

# The Washington State Board of Education

Governance | Achievement | Transitions | Math & Science | Effective Workforce

<b>Title:</b>	<b>Final Report of the QEC Compensation Technical Working Group</b>	
<b>As Related To:</b>	<input type="checkbox"/> Goal One: Advocate for effective and accountable P-13 governance in public education <input type="checkbox"/> Goal Two: Provide policy leadership for closing the academic achievement gap <input type="checkbox"/> Goal Three: Provide policy leadership to strengthen students' transitions within the P-13 system	<input type="checkbox"/> Goal Four: Promote effective strategies to make Washington's students nationally and internationally competitive in math and science <input checked="" type="checkbox"/> Goal Five: Advocate for policies to develop the most highly effective K-12 teacher and leader workforce in the nation <input type="checkbox"/> Other
<b>Relevant To Board Roles:</b>	<input checked="" type="checkbox"/> Policy Leadership <input type="checkbox"/> System Oversight <input checked="" type="checkbox"/> Advocacy	<input type="checkbox"/> Communication <input type="checkbox"/> Convening and Facilitating
<b>Policy Considerations / Key Questions:</b>	<p>How would the recommendations of the Compensation Technical Working Group, if adopted and implemented, improve teacher quality and increase student achievement? How do the recommendations address demonstrated difficulties in attracting and retaining high-quality teachers and other certificated staff by teaching field, job duties, school demographics, and geographic region? How would the proposed new salary allocation model change the profile of persons entering, remaining in, and leaving the profession? What direction, if any, should there be on how the proposed 80 hours of additional paid time for professional development be used at the school and district level to benefit student learning and close the achievement gap? How would implementation of the Working Group's recommendations be financed?</p>	
<b>Possible Board Action:</b>	<input checked="" type="checkbox"/> Review <input type="checkbox"/> Adopt <input type="checkbox"/> Approve <input type="checkbox"/> Other	
<b>Materials Included in Packet:</b>	<input checked="" type="checkbox"/> Memo <input type="checkbox"/> Graphs / Graphics <input checked="" type="checkbox"/> Third-Party Materials <input type="checkbox"/> PowerPoint	
<b>Synopsis:</b>	<p>SHB 2261, 2009 Session, directed the Office of Financial Management to convene a technical working group to recommend an enhanced salary allocation model that aligns educator certification with the compensation system. (This was changed in 2010 to provide that the Office of Superintendent of Public Instruction convenes the working group.) The legislation gave the working group specific charges for this analysis, including, for example, examining salaries and other compensation for teachers and other staff, comparing salaries and other compensation to appropriate labor markets for beginning teachers and certain other kinds of certificated staff. It directed the working group to make recommendations on: (1) how to reduce the number of tiers in the existing salary schedule; (2) how to account for different geographic regions where there may be difficulty recruiting and retaining teachers; (3) how to account for labor market adjustments; (4) what kinds of salary bonuses should be available; (5) how equalization in state salary allocations can be accomplished; and (6) what the estimated costs would be of implementing the group's recommendations on salaries and other compensation. The final report of the working group was due June 30, 2012.</p> <p>Staff to the Office of Superintendent of Public Instruction and members of the Compensation Technical Working Group will present an overview of the recommendations of the working group's final report and respond to questions from Board members.</p>	

## Final Report, Quality Education Council (QEC) Compensation Technical Working Group

### Policy Consideration

The Board will be informed about the final report of the QEC Compensation Technical Working Group, and consider how its recommendations address Goal Five of the SBE Strategic Plan, “Policies to Develop the Most Highly Effective K-12 Teacher and Leader Workforce in the Nation.” Policy questions for the Board may include:

1. How would the recommendations of the Compensation Technical Working Group, if adopted and implemented by the Legislature, improve teacher quality and increase student achievement?
2. To what extent does the report identify and address documented difficulties in attracting high-quality teachers, other certificated instructional staff, and administrators by subject field, school characteristics, and geographic region?
3. How would the proposed new salary allocation model, over time, change the profile of persons entering, remaining in, and leaving the teaching profession?
4. What direction, if any, should there be on additional paid time for professional development is used at the district level to ensure a return on investment in increased student achievement?
5. How would implementation of the working group’s recommendations be financed? What tradeoffs, if any, are there between funding of the compensation recommendations made by the working group and other near-term priorities for improved funding of basic education, in accord with the *McCleary* decision?

### Summary

The Legislature created the Quality Education Council (QEC) in SHB 2261, 2009 Session, to recommend and inform the ongoing implementation of an evolving definition of basic education. It has thirteen members, including eight legislators and representatives of the Governor’s Office, the State Board of Education, the Superintendent of Public Instruction, and the Department of Early Learning. The mandate of the QEC is to develop strategic recommendations on the program of basic education, periodically updated, with the intent to inform policy and funding decisions, identify measurable goals and priorities, and enable implementation of an evolving program.

SHB 2261 directed the Office of Financial Management to convene a technical working group to recommend the details of an enhanced salary allocation model that aligns educator certification with the compensation system. ESHB 2776, 2010 Session, made a change to provide that the technical working group is convened by the Office of Superintendent of Public Instruction, in collaboration with OFM, and moved the reporting date from December 1, 2012 to June 30, 2012.

The analysis required by the Legislature under SHB 2261 (RCW 28A.400.201) must:

- Examine salaries and other compensation for teachers, other certificated instructional staff, administrators, and classified employees for whom salaries are allocated.
- Be calculated at a statewide level that identifies labor markets using federal data.
- Include a comparison of salaries and other compensation to the appropriate labor market for, at least, beginning teachers and types of educational staff associates.

The Compensation Technical Working Group was directed to make recommendations on:

1. How to reduce the number of tiers within the existing salary allocation model.
2. How to account for labor market adjustments.
3. How to account for different geographic regions of the state where districts may encounter difficulty recruiting and retaining teachers.
4. The role and types of bonuses available.
5. Ways to accomplish equalization in state salary allocations over a number of years.
6. Initial fiscal estimates for implementing the recommendations, including recognition that staff on the existing salary allocation model would have the option to grandfather in permanently to the existing schedule.

The Working Group was directed to conduct or contract for a preliminary comparative labor market analysis of salaries and other compensation for school employees. For this analysis, “salaries and other compensation” was to include average base salaries, average total salaries, average employee basic benefits and retirement benefits RCW 28A.400.201).

The working group contracted for this report with Prof. Lori Taylor of Texas A&M University.  
<http://www.k12.wa.us/Compensation/pubdocs/CompetitiveSeattle.pdf>

Other reports prepared for the Compensation Technical Working Group include:

“Teacher Retention by School District and MSA,” Office of Superintendent of Public Instruction, June 2012.  
<http://www.k12.wa.us/Compensation/Meetings/2012/TeacherRetentionDistrictMSA.pdf>

“Teacher Compensation and Training Policies: Impacts on Student Outcomes,” Washington State Institute for Public Policy, May 2012.  
<http://www.wsipp.wa.gov/rptfiles/12-05-2201.pdf>

“School-Level Teacher Retention and School Characteristics,” Office of Financial Management, Education Research and Data Center, May 2012.  
[http://www.k12.wa.us/Compensation/Meetings/2012/erdc\\_may3\\_final.pdf](http://www.k12.wa.us/Compensation/Meetings/2012/erdc_may3_final.pdf)

“An ACS-Based Regional Cost Adjustment for the State of Washington,” Lori Taylor, April 2012.  
<http://www.k12.wa.us/Compensation/Meetings/2012/RegionalCostAdjustment.pdf>

Teacher Compensation: Impact on Student Outcomes from Performance Pay, Induction, and NBPTS,” Washington State Institute for Public Policy, March 2012.  
<http://www.k12.wa.us/Compensation/Meetings/2012/WSIPPTeachercomp.pdf>

The membership of the working group includes representatives of the Office of Financial Management, the Professional Educators Standards Board, the Office of the Superintendent

of Public Instruction, and organizations representing teachers, superintendents, principals, school directors, and classified school employees.

The final report of the Compensation Technical Working Group was due by June 30, 2012. The working group could include in its report whether further work of the group is necessary.

The recommendations in the final report include, in brief summary:

- Salary allocations for administrative and classified employees based on a labor market analysis of wages akin to occupations with similar knowledge, skills and abilities and education and training requirements.
- An increase in the starting salaries for teachers, calculated as 10/12 (for the shorter work year) of the beginning salary for comparable occupations.
- State-allocated funding for 80 additional hours of professional development time for certificated instructional staff and instructional aides.
- An annual adjustment in education salaries based on the federal Consumer Price Index (CPI) for the Seattle area, which shall be a basic education obligation of the state.
- A revised salary allocation model for certificated staff, aligned to a career continuum for educators.
- Increases in staffing allocations and allocations for categorical programs, in adherence to the recommendations of the Quality Education Council.
- New categorical program allocations for mentor teachers and instructional coaches, made through the prototypical school funding model in ESHB 2776.
- Authorization for school districts to use local levy funds to increase basic education salaries for all basic education staff, including certificated instructional, administrative and classified staff, up to a 110 percent salary limit.
- A recommendation that the Legislature fully fund the recommendations of this report as soon as possible, or lacking that, that the state provide the highest salary allocation that each individual employee would be eligible for under either the old or new model.

The draft final report states that the additional annual cost of its recommendations, based on current dollars, at \$2.048 billion. The estimated cost of funding the QEC provisional recommendations, as recommended by the Compensation Technical Working Group, is \$2.959 billion.

### **Action**

None.

# Compensation Technical Working Group Recommendations

State Board of Education  
July 12, 2012



# Background

- ▶ The Compensation Technical Working Group (CTWG) was authorized as part of House Bill 2261 ([RCW 28A.400.201](#))
- ▶ Last group to weigh in on the redefined program of basic education
- ▶ Submitted 9 recommendations and fiscal estimates to the legislature on June 30, 2012

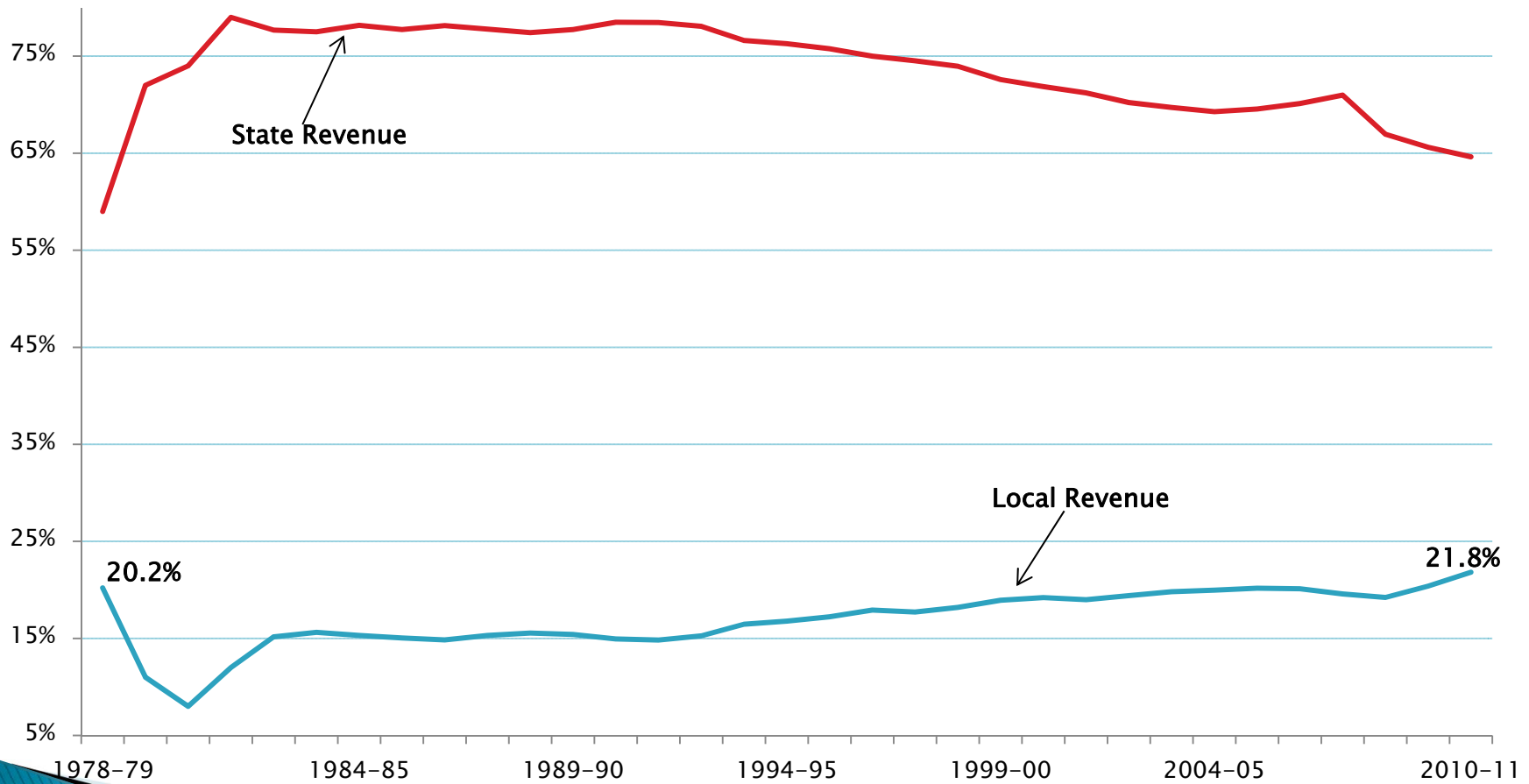


# McCleary Supreme Court Decision

- ▶ “The State has not complied with its Article IX, Section 1 duty to make ample provision for the education of all children in Washington (p.3).”
- ▶ “Ample funding for basic education must be accomplished by means of dependable and regular tax sources (p.3).”
- ▶ “The State cannot discharge its funding obligations by relying on local excess levies (p.55).”



# Local Revenue Portion of K-12 Funding is Higher than 1978



Source: OSPI Financial Reporting Summary





# Comparative Labor Market Analysis

*“Conduct or contract for a preliminary comparative labor market analysis of salaries and other compensation for school district employees to be conducted and shall include the results in any reports to the legislature.”*

- ▶ The CTWG partnered with the Employment Security Department to match K–12 jobs with comparable occupations outside of K–12 using BLS and O\*NET data for the following:
  - Education and training requirements
  - Knowledge
  - Skills
  - Abilities



# #1 – Increase Beginning Teacher Salary to \$48,687

- ▶ The highest priority of the group is to recruit and retain high quality educators
- ▶ Current state allocation for individual with Bachelor's degree and zero years of experience is \$33,401
- ▶ 10/12 of a starting salary for comparable occupations is \$48,687
- ▶ School districts would continue to be statutorily required to provide the minimum salary levels to educators



# #2 – Provide Fair Market Based Salary Allocations for All K–12 Staff

Certificated Administrative Staff	2011–12 Average State Allocation per 1.0 FTE	2011–12 Actual Average 12-month Salary (All Fund Sources)	Comparable 12 month salary
Principals, Assistant Principals, and other Certificated Building-Level Administrators	\$58,175	\$102,115	\$105,374
<b>Classified Staff</b>			
Teaching Assistance (Instructional Aides/Para-educators)	\$31,699	\$33,770	\$45,386
Office Support and other Noninstructional Aides	\$31,699	\$40,045	\$40,949
Custodians	\$31,699	\$37,931	\$39,454
Classified staff providing student and staff safety	\$31,699	\$39,233	\$44,040
Family Involvement Coordinator	\$31,699	N/A	\$45,386
Technology	\$31,699	\$57,353	\$83,253
Facilities, maintenance, and grounds	\$31,699	\$48,287	\$50,057
Warehouse, laborers, and mechanics	\$31,699	\$43,418	\$36,522



# #3 – Maintain Comparable Wages through COLA and Periodic Updates

- ▶ Employment Security Department comparable wage analysis should be conducted every four years.
- ▶ State allocation levels should be adjusted according to the analysis, if necessary
- ▶ In the interim, wages should increase with the Seattle CPI as recommended under I-732



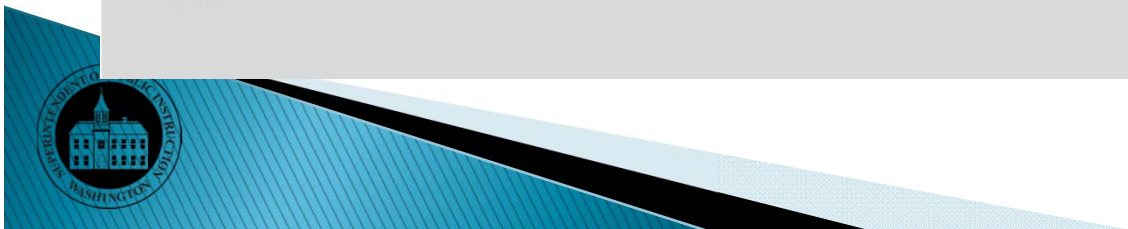
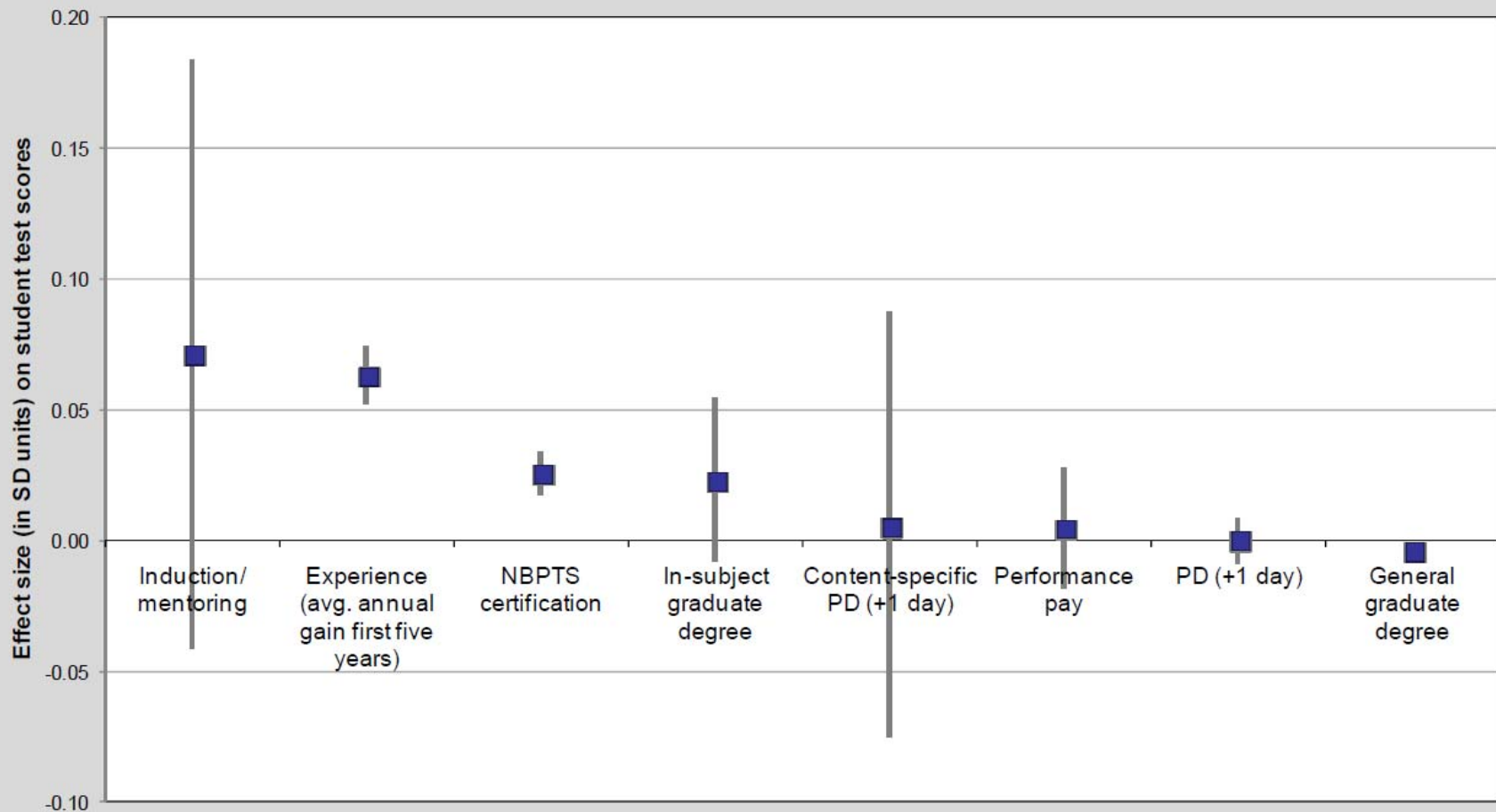
# #4 – Align the Salary Allocation Model to the Career Continuum for Educators

*“Recommend the details of an enhanced salary allocation model that aligns state expectations for educator development and certification with the compensation system” and “reduce the number of tiers within the existing salary allocation model”*

Certification Level	Bachelor's Degree	Advanced Degree
<b>Residency/Initial</b>	<b>\$48,687</b> 1.0000	<b>\$52,582</b> 1.0800
<b>Professional/Continuing</b> (minimum 4 years experience)	<b>\$58,424</b> 1.2000	<b>\$63,098</b> 1.2960
<b>Professional/Continuing with NBPTS</b> (minimum 4 years experience)	<b>\$63,098</b> 1.2960	<b>\$68,146</b> 1.3997
<b>Professional/Continuing</b> (minimum 9 years experience)	<b>\$70,109</b> 1.4400	<b>\$75,718</b> 1.5552
<b>Professional/Continuing with NBPTS</b> (minimum 9 years experience)	<b>\$75,718</b> 1.5552	<b>\$81,775</b> 1.6796



# Washington State Institute for Public Policy (WSIPP) Research



# #5 – Invest in 10 Days of Professional Development Time

- ▶ 180 school day calendar does not provide compensated time for professional development
- ▶ Certification and evaluation systems require professional growth
- ▶ 10 professional development days should be part of the definition of basic education



# #6 – Allocate Mentors and Instructional Coaches in the Basic Education Funding Formula

- ▶ **Mentors**: Categorical state funding based on the number of teachers with one to three years of experience or are on probationary status within a district
- ▶ **Instructional Coaches**: Add to the prototypical school funding model 1.1 FTE instructional coaches per school





# #7 – Provide Appropriate Staffing Levels and Increased Program Support

*“Continuing to attract and retain the highest quality educators will require increased investments.”*

- ▶ Compensation recommendations should occur in tandem with the statutory requirements in SHB 2776 and the Quality Education Council’s provisional recommendations to:
  - Reduce Class Sizes
  - Increase Staffing Levels
  - Strengthen the Transitional Bilingual Instructional Program, Learning Assistance Program, and the Highly Capable Program



# #8 – Amply Fund Basic Education Salaries and Limit Locally Funded Salary Enhancements

*“How to account for different geographic regions of the state where districts may encounter difficulty recruiting and retaining teachers” and “the role of and types of bonuses available”*

- ▶ CTWG recommends that every school district receive the state average comparable wage for all prototypical jobs
- ▶ Local school districts should have the flexibility to provide salary enhancements with local funds up to 10% above the state allocation to meet local non-basic education needs such as:
  - High cost of hiring
  - Hard-to-staff schools
  - Hard-to-staff positions
  - Performance pay



# #9 – Ensure School Districts Receive the Same or Higher State Salary Allocations

*“Including a recognition that staff on the existing salary allocation model would have the option to grandfather in permanently to the existing schedule.”*

- ▶ At full implementation, every K–12 employee will receive a higher state salary allocation and there will be no need for grandfathering
- ▶ During any phase-in, districts should receive the higher allocation for either the old or new allocation model for every state-funded employee



# Fiscal Estimate

## Summary of Estimated Additional Annual Costs Tied to Recommended Salary Allocations (Current Dollars)

Certificated Administrative Staff (CAS)	\$217,600,000
Certificated Instructional Staff (CIS)	\$931,129,000
Classified Staff	\$277,001,000
Professional Development Days, CIS	\$222,431,000
Mentor Allocation	\$42,857,000
Instructional Coach Allocation	\$204,627,000
Substitutes	\$13,321,000
Special Education Impact	\$155,204,000
<b>Total Additional Annual Cost</b>	<b>\$2,064,170,000</b>

*Note: Additional costs compare current allocations with recommended allocations at June 2012 OSPI apportionment staffing levels.*



# Further Questions

- ▶ E-mail [kelci.karl-robinson@k12.wa.us](mailto:kelci.karl-robinson@k12.wa.us)
- ▶ More information can be found at [www.k12.wa.us/Compensation](http://www.k12.wa.us/Compensation)

