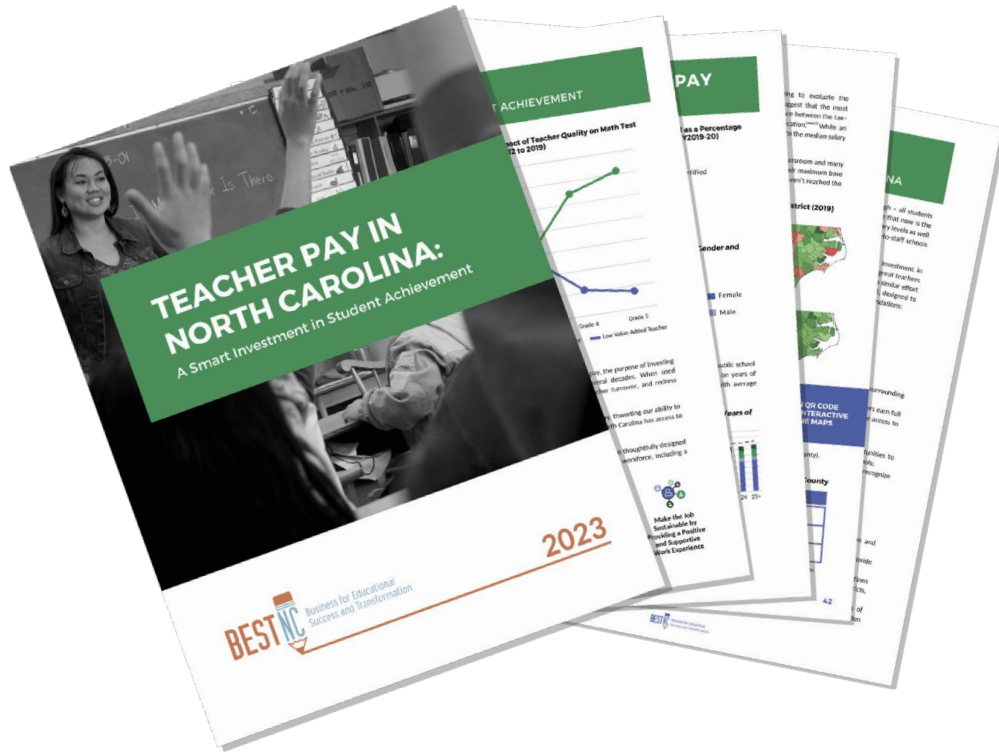


Teacher Pay in North Carolina: A Smart Investment in Student Achievement



House Select Committee on Education Reform

January 22, 2024



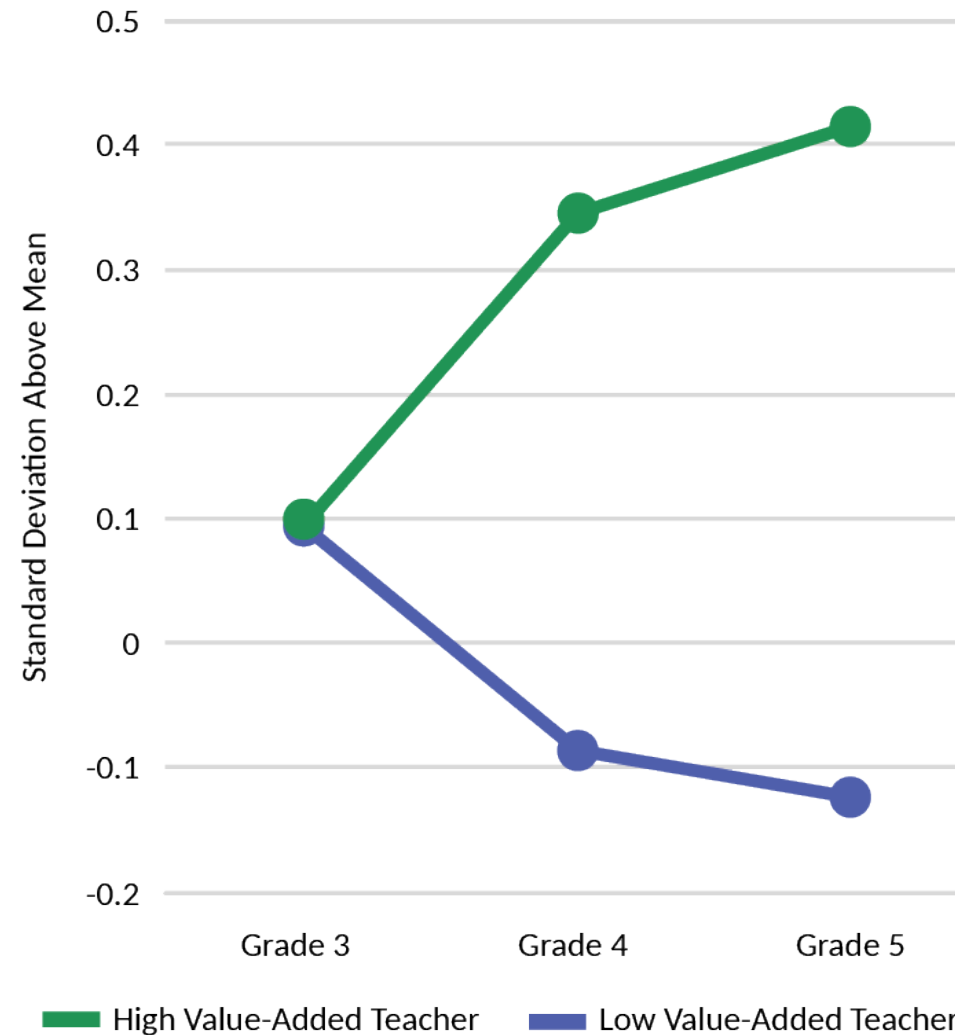
Business for Educational
Success and Transformation

Brenda Berg
President & CEO

**Great organizations of all types have
one thing in common:**

They invest in great people.

Impact of Teacher Quality on Math Test Scores (2012 to 2019)

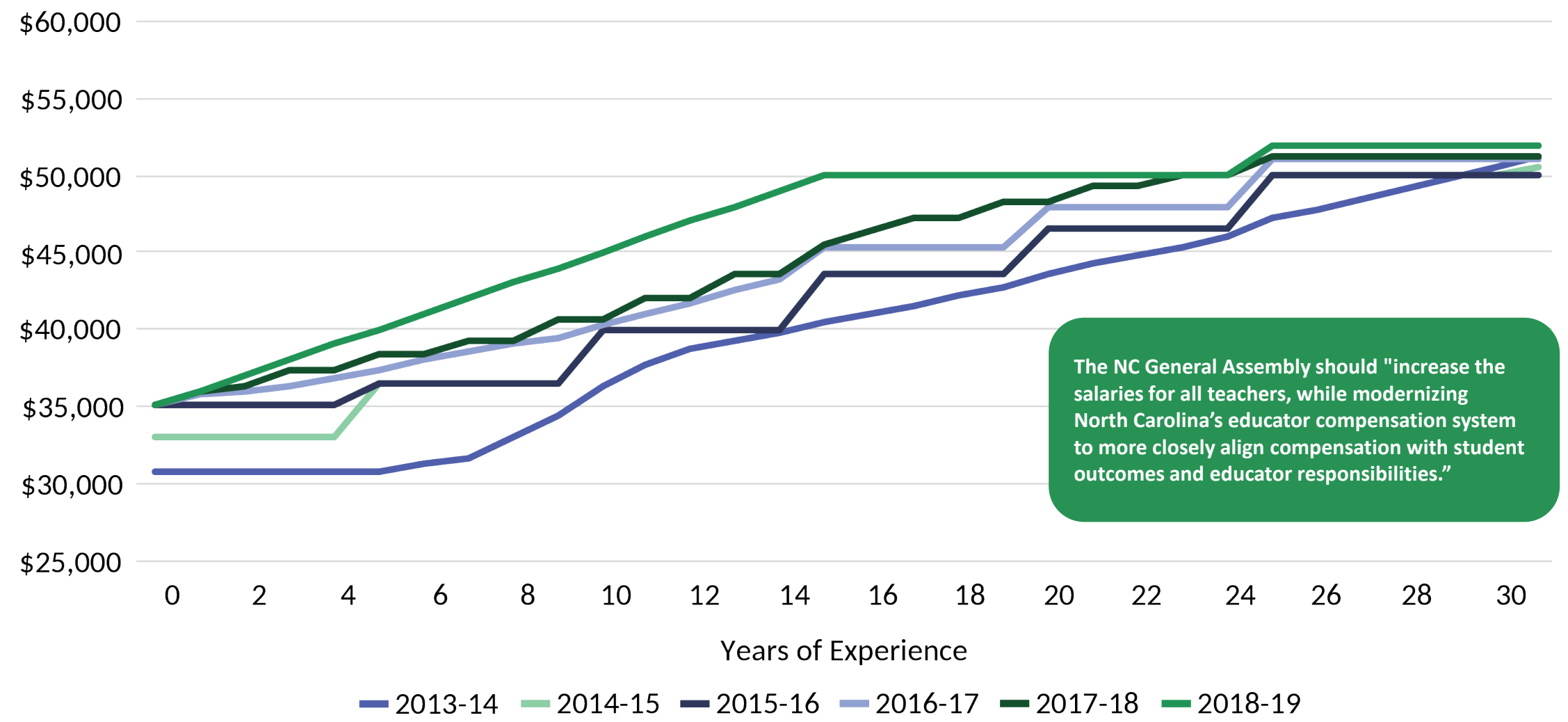


North Carolina has made bold investments in teacher pay before...

"The primary goal of an updated North Carolina educator compensation system is to improve student learning by increasing the likelihood that every student has a highly effective teacher – the most significant in-school factor in increasing student achievement."

- 2013 North Carolina Educator Effectiveness & Teacher Compensation Task Force

State-Funded North Carolina Teacher Pay, by Years of Experience (2013-14 to 2018-19)



Investments in North Carolina Teacher Pay (2014-15 to 2018-19)

Year	Salary Investment	Additional Retirement & Social Security Benefits	Total Investment
2014-15	\$276 Million	\$63 Million (22.97%)	\$339 Million
2015-16	\$62 Million	\$14 Million (22.97%)	\$76 Million
2016-17	\$191 Million	\$45 Million (23.77%)	\$236 Million
2017-18	\$102 Million	\$25 Million (24.78%)	\$128 Million
2018-19	\$283 Million	\$75 Million (26.51%)	\$358 Million
Total	\$914 Million	\$223 Million	\$1.14 Billion

Teaching is at a Crossroads...

- ✓ We don't have enough teachers in key places and subjects.
- ✓ We are not attracting enough top-tier candidates into teaching.
- ✓ We don't have the right teachers in the right places.
- ✓ We are asking teachers to do new things in old ways.

Until we fix the **quantity**, **experience**, and **distribution** of the educators in our school buildings, we cannot significantly change student outcomes, regardless of how many other resource and tools we give them.

Why the Teacher Pay Report?

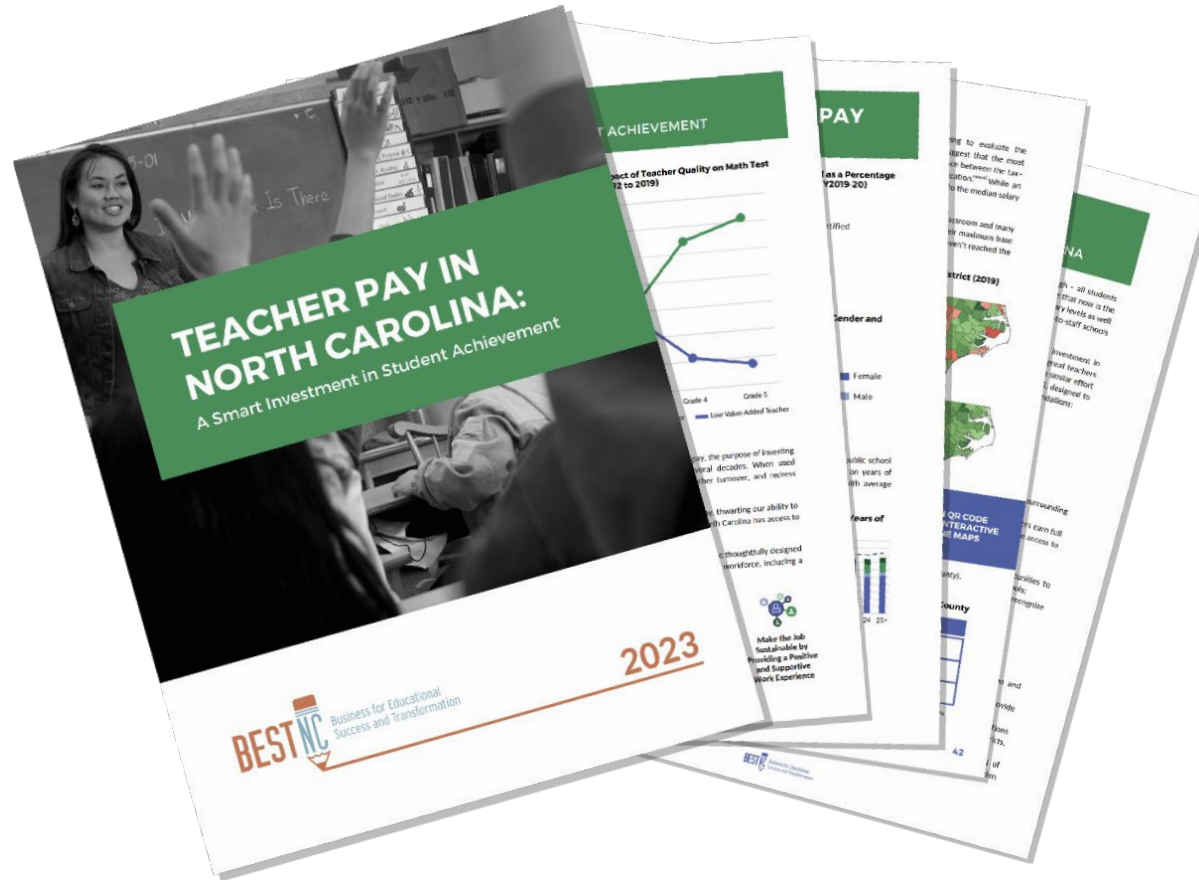
- ✓ There is a strong appetite to increase teacher pay, particularly amongst the business community where we are investing in our people in new and better ways.
- ✓ We believe how an organization invests in compensation is as important as how much they invest, because compensation can be a major driver for recruiting and retention decisions.

So, BEST NC examined the state of teacher pay, the problems it seeks to address, and best practices for moving in a better direction.

Teacher Pay in North Carolina:

A Smart Investment in Student Achievement

Watch the
Video Here!



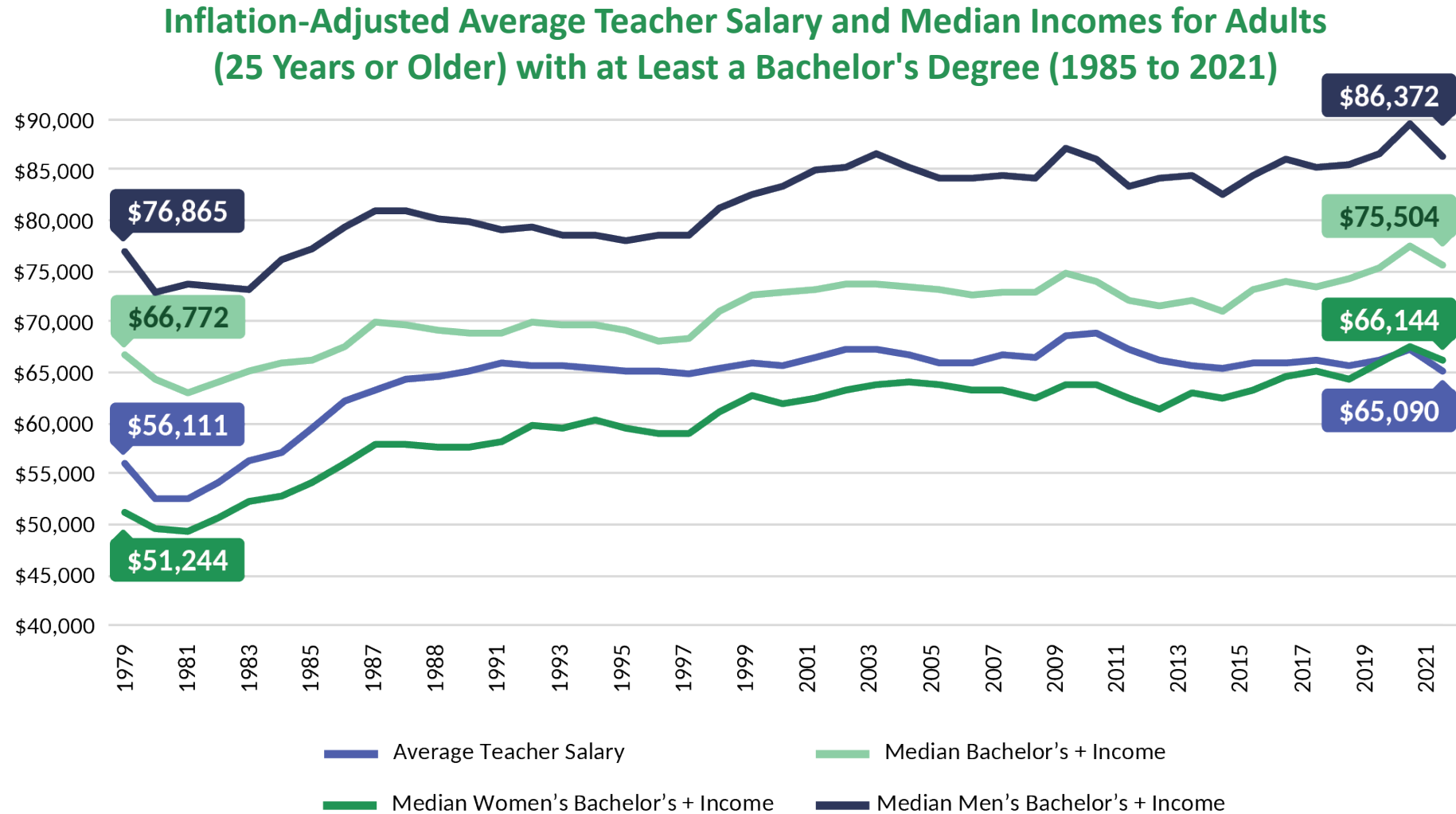
Find the
Report Here!



Challenges:

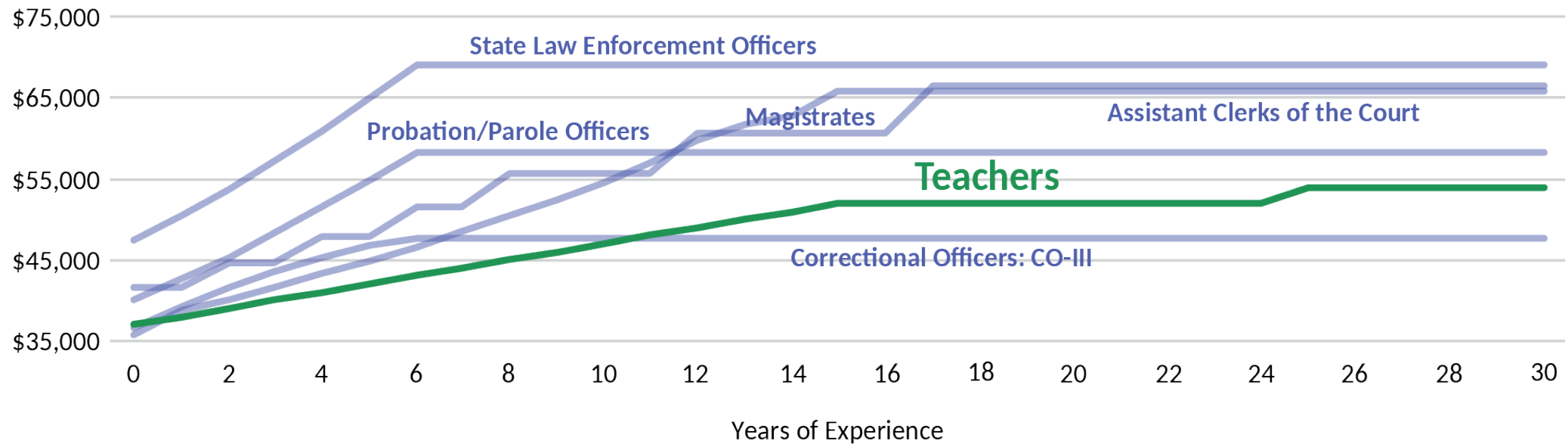
1. Teacher pay has not kept up with increasing opportunities and pay for female, college-educated professionals, nor with pay for other public sector employees [\(See Full Report Pages 6 and 24\)](#)
2. Under the current salary schedule, teachers must wait far too long before their salaries provide a living wage to support a family [\(See Full Report Pages 25-26\)](#)
3. The current teacher compensation model does not provide meaningful professional promotions [\(See Full Report Page 8\)](#)
4. Existing pay structures are not designed to fill hard-to-staff subject area positions and schools [\(See Full Report Pages 9-10\)](#)
5. Starting teacher pay is not competitive with surrounding states [\(See Full Report Page 21\)](#)

1a. Not Competitive with Female Incomes



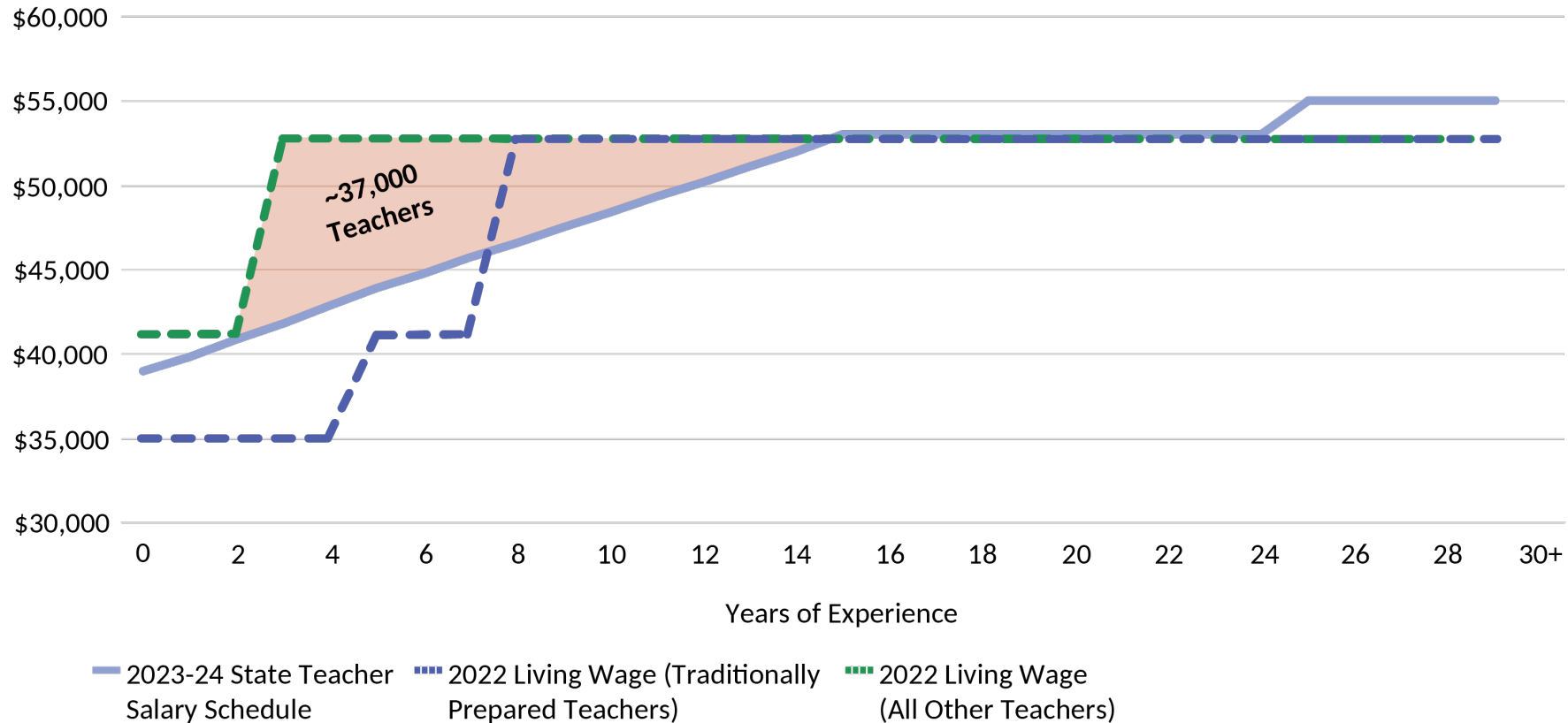
1b. Not Competitive with Public Sector Jobs

Comparison of State Salary Schedules for NC Public Sector Employees (2021-22)



2. Takes Too Long for a Living Wage

North Carolina State Teacher Salary Schedules vs.
Typical Living Wage Trajectory of Teachers (2022-23)



Sources: MIT Living Wage Calculator; NC DPI Salary Schedules

2. Takes Too Long for a Living Wage

North Carolina State Teacher Salary Schedules vs.
Typical Living Wage Trajectory of Teachers (2022-23)



Sources: MIT Living Wage Calculator; NC DPI Salary Schedules

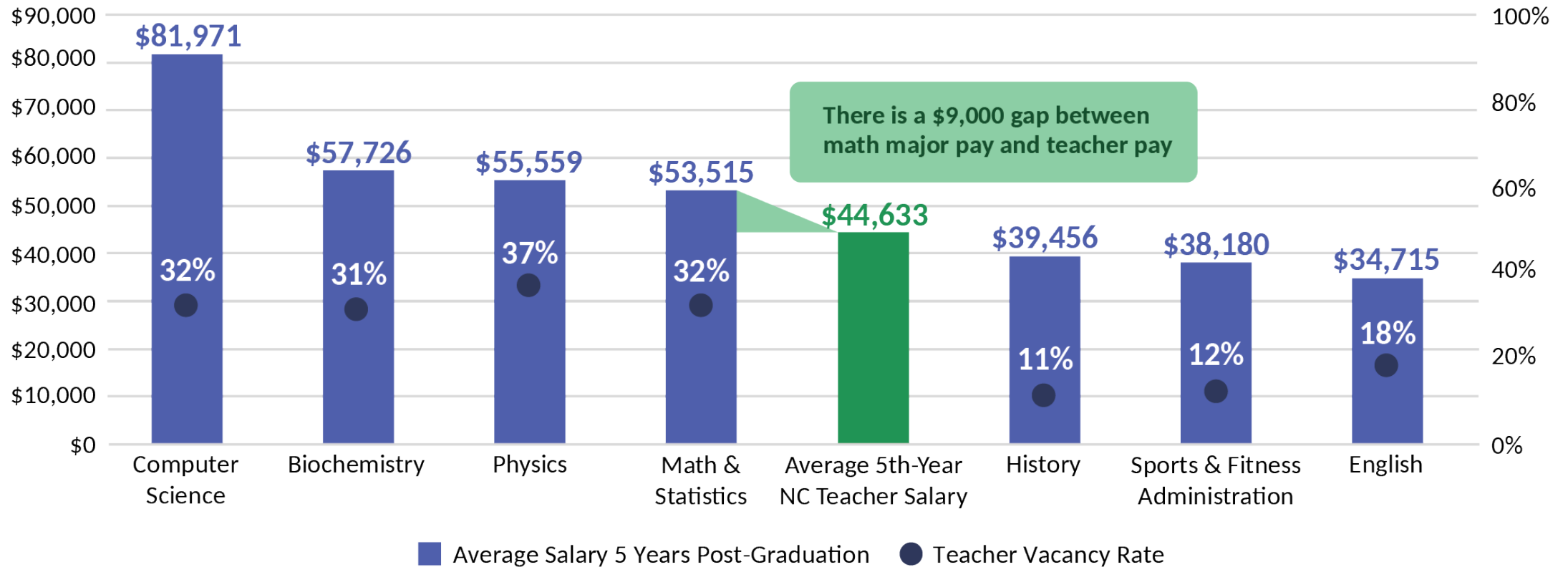
3. Not Designed for Top-Tier Candidates

Perceptions of Teaching vs. Preferred Occupation for "Top-Third" College Graduates NOT Planning to Teach

	Percentage that Agree/Strongly Agree this Attribute Rates Highly for:		
	Preferred Occupation	Teaching	Gap between Preferred Occupation and Teaching
There are opportunities to continue to advance professionally in this career.	87%	35%	52
I could support a family with this career.	81%	33%	48
If I were to do well in this job, I would be rewarded financially.	75%	13%	62
Pays appropriately for the skills and effort I will bring.	72%	17%	55
Offers a salary that would increase substantially over the next seven to ten years.	71%	18%	53
This job offers a competitive starting salary.	65%	10%	55

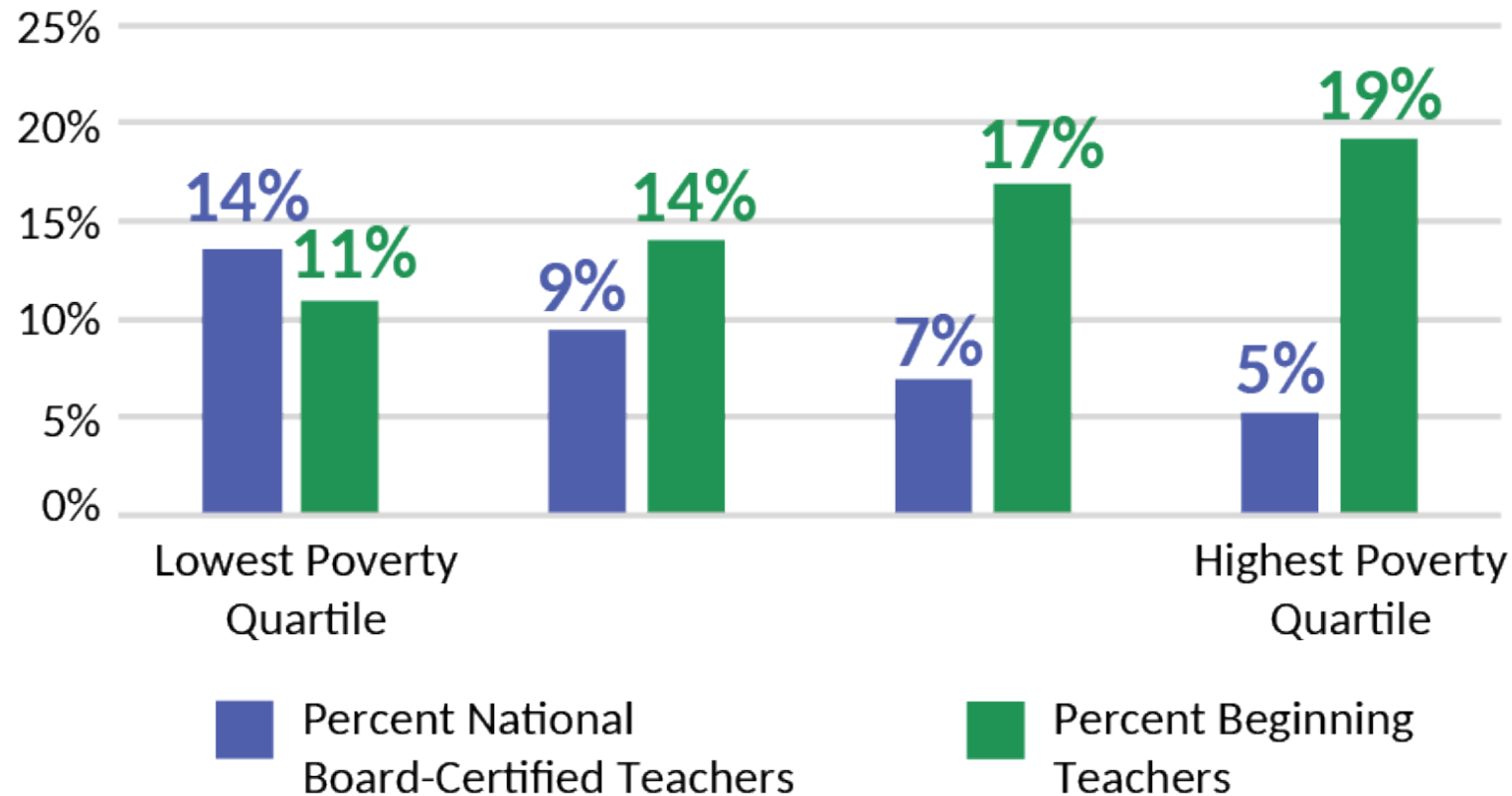
4a. Not Designed to Fill Hard-to-Staff Positions

Average Wages of UNC System Graduates Five Years Post-Graduation (Class of 2016) and Percentage of U.S. Schools with Difficulty Filling Teacher Vacancies (2020-21), by Subject Area



4b. Not Designed to Fill Hard-to-Staff Schools

Percent Beginning Teachers and National Board-Certified Teachers in N.C.
Traditional Public Schools, by School Poverty Quartile (2020-21)



5. Not Competitive in the Region

Cost of Living-Adjusted Average Pay by State in the Southeast Region

Average Pay (2022-23)

State	Avg. Teacher Pay
Georgia	\$67,007
Texas	\$63,537
Alabama	\$62,973
South Carolina	\$59,793
Tennessee	\$59,658
Kentucky	\$59,648
North Carolina	\$59,355
Arkansas	\$57,884
West Virginia	\$57,316
Mississippi	\$56,787
Virginia	\$56,561
Louisiana	\$55,933
Florida	\$48,591

Average Beginning Pay (2021-22)

State	Avg. Beginning Teacher Pay
Texas	\$47,607
Alabama	\$47,109
Tennessee	\$44,191
Mississippi	\$44,148
Louisiana	\$43,716
Florida	\$42,072
South Carolina	\$41,693
West Virginia	\$41,146
Georgia	\$40,464
Arkansas	\$40,352
Kentucky	\$40,273
Virginia	\$39,932
North Carolina	\$39,538

Note: \$170 million in Supplement Assistance Allotment funds allocated in the 2021 and 2022 North Carolina state budgets have not been factored into the 2020-21 Beginning Teacher Pay figures. Average beginning teacher pay in North Carolina will increase as a result of these funds when 2021-22 and 2022-23 figures are reported by NEA. See Appendix A for average and beginning teacher pay in all states.

The System Hasn't Kept Up

Working with leading economists and experts from across the country, we uncovered important new evidence that the existing teacher pay structures in North Carolina, and across the country:

- 1) Fail to address dramatic decades-long shifts in our national workforce, and
- 2) Are inadequate for meeting the personal and professional needs of today's teachers.

The System is Flawed, by Design

- ***The job is harder today!*** 50+ years ago, we did not need 67% of students to earn a credential or higher education
- ***The model was designed when women had fewer career options*** and were rarely the breadwinner, so the teaching profession was underpaid and could still fill positions
- ***Classrooms were designed around a “factory” approach:***
 - ✓ One teacher, one classroom model stifles collaboration and mentorship opportunities, devaluing the unique talents of individual teachers
 - ✓ Everyone in the building reports to the principal (50+ reports!)
 - ✓ Compensation strategies prioritize equal pay for all teachers without addressing student access to effective educators

Licensure and Compensation are at the root of our inability to ensure every student has access to an effective educator.

- ✓ Our one-size-fits-all compensation structure ensures that **high-poverty schools** have the **highest rates of beginning teachers** and the **lowest rates of Board-Certified teachers**.
- ✓ The slow rise of our salary schedule ensures **teachers cannot make a living wage to support their family** until well into or past their typical childbearing years.
- ✓ Licensure exams do a decent job of identifying good teachers but have too high of a 'false negative' rate that **excludes teachers who can provide valid evidence of effectiveness**.

Licensure and Compensation are at the root of our inability to ensure every student has access to an effective educator.

- ✓ Our staffing structure **sequesters teachers from each other (and the students who need them)** instead of facilitating a team-teaching environment.
- ✓ **The lack of gradation in our licensure system** fails to provide developing teachers with the embedded professional supports they need and also fails to provide meaningful promotions for exceptional teachers who want to continue to teach.
- ✓ For residency license candidates, **there is no choice other than to immediately become a teacher of record**, jeopardizing instructional quality for their students.
- ✓ And so much more...

Recommendations

✓ Set Clear Goals for Teacher Compensation

- Establish a Teacher Pay Task Force, similar to the teacher compensation task force in 2014 and the principal study committee in 2016

✓ Raise the Floor

- At least top-3 in the region and more depending on qualifications
- All fully licensed teachers earn at least a living wage +10%, currently \$58k

✓ Raise the Ceiling

- Expand Advanced Teaching Roles statewide so 20% of teachers earn up to \$10,000 more to extend their reach, up to \$20,000 more in hard-to-staff schools
- Develop a meaningful retention strategy for career teachers upon licensure renewal

✓ Attract and Retain Teachers in Hard-to-Staff Positions

- Math, science, and Exceptional Children
- Low-performing and High Poverty Schools

✓ Reframe the Compensation Context

- Align compensation with an effectiveness-based licensure plan
- Examine retirement plan options
- Convert state-funded position allotments to funding allotments

A Modern Professional Pay Plan

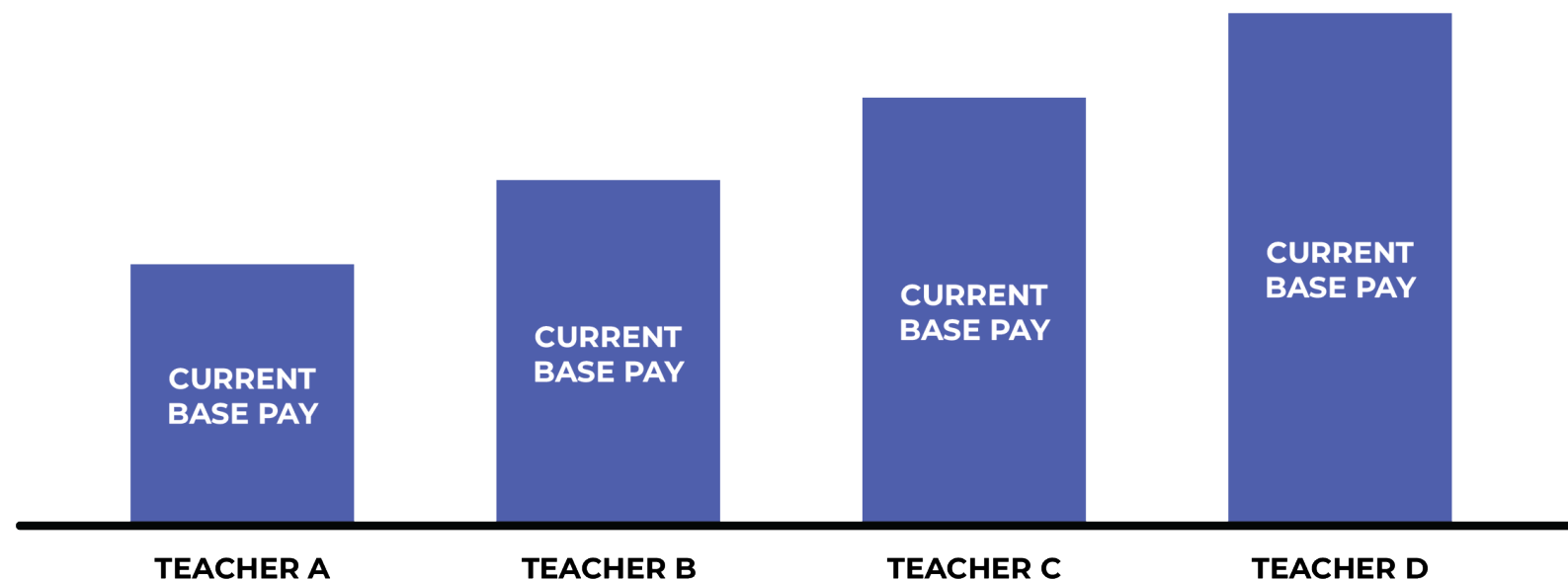
Replace or at Least Amend the Outdated Step-and-Lane Schedule with a Modern Professional Pay Plan that is grounded in best practices and includes:

- ✓ Increased Starting Pay
- ✓ Front-loaded Teacher Pay Schedule
- ✓ Advanced Teaching Roles Statewide
- ✓ Pay more for Hard-to-Staff Schools & Subjects
- ✓ Reward Retention

TEACHER PAY IN NORTH CAROLINA:

A Smart Investment in Student Achievement

RECOMMENDATIONS:

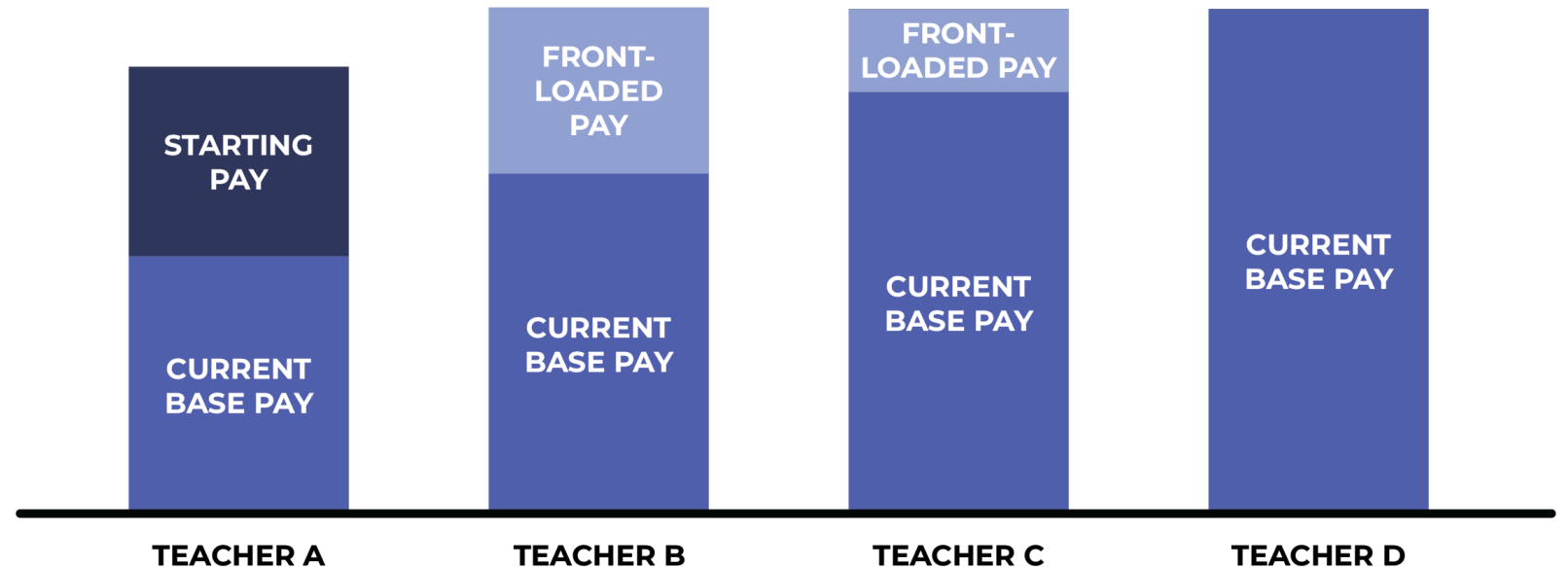


TEACHER PAY IN NORTH CAROLINA:

A Smart Investment in Student Achievement

RECOMMENDATIONS:

- ▶ Significantly increase starting pay to attract top talent
- ▶ Front-load pay structure to provide all fully licensed teachers with a living wage

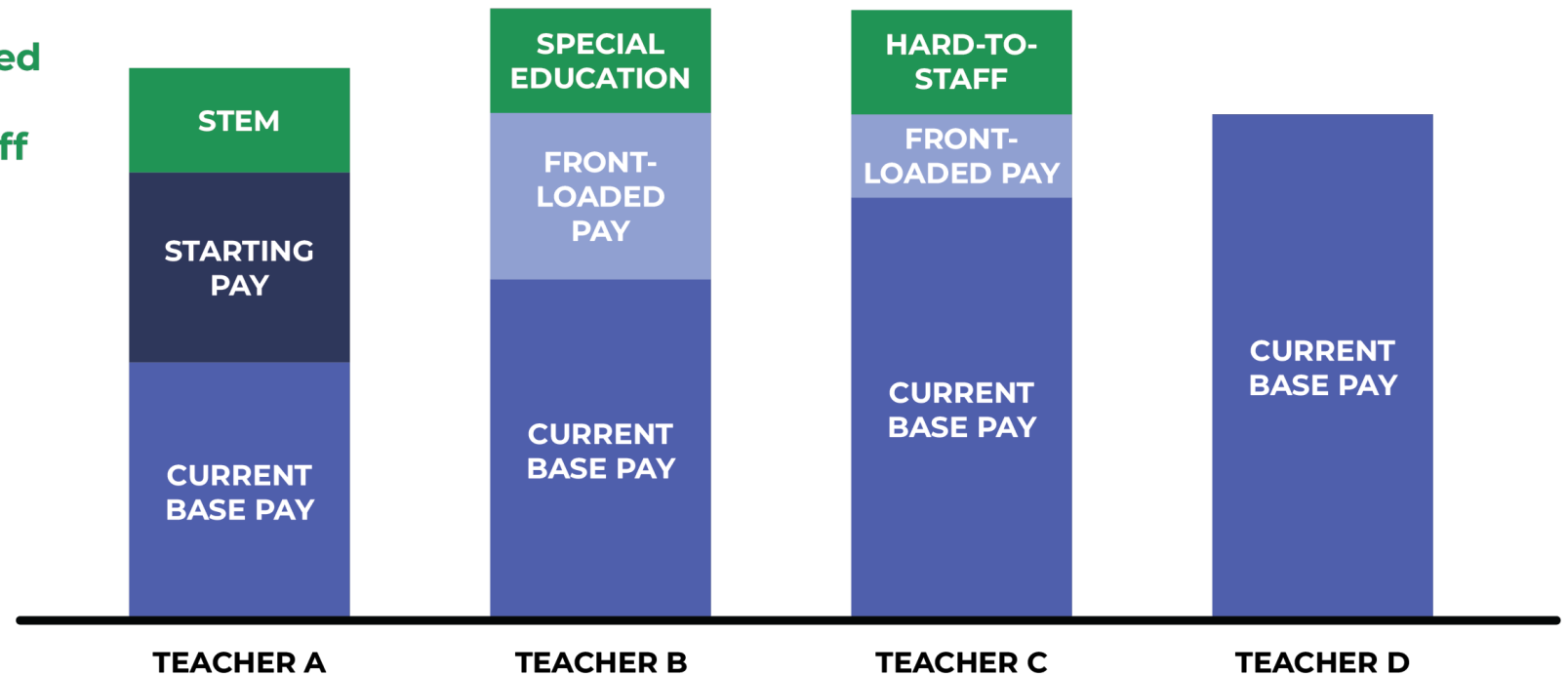


TEACHER PAY IN NORTH CAROLINA:

A Smart Investment in Student Achievement

RECOMMENDATIONS:

- ▶ Significantly increase starting pay to attract top talent
- ▶ Front-load pay structure to provide all fully licensed teachers with a living wage
- ▶ Establish competitive, differentiated pay for high-demand degrees and broaden incentives for hard-to-staff schools

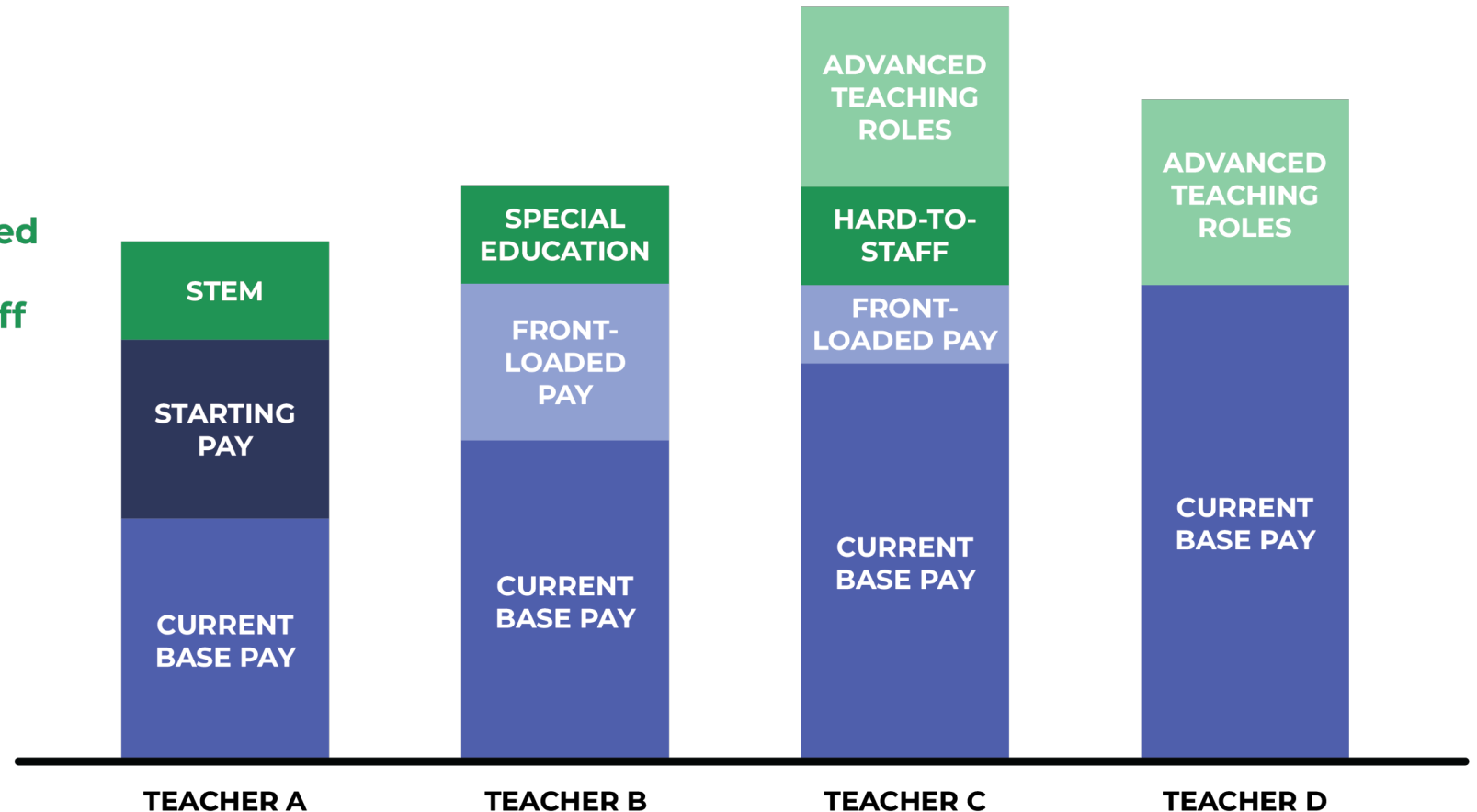


TEACHER PAY IN NORTH CAROLINA:

A Smart Investment in Student Achievement

RECOMMENDATIONS:

- ▶ Significantly increase starting pay to attract top talent
- ▶ Front-load pay structure to provide all fully licensed teachers with a living wage
- ▶ Establish competitive, differentiated pay for high-demand degrees and broaden incentives for hard-to-staff schools
- ▶ Implement Advanced Teaching Roles statewide

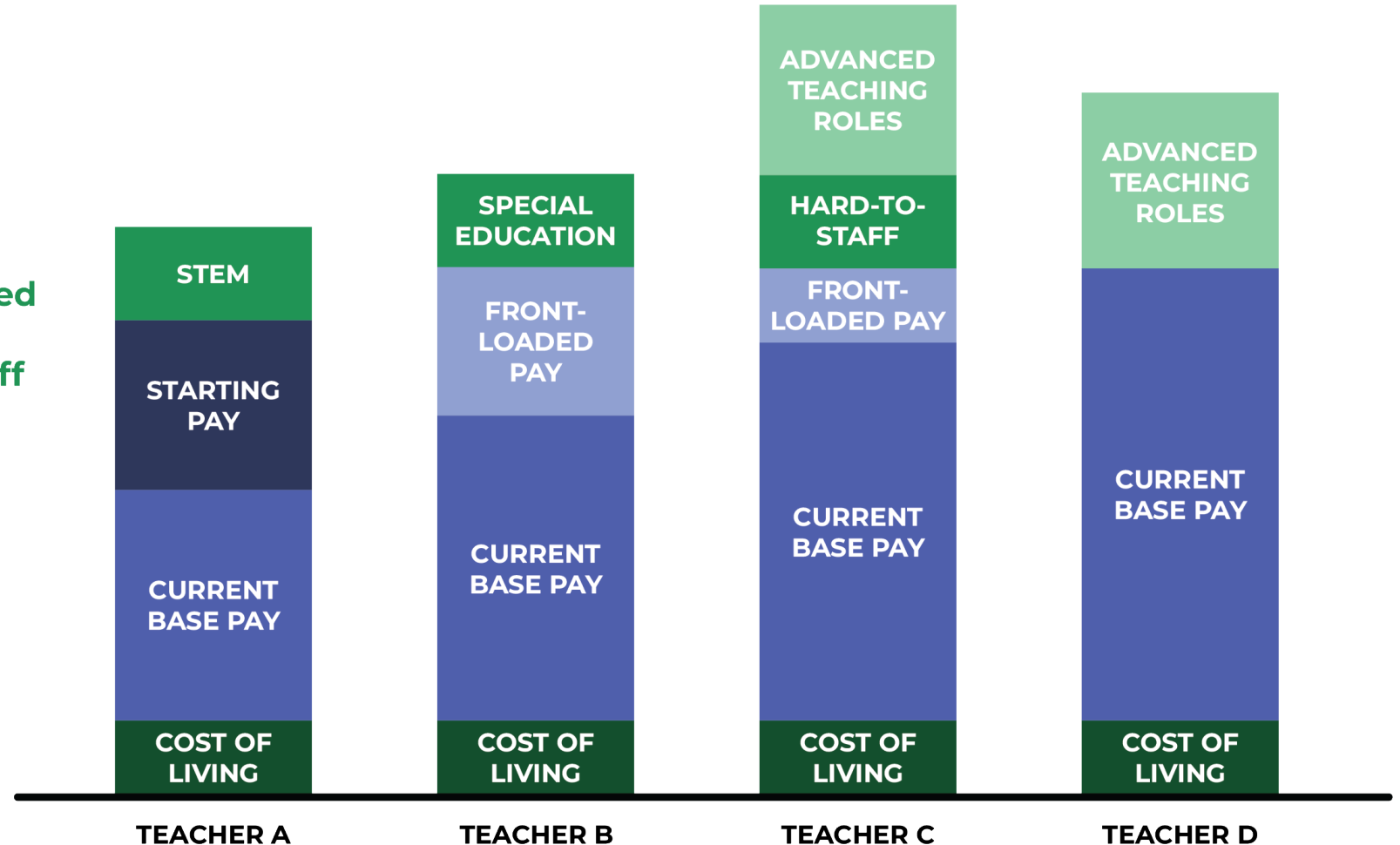


TEACHER PAY IN NORTH CAROLINA:

A Smart Investment in Student Achievement

RECOMMENDATIONS:

- ▶ Significantly increase starting pay to attract top talent
- ▶ Front-load pay structure to provide all fully licensed teachers with a living wage
- ▶ Establish competitive, differentiated pay for high-demand degrees and broaden incentives for hard-to-staff schools
- ▶ Implement Advanced Teaching Roles statewide
- ▶ Increase for cost of living year-over-year



Designed for Top-Tier Candidates

Perceptions of Teaching vs. Preferred Occupation for "Top-Third" College Graduates NOT Planning to Teach

Percentage that Agree/Strongly Agree this Attribute Rates Highly for:			
	Preferred Occupation	Teaching	Gap between Preferred Occupation and Teaching
✓ There are opportunities to continue to advance professionally in this career.	87%	35%	52
✓ I could support a family with this career.	81%	33%	48
✓ If I were to do well in this job, I would be rewarded financially.	75%	13%	62
✓ Pays appropriately for the skills and effort I will bring.	72%	17%	55
✓ Offers a salary that would increase substantially over the next seven to ten years.	71%	18%	53
✓ This job offers a competitive starting salary.	65%	10%	55



Discussion

**Download a
Digital Copy!**



**Watch the
Video!**



**Email Us at
info@BESTNC.org!**

