Educator and Community College Faculty Pay

House Select Committee on Educator Practices and Strategies

January 27-28, 2016

TEACHER SALARIES
Key Takeaways

• Comparisons and Rankings
• Recent Legislative Actions
• Understanding Average Pay Trends
• Cost Scenarios

Average Teacher Salary
Source: NEA Annual Rankings

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</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>52,308</td>
<td>54,319</td>
<td>55,202</td>
<td>55,643</td>
<td>55,418</td>
<td>56,103</td>
<td>56,610</td>
<td>8.2%</td>
</tr>
<tr>
<td>North Carolina</td>
<td>47,354</td>
<td>48,648</td>
<td>46,850</td>
<td>46,605</td>
<td>45,947</td>
<td>45,737</td>
<td>44,990</td>
<td>-5.0%</td>
</tr>
<tr>
<td>Florida</td>
<td>46,930</td>
<td>46,921</td>
<td>46,708</td>
<td>45,732</td>
<td>46,479</td>
<td>45,598</td>
<td>47,780</td>
<td>1.8%</td>
</tr>
<tr>
<td>Georgia</td>
<td>51,560</td>
<td>52,879</td>
<td>53,112</td>
<td>52,815</td>
<td>52,938</td>
<td>52,880</td>
<td>52,924</td>
<td>2.6%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>45,758</td>
<td>47,421</td>
<td>47,908</td>
<td>47,059</td>
<td>47,428</td>
<td>48,375</td>
<td>48,439</td>
<td>5.8%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>45,030</td>
<td>45,549</td>
<td>46,290</td>
<td>45,891</td>
<td>47,802</td>
<td>47,563</td>
<td>47,742</td>
<td>6.0%</td>
</tr>
<tr>
<td>Virginia</td>
<td>46,796</td>
<td>48,365</td>
<td>50,015</td>
<td>48,781</td>
<td>48,703</td>
<td>48,670</td>
<td>49,826</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

Highest Pay
| California     | 64,424  | 68,093  | 68,203  | 67,871  | 68,331  | 69,324  | 71,396  | 10.8%                     |
| New York       | 62,332  | 69,418  | 71,633  | 72,708  | 73,398  | 75,479  | 76,409  | 22.6%                     |

Lowest Pay
| South Dakota   | 36,674  | 35,070  | 38,837  | 39,850  | 38,804  | 39,018  | 40,023  | 9.1%                      |
Average Teacher Salary

Source: NEA Annual Rankings

Teacher Pay Rankings

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>North Carolina</td>
<td>25</td>
<td>25</td>
<td>36</td>
<td>41</td>
<td>46</td>
<td>46</td>
<td>47</td>
</tr>
<tr>
<td>Florida</td>
<td>29</td>
<td>35</td>
<td>37</td>
<td>45</td>
<td>42</td>
<td>45</td>
<td>47</td>
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<tr>
<td>Georgia</td>
<td>18</td>
<td>18</td>
<td>18</td>
<td>22</td>
<td>22</td>
<td>23</td>
<td>24</td>
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<tr>
<td>South Carolina</td>
<td>37</td>
<td>33</td>
<td>34</td>
<td>38</td>
<td>39</td>
<td>38</td>
<td>37</td>
</tr>
<tr>
<td>Tennessee</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>44</td>
<td>38</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Virginia</td>
<td>30</td>
<td>29</td>
<td>24</td>
<td>30</td>
<td>30</td>
<td>36</td>
<td>29</td>
</tr>
</tbody>
</table>
Legislative Actions

**FY 2009-10 to 2013-14**
- Shifted steps, which “froze” pay

**FY 2012-13**
- Provided a 1.2% increase to all steps

**FY 2014-15**
- Created new 6-tier step system that increased pay on all tiers above 2008-09 levels
- Increased starting pay from $30,800 to $33,000

**FY 2015-16**
- Increased starting pay to $35,000/year
- Provided a $750 bonus to all educators

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Why did Average Pay Decline FY 2009-10 to 2013-14?

- No decrease in any individual teacher’s pay
- Pay freeze from 2009-10 through 2013-14 effectively lowered pay on each step

<table>
<thead>
<tr>
<th>Step</th>
<th>2008-09 Pay</th>
<th>2013-14 Pay</th>
<th>2015-16 Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>3,264</td>
<td>3,080</td>
<td>3,500</td>
</tr>
<tr>
<td>10</td>
<td>3,918</td>
<td>3,122</td>
<td>4,000</td>
</tr>
<tr>
<td>15</td>
<td>4,176</td>
<td>3,965</td>
<td>4,350</td>
</tr>
</tbody>
</table>

- Changes in the distribution of teachers along the pay scale?
How Experienced Are U.S. Public School Teachers?

The distribution of teacher experience has fluctuated over the past 25 years. While the percentage of teachers with 10–20 years of experience has grown since 2007–08, the percentage of new teachers with less than 3 years of experience has declined.


EDUCATION POLICY Center
American Institutes for Research
educationpolicy.air.org

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How Experienced are NC Teachers?

- **20+ years**: 24.3% in 1999–2000, 23.1% in 2003–04, 20.9% in 2007–08, 20.2% in 2015–16
- **10 to 20 years**: 29.4% in 1999–2000, 29.1% in 2003–04, 30.5% in 2007–08, 37.3% in 2015–16
- **3 to 9 years**: 19.1% in 1999–2000, 17.3% in 2003–04, 17.1% in 2007–08, 14.8% in 2015–16
- **< 3 years**: 11.8% in 1999–2000, 12.4% in 2003–04, 15.5% in 2007–08, 23.7% in 2015–16

**FISCAL RESEARCH DIVISION**
A Staff Agency of the North Carolina General Assembly
What about 2014-15 and 2015-16?

- NEA rankings for these years have yet to be released

North Carolina:

- FY 2014-15 Average Salary: $47,783*
  - A 6.2% increase over NEA’s FY 2013-14 est. of $44,990
  - If other states made NO changes, NC would rank 39th in US

- FY 2015-16 average salaries not yet available

*Source: DPI's February 2015 Highlights. Highlights provide a slightly different estimate of average salary than NEA, the FY 2013-14 estimate was $45,355 as compared to $44,990.

Why Rankings are Challenging

- Average salaries are self-reported and often estimated by NEA (see * in tables)

- What NC includes:*  
  
*Source: DPI's February 2015 Highlights.
Why Rankings are Challenging

• Things beyond NCGA’s control have an effect
  – Distribution of educators
  – Local supplements
  – Other factors

• May have limited utility in developing policy
  – Recent research suggests limited movement of educators between states, more movement within a state and between professions

Cost Scenarios

*Based on December 2014 survey, updates estimate available late February, 2016*
If you increase pay…

What are the goals of increased pay?
– Recruitment?
– Retention?
– Something else?

How are increases distributed?
– Across-the-board
– To newer educators
– To more experienced educators
– In another manner?
## Average Faculty Salaries

*Source: SREB*

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</thead>
<tbody>
<tr>
<td>SREB states</td>
<td>50,191</td>
<td>51,452</td>
<td>51,799</td>
<td>51,831</td>
<td>51,834</td>
<td>52,158</td>
<td>3.9%</td>
</tr>
<tr>
<td>North Carolina</td>
<td>46,253</td>
<td>47,594</td>
<td>47,556</td>
<td>47,284</td>
<td>47,272</td>
<td>47,410</td>
<td>2.5%</td>
</tr>
<tr>
<td>Florida</td>
<td>53,059</td>
<td>53,533</td>
<td>53,626</td>
<td>54,244</td>
<td>54,586</td>
<td>55,706</td>
<td>5.0%</td>
</tr>
<tr>
<td>Georgia</td>
<td>46,601</td>
<td>47,794</td>
<td>48,163</td>
<td>47,972</td>
<td>46,683</td>
<td>46,627</td>
<td>0.1%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>46,384</td>
<td>49,404</td>
<td>46,613</td>
<td>46,504</td>
<td>46,414</td>
<td>47,799</td>
<td>3.1%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>47,584</td>
<td>47,337</td>
<td>46,830</td>
<td>46,503</td>
<td>47,131</td>
<td>48,916</td>
<td>2.8%</td>
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<tr>
<td>Virginia</td>
<td>54,538</td>
<td>57,334</td>
<td>57,186</td>
<td>56,975</td>
<td>58,362</td>
<td>60,059</td>
<td>10.1%</td>
</tr>
</tbody>
</table>

### Highest Pay

- Delaware: $63,767 to $63,828, change: +0.9%
- Maryland: $63,137 to $64,964, change: +2.8%

### Lowest Pay

- Arkansas: $44,014 to $42,375, change: -0.4%

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## Average Teacher Salary

*Source: SREB*

![Average Teacher Salary Chart](chart.png)
Faculty Pay Rankings within SREB

<table>
<thead>
<tr>
<th>State</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2013-14</th>
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<tbody>
<tr>
<td>North Carolina</td>
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<td>11</td>
<td>12</td>
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<tr>
<td>Florida</td>
<td>5</td>
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<td>4</td>
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<td>15</td>
<td>13</td>
<td>9</td>
</tr>
<tr>
<td>Virginia</td>
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<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

No estimates or rankings available for FY 2014-15, FY 2015-16

Legislative Actions

- **FY 2009-10 to 2013-14**
  - Pay freeze
  - No additional salary funds provided

- **FY 2012-13**
  - Funds sufficient for an across-the-board 1.2% increase, allowed flexibility in use ($13.6M)

- **FY 2014-15**
  - $1,000 across-the-board salary increase ($22.74M)

- **FY 2015-16**
  - $14.9 M for $750 Bonus
  - $10M R in flexible funds (use TBD)
Cost Scenarios

Each 1% increase in instructional personnel pay costs approximately $7M

NC Faculty Average Salary FY 2013-14: $47,410

Virginia (Highest of Surrounding States)
2013-14 Av Salary: $60,059
Percent Above NC: 26.7%
Estimated Cost: $186.1 M

Maryland (Highest of SREB)
2013-14 Av Salary: $61,849
Percent Above NC: 30.5%
Estimated Cost: $212.5 M

Assumes no change in Virginia or Maryland average salaries

Questions?

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Lanier.McRee@NCLeg.net