

Understanding Jeffco's indexed salary schedule



From the very beginning of our nation's history, there have been schools and salaried teachers working in them. Most of those early teachers were clergymen or indentured servants working to repay debts. As public schools developed and teaching emerged as a profession, various methods of compensation were tried, including various forms of performance based or merit pay. For many reasons, most of them proved un-affordable and unsuccessful. By today's standards these past efforts would also be viewed as being openly discriminatory, especially against women and minorities.

Prior to the mid-twentieth century, little thought was given to the three basic goals of any progressive compensation system: to attract quality employees, retain career employees, and motivate career employees. Fortunately, that has now changed. Most quality conscious companies and institutions—including school districts—view their compensation programs with these clear goals in mind.

Historically, public schools generally have had a problem developing compensation systems to achieve these goals. That problem has been caused by inconsistent and insufficient monetary resources. As a result, school districts have attempted to devise ways to compensate teachers knowing they did not have the resources to pay teachers a reasonable professional salary throughout their careers. They took the limited amount of money available and divided it—deferred it in an objective and nondiscriminatory way—through a system of indices and steps. The **indexed salary schedule** was born and is still in use in most school districts in America. It provides teachers a method to plan financially by providing a gradual but predictable—indexed—salary over a given length of time. Without that predictability, it would be very difficult to encourage quality men and women to seek teaching as a long-term career.

This fact surprises many non-educators who believe teachers, like most other professionals, receive a salary that remains relatively stable throughout their careers and commensurate with their level of training and responsibility. Most non-educators are also surprised that not all teachers receive annual salary improvements. In fact, in approximately 30% of all Jeffco teachers were not eligible to receive any improvement in salary. The only improvement in salary they receive would be that which is added to the base and applied to the salary schedule.

As a result of its developmental history and the economic realities that dictate it, teachers view the indexed salary schedule as a **deferred compensation system**, because that is what it is. They do not view improvements in salary that come from the schedule to be "salary increases" but gradual steps toward receiving the professional salary they should have been paid at the start of their careers.

While teachers have accepted the reality of the indexed salary schedule, they also understand this means that their career earnings will be significantly less than it would be if they were paid a "professional" salary throughout their career. For example, if it were agreed that the "professional" salary of teachers should be \$65,000 a year, then teachers would receive that amount at the start of their careers. Obviously, their career earnings

would be much greater than on the current salary schedule which starts in the low thirties, and achieves the \$65,000 level only after teaching 21 years and acquiring forty hours above the Bachelor's degree or a Master's degree.

One recognized advantage of the indexed salary schedule is that it also rewards loyalty to the school district which helps to maintain instructional continuity. The district benefits because it saves money by not having to constantly retrain teachers. There simply is no logic in training teachers to deliver a demanding curriculum and then have those same teachers carry those skills to other school districts.

Secondly, the indexed salary schedule recognizes that continuing education, especially for educator role models, is a value worth rewarding. School districts realize that, unlike the private sector, they could not afford to pay for continuing education for their employees. As a result, educational attainment levels were also built into the index which—over the life of a career—provide some degree of compensation while also motivating employees to continue to improve their knowledge base and skill levels.

Does it achieve the three goals?

Has the indexed salary schedule met the three goals? In Jeffco it has. First, even though Jeffco has a relatively low beginning teacher salary in comparison to other districts on the Front Range, the overall compensation package and career earning potential has been sufficient incentive to attract highly qualified new teachers to the district. Despite the ongoing history of financial problems, Jeffco is still viewed as a good place to teach and is able to attract quality teachers.

Second, Jeffco has one of the most experienced teaching staffs in the state. That is important because the district has a difficult and complicated curriculum that takes time to learn and master. Clearly, Jeffco's indexed salary schedule promotes the retention of teachers.

Third, Jeffco teachers are highly motivated. According to an Association survey conducted in 1996, Jeffco teachers on average work 56 hours a week at school, serve on 3.8 school committees, and spend \$546 of their personal money for classroom-related expenses during the 1995-96 school year. Since that time, work loads have only increased and teachers continue to pay for classroom enrichment materials. They remain dedicated and motivated.

In addition, Jeffco teachers have been motivated to continue their professional growth and enhance teaching skill. In fact, Jeffco boasts having one of the state's highest percentage of teachers who have earned at least a Master's degree.

Finally, educational research consistently indicates there is a strong positive correlation, or link, between student achievement and teachers' experience and education levels. The indexed salary schedule strengthens that link and therefore promotes student achievement.

Based on available data and research, the Jeffco indexed salary schedule has achieved all three goals of a progressive compensation system. It is a fair, objective, nondiscriminatory method of determining how a deferred compensation system should work for career teachers in Jefferson County.