

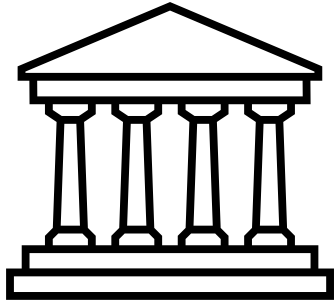
The background of the slide is an aerial photograph of Austin, Texas. The top half shows the city skyline with several tall skyscrapers under a clear blue sky with light clouds. The bottom half shows a waterfront area with a large body of water, green trees, and various buildings, including a large orange building on the left and a marina with colorful umbrellas on the right.

Compensation Working Group

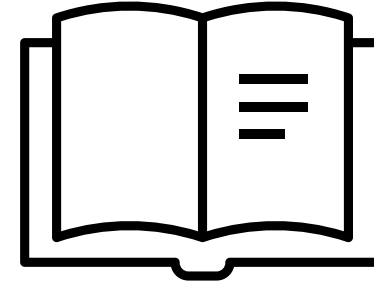
October 13, 2022

Welcome Back!

Since our time in August...



Gathered data and
projections for the
prioritized
recommendations

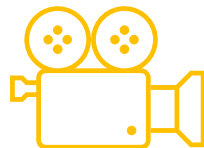


Researched additional
policies and practices

Welcome



Please make sure you are muted.



If you are able, turn on your camera.



Locate your participant video and click on the more icon to rename yourself with your name and district.



Working Group Leads

Norma Castillo
Assistant
Superintendent of
Human Capital Systems,
Austin ISD

Dr. LaTonya Goffney
Superintendent, Aldine
ISD

Dave Lewis
Superintendent, Rochelle
ISD

Grace Wu
TEA

David Marx
TEA

Matthew Holzgrafe
TEA

Working Group Session Objectives

- To review data and research gathered on prioritized recommendations
- To revise and reprioritize recommendations based on data, research, feasibility, and impact
- To assist in identifying next steps between the October and December meeting

Compensation Themes

Direct Compensation

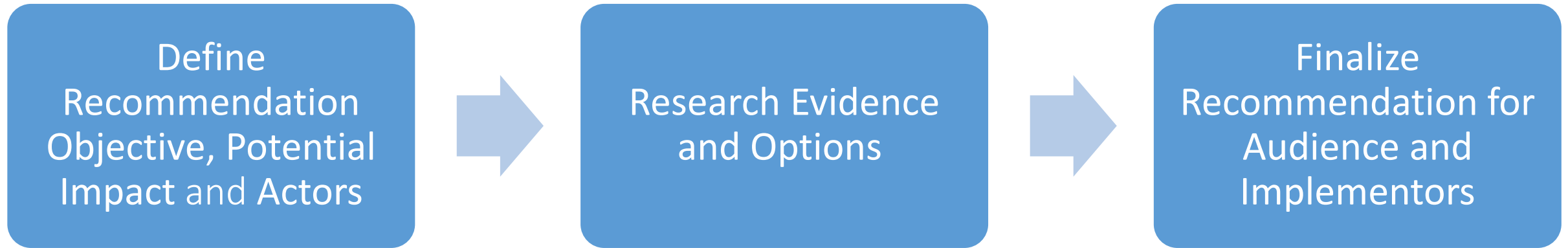
- Increases to Overall Compensation
- Opportunities for Additional Compensation with Additional Responsibilities
- Strategic Compensation or Larger Increases based on Areas or Goals
- Monetary Consideration for the Role of School Leader

Indirect Compensation

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

Today's Working Group Agenda

10:30-12:00	Introduction (10 minutes) Reviewing today's session framework (5 minutes) Recommendations for salary-based pay raises (25 minutes) Break (5 minutes) Recommendations for increases to overall compensation theme by actor (45 minutes)
12:00 – 12:30	Lunch
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Objective – What?	Impact – Why?	Actor – Who?	Actor – How?
Drafted in August	Drafted in August	Defining in October	Defining in October
Refining in October (may also add)	Refining in October		

Review of Data and Research

10 minutes

- What surprised you from the data and research?
- What are your main takeaways or learnings as we move into thinking more about refining recommendations?

Defining Actors and their Roles

5 minutes

- For this particular theme, what can and will school districts, governmental agencies, the Texas legislature, and other organizations do to support this theme?

Revising Recommendations by Like Roles

20 minutes

- What are the specific recommendations by actor to support this theme?
- What problem will this solve?
- Do our recommendations solve both short and long-term issues?
- What are some unintended consequences?

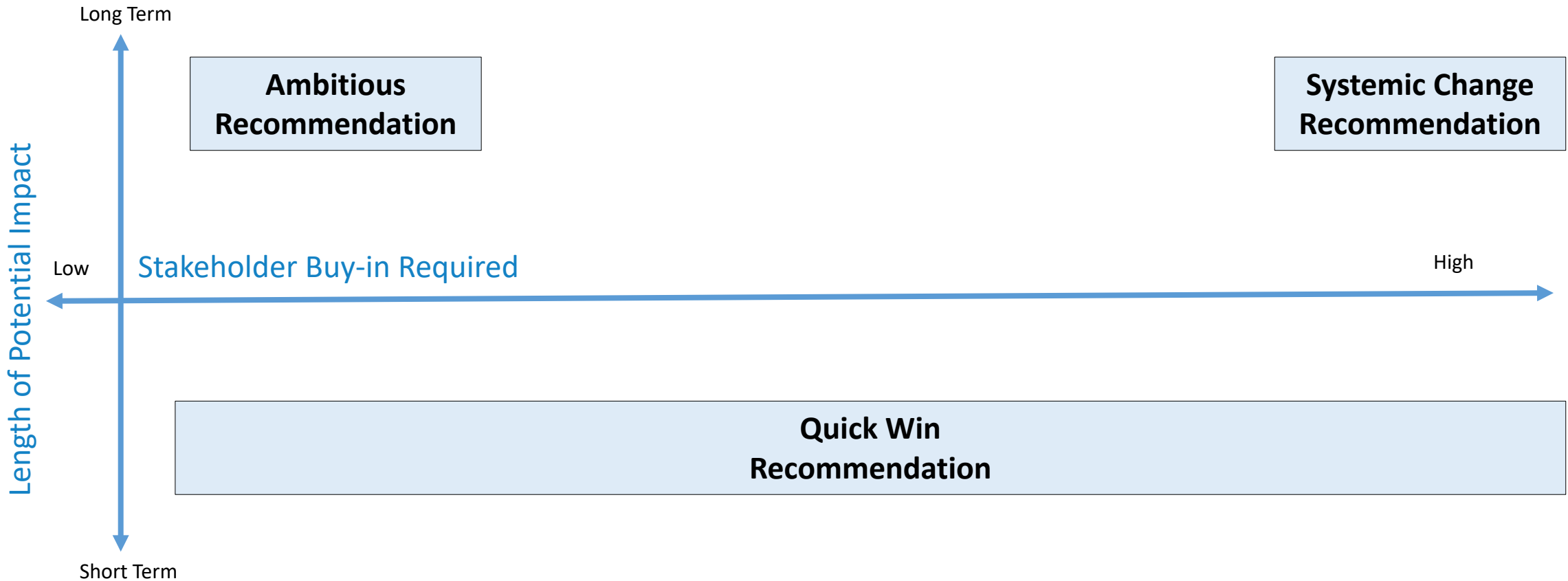
Reactions and Questions from the Working Group

10 minutes

- What clarifying questions do you have to better understand a specific recommendation?
- What recommendations resonate with you?

Recommendation Considerations

- Do our recommendations solve both short and long-term issues?



Prioritized Recommendations with Data and Research by Focus Area

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For discussion during the session, working group members should consider specific recommendation within these areas or raise additional areas.

Increases to Compensation

Recommendation/Objective	Impact	Data Collected																
2. Increase base pay for all educators (may want to re-visit state minimum), consider cost of living of different districts (potentially from 7K to 10K)	To compensate teachers for their value, workload, and impact	<p>Current teacher salaries</p> <ul style="list-style-type: none"> Number of teachers – 377,734 Median salary - \$60,276 <p>Preliminary Estimates:</p> <table border="1"> <thead> <tr> <th>Amount</th> <th>Amount for Compensation as Increases to the Basic Allotment</th> <th>Impact on Employer Contributions without Social Security</th> <th>Impact on State Contributions</th> </tr> </thead> <tbody> <tr> <td>\$3,000 Raise</td> <td>\$4,152,565,901</td> <td>\$722,302,955</td> <td>\$88,405,338</td> </tr> <tr> <td>\$5,000 Raise</td> <td>\$6,874,918,032</td> <td>\$869,317,028</td> <td>\$147,342,229</td> </tr> <tr> <td>\$10,000 Raise</td> <td>\$13,586,701,841</td> <td>\$1,236,852,210</td> <td>\$294,684,458</td> </tr> </tbody> </table> <p>Why are premiums set in April?</p> <ul style="list-style-type: none"> Typically, the TRS board adopts premiums in April for the plan year that starts in September. To set premiums effectively, we need sufficient data to project costs. We strive to set premiums as early as possible to give employers time to plan and adopt budgets; however, setting premiums earlier than April would require us to build in additional conservatism into the rates due to a lack of data. TRS-ActiveCare provides employers with more lead time to set rates that is common in the commercial market. Many districts outside of TRS-ActiveCare do not receive final premiums until much closer to the start of their plan year. 	Amount	Amount for Compensation as Increases to the Basic Allotment	Impact on Employer Contributions without Social Security	Impact on State Contributions	\$3,000 Raise	\$4,152,565,901	\$722,302,955	\$88,405,338	\$5,000 Raise	\$6,874,918,032	\$869,317,028	\$147,342,229	\$10,000 Raise	\$13,586,701,841	\$1,236,852,210	\$294,684,458
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Teacher Vacancy Task Force – Compensation Working Group 1

Compensation Working Group: Recommendation Areas and Associated Policy (Statute and Regulations)

During the August 25th meeting, the Compensation Working Group will consider two categories for potential recommendation: *Direct Compensation and Indirect Compensation*. This resource outlines some of the possible broad areas of recommendations within each of those categories and provides relevant sample teacher survey responses and existing statute and policy.

For discussion during the session, working group members should consider specific recommendation within these areas or raise additional areas.

Direct Compensation Areas

Increases to Overall Salary Pay Scale

This area would involve any increases to a teacher's base pay or the amount of funds that the state provides districts through the Foundation School Program.

Possible Implementors: Texas Legislature, Districts
Possible Levers: Foundation School Program, District Compensation Structures.

Opportunities for Additional Compensation with Additional Responsibilities

This may include recommendations for additional compensation for teachers when they engage in efforts outside of their traditional duties, such as providing professional development, mentoring, addressing certification or state requirements, or other responsibilities.

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Strategic Compensation or Larger Increases based on Areas

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Possible Implementors: Texas Legislature, TEA, Districts
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Monetary Consideration for the Role of School Leader

National Retire/Rehire Policies

California

California's Education Code Section 24214 ([Cal. Educ. Code § 24214](#)) specifies that retirees from the California State Teachers' Retirement System ([CalSTRS](#)) may return to work in CalSTRS-covered employment (e.g., teach in the California public school system; these restrictions do not apply to private employment outside of the CalSTRS system) in one of two ways: either as a [Reinstatement from Retirement](#) employee, or as a [Retired Annuitant](#). Each are subject to different rules.

Retirees who wish to return to work for a CalPERS employer in a permanent, part-time or full-time position must reinstate from retirement into active employment as a [Reinstatement from Retirement](#) employee. These individuals become active CalPERS members again; they stop receiving retirement benefits, resume earning retirement service credit, and are eligible to retire again later. Individuals may only reinstate from retirement after they have been hired by a CalPERS employer.

Retirees who wish to engage in CalSTRS-covered employment and retain their full CalSTRS service retirement benefit are considered [Retired Annuitants](#). They subject to [multiple restrictions](#), including:

- Job Type Limitation** – Retired Annuitants may not work in any classified position except, under certain circumstances, as a teacher's aide. Their position must be designated as a retired annuitant position (not any other full- or part-time position).
- Service Credit Limits** – Retired Annuitants do not accrue service credit or any additional retirement rights or benefits. If, within five years of retirement, Retired Annuitants return to work with the same employer that offered them an additional service credit as a retirement incentive (through the [CalSTRS Retirement Incentive Program](#)), they forfeit that credit.
- Work Hours Limit** – Retired Annuitants may not work more than a maximum of 960 hours within a fiscal year (July 1 to June 30). Nonpaid or volunteer hours can't be used in order to exceed 960 hours in a fiscal year.
- Earnings Limit** – Retired Annuitants' salary must be an hourly pay rate that falls within the regular salary schedule for that position; they can't be paid any other compensation or benefits in addition to the hourly pay rate. Retired Annuitants wishing to work in CA public schools may not earn more than the [annual post-retirement earnings limit](#), which is set annually by the CA Teachers' Retirement Board (the fiscal year earning limitation for 2022-23 is \$49,746). If they violate this requirement, their retirement benefit is reduced dollar for dollar by the amount exceeding the earnings limit.

- What surprised you from the data and research?
- What are your main takeaways or learnings as we move into thinking more about refining recommendations?

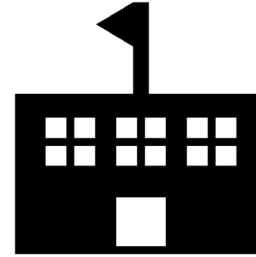
Roles of Different Actors



Texas Legislature

Can change laws, affect school finance, and affect agency policy

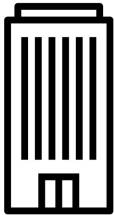
Statutory changes that require a change in statute or action taken during the legislative session found in Texas Education or Texas Insurance Code



School Districts and Schools

Determines local policy and compensation structure within legal framework. Adopts best practices.

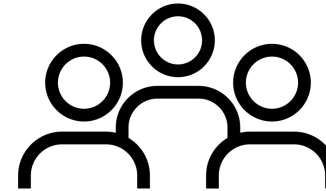
District-level practice or policy changes that would require a change in district policy or practices (some of which may require changes in local school board policies)



Government Agencies (TEA, TRS, other)

Can adopt policies and rules, provide best practices and technical assistance, executes on laws

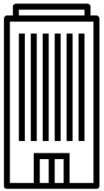
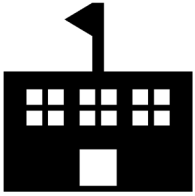
Regulatory changes that require a change found in Texas Administrative Code made through the rule-making process
State-level practice changes that would require a change in practice or implementation by the government agencies



Others (Professional organizations, Technical Assistance providers)

Can support districts and government agencies with implementing best practices and policies. Can advocate to the Texas Legislature

Revising Recommendations by Like Roles

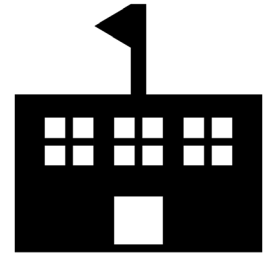


Given your context, perspective, and expertise:

- What are the specific recommendations by actor to support this theme?
- What problem will this solve?
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Monetary Consideration for the Role of School Leader

TAKEAWAYS AND LEARNINGS

What surprised you from the data and research?

Based on the data and research, what increase to base pay would you advocate for?

Roles of Different Actors



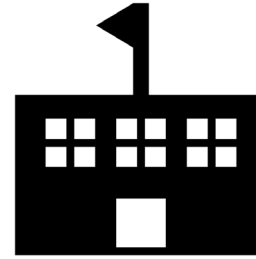
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Can change laws, affect school finance, and affect agency policy

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Sets the basic allotment

Sets requirement that a district must use at least 30% of gain to the basic allotment increase on compensation to non-administrator employees

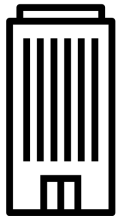


School Districts and Schools

Determines local policy and compensation structure within legal framework. Adopts best practices.

Adopts their own salary schedule that often goes above the minimum salary schedule

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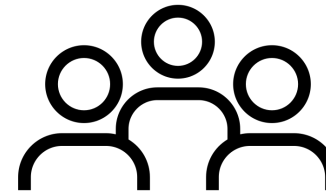
Government Agencies (TEA, TRS, other)

Can adopt policies and rules, provide best practices and technical assistance, executes on laws

Monitors districts meeting the minimum salary schedule and collects teacher compensation information

Shares best practices of district salary schedules

May support technical assistance



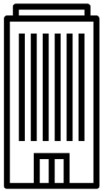
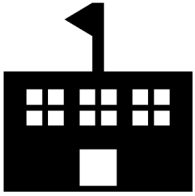
Others (Professional organizations, Technical Assistance providers)

Can support districts and government agencies with implementing best practices and policies. Can advocate to the Texas Legislature

Support districts in establishing and adopting their salary schedule after reviewing internal data and like districts

Provides state-wide analysis and perspective

Revising Recommendations as a Group



Given your context, perspective, and expertise:

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Roles of Different Actors



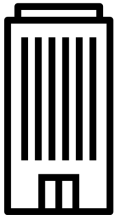
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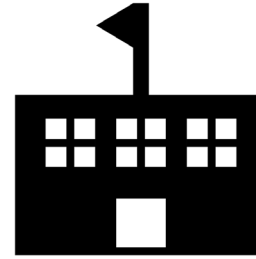
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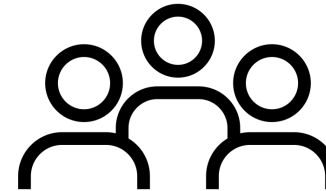


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Additional Research

<u>TEA District Type</u>	Number of Districts	Median Salary	Median Beginner Salary	Median Teacher Student Ratio	Total Teachers Full-Time Equivalent
Major Urban	11	\$57,081	\$52,387	15.1	60081.4
Major Suburban	80	\$59,478.5	\$54,172	15.35	116153.4
Other Central City	39	\$57,571	\$50,807	15	56569.4
Other Central City Suburban	166	\$53,689	\$46,403	14.5	52953.1
Independent Town	67	\$51,804	\$44,280	14.2	17127
Non-metropolitan Fast Growing	34	\$52,334.5	\$41,526	13.45	2974.5
Non-metropolitan Stable	161	\$51,645	\$42,618	13.3	20727.1
Rural	464	\$50,694.5	\$39,428	10.9	16710.4
Charter School Districts	180	\$50,656	\$45,841.5	15.35	19823.3

Example from Current Texas District

Salary Schedule – Campus Professional: Teachers

Teacher Excellence Initiative									
Days	Unsat	Progressing		Proficient			Exemplary		Master
		I	II	I	II	III	I	II	
187/191	\$47,000	\$60,500	\$61,000	\$67,500	\$70,500	\$75,500	\$79,500	\$84,000	\$100,000
195	\$49,011	\$63,088	\$63,610	\$70,388	\$73,516	\$78,730	\$82,901	\$87,594	\$104,278
205	\$51,524	\$66,324	\$66,872	\$73,997	\$77,286	\$82,767	\$87,152	\$92,086	\$109,626
207	\$52,027	\$66,971	\$67,524	\$74,719	\$78,040	\$83,575	\$88,003	\$92,984	\$110,695
215	\$54,037	\$69,559	\$70,134	\$77,607	\$81,056	\$86,805	\$91,404	\$96,578	\$114,973

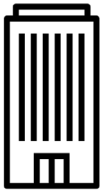
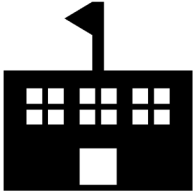
CYS	Teachers Introductory Compensation Schedule				
	187/191	195	205	207	215
Novice (0)	\$60,000	\$62,567	\$65,775	\$66,417	\$68,984
1	\$60,500	\$63,088	\$66,324	\$66,971	\$69,559
2	\$61,000	\$63,610	\$66,872	\$67,524	\$70,134
3	\$61,750	\$64,392	\$67,694	\$68,354	\$70,996
4	\$62,500	\$65,174	\$68,516	\$69,184	\$71,858
5	\$63,250	\$65,956	\$69,338	\$70,015	\$72,721
6	\$63,750	\$66,477	\$69,886	\$70,568	\$73,295
7	\$64,250	\$66,999	\$70,434	\$71,122	\$73,870
8	\$64,650	\$67,416	\$70,873	\$71,564	\$74,330
9	\$64,950	\$67,729	\$71,202	\$71,897	\$74,675
10+	\$65,450	\$68,250	\$71,750	\$72,450	\$75,250

* newly hired teachers with 11+ CYS may receive salaries above scale as determined by Human Capital Management and School Leadership.

Example from Current Texas District

ECP Teacher 2022-2023 Base Salaries					
Position	No. of teachers	Salary Range		Minimum for 3yrs of Experience (Avg. Base Salary)	Estimated Salary Costs
		Minimum	Maximum		
6th Grade Read/Write	3	\$69,000	\$94,000	\$74,000	\$222,000
6th Grade Read/Write (1C2L)	1	\$69,000	\$94,000	\$74,000	\$84,000
6th Grade Math	5	\$64,000	\$89,000	\$69,000	\$345,000
6th Grade Science	1	\$64,000	\$89,000	\$69,000	\$69,000
6th Grade Science (1C2L)	1	\$64,000	\$89,000	\$69,000	\$84,000
6th Grade Art of Thinking (1C2L)	1	\$69,000	\$94,000	\$74,000	\$84,000
6th Grade Art of Thinking	2	\$69,000	\$94,000	\$74,000	\$148,000
6th Grade Social Studies	3	\$60,000	\$85,000	\$65,000	\$195,000
7th Grade Read/Write	5	\$69,000	\$94,000	\$74,000	\$370,000
7th Grade Math	5	\$64,000	\$89,000	\$69,000	\$345,000
7th Grade Science	3	\$64,000	\$89,000	\$69,000	\$207,000
7th Grade Art of Thinking	3	\$69,000	\$94,000	\$74,000	\$222,000
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Elective teachers	7	\$54,000	\$79,000	\$59,000	\$413,000
Reading Interventionist	2	\$67,000	\$92,000	\$72,000	\$144,000
ELD interventionist	3	\$67,000	\$92,000	\$72,000	\$216,000
Learning Coach	18	\$50,000	\$75,000	\$54,000	\$972,000
Teacher Apprentice	8	\$60,000	\$85,000	\$64,000	\$512,000
	91				\$6,057,000

Revising Recommendations by Like Roles

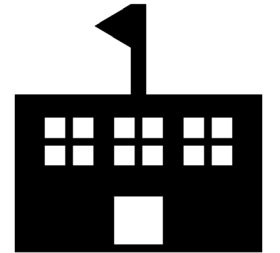


Given your context, perspective, and expertise:

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- What problem will this solve?
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2. Increase base pay for all educators (may want to re-visit state minimum), consider cost of living of different districts (potentially from 7K to 10K)	To compensate teachers for their value, workload, and impact	<p>Current teacher salaries</p> <ul style="list-style-type: none"> Number of teachers – 377,734 Median salary - \$60,276 <p>Preliminary Estimates:</p> <table border="1"> <thead> <tr> <th>Amount</th> <th>Amount for Compensation as Increases to the Basic Allotment</th> <th>Impact on Employer Contributions without Social Security</th> <th>Impact on State Contributions</th> </tr> </thead> <tbody> <tr> <td>\$3,000 Raise</td> <td>\$4,152,565,901</td> <td>\$722,302,955</td> <td>\$88,405,338</td> </tr> <tr> <td>\$5,000 Raise</td> <td>\$6,874,918,032</td> <td>\$869,317,028</td> <td>\$147,342,229</td> </tr> <tr> <td>\$10,000 Raise</td> <td>\$13,586,701,841</td> <td>\$1,236,852,210</td> <td>\$294,684,458</td> </tr> </tbody> </table> <p>Why are premiums set in April?</p> <ul style="list-style-type: none"> Typically, the TRS board adopts premiums in April for the plan year that starts in September. To set premiums effectively, we need sufficient data to project costs. We strive to set premiums as early as possible to give employers time to plan and adopt budgets; however, setting premiums earlier than April would require us to build in additional conservatism into the rates due to a lack of data. TRS-ActiveCare provides employers with more lead time to set rates than is common in the commercial market. Many districts outside of TRS-ActiveCare do not receive final premiums until much closer to the start of their plan year. 	Amount	Amount for Compensation as Increases to the Basic Allotment	Impact on Employer Contributions without Social Security	Impact on State Contributions	\$3,000 Raise	\$4,152,565,901	\$722,302,955	\$88,405,338	\$5,000 Raise	\$6,874,918,032	\$869,317,028	\$147,342,229	\$10,000 Raise	\$13,586,701,841	\$1,236,852,210	\$294,684,458
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Direct Compensation Areas

Increases to Overall Salary Pay Scale

This area would involve any increases to a teacher's base pay or the amount of funds that the state provides districts through the Foundation School Program.

Possible Implementors: Texas Legislature, Districts

Possible Levers: Foundation School Program, District Compensation Structures.

Opportunities for Additional Compensation with Additional Responsibilities

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Possible Implementors: Texas Legislature, TEA, Districts

Possible Levers: Foundation School Program, District Compensation Structures, Guidance, and Best Practices.

Monetary Consideration for the Role of School Leader

National Retire/Rehire Policies

California

California's Education Code Section 24214 ([Cal. Educ. Code § 24214](#)) specifies that retirees from the California State Teachers' Retirement System ([CalSTRS](#)) may return to work in [CalSTRS-covered employment](#) (e.g., teach in the California public school system; these restrictions do not apply to private employment outside of the CalSTRS system) in one of two ways: either as a [Reinstatement from Retirement](#) employee, or as a [Retired Annuitant](#). Each are subject to different rules.

Retirees who wish to return to work for a CalPERS employer in a permanent, part-time or full-time position must [reinstatement from retirement into active employment](#) as a [Reinstatement from Retirement](#) employee. These individuals become active CalPERS members again; they stop receiving retirement benefits, resume earning retirement service credit, and are eligible to retire again later. Individuals may only reinstate from retirement after they have been hired by a CalPERS employer.

Retirees who wish to engage in CalSTRS-covered employment and retain their full CalSTRS service retirement benefit are considered [Retired Annuitants](#). They subject to [multiple restrictions](#), including:

- Job Type Limitation** – Retired Annuitants may not work in any classified position except, under certain circumstances, as a teacher's aide. Their position must be designated as a retired annuitant position (not any other full- or part-time position).
- Service Credit Limits** – Retired Annuitants do not accrue service credit or any additional retirement rights or benefits. If, within five years of retirement, Retired Annuitants return to work with the same employer that offered them an additional service credit as a retirement incentive (through the [CalSTRS Retirement Incentive Program](#)), they forfeit that credit.
- Work Hours Limit** – Retired Annuitants may not work more than a maximum of 960 hours within a fiscal year (July 1 to June 30). Nonpaid or volunteer hours can't be used in order to exceed 960 hours in a fiscal year.
- Earnings Limit** – Retired Annuitants' salary must be an hourly pay rate that falls within the regular salary schedule for that position; they can't be paid any other compensation or benefits in addition to the hourly pay rate. Retired Annuitants wishing to work in CA public schools may not earn more than the [annual post-retirement earnings limit](#), which is set annually by the CA Teachers' Retirement Board (the fiscal year earning limitation for 2022-23 is \$49,746). If they violate this requirement, their retirement benefit is reduced dollar for dollar by the amount exceeding the earnings limit.

- What surprised you from the data and research?
- What are your main takeaways or learnings as we move into thinking more about refining recommendations?

Roles of Different Actors



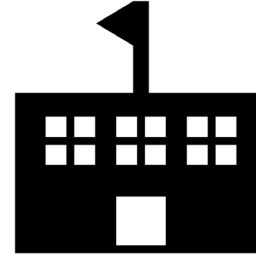
Texas Legislature

Can change laws, affect school finance, and affect agency policy

Statute provides 5 days per year of state leave

Sets TRS healthcare and pension contribution rates for the state, district, and employees

Requires surcharge for employment after retirement



School Districts and Schools

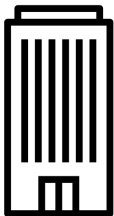
Determines local policy and compensation structure within legal framework. Adopts best practices.

Provide additional types and amounts of leave

Defines policy for how to access leave

Adopt healthcare plan with premium amounts

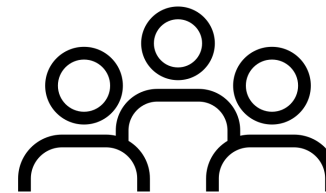
Can contribute more than state-required premium



Government Agencies (TEA, TRS, other)

Can adopt policies and rules, provide best practices and technical assistance, executes on laws

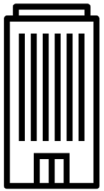
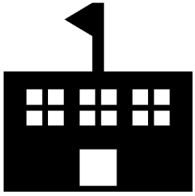
Provides state-wide optional healthcare plan



Others (Professional organizations, Technical Assistance providers)

Can support districts and government agencies with implementing best practices and policies. Can advocate to the Texas Legislature

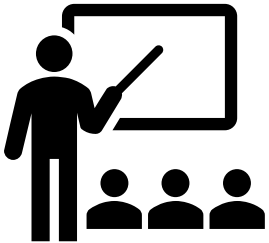
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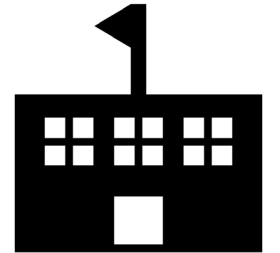
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Review of Data and Research



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Teacher Vacancy Task Force – Compensation Working Group 1



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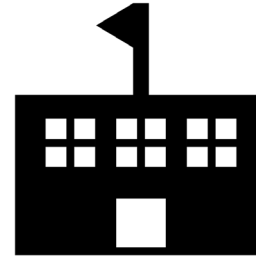


Texas Legislature

Can change laws, affect school finance, and affect agency policy

Established the Teacher Incentive Allotment and how much is generated for each campus

Established the Mentor Program Allotment



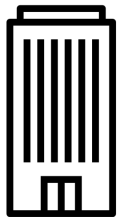
School Districts and Schools

Determines local policy and compensation structure within legal framework. Adopts best practices.

Sets and establishes stipends

Establishes master schedule and courses offered

Creates roles and responsibilities



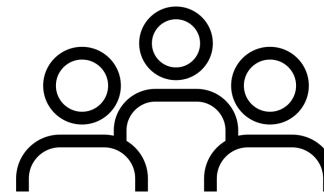
Government Agencies (TEA, TRS, other)

Can adopt policies and rules, provide best practices and technical assistance, executes on laws

Provides technical assistance and best practices around TIA

Approves districts for TIA and the Mentor Program Allotment

Provides training to school boards

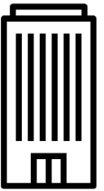
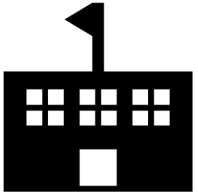


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Revising Recommendations by Like Roles



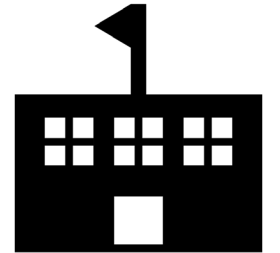
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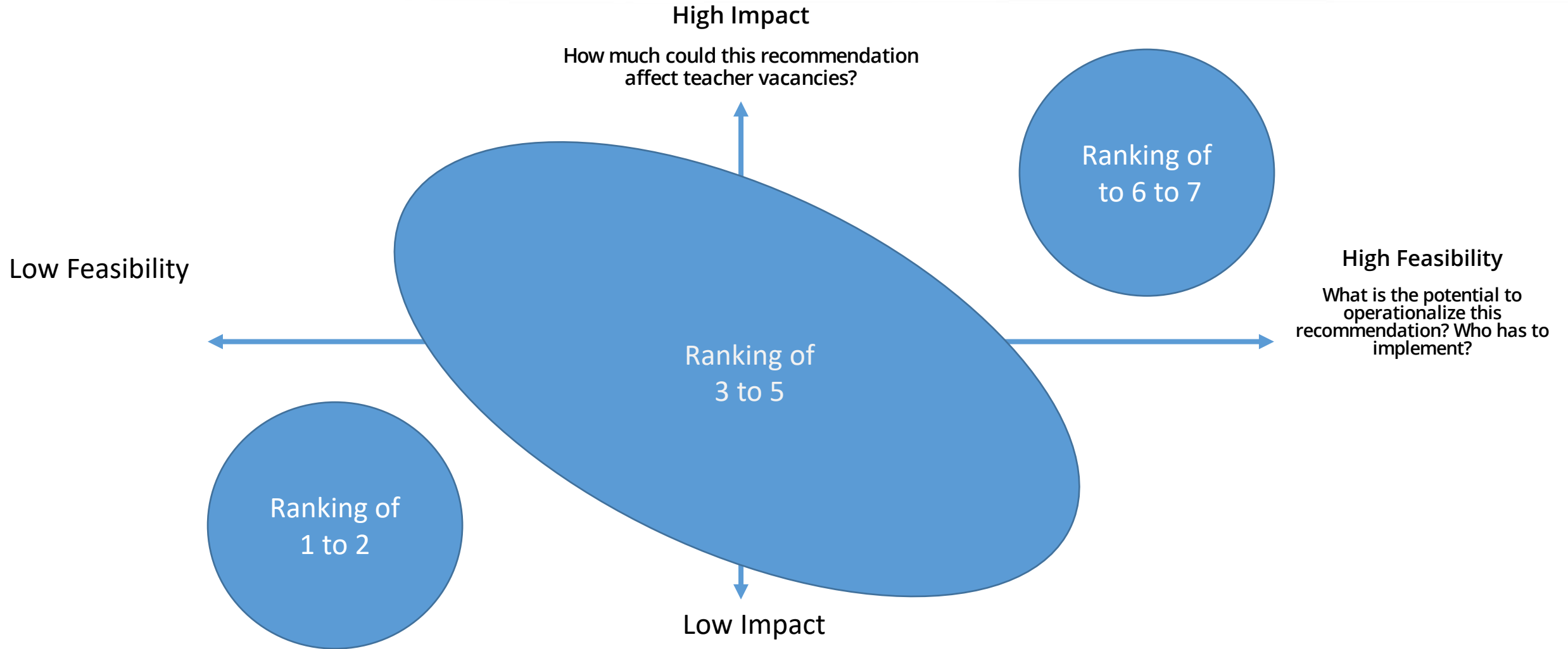


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Recommendation Prioritization

Considering Impact and Feasibility



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- What is a surprise and what resonates?
- How should we think about weighing feasibility and impact?
- Are there overarching research needs or other next steps based on these ranking?

Looking at our top recommendations, is there any other high priority information that we would need to know to finalize recommendations in December?

Thank You

- Top recommendations including the objective and actors (who and how)
- Ask the larger group how else we can consider balancing impact and feasibility



Transition to Whole Group