

# EXECUTIVE SUMMARY

The Compensation Technical Working Group (TWG) was authorized as part of Engrossed Senate Substitute House Bill 2261 (RCW 28A.400.201), a landmark education reform bill passed during the 2009 legislative session that redefines basic education in the State of Washington. The Compensation TWG is the last workgroup identified in law to weigh in with the essential and most sizeable components of the financing and implementation of a redefined program of basic education.

## FINDING

From supporting and engaging students, to providing leadership at the school and district level, to organizing the processes of the district and maintaining the school buildings – the Compensation TWG emphasizes that public school employees in our schools are fundamental in providing basic education to all students in the state, and as such, the state has a responsibility to establish an equitable and adequate allocation system for their compensation.

## CONSTITUTIONAL MANDATE

Public education for all children in Washington is mandated in the Washington State Constitution. In Article IX, Section 1 it states,

*“It is the paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, cast or sex.”*

## LEGISLATIVE INTENT

As the Washington State Legislature has already recognized, “providing students with the opportunity to access a world-class educational system depends on our continuing ability to provide students with access to world-class educators. The Legislature also understands that continuing to attract and retain the highest quality educators will require increased investments.”

## SUPREME COURT RULING

The *McCleary v. State of Washington* Supreme Court Decision confirmed that Article IX, Section 1, “confers on children in Washington a positive constitutional right to an amply funded education.” Many constitutional rights are negative in their orientation, “framed as negative restrictions on government action.” Conversely, a positive constitutional right, like the right of children within Washington State to receive an amply funded education, uses a different lens “where the court is concerned not with whether the State has done too much, but with whether the State has done enough. Positive constitutional rights do not restrain government action; they require it.”

# RECOMMENDATIONS SUMMARY

The Compensation TWG provides the following recommendations to ensure that Washington fulfills its paramount duty and its ethical imperative to provide all students within its borders the opportunity for an amply funded public education.

Statutory Charge	Recommendation	Explanation
<p><i>RCW 28A.400.201(4)(c)</i>  <i>“Include a comparison of salaries and other compensation to the appropriate labor market for at least the following subgroups of educators: Beginning teachers and types of educational staff associates.”</i></p>	<p><b>1) Increase the Starting Salary for Teachers and Educational Staff Associates to \$48,687</b></p>	<p>The number one priority of the Compensation Technical Working Group is to increase the starting salary of educators to attract a wider pool of the highest quality candidates. By using a comparative labor market analysis based on Bureau of Labor Statistics data, the starting wage for a beginning teacher and educational staff associate (ESA) with a Bachelor’s degree should be increased from \$33,401 to \$48,687- an additional \$15,286 of state funding per beginning educator. Current salary compliance laws will ensure that every beginning teacher and ESA makes at least this amount.</p>
<p><i>RCW 28A.400.201(3)</i>  <i>“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.”</i></p>	<p><b>2) Provide Fair Market Based Salary Allocations for all K-12 Staff</b></p>	<p>The comparative labor market analysis unequivocally confirms that the state does not provide an adequate salary allocation level to attract and retain high-quality staff; therefore, local school district funds must make up the difference to pay competitive wages. The Compensation TWG asserts that K-12 employees require a state salary allocation level comparable to occupations with similar knowledge, skills, abilities and education and training requirements. The detailed recommendations are provided in Exhibit 2.</p> <p>The Compensation TWG also recommends that the non-school related experience for ESAs be recognized on the state salary allocation model and not be limited to two years as it is in current statute.</p>

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<p><i>RCW 28A.400.201(3)</i>  <i>“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.”</i></p>	<p><b>3) Maintain Comparable Wage Levels through an Annual Cost of Living Adjustment and Periodic Wage Analyses</b></p>	<p>To ensure that the K-12 salary allocations keep pace with the wages of comparable occupations, the Compensation TWG recommends that the comparable wage analysis be conducted every four years and allocations be adjusted accordingly, if necessary. In the interim, state allocations should be adjusted annually with the Seattle-Tacoma-Bremerton Consumer Price Index as per the provisions of Initiative 732.</p>
<p><i>RCW 28A.400.201(2)</i>  <i>“recommend the details of an enhanced salary allocation model that aligns state expectations for educator development and certification with the compensation system... (a) How to reduce the number of tiers within the existing salary allocation model”</i></p>	<p><b>4) Align the Salary Allocation Model to the Career Continuum for Educators</b></p>	<p>As illustrated in Exhibit 1, the recommended state salary allocation model is roughly structured according to the stages of the career continuum for educators, recognizing the movement from a residency certificate to a professional certificate and potentially to a National Board for Professional Teaching Standards (NBPTS) certificate. The certification process provides an objective measure of teacher development against professional standards as outlined by the Professional Educator Standards Board and the National Board for Professional Teaching Standards. The Compensation TWG emphasizes that the increasingly rigorous, performance-based certification process coupled with the movement to a robust, four-tiered evaluation system will ensure that Washington’s students are served by high-quality educators.</p> <p>The proposed state salary allocation model has 10 cells compared to the 119 cells in the current model, providing a more attractive career progression to recruit and retain educators in the profession.</p>

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<p><i>RCW 28A.400.201(2)</i>  <i>“recommend the details of an enhanced salary allocation model that aligns state expectations for educator development and certification with the compensation system.”</i></p>	<p><b>5) Invest in 10 Days of Professional Development Time</b></p>	<p>The state certification and evaluation system expects educators to grow professionally. However, the state only funds 180 days of instruction. The 180 school day calendar is focused on student’s academic development and does not provide time for educator-focused development. Current practice often involves taking school time away from students, through early release days or late arrival days, in order to provide time for educator professional development. The Compensation TWG recommends that the state include ten professional development days for certificated instructional staff in the definition of basic education.</p> <p>The Compensation TWG recognizes that certain classified positions may also require additional funding for targeted professional development, but further work is necessary before development of a recommendation for non-certificated instructional staff positions.</p>
<p><i>RCW 28A.400.201(2)</i> “the technical working group shall make recommendations on the following:  (d) The role of and types of bonuses available”</p>	<p><b>6) Allocate Mentors and Instructional Coaches in the Basic Education Funding Formula</b></p>	<p>Many of the necessary roles and responsibilities required in a successful school are currently being provided, in part, through local funds. The Compensation TWG asserts that the roles of mentor teacher and instructional coach are essential activities for providing a basic education program and a state-funded obligation. The group recommends that funding for mentor teachers be provided as a needs-based allocation and instructional coaches be funded as a prototypical job category through the basic education funding formula.</p>

Statutory Charge	Recommendation	Explanation
<p><i>RCW 28A.400.201(1) “continuing to attract and retain the highest quality educators will require increased investments.”</i></p>	<p><b>7) Provide Appropriate Staffing Levels and Increased Program Support for Basic Education</b></p>	<p>Working conditions and workload play a significant role in the attraction and retention of staff. The Compensation TWG maintains that sufficiently funded staffing levels and increased program support for struggling students will improve learning opportunities for students and also lead to higher retention of educators. The group proposes that their compensation recommendations occur in tandem with the statutory requirements in SHB 2776 and the basic education funding recommendations proposed by the Quality Education Council (QEC).</p>
<p><i>RCW 28A.400.201(2) “(b) How to account for labor market adjustments; (c) How to account for different geographic regions of the state where districts may encounter difficulty recruiting and retaining teachers”</i></p>	<p><b>8) Amply Fund State Basic Education Salary Allocations and Limit Locally Funded Salary Enhancements to No More than 10% of the State Allocation</b></p>	<p>The state is responsible for fully funding the salaries of staff performing basic education activities. The Compensation TWG affirms that average comparable wages are sufficient to recruit and retain high-quality staff. However, the group acknowledges that local school districts may have unique circumstances that lead to difficulties recruiting and retaining staff. The group recommends that districts be allowed to provide locally funded salary enhancements for non-basic education functions. However, to address equity concerns, the locally funded expenditures for these salaries should be limited to 10% above the state allocation.</p>

Statutory Charge	Recommendation	Explanation
<i>RCW 28A.400.201(2)(f)            “including a recognition that staff on the existing salary allocation model would have the option to grandfather in permanently to the existing schedule.”</i>	<b>9) Ensure School Districts Receive the Same or Higher State Salary Allocations per State-Funded Employee</b>	The Compensation TWG recommends that the legislature fully fund the recommendations immediately. At full implementation of the proposed salary allocations, no later than 2018, school districts will receive a higher state salary allocation for every employee and there will be no need for any individual to grandfather into the existing state allocation model. Until the new allocation model is fully funded, school districts should receive the higher allocation from either the old or new state salary allocation model for every state-funded employee.

The Compensation TWG examined comparable wages for all prototypical job categories using multiple methodologies and Washington average wages for similar occupations. These analyses were conducted by outside experts from within and outside Washington State as detailed in Appendix 4. The recommended starting salary in the salary allocation model for certificated instructional staff and the recommended salary allocations for certificated administrative staff and classified staff is based on the comparable wage analysis performed by the Washington Employment Security Department (ESD). The ESD methodology utilizes Washington average wages from the Bureau of Labor Statistics as of May 2011 for similar occupations for each prototypical job category.

**Exhibit 1: Proposed State Salary Allocation Model for Certificated Instructional Staff**

Certification Level	Bachelor's Degree	Advanced Degree
Residency/Initial Certificate	\$48,687	\$52,582
Professional/Continuing Certificate with a minimum of 4 years of experience	\$58,424	\$63,098
Professional/Continuing Certificate with NBPTS and a minimum of 4 years of experience	\$63,098	\$68,146
Professional/Continuing Certificate with 9 years of experience	\$70,109	\$75,718
Professional/Continuing Certificate with NBPTS and 9 years of experience	\$75,718	\$81,775

		Residency/Initial Certificate		Professional/Continuing Certificate		Professional/Continuing with NBPTS Certificate	
Year of Teaching	Minimum Years of Experience	Bachelor's Degree	Advanced Degree	Bachelor's Degree	Advanced Degree	Bachelor's Degree	Advanced Degree
1 <sup>st</sup>	0	\$48,687 1.0000	\$52,582 1.0800	[Hatched Area]			
2 <sup>nd</sup>	1						
3 <sup>rd</sup>	2						
4 <sup>th</sup>	3						
5 <sup>th</sup>	4						
6 <sup>th</sup>	5			\$58,424 1.2000	\$63,098 1.2960	\$63,098 1.2960	\$68,146 1.3997
7 <sup>th</sup>	6						
8 <sup>th</sup>	7						
9 <sup>th</sup>	8						
10 <sup>th</sup> +	9+			\$70,109 1.4400	\$75,718 1.5552	\$75,718 1.5552	\$81,775 1.6796

*Note: Movement on the salary schedule from Residential/Initial Certification to the Professional/Continuing Certification columns requires attainment of a Professional or Continuing Certificate through the Washington Professional Educators Standards Board (PESB) and a minimum of 4 years of experience. Within the Professional/Continuing Certification columns, a second salary increase occurs after nine years of experience with retention of the Professional/Continuing Certificate. Years of experience represent the earliest progression to the Professional/Continuing Certification column on this model; the actual amount of time for an individual to attain the Professional or Continuing Certificate may vary from 3 to 9 years.*

The two salary allocation models above represent the same values presented in different formats for purposes of comparison.

**Exhibit 2: Recommended Comparable Wage Levels Compared to Current State Allocation and Current Average Salaries for Certificated Administrative and Classified Staff**

	<b>2011-12 Average State Allocation per 1.0 FTE</b>	<b>Additional Average Salary paid by Local School Districts</b>	<b>2011-12 Actual Average 12-month Salary (All Fund Sources)</b>	<b>Comparable 12-month Salary</b>
<b>Certificated Administrative Staff</b>				
Principals, Assistant Principals, and other Certificated Building-Level Administrators	\$58,175	\$43,685	\$101,860	<b>\$105,374</b>
Central Office Certificated Administrators	\$58,175	\$55,960	\$114,135	<b>\$105,374</b>
<b>Classified Staff</b>				
Teaching Assistance (Instructional Aides/Para-educators)	\$31,699	\$1,197	\$32,896	<b>\$45,386</b>
Office Support and other Non-instructional Aides	\$31,699	\$6,037	\$37,736	<b>\$40,949</b>
Custodians	\$31,699	\$5,070	\$36,769	<b>\$39,454</b>
Classified staff providing student and staff safety	\$31,699	\$5,651	\$37,350	<b>\$44,040</b>
Family Involvement Coordinator	N/A	N/A	N/A	<b>\$45,386</b>
Technology	\$31,699	\$23,249	\$54,948	<b>\$83,253</b>
Facilities, maintenance, and grounds	\$31,699	\$15,616	\$47,315	<b>\$50,057</b>
Warehouse, laborers, and mechanics	\$31,699	\$10,743	\$42,442	<b>\$36,522</b>
Central Office, Classified	\$31,699	\$22,872	\$54,571	<b>\$56,374</b>
<i>Note: All values represent a 12 month salary. The state salary allocations are based on the prototypical school FTE allocation. While a 1.0 FTE allocation for classified staff represents a 12-month employee working an 8 hour day, 260 days a year, actual K-12 employee salaries paid by local school districts are adjusted to reflect the actual hours and days worked. Average state allocation based on June 2012 OSPI apportionment; current average total salaries reported in 2011-12 OSPI S275 Personnel Reports; comparable salaries updated with BLS data as of May 2011.</i>				

### Exhibit 3: Annual Fiscal Estimate of Compensation TWG Recommendations

Exhibit 3 details the estimated annual state cost of the recommendations from the Compensation TWG using 2011-12 school year data. As illustrated in the previous table, Exhibit 2, a large portion of this cost estimate is being provided by local school districts through other fund sources.

<b>Summary of Estimated Additional Annual Costs Tied to Recommended Salary Allocations (Current Dollars)</b>		
	<b>Total</b>	<b>Total with Benefits</b>
Certificated Administrative Staff (CAS)	\$188,089,000	\$217,600,000
Certificated Instructional Staff (CIS)	\$804,848,000	\$931,129,000
Classified Staff	\$240,390,000	\$277,001,000
Professional Development Days, CIS	\$192,264,000	\$222,431,000
Mentor Allocation	\$32,866,000	\$42,857,000
Instructional Coach Allocation	\$157,029,000	\$204,627,000
Substitutes	\$13,321,000	\$13,321,000
Special Education Impact	\$137,078,000	\$155,204,000
<b>Total Additional Annual Cost</b>	<b>\$1,765,885,000</b>	<b>\$2,064,170,000</b>
<i>Note: Additional costs compare current allocations with recommended allocations at June 2012 OSPI apportionment staffing levels.</i>		