



Teacher Pay Issue Brief

Background

Historical Overview of the Teacher Salary Structure. Public school teacher salaries in North Carolina are linked to a State-established salary schedule that sets minimum salary levels based upon years of teaching experience. Traditionally, this schedule would provide a base salary increase for each additional year of teaching experience (known as step increases). Depending on level of experience, the percentage raise between experienced-based steps would differ but there was always some type of salary increase for each additional year of experience until the schedule maxed out after 30 years of experience. North Carolina has also offered salary supplements for teachers who enhance their professional skills by gaining certification from the National Board for Professional Teaching Standards and, until recently, supplements for those earning a Master’s, doctorate, or other advanced degree (education-based salary supplement). Many local school districts also use local appropriations to provide additional supplements to teacher salaries (local supplements). In school year 2013-14, 107 local school districts provided a local salary supplement, ranging from an average of \$100 to \$6,441.¹

Timeline of Changes to Teacher Salary Levels and Structure. During the late-1990’s and early-2000’s, the State made a series of robust investments to enhance teacher salaries. By 2002-03, the average salary of classroom teachers in NC ranked 22nd in the nation. Step increases on the salary schedule were structured to encourage teachers in years 5-10 to stay in the profession. A national economic slowdown in 2008 dried up state revenues and largely contributed to a gaping budget hole lawmakers had to fill for the 2009-10 fiscal year. Looking for areas in the budget where they could contain costs, lawmakers froze teacher salaries at their 2008-09 levels by disallowing any step increases for the 2009-10 fiscal year. Teachers remained locked into that same salary for the next two school years as the State continued to grapple with a challenging fiscal and economic environment. A 1.2% was provided to all teachers in 2012-13 before pay was frozen again in 2013-14. A 2013 budget provision also cut off access to education-based salary supplements if a teacher had not received the supplement prior to July 1, 2014. By 2013-14, NC’s teacher salary situation had reached a dismal state:

- Teachers had received one pay increase of 1.2% over a six-year period.
- Over a 10-year period, the average teacher salary in North Carolina, inflation-adjusted, had **dropped 15.7%**. This was the steepest drop of any state in the nation during this time.
- The national ranking of average salaries in North Carolina had fallen from 28th in 2008-09 to 35th in 2009-10 to 46th in 2013-14.
- A teacher with a bachelor’s degree and five years of experience made \$30,800 in 2013-14 as opposed to \$35,380 in 2008-09.
- A teacher with a bachelor’s degree would have to teach 16 years just to earn \$40,000 and would not receive any supplements for going on to attain a Master’s or advanced degree.
- The schedule had been distorted so that teachers in their first six years of teaching received no salary increases.

2014 Changes. Recognizing the severity of the problem, North Carolina’s elected leadership made teacher pay raises a priority in the 2014 legislative session. The 2014 budget included funds for an average 5.5% raise for teachers for the 2014-15 school year, with salaries for beginning teachers upped from \$30,800 to \$33,000. This was accompanied by a dramatic restructuring of the salary schedule.² Instead of salary increases for each year of teaching experience, the schedule was collapsed down according to the below chart.

Years of Experience	Salary Level
0-4	\$33,000
5-9	\$36,500
10-14	\$40,000
15-19	\$43,500
20-24	\$46,500
25+	\$50,000

¹ NCDPI Statistical Profile Online: <http://apps.schools.nc.gov/statisticalprofile>

² S.L. 2014-100, Sec. 9.1.

Under this schedule, teachers will be locked into the same salary for five year periods throughout their entire teaching career until they surpass 25 years of experience. Longevity payments were folded into the teacher pay raise and so will no longer be given. This new salary schedule is expected to be supplemented by a new program whereby local boards are to design models to award salary supplements to teachers for certain performance measures or agreement to take on additional duties.

The budget also slightly modified but did not reverse the elimination of education-based supplements.

Even with these changes the teacher situation in North Carolina remains perilous. The number of teachers employed throughout public schools statewide has declined by almost 4,000 since 2008 despite student enrollment growth of over 33,000. The most recent Teacher Working Conditions Survey reported a significant uptick in the rate of teachers with some experience, but still in the early stages of their teaching career, reporting immediate plans to leave education entirely. Prospective teachers are choosing alternate career paths. Enrollment in education degree programs at University of North Carolina campuses has dropped 18% since 2010 according to UNC figures.³

NCSBA Position

Local school boards need to be able to offer competitive salary and compensation packages in order to be able to recruit and retain high quality classroom teachers. But the sustained freeze on teacher salaries from 2008-2014, decline in national salary rankings, and elimination of education-based salary supplements for those who have not attained them has left teachers feeling unappreciated and undervalued.

The pay raise package in 2014 was a step in the right direction for improving the teacher salary situation in the state. However, because of the way it was structured not all teachers received the average 5.5% raise (after longevity). Some groups of teachers received very meaningful pay raises but other groups received a very small pay raise. NCSBA commends the General Assembly for the meaningful pay raises to certain groups of teachers but believes more needs to be done to put North Carolina back in a competitive position on salaries.

- All teachers should be at least at the level they would have been had they moved up the old salary schedule and received step increases after 2008. Too many veteran teachers, particularly those who started around 2007-08, are still not being adequately rewarded for their years of service, experience, and hard work. For example, had a teacher with two (2) years of experience in 2008-09 received appropriate step increases they should be earning at least \$38,000 as a teacher with eight (8) years of experience in 2014-15. Instead, the schedule provides that a teacher at that experience level is to earn \$36,500. This needs to be remedied.
- The prospective of receiving a pay increase only once every five years is a great disincentive for teachers to be attracted to and stay in the profession. The five-year bands under the new schedule should be reconsidered.
- NCSBA firmly believes that teachers should be compensated commiserate to the expectations we have of them. Just as we expect our teachers to exceed the national average, so to should their average salary level exceed the national average.
- Master's and advanced degree salary supplements need to be fully restored. Research shows that these supplements yield positive effects. For example, National Assessment of Educational Progress (NAEP) data for 4th grade reading has shown "students whose teachers hold Master's degrees have scored higher than their peers whose teachers hold bachelor's degrees in every assessment since 2005."⁴

³ Cullen Browder, WRAL, August 15, 2014. Access at <http://www.wral.com/fewer-nc-students-seeking-teaching-degrees/13897638/>

⁴ Top Stories in NAEP Reading 2011. Access at: http://www.nationsreportcard.gov/reading_2011/