

F I N A L R E P O R T

TEACHER SALARY IMPROVEMENT STUDY COMMITTEE

January, 1987

The Teacher Salary Improvement Study Committee was established by the Legislative Council to recommend a range of cost alternatives and a range of funding sources and funding alternatives, including a kindergarten through grade 12 funding formula rewrite, which will compensate Iowa's teachers at salary levels that the Committee's research suggests are necessary to attract and retain competent Iowa teachers in the near-and long-term. The following members were appointed:

Senator Larry Murphy, Oelwein, Co-chairperson
Representative C. Arthur Ollie, Clinton, Co-chairperson
Senator Joy Corning, Cedar Falls
Senator Wally Horn, Cedar Rapids
Senator Jim Lind, Waterloo
Senator Jim Riordan, Waukee
Senator Ray Taylor, Steamboat Rock
Senator James Wells, Cedar Rapids
Representative Horace Daggett, Lenox
Representative Ward Handorf, Gladbrook
Representative Michael Peterson, Carroll
Representative Don Shoultz, Black Hawk
Representative Brent Siegrist, Council Bluffs
Representative Tom Swartz, Marshalltown

MEETING DAYS

The Study Committee was authorized three meeting days and held them on August 25, October 2, and November 20.

METHODOLOGY OF STUDY

The Committee identified the following as concerns that should be used in formulating goals and making recommendations to improve teacher salaries in Iowa:

1. The average age of teachers is increasing.
2. Iowa's ranking of the average teacher's salary in comparison to other states is declining and was thirty-seventh for the 1985-1986 school year. It is estimated that approximately \$100,000,000 would have been needed in 1985-1986 to bring the average Iowa teacher's salary up to the national average.

3. There is generally a disparity in beginning teacher salaries when comparing districts located in more rural areas to districts located in more urban areas.

4. Salaries of both beginning and experienced teachers are below those found in other areas of employment with similar educational requirements.

5. If additional money is distributed on a per teacher basis, those districts with lower teacher-pupil ratios will be benefited. If additional money is distributed on a per pupil basis, those districts with higher teacher-pupil ratios will be benefited. Because of differences in the teacher-pupil ratios among districts, the General Assembly needs to study the present formula for distributing state foundation aid and consider distribution that reflects class size.

Following the development of Committee concerns, the Committee then developed the following as goals:

1. Iowa's average teacher salaries should be brought up to the national average teacher salary within the next three years and the state average should be above the national average within five years or as soon as possible, thereafter.

2. Local school districts should continue to adopt their own salary schedules.

3. Initially, additional funding for teacher salaries should be provided from state sources and be included as miscellaneous income of school districts.

4. The salaries of beginning teachers should be increased in order to attract qualified individuals to the teaching profession.

5. The salaries of all teachers should be increased in order to retain experienced teachers.

6. State funds should be provided to encourage school districts to develop innovative staffing and pay models.

PRESENTATIONS

The following individuals made presentations to the Study Committee concerning the teacher salary situation in Iowa:

1. Ms. Donna Stuhr, Iowa Parent Teacher Association

2. Mr. Roger Hudson, Controller, Des Moines School District, representing the Urban Network

3. Mr. Phil Dunshee, Iowa Association of School Boards
4. Ms. Jan Reinicke, Iowa State Education Association
5. Dr. Dale Grabinsky, Superintendent, West Des Moines School District
6. Ms. Claudia Jones, People United for Rural Education
7. Mr. Wayne Haddy, Grant Wood Area Education Agency, representing the area education agencies
8. Dr. Bruce Hopkins, Western Hills Area Education Agency, representing the area education agencies
9. Mr. Eric Driessen, Grant Wood Area Education Agency, representing the area education agencies

Each of these individuals deplored the salaries paid to teachers in this state both in comparison to salaries paid to other occupations with similar education requirements and in comparison to salaries paid to teachers in other states. Although the specific proposals recommended by each association interested in education varied, all of the associations recommended increasing both the minimum salaries paid to teachers and the salaries paid to experienced teachers.

Dr. Lee Tack of the Department of Education presented data about the ages and staffing patterns of teachers in Iowa.

OTHER PRESENTATIONS AND PROPOSALS

During the fall, the Committee sought and received information from the two gubernatorial candidates concerning their education proposals to improve teacher salaries.

Dr. Norman Boyles, from the Department of Education at Iowa State University, made a presentation to the Committee outlining a report on merit pay that he prepared at the request of the Iowa State Education Association, the Iowa Association of School Boards, the Educational Administrators of Iowa, and the Iowa Association of School Administrators. Dr. Boyles described several varied compensation plans for teachers and stated that he does not believe that a single statewide plan would be best for Iowa. He also stated that he believes that teachers who have less than five years' teaching experience should be left on the regular salary schedule adopted by a school district and be free of any intensive evaluation required for receipt of additional financial stipends if the state wishes to provide moneys to school districts to pay additional compensatory awards for teachers.

Senator Wally Horn, a member of the Study Committee, submitted a proposed bill to the Committee at its first meeting. Senator

Horn's bill provided teacher salary increases and a minimum salary. The Committee considered the bill as it developed its final recommendations.

In addition, staff provided the Committee members with data and statistics about teacher salaries. A listing of this information is included in this report.

RECOMMENDATIONS

After careful review of the information presented, the Study Committee makes the following recommendations:

1. Appropriate \$100,000,000 per year beginning July 1, 1987 for teacher salary increases.

2. The money would be paid to school districts and area education agencies and would be miscellaneous income to be used only for teacher salary increases.

3. "Teacher" includes all nonadministrative certificated employees of school districts and area education agencies. These employees include regular program teachers and special education teachers, and student services personnel including clinicians, consultants, coordinators, counselors, educational strategists, instructor/consultants, librarians, psychologists, social workers, specialists, supervisors, and therapists.

4. While money is not specifically appropriated for improving the minimum salaries paid to teachers, the school districts and area education agencies must meet minimum salary requirements as follows:

\$19,000 for the 1988-1989 school year
\$20,000 for the 1989-1990 school year
\$21,000 for the 1990-1991 school year

5. For each school year, approximately one-half the \$100,000,000 would be distributed to school districts and area education agencies based upon the number of full-time equivalent teachers they employ. An amount would be paid for each full-time equivalent teacher employed by the district or area education agency. For the 1987-1988 school year, the amount received per teacher would be paid as a bonus to each full-time teacher and a reduced amount based upon the percent of time the teacher is employed would be paid to each part-time teacher.

In the school year beginning July 1, 1988 and thereafter, the amount paid to each school district and area education agency for its full-time equivalent teachers would not be paid directly to the teachers as a bonus but would be subject to the negotiations process if the district's employees are organized for collective bargaining purposes.

6. For the school year beginning July 1, 1987 and each school year thereafter, the remaining one-half of the \$100,000,000 would be distributed to school districts and area education agencies and would be subject to the negotiations process. First, the area education agencies would receive a payment equal to the payment received under recommendation 5. The remaining moneys would be distributed to school districts and each district would receive an amount for each pupil on the basis of its certified enrollment for that year.

In each area education agency and school district organized for collective bargaining purposes, the parties would be required to reopen contract negotiations for the 1987-1988 school year for the sole purpose of determining a formula for distribution of the additional moneys for salaries.

7. Except for the bonus money in the 1987-1988 school year, the additional money received by school districts and area education agencies for teacher salary increases may also be used to pay the employer share for IPERS and FICA for the increased salaries.

8. In order that school districts continue their commitment to improving teacher salaries from funds provided them through the state school foundation formula, the percent of a district's general fund budget (not counting the separate state funded salary increase moneys) expended for teacher salaries in a school year must be increased the next year by the percent of new money available to the districts in the next year.

9. As school districts increase their minimum salaries, it will be necessary for the salary schedules themselves to be revised so that the districts have sufficient funding to pay for salary increases for all teachers.

10. An annual appropriation of \$100,000,000 from the general fund of the state would be enacted to fund the salary increases.

11. In the future, a complete revision of the state school foundation formula will be necessary to provide for permanent funding of the salary increases. Adding hundreds of millions of dollars to miscellaneous income is not a viable permanent solution.

12. A teacher jointly employed by two or more districts or area education agencies whose employment is on a full-time equivalent basis is a full-time teacher.

13. When determining whether an individual teacher's salary meets the required minimum for a school year neither the cost of fringe benefits nor the supplemental pay earned by a teacher for performance of additional duties beyond teaching duties shall be included.

14. Except for the bonus paid to teachers for the 1987-1988 school year, additional salary money paid to school districts on a per teacher and a per pupil basis shall be negotiated under the collective bargaining law if an employee organization has been certified or shall be determined by the board of directors if there is no employee organization certified.

15. Except for the bonus paid to teachers for the 1987-1988 school year, the additional salary money shall be paid by a school district to its teachers in the same manner as other salary moneys are paid to the teachers.

LEGISLATIVE COUNCIL APPROVAL FOR STUDY

The Legislative Council has authorized the expenditure of \$500 from section 2.12 of the Code of Iowa for costs incurred in connection with a study of the impact of the Committee's recommendations upon the following:

1. The state school foundation formula.
2. The money available for salaries of teachers in each school district.
3. The impact of the recommended distribution system upon teacher salaries in specific types of school districts.

The study will be conducted by Professor George Chambers of the College of Education at the University of Iowa.

SCHOOL REORGANIZATION AND EFFICIENCY

In addition to its study of teacher salaries, the Committee used a portion of its first meeting to discuss legislation enacted in 1986, House File 2462, that provided incentives for school reorganization and for sharing between school districts. Mr. Mel Wishman, Superintendent of the Central Lyon School District and former Superintendent of the Bayard Community School District, discussed the efforts to combine the Bayard and Coon Rapids School Districts that resulted in a defeat at the reorganization election on May 13, 1986. He commented that monetary incentives to encourage reorganization can help, but political issues will always be a factor.

Mr. Guy Ghan, School Reorganization Consultant from the Department of Education, discussed school reorganization efforts in general with the Committee. He stated that decisions about school mergers usually involve more than facts and statistics regarding the reorganization and attitudes about the merger are closely related to local district politics.

MATERIALS DISTRIBUTED TO TEACHER SALARY IMPROVEMENT STUDY
COMMITTEE MEMBERS

1. A summary of the various provisions of the laws of eight states that provided additional state funding for teacher salary increases in either 1985 or 1986 prepared by Legislative Service Bureau staff.

2. Estimated average salaries of public school teachers by state for 1985-1986 prepared by the National Education Association.

3. Charts and a listing of beginning teacher salaries for 1985-1986 by minimum salary levels prepared by Legislative Service Bureau staff.

4. Information about administrative expenditures of school districts for 1980-1981 and 1984-1985 by size of school district prepared by the Department of Education staff.

5. Average age of teachers by approval area for 1980-1981 and 1985-1986 prepared by the Department of Education staff.

6. Full-time equivalent staff for 1980-1981 and 1984-1985 by size of school district prepared by the Department of Education staff.

7. Percent of teachers with approvals in specific subject areas by age and size of district for 1980-1981 and 1985-1986 prepared by the Department of education staff.

8. State characteristics concerning teacher salaries from the Education Commission of the States.

9. Benchmark statistics for teacher salaries for states surrounding Iowa for 1985-1986 obtained from the Iowa State Education Association.

10. Wage Survey 1985 from the Division of Job Service of the Department of Employment Services.

11. Updated summary report of teachers supply and demand, 1971-1985 for Iowa public schools by Trevor Howe of Iowa State University.

12. Estimated costs by school district to implement an 18,000 minimum teacher salary in 1986-1987 prepared by Legislative Fiscal Bureau staff.

13. Costs of Senator Horn's proposed bill prepared by the Legislative Fiscal Bureau staff.

14. Distribution of \$2,000 per teacher vs. \$128 per pupil by school district for 1986-1987 prepared by Legislative Fiscal Bureau staff.

15. Listing of non-negotiating school districts for 1986-1987 prepared by the Iowa Association of School Boards.

16. Information about K-12 nonadministrative certified staff by position for 1985-1986 prepared by the Legislative Fiscal Bureau staff.

17. Distribution of \$500 per teacher and \$35 per pupil for 1986-1987 by school district prepared by Legislative Fiscal Bureau staff.