

## Compensation Working Group Meeting Notes

### Task Force Members Present:

Sadie Atha, Jay Killgo, Norma Castillo, Dave Lewis, Cynthia Hopkins, LaTonya Goffney, Brian Kruk, Judd Marshall, Jason Hewitt, Eric Hale

### Staff Members Present:

Grace Wu, Matthew Holzgrafe, David Marx, Ebony Love

### Invited Panelists:

Mark Chi, Teacher Retirement System of Texas (TRS) Representative, and Barbie Pearson, TRS Representative

### **Introduction**

Grace Wu, Director of District Talent Supports, and Matt Holzgrafe, Director of District Strategic Compensation, welcomed the Compensation Working Group Task Force members. They shared the objectives and agenda for the meeting.

Mr. Holzgrafe explained that the group would talk about compensation in two ways: direct and indirect. He shared a common definition for direct and indirect compensation areas, including general ideas that could fall within each bucket. The buckets included:

#### Direct Compensation

- Increases to Overall Salary Pay Scale
- Opportunities for Additional Compensation with Additional Responsibilities
- Strategic Compensation or Larger Increases based on Areas or Goals
- Monetary Consideration for the Role of School Leader

#### Indirect Compensation

- Enhancement to Total Compensation Package
- Consideration of Health and Retirement Benefits and Premiums

Task Force members had an initial discussion around the buckets. One Task Force member shared feedback around how to consider compensation for additional responsibilities. Task Force members shared feedback on the role of the school leader and clarified that this may include other non-teaching positions at the school. The Task Force members discussed health care, including spouse health care. The group also discussed salary pay scales capping out after a certain number of years.

Task Force members shared concern that the indirect compensation bucket would move away from the need to recommend a base pay increase for all teachers. Mr. Holzgrafe clarified that recommendations around base pay increase will remain an important part of the discussion but understanding that there are different pieces that come into play and that as a working group we are trying to highlight these different buckets. Based on

feedback from the Task Force members and teacher engagement, increases to the overall salary pay scale will remain an important topic for consideration and further discussion.

### **Framework for Recommendations**

Mr. Holzgrafe defined the framework the working groups would use for considering recommendations. He shared that for today's session the group would focus on defining the objective, the potential impact, and next steps.

### **Discussion of Third Future Model**

Ms. Wu opened the floor to a discussion from the Third Future Schools presentation.

Task Force members discussed the following questions:

- What would the budget look like to implement the staffing structures?
- How do teachers, learning coaches, and apprentice teachers work together to ensure streamlined communication to parents?
- How do teachers, learning coaches, and apprentice teachers work together to meet student need?

Overall, the Task Force members appreciated that the Third Future model removed tasks from teachers and offered a unique perspective from traditional models.

### **Direct Compensation**

Mr. Holzgrafe shifted the group to begin considering direct compensation recommendations. The Task Force members split into two groups, based on district size, and considered the following areas for recommendations:

- Increases to overall salary
- Opportunities for compensation for additional responsibilities
- Strategic compensation or differentiated pay by goals/area
- Monetary consideration for role of school leader

After small groups, Task Force members shared the following themes:

- Compensation needs to be differentiated between years of service in education.
- "High need areas" may differ district to district.
- All teachers need access for a way to earn higher pay.

Task force members emphasized the importance for increasing base pay for all educators and expressed a desire to ensure this was prioritized in the recommendations. There was also discussion around the amount of base pay that would be appropriate, including recognizing that it may vary by district type.

Several task force members discussed challenges recruiting teachers in urban areas and that potentially offering tuition discounts for teachers, housing allotments, or other incentives could help with recruitment.

### **TRS Representatives Panel**

Based on Task Force member input in the June meeting, Mark Chi and Barbie Pearson spoke to the group regarding TRS and Benefits to provide additional understanding to the structure of benefits for districts. They reviewed the health and retirement systems, as well as the contributions that the districts and employees pay.

The Task Force members discussed the following:

- The quality of various health care plans
- The premiums associated with various health care plans
- The surcharges incurred for retired/rehire teachers
- The differences between the Teacher Retirement System of Texas (TRS) and the Employees Retirement System of Texas (ERS)

### **Indirect Compensation**

Ms. Wu shifted the group to begin considering indirect compensation recommendations. For this part, Task Force members split into two groups, based on district size, and considered the following areas for recommendations:

- Enhancement to the Total Compensation package such as housing, leave, childcare, professional development opportunities, and tax considerations
- Consideration of Health and Retirement Benefits and Premiums including the additional surcharge for employing retired/rehire teachers

After small groups, Task Force members shared the following themes:

- Requesting ways for districts to hire retired teachers without additional funds or the current required time between retiring and being eligible to be rehired
- Discussing ways to better equip districts to offer daycare to their faculty including revisiting current guidelines and requirements
- Increasing the leave that teachers have access to such as parental, medical, and maternity
- Discussing how best to ensure that teachers have the best option for health care
- Discussing a potential state-wide discount program for teachers
- Discussing possible housing assistance for teachers
- Considering changing teacher contracts from days to minutes to mirror the requirement for students

Task Force members emphasized the importance of ensuring that teachers had the same level of indirect compensation opportunities as other industries.

### **Recommendation Prioritization**

To begin to consider tradeoffs between impact and feasibility, Mr. Holzgrafe introduced Task Force members to a survey giving them the opportunity to rank the approximately twenty recommendations. Mr. Holzgrafe framed that the purpose of the survey is to give the working group members additional starting points for discussion related to relative prioritization, not to create a definitive or final ranked order list.

Based on the results from the prioritization survey, Task Force members identified the following recommendations as the top focus areas:

- Excellent Health Care for Teachers
- Increasing Base Pay for Teachers
- Addressing the retire/rehire policy and providing funding to districts

Task Force members discussed health insurance as a large area of impact. A Task Force member stated that he wanted to make sure that health care was not the only change made because not every teacher will benefit from health care changes if they are on a spouse's insurance.

Another area of interest was rehiring retired teachers. A Task Force member mentioned the number of teachers that left during the pandemic that are now wanting to return to education especially if they can make a higher wage.

Task Force members mentioned the lack of recent pay increase means current teacher salaries are not keeping up with the cost of living, even with the recent House Bill 3 increase.

### **Next Steps**

To further recommendation planning, Task Force members requested the following additional information:

- Relative costs for various options
- Use of health care by teachers
- Consideration for timing and method of recommendation
- Research around how other states are tackling questions around retire/rehire