



Research Report

Teacher Salary Report

Part A

June 22, 2016

Prepared for

**THE HOUSE INTERIM COMMITTEE ON EDUCATION
AND THE SENATE INTERIM COMMITTEE ON EDUCATION**



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INTRODUCTION

Responses to the following questions have been prepared in partial fulfillment of the requirements of Act 57 of the Second Extraordinary Session of 2003.

Part A

1. How do Arkansas teacher salaries compare with surrounding states and states of the Southern Regional Education Board (SREB)?
2. How have the average teacher salaries changed in Arkansas compared with surrounding states and states in the SREB from 2013-14 to 2014-15?
3. How does the cost of living in Arkansas and surrounding states affect the value of Arkansas teacher salaries?

Part B

4. Has the disparity in teacher salaries within Arkansas increased or decreased?
5. How do teacher salaries in Arkansas compare with the salaries in other professions with similar educational requirements?
6. What instructional areas have the largest number of teachers teaching out of area in Arkansas?

This portion – Part A – of the Teacher Salary Report will address questions 1, 2, and 3 reflected above. Questions 4, 5, and 6 were discussed in Part B of the report with the Joint Committees on Education on April 12, 2016.

TEACHER SALARY COMPARISON AMONG SREB AND SURROUNDING STATES**How do Arkansas teacher salaries compare with surrounding states and states of the Southern Regional Education Board?**

Information provided to the committees is based upon the National Education Association's (NEA) annual report on school statistics¹. Staff of the Policy Analysis and Research Section of the Bureau of Legislative Research (BLR) collected the following information for the **2015-16** school year using information obtained from the NEA webpage, information obtained from the websites of state departments of education, and information obtained by directly contacting staff members of the departments of education of these states. The following table is a result of this research effort.

2015-2016 Teacher Salary

Surrounding States	2015-16 Average*	Surrounding States	2015-16 Minimum**
Texas	\$51,758	Mississippi	\$34,390
Tennessee	\$48,708	Oklahoma	\$31,600
Arkansas	\$48,220	Tennessee	\$31,500
Missouri	\$47,849	Arkansas	\$30,122
Louisiana	\$46,733	Texas	\$28,080
Oklahoma	\$44,921	Louisiana	\$27,102
Mississippi	\$42,744	Missouri	\$25,000
SREB States	Average*	SREB States	Minimum**
Maryland	\$66,482	Maryland	\$41,259
Delaware	\$59,085	Florida	\$37,000
Georgia	\$54,190	Alabama	\$36,867
Texas	\$51,758	Kentucky	\$36,558
Kentucky	\$51,666	North Carolina	\$35,000
Virginia	\$50,834	Mississippi	\$34,390
Alabama	\$49,781	Oklahoma	\$31,600
Florida	\$49,199	Georgia	\$31,586
Tennessee	\$48,708	Tennessee	\$31,500
South Carolina	\$48,542	West Virginia	\$30,915
Arkansas	\$48,220	Virginia	\$30,407
North Carolina	\$47,985	Arkansas	\$30,122
Louisiana	\$46,733	South Carolina	\$29,523
West Virginia	\$45,977	Delaware	\$28,281
Oklahoma	\$44,921	Texas	\$28,080
Mississippi	\$42,744	Louisiana	\$27,102

*Average teacher salaries come from the National Education Association's (NEA) *Rankings and Estimates: Rankings of the States 2015 and Estimates of School Statistics 2016, May 2016, Summary Table G, Column 9*.

** Minimum salary levels come from the various states' education department websites and staff reporting in the respective states.

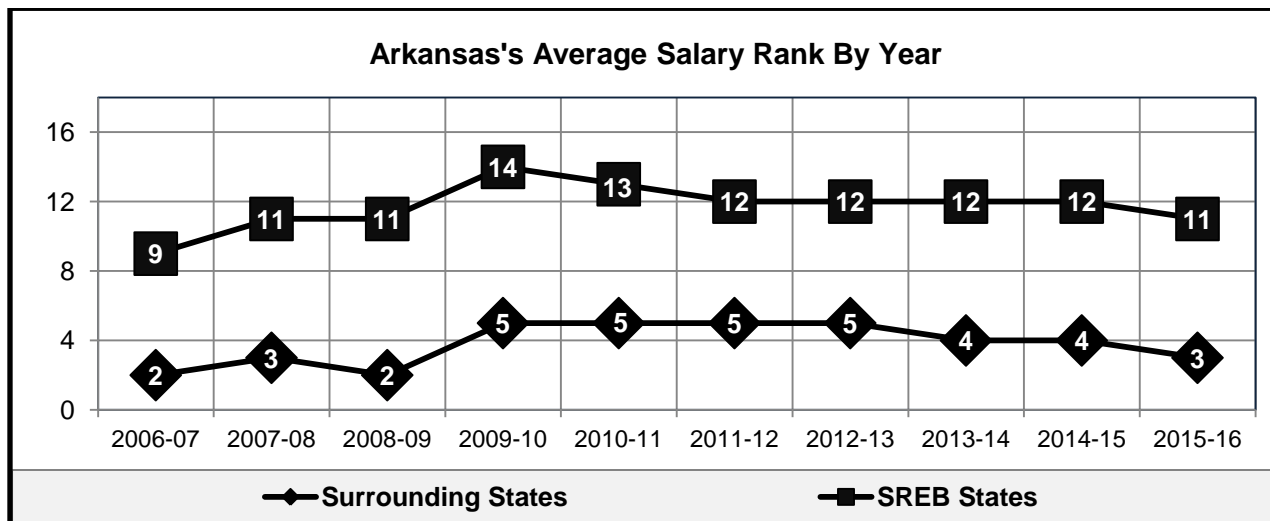
¹ The NEA released the newest *Rankings and Estimates: Rankings of the States 2015 and Estimates of School Statistics 2016, May 2016*.

The following table reports Arkansas’s average salary rank over the prior decade. The surrounding states rank 1-7, with 1 being the highest average salary and 7 being the lowest. The SREB states rank 1-16, with 1 being the highest average salary and 16 being the lowest. The number reported in each row is Arkansas’s rank among the respective groups for each reported year.

Arkansas's Average Salary Rank

Year	Surrounding States	SREB States
2006-07	2	9
2007-08	3	11
2008-09	2	11
2009-10	5	14
2010-11	5	13
2011-12	5	12
2012-13	5	12
2013-14	4	12
2014-15	4	12
2015-16	3	11

The chart below represents the general trends in Arkansas’s average teacher salary ranks over the past decade. The numerical ranks for both surrounding and SREB states are the same as reported above.



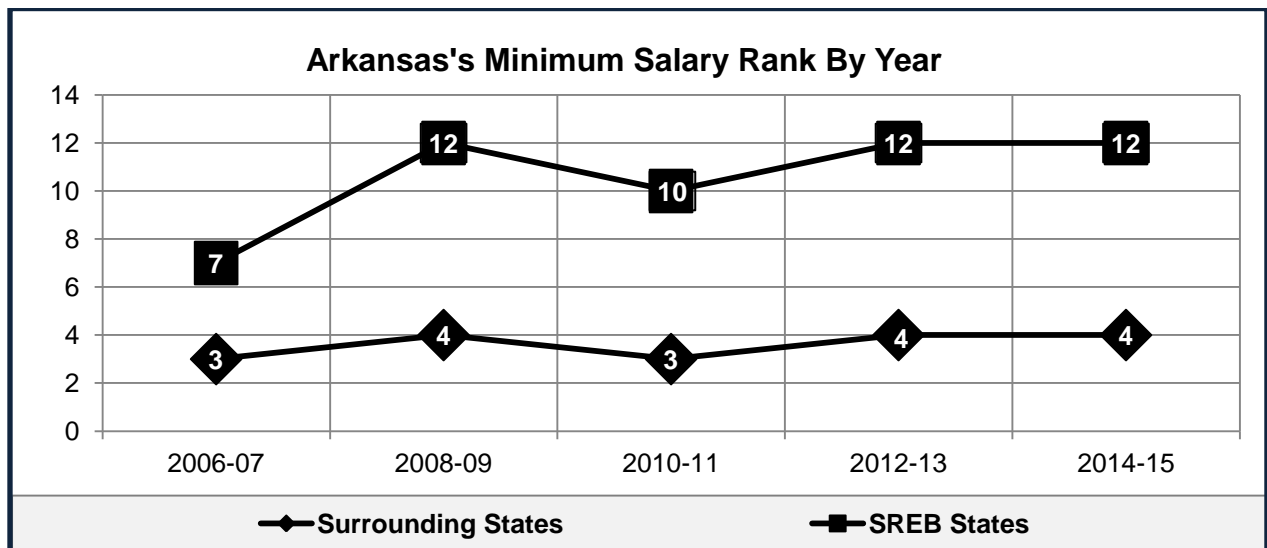
Sources: Average teacher salaries come from the National Education Association’s (NEA) Rankings and Estimates: Rankings of the States Summary Table G, Years 2006-2016.

The following table reports Arkansas's minimum salary rank since 2006-07. The surrounding states rank 1-7, with 1 being the highest minimum salary and 7 being the lowest. The SREB states rank 1-16, with 1 being the highest minimum salary and 16 being the lowest. The number reported in each row is Arkansas's rank among the respective groups for each reported year.

Arkansas's Minimum Salary Rank

Year	Surrounding States	SREB States
2006-07	3	7
2008-09	4	12
2010-11	3	10
2012-13	4	12
2014-15	4	12

The chart below represents the general trends in Arkansas's minimum teacher salary ranks since 2006-07. The numerical ranks for both surrounding and SREB states are the same as reported above.



Sources: Minimum teacher salaries come from the Educational Adequacy Report years 2006-2014 and the Arkansas Department of Education (ADE) Teacher Salary Schedule 2014-15.

CHANGES IN AVERAGE TEACHER SALARIES AMONG SREB AND SURROUNDING STATES

How have the average teacher salaries changed in Arkansas compared with surrounding states and states in the Southern Regional Education Board (SREB) from 2013-14 to 2014-15?

Since the 2013-14 school year, the average teacher salary in Arkansas has grown by 1.07%. Of the surrounding states, **Texas, Oklahoma, and Missouri** have exceeded Arkansas's growth. Of the SREB states, **eight** have exceeded the growth of Arkansas. All of the states represented below have shown growth in teacher salaries except **Delaware, Alabama, and Louisiana**.

Average Teacher Salary Surrounding States	2014-15	2013-14	Percent Change
Texas	50,713	49,690	2.06%
Oklahoma	45,317	44,549	1.72%
Missouri	47,409	46,750	1.41%
Arkansas	47,823	47,319	1.07%
Mississippi	42,564	42,187	0.89%
Tennessee	47,979	47,742	0.50%
Louisiana	47,886	49,067	-2.41%
SREB States	2014-15	2013-14	Percent Change
North Carolina	47,819	44,990	6.29%
Florida	48,992	47,780	2.54%
Texas	50,713	49,690	2.06%
Oklahoma	45,317	44,549	1.72%
Virginia	50,620	49,826	1.59%
West Virginia	45,783	45,086	1.55%
Maryland	65,477	64,546	1.44%
Kentucky	51,155	50,560	1.18%
Arkansas	47,823	47,319	1.07%
Mississippi	42,564	42,187	0.89%
Georgia	53,382	52,924	0.87%
Tennessee	47,979	47,742	0.50%
South Carolina	48,486	48,430	0.12%
Delaware	59,195	59,305	-0.19%
Alabama	48,611	48,720	-0.22%
Louisiana	47,886	49,067	-2.41%

Sources: Average teacher salaries come from the National Education Association's (NEA) Rankings and Estimates: Rankings of the States and Estimates of School Statistics March 2015 and May 2016, Summary Table G, Column 5.

TEACHER SALARIES WITH COST OF LIVING ADJUSTMENT

How does the cost of living in Arkansas, its surrounding states, and the SREB states affect the value of Arkansas teacher salaries?

The table below reports the average teacher salary and the cost of living score assigned to Arkansas and each respective surrounding and SREB state for the 2014-15 school year. The cost of living score is used to compare the ability to maintain a certain standard of living, including basic expenses such as housing, food, taxes, and healthcare. Among these 17 states, Arkansas's 2014-15 average, unadjusted teacher salary ranks 12th.

In order to more equitably compare the cost of living and teacher salaries among Arkansas the surrounding states and the SREB states, a Cost of Living Index is calculated. This is done by holding Arkansas's cost of living score constant and comparing each surrounding and SREB state's cost of living score to this number. Because Arkansas's cost of living is comparably low (ranking 12th among the reported states), the adjusted teacher salary ranks 9th in the table below.

**Average Teacher Salary and
Cost of Living
By State 2014-15**

	State	2014-15 Average Salary	Cost of Living
1	Maryland	65,477	121.1
2	Delaware	59,195	102.8
3	Georgia	53,382	91.7
4	Kentucky	51,155	90.0
5	Texas	50,713	92.6
6	Virginia	50,620	94.5
7	Florida	48,992	100.5
8	Alabama	48,611	90.2
9	South Carolina	48,486	97.5
10	Tennessee	47,979	90.3
11	Louisiana	47,886	93.4
12	Arkansas	47,823	91.4
13	North Carolina	47,819	95.8
14	Missouri	47,409	91.5
15	West Virginia	45,783	103.7
16	Oklahoma	45,317	89.7
17	Mississippi	42,564	83.5

**Adjusted Teacher Salary and
Cost of Living Index
By State 2014-15**

	State	2014-15 Adjusted Avg. Salary	Cost of Living Index
1	Georgia	\$53,206	100.33
2	Delaware	\$52,632	112.47
3	Kentucky	\$51,950	98.47
4	Texas	\$50,057	101.31
5	Maryland	\$49,420	132.49
6	Alabama	\$49,256	98.69
7	Virginia	\$48,960	103.40
8	Tennessee	\$48,562	98.80
9	Arkansas	\$47,823	100.00
10	Missouri	\$47,357	100.11
11	Louisiana	\$46,860	102.19
12	Mississippi	\$46,589	91.36
13	Oklahoma	\$46,176	98.14
14	North Carolina	\$45,624	104.81
15	South Carolina	\$45,454	106.67
16	Florida	\$44,554	109.96
17	West Virginia	\$40,352	113.46

Sources: Average teacher salaries come from the National Education Association's (NEA) Rankings and Estimates: Rankings of the States 2015 and Estimates of School Statistics 2016, May 2016, Summary Table G, Column 5.

The Cost of Living Scores come from the Missouri Economic Research and Information Center (2015) "Cost of Living Data Series 2015 Annual Average". Retrieved June 1, 2016 from http://www.missourieconomy.org/indicators/cost_of_living/index.stm

ADDITIONAL INFORMATION

This report utilizes two data sources for comparing average teacher salaries: the National Education Association (NEA) and the Arkansas Department of Education (ADE).

Part A of the report compares the average salary of the Southern Regional Education Board (SREB) states as well as the states that surround Arkansas utilizing the NEA data. However, this report uses ADE data when comparing the minimum and average salaries among school districts, in-state. Both calculations are described below.

National Education Association's Average Teacher Salary Calculation

The average annual salary is the total amount regularly paid or stipulated to be paid to an individual before deductions for Social Security, health insurance, and the like. The average annual teacher salary is computed as the weighted arithmetic mean of salary figures reported for full-time equivalent elementary and secondary classroom and substitute teachers assigned to instruct pupils. Included are regular salaries for full-time and part-time teachers and substitute teachers.

Does not include:

- extra pay for extra duty
- payments for teaching summer school (with the exception of 12-month employees)
- salaries for other categories of employees
- salaries for vacant positions
- curriculum specialists
- guidance counselors
- librarians
- media specialists
- remedial specialists
- others possessing educational certification but who are not responsible for day-to-day teaching of the same group of pupils
- instructional aides
- attendance personnel
- health services personnel
- psychologists
- social workers
- clerical personnel
- community college staff
- persons whose jobs do not require skills in the field of education
- principals
- assistant principals
- supervisors
- superintendents
- assistant superintendents

Arkansas Department of Education's Average Teacher Salary Calculation

In the second portion of the report, ADE's Annual Statistical Report (ASR) methodology is used to make comparisons among the minimum and average salaries in Arkansas's school districts for the years 2003-2015, except 2011.²

The average teacher salary for each district is reflected on line 84 from the ASR. The average salary for each district is the total salary (line 83.5) divided by personnel (line 83).

Line 83: Personnel – Non-Federal Certified Classroom Full Time Employees (FTEs). The number of K-12 certified personnel employed by the district as K-12 classroom teachers, librarians, counselors, psychologists, and other K-12 certified, **non-administrative employees** and paid from the Teacher Salary Fund. *Certified employees paid from federal funds are not included.*

Line 83.5: Non-Federal Certified FTEs – The total salaries of all licensed classroom teachers employed by public school districts.

Line 84: Average Salary – Non-Federal Certified Classroom FTEs. The average salary of personnel defined in line 83 (line 83.5 divided by line 83).

The following items are included in ASR average salary calculations:

- **Certified Employees:** Salary expenditures paid to certified employees from the teacher salary fund, unless funded by a federally-sponsored program. This includes pay for additional duties, such as a stipend for leading extra-curricular activities.
- **Overtime:** Amounts paid to permanent and temporary certified and classified employees for work performed in addition to the normal work period for which the employee is compensated.
- **Sabbatical Leave:** Amounts paid by to certified employees on sabbatical leave.
- **Additional compensation such as bonuses or incentives paid to certified employees**
- **Workshops:** Amounts paid to a certified employee for attending workshops or other forms of professional development outside of normal working hours or contracted days.
- **Unused Sick Leave:** Costs incurred due to an employee retiring, being terminated or as a benefit when an employee accumulates over the max amount eligible to be carried forward in a year.
- **Severance:** The costs paid for severance or early retirement incentive
- **Early Retirement Incentive**
- **Unused Vacation**

For the 2011-12 school year, the highest average salary reported was \$57,279 for the Fayetteville School District. This salary was actually reported in the 2011-12 ASR as the third highest average salary. However, in collaboration with ADE, the BLR made the decision to drop the two higher salaries, due to a strong belief that these high salary averages were due to FTE reporting error(s). Efforts were made to contact the two districts and correct the error prior to the creation of this report.

It is also important to note that the BLR has continually encountered problems with incorrectly reported FTEs. This problem exists across years and across districts, necessitating manual recalculations of salary amounts with the cooperation of both ADE and the districts in question. While we have identified this issue with several districts due to large discrepancies, there may be other districts whose FTEs discrepancies are smaller and are thus still being reported incorrectly.

² A different calculation was utilized for the year 2010-11, because it was noted by the BLR that a number of districts had significant salary changes from the ASR in 2009-10 and 2010-11. Therefore, the BLR, with the cooperative efforts of the ADE, calculated a new average for the districts, instead of using the data from the ASR for the year 2010-11.

The calculation for a new average was performed by taking the total salaries paid from the FY2010-11 expenditure ledger and dividing it by the number of FTEs reported by the district. There were 28 districts that reported an incorrect number of FTEs. These were adjusted based on direct correspondence between the BLR and those districts.