



# Teacher Compensation Study :Next Steps

October 12, 2017

## Purpose of Study Revisited:

Why did the Board direct staff to initiate the study in and retain a compensation consultant?

- ▶ Survey data indicated significant salary concerns from teachers
- ▶ Teacher pay a **Consistent Top Priority** for community and parents
- ▶ Last review and revision of teacher competitive market was 2005 (established in 2000)
- ▶ In 2016, Virginia average teacher salaries were ranked 30th in the nation

## Maintaining Competitive Advantage for the Future: What Challenges and Opportunities Are Addressed?

- ▶ Recruitment and retention of high quality staff for each classroom
- ▶ Trend data that show significant drops in numbers and percent of education majors in colleges and universities (nationally and in Virginia)
- ▶ Virginia divisions (including Albemarle) are being challenged to fill some positions now -VADOE and state universities concerned that decrease in students pursuing education majors impacts future quality & quantity of teaching staff
- ▶ Teacher dissatisfaction with compensation as shared in surveys and focus groups
- ▶ Current compensation strategy difficult to communicate to staff and community

## Gallagher Titan Study Findings- Focus Groups and Leadership Meetings

### **The focus groups, senior team meetings, and steering group input has been invaluable.**

- ▶ Not everyone thinks teachers are underpaid relative to the “market.” Many anecdotal examples of pay problems. Some are real and some are not representative of broader data.
- ▶ Across the country the profession is “undervalued,” leading to low pay so teachers “can’t afford a house” in any high cost of living market, not just Albemarle.
- ▶ The Division is not having real trouble recruiting or retaining. The sense of fairness and morale is what is at stake.

## Gallagher Titan Study Findings- Focus Groups and Leadership Meetings

- ▶ Movement through the pay scales and what happens to pay as a teacher moves along is a mystery – even to the Principals and the Administrators who designed and administer the program...no wonder teachers are both skeptical and feeling like something is wrong with pay.
- ▶ The benefits package is important and may be a source of some angst, especially retirement, healthcare costs, and end-of-career payouts for sick leave.
- ▶ It is not just about pay – independence, class size, and working in a quality Division with smart students is a competitive advantage for Albemarle.
- ▶ Pay for other activities, duties, and responsibilities is an important factor for teachers and a way to shape participation and align pay with the market.

## Gallagher Titan Study Findings- Conclusions and Recommendations

- ▶ Overall, Albemarle annual pay tracks closely to the daily rate adjusted cost of teacher labor in eight Virginia talent competitors who are high-performing districts.
- ▶ Competitive pay shortfall is for more senior teachers. This is where adjustments are recommended.
- ▶ Albemarle is competitive for entry-level teachers.
- ▶ Albemarle is not competitive for many of its special or incentive pays. This is an area where the Division could make meaningful changes.
- ▶ Make the pay setting process transparent.

## Developing the Teacher Scale (Current method)

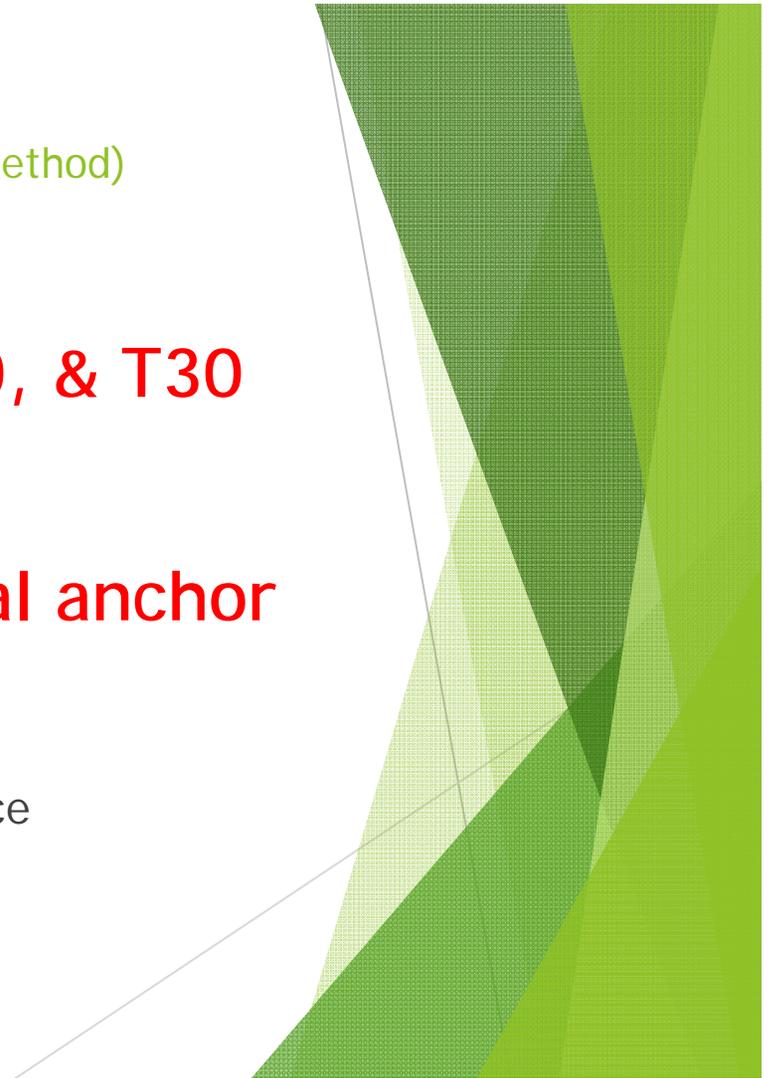
Current method/philosophy

**4 anchor points - T0\*, T10, T20, & T30  
with varying % increases**

**Equal dollars between individual anchor  
points**

\*T0 = beginning teacher with zero years of experience

T10 = teacher with 10 years of experience

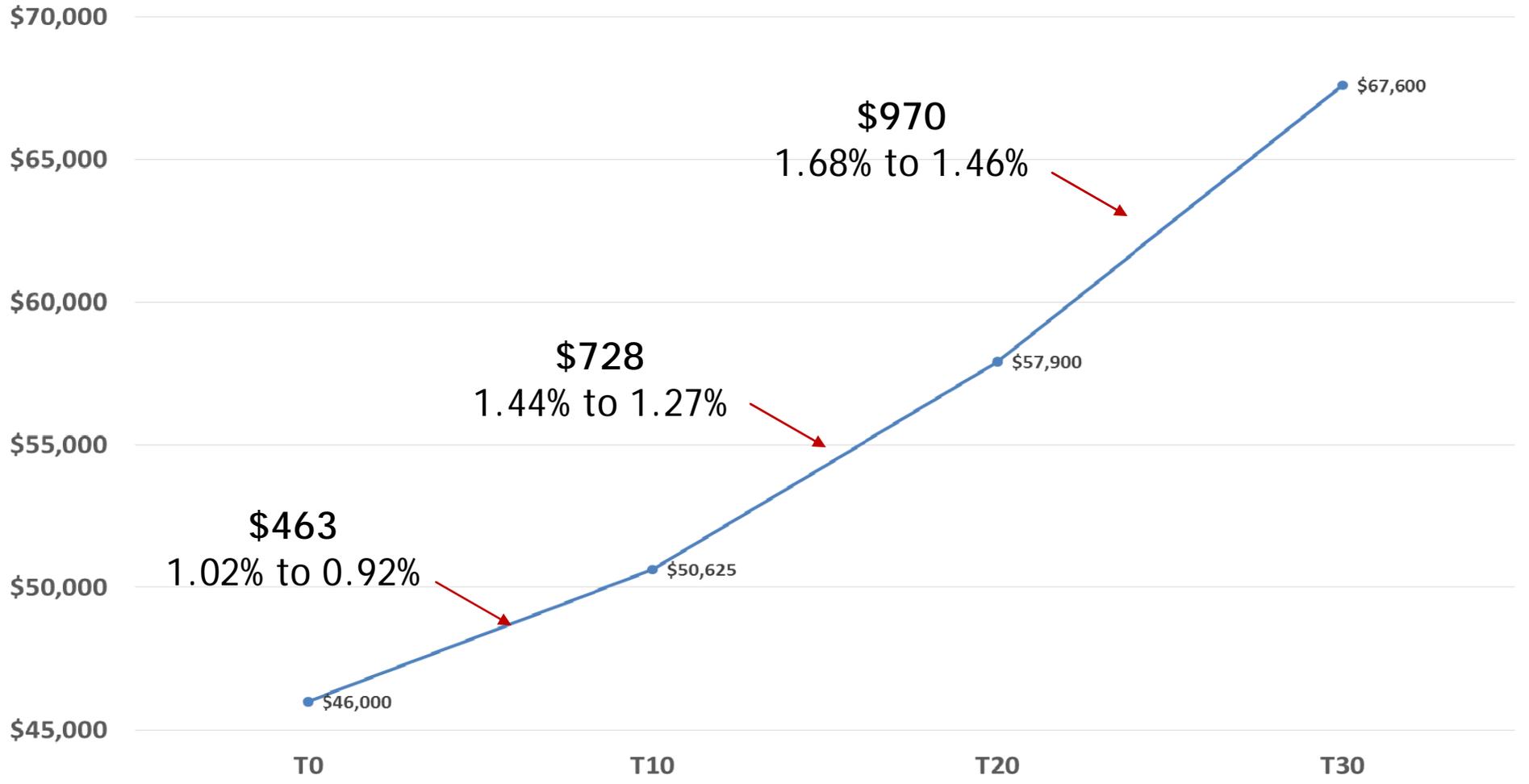


## Movement on Current Scale (step ONLY)

<u>Step</u>	<u>2017-18 Scale</u>	<u>\$ Step</u> <u>Incr</u>	<u>% Step</u> <u>Incr</u>
00	\$46,000		
01	\$46,463	\$463	1.01%
09	\$50,163	\$463	0.93%
10	\$50,625	\$463	0.92%
11	\$51,353	\$728	1.44%
19	\$57,173	\$728	1.29%
20	\$57,900	\$728	1.27%
21	\$58,870	\$970	1.68%

**1 Step = ~1.13% Overall Salary Increase**  
(no one actually receives this percentage)

### Current Method: 4 Anchors T0, T10, T20, T30

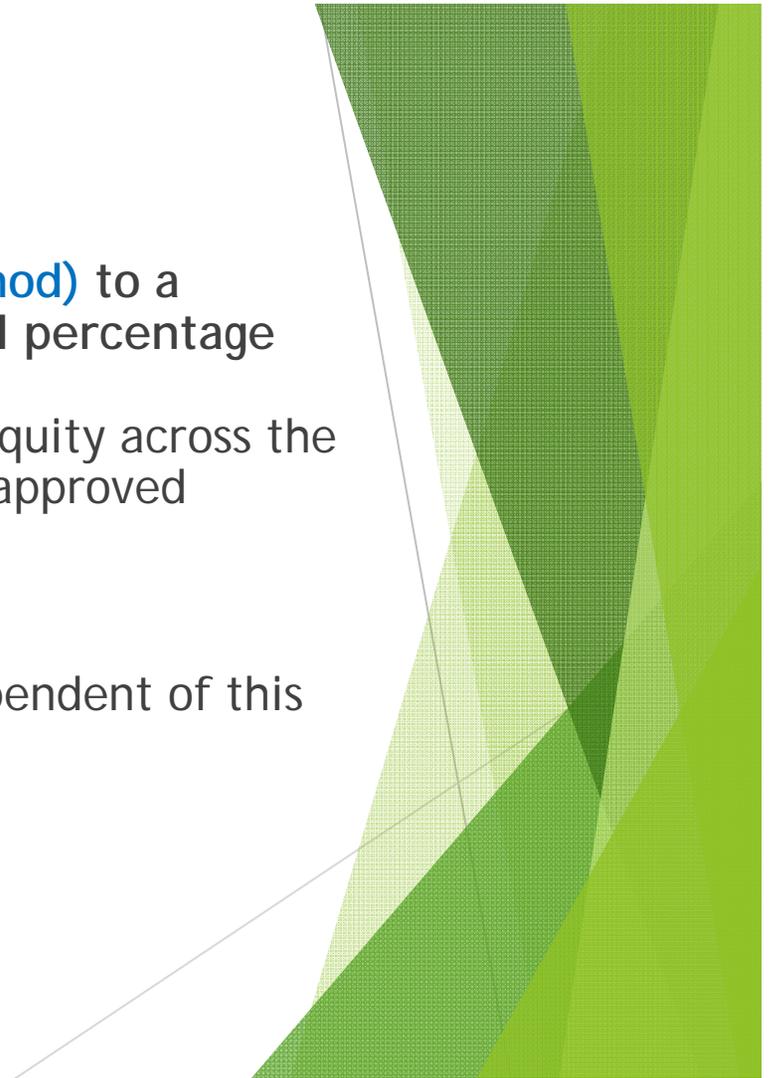


## Addressing Concerns by New Method

Move from a **4 anchor point scale (current method)** to a **2 anchor point scale (straight line)** with equal percentage changes across the scale

Enhances understanding and communication- equity across the scale and all teachers receive the same board approved percentage increase

Market choice (current or Niche or other) is independent of this strategy



## Addressing Concerns by New Method

### *Current method - 4 Anchor Points*

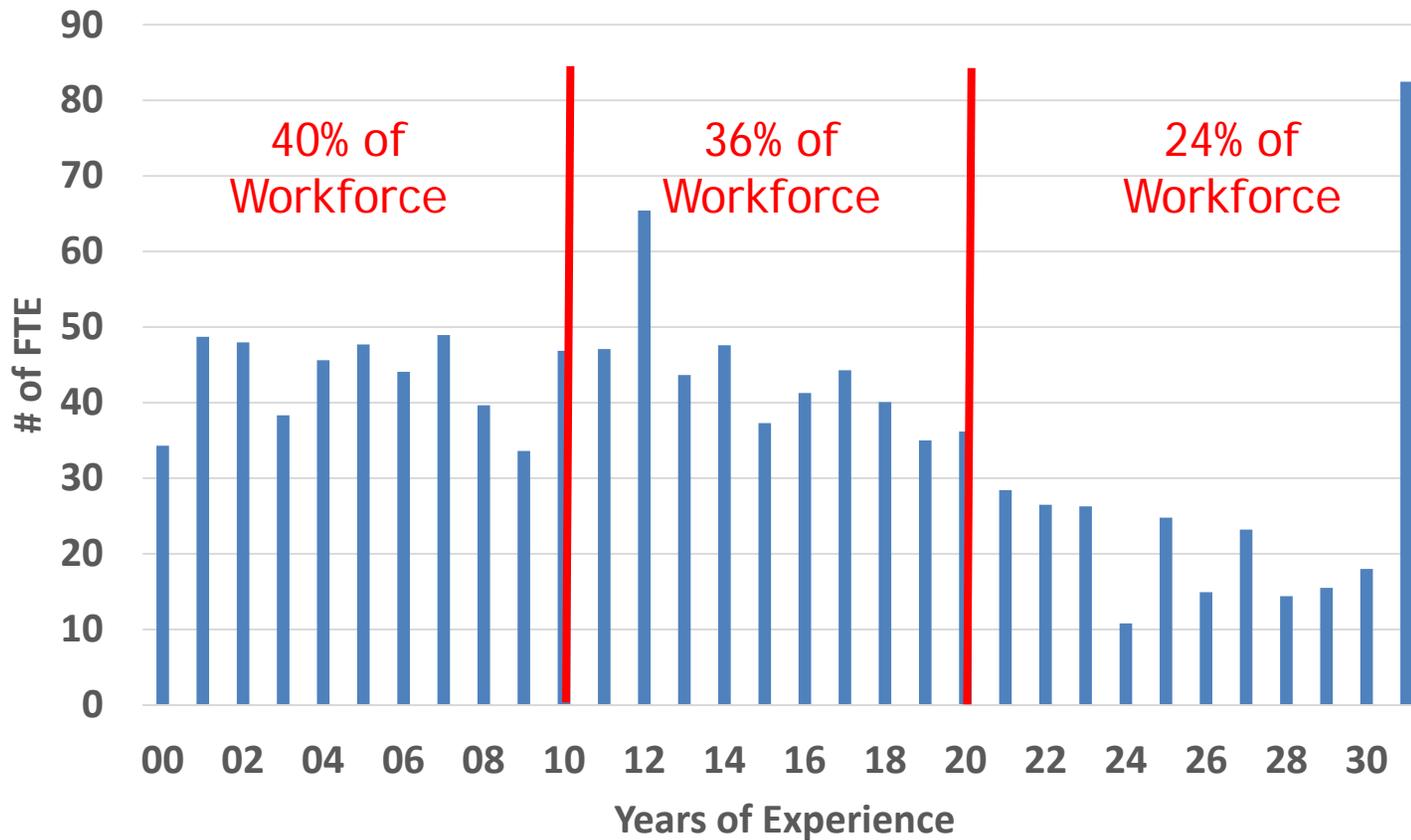
Build 18/19 scale as usual-4 anchor points, apply 2% inclusive of step-Cost \$1.5m

### *Recommended method - 2 Anchor Points (straight line)*

Move to 2 anchor point scale (**straight line**) and apply minimum 2% for all -Cost \$3m

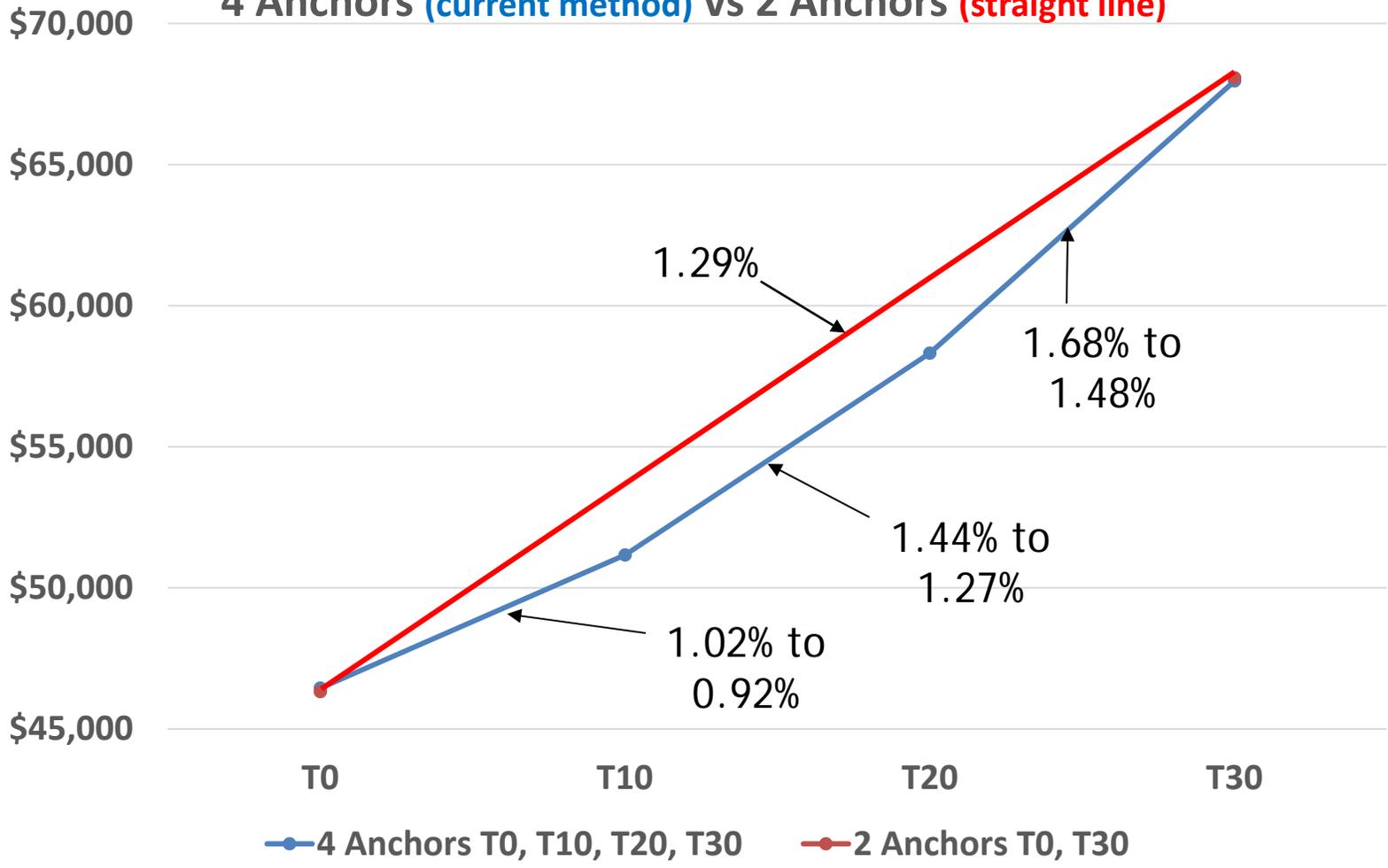


## Distribution of Teachers Across the Scale (Sept Payroll)



# Recommended Increase

4 Anchors (current method) vs 2 Anchors (straight line)



A Current Scale				B 2% Increase 4 Anchor Points - Variable % Steps					C 2% Increase 2 Anchor Points - Equal % Steps				
Step	2017-18 Scale	\$ Step Incr	% Step Incr	2% Incr 4 Anchors	\$ Step Incr	% Step Incr	\$ Scale + Step	% Scale + Step	2% Incr 2 Anchors	\$ Step Incr	% Step Incr	\$ Scale + Step	% Scale + Step
00	\$46,000			\$46,448					\$46,321				
01	\$46,463	\$463	1.01%	\$46,920	\$472	1.02%	\$920	2.00%	\$46,920	\$599	1.29%	\$920	2.00%
02	\$46,925	\$463	1.00%	\$47,392	\$472	1.01%	\$929	2.00%	\$47,526	\$606	1.29%	\$1,064	2.29%
03	\$47,388	\$463	0.99%	\$47,864	\$472	1.00%	\$939	2.00%	\$48,140	\$614	1.29%	\$1,215	2.59%
04	\$47,850	\$463	0.98%	\$48,335	\$472	0.99%	\$948	2.00%	\$48,762	\$622	1.29%	\$1,375	2.90%
05	\$48,313	\$463	0.97%	\$48,807	\$472	0.98%	\$957	2.00%	\$49,392	\$630	1.29%	\$1,542	3.22%
06	\$48,775	\$463	0.96%	\$49,279	\$472	0.97%	\$966	2.00%	\$50,030	\$638	1.29%	\$1,718	3.55%
07	\$49,238	\$463	0.95%	\$49,751	\$472	0.96%	\$976	2.00%	\$50,676	\$646	1.29%	\$1,901	3.90%
08	\$49,700	\$463	0.94%	\$50,222	\$472	0.95%	\$985	2.00%	\$51,330	\$654	1.29%	\$2,093	4.25%
09	\$50,163	\$463	0.93%	\$50,694	\$472	0.94%	\$994	2.00%	\$51,993	\$663	1.29%	\$2,293	4.61%
10	\$50,625	\$463	0.92%	\$51,166	\$472	0.93%	\$1,003	2.00%	\$52,664	\$671	1.29%	\$2,502	4.99%
11	\$51,353	\$728	1.44%	\$51,638	\$472	0.92%	\$1,013	2.00%	\$53,344	\$680	1.29%	\$2,719	5.37%
12	\$52,080	\$728	1.42%	\$52,380	\$742	1.44%	\$1,027	2.00%	\$54,033	\$689	1.29%	\$2,681	5.22%
13	\$52,808	\$728	1.40%	\$53,122	\$742	1.42%	\$1,042	2.00%	\$54,731	\$698	1.29%	\$2,651	5.09%
14	\$53,535	\$728	1.38%	\$53,864	\$742	1.40%	\$1,056	2.00%	\$55,438	\$707	1.29%	\$2,631	4.98%
15	\$54,263	\$728	1.36%	\$54,606	\$742	1.38%	\$1,071	2.00%	\$56,154	\$716	1.29%	\$2,619	4.89%
16	\$54,990	\$728	1.34%	\$55,348	\$742	1.36%	\$1,085	2.00%	\$56,879	\$725	1.29%	\$2,617	4.82%
17	\$55,718	\$728	1.32%	\$56,090	\$742	1.34%	\$1,100	2.00%	\$57,614	\$735	1.29%	\$2,624	4.77%
18	\$56,445	\$728	1.31%	\$56,832	\$742	1.32%	\$1,114	2.00%	\$58,358	\$744	1.29%	\$2,641	4.74%
19	\$57,173	\$728	1.29%	\$57,574	\$742	1.31%	\$1,129	2.00%	\$59,112	\$754	1.29%	\$2,667	4.72%
20	\$57,900	\$728	1.27%	\$58,316	\$742	1.29%	\$1,143	2.00%	\$59,875	\$763	1.29%	\$2,703	4.73%
21	\$58,870	\$970	1.68%	\$59,058	\$742	1.27%	\$1,158	2.00%	\$60,648	\$773	1.29%	\$2,748	4.75%
22	\$59,840	\$970	1.65%	\$60,047	\$989	1.68%	\$1,177	2.00%	\$61,431	\$783	1.29%	\$2,561	4.35%
23	\$60,810	\$970	1.62%	\$61,037	\$989	1.65%	\$1,197	2.00%	\$62,224	\$793	1.29%	\$2,384	3.98%
24	\$61,780	\$970	1.60%	\$62,026	\$989	1.62%	\$1,216	2.00%	\$63,028	\$804	1.29%	\$2,218	3.65%
25	\$62,750	\$970	1.57%	\$63,016	\$989	1.60%	\$1,236	2.00%	\$63,842	\$814	1.29%	\$2,062	3.34%
26	\$63,720	\$970	1.55%	\$64,005	\$989	1.57%	\$1,255	2.00%	\$64,667	\$825	1.29%	\$1,917	3.05%
27	\$64,690	\$970	1.52%	\$64,994	\$989	1.55%	\$1,274	2.00%	\$65,502	\$835	1.29%	\$1,782	2.80%
28	\$65,660	\$970	1.50%	\$65,984	\$989	1.52%	\$1,294	2.00%	\$66,348	\$846	1.29%	\$1,658	2.56%
29	\$66,630	\$970	1.48%	\$66,973	\$989	1.50%	\$1,313	2.00%	\$67,205	\$857	1.29%	\$1,545	2.35%
30	\$67,600	\$970	1.46%	\$67,963	\$989	1.48%	\$1,333	2.00%	\$68,073	\$868	1.29%	\$1,443	2.17%
31	\$68,400	\$800	1.18%	\$68,952	\$989	1.46%	\$1,352	2.00%	\$68,952	\$879	1.29%	\$1,352	2.00%

## ALCP Stipend Recommendation

- ▶ Albemarle is not competitive for many of its special or incentive pays. This is an area where the Division could make meaningful changes.
  - ▶ Titan Gallagher Study Finding
- ▶ Restore Academic Leadership Stipend by 35% (amount reduced in FY10-11), cost \$345,755

## Next meeting discussion questions

- ▶ Should we control for cost of labor differences?
- ▶ What is appropriate competitive market and target?

