Encourages districts to provide incentives for certain achievements such as NBPTS
- State approves each district's plan
 - Districts develops based on local needs

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10



Differentiated Pay

Virginia

- Created new strategic compensation program to compensate teachers who:
 - Assume additional job-related responsibilities
 - Teach in critical shortage areas or in low-performing schools
 - Help students make significant academic progress (performance pay)
- Local districts apply to state for funding
 - \$7.5 million in FY 2013-14
 - Must submit the district's differentiated compensation model
- Individual incentive grants capped at \$5,000/ year
 - Must be rated "proficient" or better
 - Evaluation system must weigh student learning gains as 40% score



11

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Surrounding States

Benefits

- Difficult to compare across states because:
 - May differ across school systems as well as between states
 - Qualitative differences are difficult to value
 - Value differs from individual to individual

Value relative to NC		
GA	More valuable by several thousand dollars per year	
SC	Very similar	
TN	Similar but more uncertainty because of significant	
VA	variation across school districts	

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12

Questions?



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