

The Single Salary Schedule and Teacher Salaries June 2009

This document outlines the structure of teacher salary schedules and reports data on Ohio teacher salaries. Data in this report were compiled by OEA Research and other noted sources.

The Single Salary Schedule

The single salary schedule can be generally defined as a method for determining teacher salaries on the basis of two criteria: experience and academic training.

First established in 1921, for more than sixty years the single salary schedule has been used to determine teacher pay in the vast majority of school districts throughout the United States (NEA, *The Single Salary Schedule at the Dawn of a New Century*, 2001).

U.S. Schools with Single Salary Schedule

Year	Percentage
1931	22
1941	31
1947	64
1951	97
1968	89
1972	94
1980	96
1993	94

Virtually every traditional public school district in Ohio employs the single salary schedule. Ohio law, codified under Chapter 3317.13 of the Ohio Revised Code, establishes the state minimum single salary schedule for teachers.

Minimum Salary Schedule for Teachers

Years	Less than a Bachelor's		Bachelor's		Bachelor's with 150 hours		Master's	
	Index	Salary	Index	Salary	Index	Salary	Index	Salary
0	86.5	17,300	100.0	20,000	103.8	20,760	109.5	21,900
1	90.0	18,000	103.8	20,760	108.1	21,620	114.3	22,860
2	93.5	18,700	107.6	21,520	112.4	22,480	119.1	23,820
3	97.0	19,400	111.4	22,280	116.7	23,340	123.9	24,780
4	100.5	20,100	115.2	23,040	121.0	24,200	128.7	25,740
5	104.0	20,800	119.0	23,800	125.3	25,060	133.5	26,700
6	104.0	20,800	122.8	24,560	129.6	25,920	138.3	27,660
7	104.0	20,800	126.6	25,320	133.9	26,780	143.1	28,620
8	104.0	20,800	130.4	26,080	138.2	27,640	147.9	29,580
9	104.0	20,800	134.2	26,840	142.5	28,500	152.7	30,540
10	104.0	20,800	138.0	27,600	146.8	29,360	157.5	31,500
11	104.0	20,800	141.8	28,360	151.1	30,220	162.3	32,460

The state minimum teacher salary was last increased in 2001. All Ohio school districts pay teacher salaries beyond the state minimum amounts. For the 2008-2009 school year, the lowest beginning teacher salary in Ohio is \$21,865. For a master's degree and 11-years' experience, the lowest salary is \$36,569

The Index

The index is used to determine the salary for each training and experience level. This is accomplished by multiplying the salary for a beginning teacher with a bachelor's degree, which is set at the index base value of 1.0 -- or 100 as seen on the state Minimum Salary Schedule for Teachers, by the index value that is assigned to a particular training and experience point.

Example: BA-0 years' salary = \$30,000, BA-0 Index = 1.00
 MA-11 years' index = 1.70
 MA-11 years' salary = \$30,000 X 1.70 = \$51,000

The \$51,000 paid to a teacher with a master's degree and 11 years' experience is 70 percent greater than the bachelor's-0 years' salary of \$30,000.

The state minimum salary schedule sets the pay for beginning teachers with a master's degree at an index value of 1.095, which is 9.5 percent higher than the bachelor's-zero experience base salary.

Statewide, the average pay for beginning teachers with a master's degree is 10.9 percent higher than the salary of beginning teachers with a bachelor's degree.

The maximum salary on the state minimum salary schedule is achieved at a master's and 11 years' experience. This amount is \$32,460 based on a bachelor's-zero experience salary of \$20,000 and a master's-11 years' index value of 1.623.

For the 2008-2009 school year, the average salary for a teacher with a master's degree and 11 years' experience is \$53,923, with an average index value of 1.695.

Universally, school districts recognize training and experience levels beyond the master's-11 years' level. Statewide, the average index for the highest academic training and experience level is 2.12. This means, that teachers with the greatest training and experience levels are typically paid more than twice as much as brand new teachers.

Step Increases

The effect of the index is to build automatic step increases, or increments, into the single salary schedule. Thus, for a set number of years step increases are received annually. Typically, about half of the teachers in a school district are eligible for annual step increases.

Step increases are established based on index values that grow by either simple addition, by a multiplier, or by a non-uniform methodology.

Sample Index Values

Step	Addition	Multiplier	Non-Uniform
0	1.0000	1.0000	1.0000
1	1.0400	1.0400	1.0400
2	1.0800	1.0816	1.0760
3	1.1200	1.1249	1.1240

If index growth is based on simple addition, then the size of the percentage increase from one step to the next actually decreases. For instance, the size of the increase between index values of 1.04 and 1.08 is actually 3.85

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percent. Conversely, the use of a multiplier index ensures that the actual percentage growth in salary is consistent from one step to the next.

The state minimum salary schedule was constructed based on simple addition. The increment for the masters' column is 0.048. The actual movement between steps averages just under 4.4 percent. The average annual increment in the state for teachers with a master's is 0.053. This figure corresponds to actual step increases of 4.8 percent.

Following the structure of the state minimum salary schedule, virtually all teacher salary schedules provide for annual step increases for each of the first eleven years of experience.

Annual step increases beyond eleven years are determined locally.

Annual Step Increases - Statewide

Length	Portion
11 years	4%
12 years	16%
13 years	21%
14 years	17%
15 years	23%
16 years	9%
Over 16 years	10%

Columns

The state minimum teacher salary schedule recognizes the following four training levels: less than a bachelor's degree; a bachelor's degree; a bachelor's degree and at least 150 semester hours, or an equivalent number of quarter hours; and, a master's degree.

The data reported in this document only apply to those columns at a bachelor's level and beyond. Therefore, for discussion purposes the state minimum teacher's salary schedule contains three columns.

Only seven percent of salary schedules are limited to three columns. Thirty percent have four columns, 26 percent have five columns, and 36 percent have six or more columns. One percent of salary schedules have ten or more columns.

The most frequently recognized maximum degree level is a MA+30 semester hours. This is found in 38 percent of salary schedules. The other maximum degree levels that are most commonly recognized are as follows: MA (8%); MA+15 (22%); MA+45 (5%); and, PhD (12%).

Longevity Steps

Though the state minimum teachers' salary schedule contemplates no additional pay increases beyond 11 years, most salary schedules do contain periodic longevity steps. These longevity increases are typically received at several experience points until a maximum rate is achieved.

For example, a salary schedule may contain annual step increases until a teacher has achieved 12 years of experience with additional longevity steps at 15, 18, 23 and 27 years. Among salary schedules that include longevity steps the modal, or most frequent, number of longevity steps is three.

The most commonly recognized maximum experience level is 27 years. A top longevity step of 27 years is found in 29 percent of schedules. In nine percent of salary schedules the top step is reached in fewer than 20 years. Seven percent have a maximum experience level of 30 years or more.

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Some salary schedules contain longevity steps that are indexed. Others provide a flat dollar amount at designated service levels.

For the 2008-2009 school year, the highest salary – with longevity steps – in the state that is reflected on a salary schedule is \$99,265, about three-quarters of a percent below the \$100,000 mark.

Constructing a Typical Teacher Salary Schedule

Using the 2008-2009 median beginning teacher salary of \$31,514, a typical Ohio teacher salary schedule looks something like this:

Sample Teacher Salary Schedule

Step	BA	BA-150	MA	MA+15	MA+30
0	31,514	33,090	34,665	36,241	37,817
	1.0000	1.0500	1.1000	1.1500	1.2000
1	32,885	34,618	36,351	37,927	39,503
	1.0435	1.0985	1.1535	1.2035	1.2535
2	34,256	36,147	38,037	39,613	41,189
	1.0870	1.1470	1.2070	1.2570	1.3070
3	35,627	37,675	39,723	41,299	42,875
	1.1305	1.1955	1.2605	1.3105	1.3605
4	36,997	39,203	41,409	42,985	44,561
	1.1740	1.2440	1.3140	1.3640	1.4140
5	38,368	40,732	43,095	44,671	46,247
	1.2175	1.2925	1.3675	1.4175	1.4675
6	39,739	42,260	44,781	46,357	47,933
	1.2610	1.3410	1.4210	1.4710	1.5210
7	41,110	43,789	46,467	48,043	49,619
	1.3045	1.3895	1.4745	1.5245	1.5745
8	42,481	45,317	48,153	49,729	51,305
	1.3480	1.4380	1.5280	1.5780	1.6280
9	43,852	46,846	49,839	51,415	52,991
	1.3915	1.4865	1.5815	1.6315	1.6815
10	45,223	48,374	51,525	53,101	54,677
	1.4350	1.5350	1.6350	1.6850	1.7350
11	46,593	49,902	53,211	54,787	56,363
	1.4785	1.5835	1.6885	1.7385	1.7885
12	47,964	51,431	54,897	56,473	58,049
	1.5220	1.6320	1.7420	1.7920	1.8420
13	49,335	52,959	56,583	58,159	59,735
	1.5655	1.6805	1.7955	1.8455	1.8955
15	50,706	54,488	58,269	59,845	61,421
	1.6090	1.7290	1.8490	1.8990	1.9490
18	52,077	56,016	59,955	61,531	63,107
	1.6525	1.7775	1.9025	1.9525	2.0025
24	53,448	57,545	61,641	63,217	64,793
	1.6960	1.8260	1.9560	2.0060	2.0560
27	54,819	59,073	63,327	64,903	66,479
	1.7395	1.8745	2.0095	2.0595	2.1095

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Beginning Teacher Salary

For the 2008-2009 school year, the average salary for a beginning teacher with a bachelor's degree is \$31,792. Six school districts in the state pay a beginning teacher salary of at least \$40,000.

Data collected by the National Education Association reveals that, nationally, Ohio ranks 35th in average beginning teacher salaries.

In its 2004 study, *Salaries of Beginning Teachers in Ohio*, the Legislative Office of Education Oversight (LOEO) found Ohio to rank last among comparable states in average beginning teacher salaries. The Ohio average was more than \$2,700 below the average of states LOEO determined to be comparable.

Across Ohio, there is much variation in starting teacher salaries, differing by more than \$20,000 between the highest paid and lowest paid and by more than \$7,000 between the 90th and 10th percentiles.

2008-2009 Beginning Teacher Salary –
Bachelor's with 0 Years' Experience

Low	\$21,865
10 th Percentile	\$28,266
25 th Percentile	\$29,587
50 th Percentile (Median)	\$31,514
75 th Percentile	\$33,831
90 th Percentile	\$35,945
High	\$43,042

Not all new teachers are placed at step zero. Many districts, by agreement or practice, hire beginning teachers beyond step zero of the salary schedule.

Salary Increases

Teacher salary increases come in three forms: step increases; increases on the base; and, index changes.

As previously mentioned, built into salary schedules are step increases that are received automatically for a set number of years and periodically until a maximum is reached. For a typical school district, overall teacher salary costs will grow 1.5 to 2.0 percent annually due to step increases alone. In a typical school district about half of teachers are eligible for a step increase in any given year. The portion of teachers eligible for step increases will vary depending upon the structure of the index and the experience level of the teaching staff.

A base, or across-the-board, increase occurs when the pay level for a teacher with a bachelor's and zero experience is increased by some amount, usually in the form of a percentage, thus driving up the salaries at all other indexed training and experience levels by the same amount.

For the 2008-2009 school year, the average base wage increase was 2.57 percent, up slightly from an average of 2.48 percent for the 2007-2008 school year, and still well below average increases seen during the first part of the decade.

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The following table shows the average base increase for collective bargaining agreements in their first, second, and third year for the 2008-2009 school year.

Average 2008-2009 Wage Increase by Year
Collective Bargaining Agreement was Negotiated

Year Contract Negotiated	Average 2008-2009 wage Increase
2006-2007	2.62%
2007-2008	2.66%
2008-2009	2.55%

Seven percent of the collective bargaining agreements that were negotiated last year, including wage reopeners, contained no 2008-2009 base increase whatsoever. For contracts negotiated for the 2007-2008 school year, eleven percent froze wages. In many instances, wage freezes were accepted in exchange for no reduction in insurance benefit levels or increase in premium contribution amounts.

Data reported by the State Employment Relations Board (SERB) in its 2008 *Annual Wage Settlement Report* continue to show an average wage increase trending around two and one-half percent. Wage settlements came in around this level for the fifth straight year, after averaging in excess of three percent for the six previous years.

For the fifth straight year, the modal, or most common, negotiated base increase was three percent.

Changing the Index

Salary increases can also be achieved by making changes to the index. The most common method for adjusting the index is to add experience steps or training columns. For instance, a schedule that recognizes a maximum of 25 years of experience may be modified creating a new longevity step at 27 years. Or, a MA+45 column may be added to a schedule that previously recognized a MA+30 as the most highly compensated academic training level.

Changes of the type such as those described above have had a historical appeal. For teachers it provides an opportunity to maximize their final average salary for retirement benefit calculation purposes. For school boards it serves as a way to minimize short-term salary costs. Since relatively few employees immediately qualify for a salary increase associated with additional experience steps or training columns, school boards can avoid significant spikes in their payroll costs.

Another way to change the index is through compression. To compress the index means to shorten the length of time required to reach the maximum salary levels, thus increasing overall career earnings. One way to achieve this is to shave steps from the schedule. For instance, step zero can be removed making step one the new step zero.

As mentioned, starting teacher salaries in Ohio are quite low both nationally and among comparable states. One possible explanation is the historical tendency to expand salary schedules so that earnings are maximized toward the end of teachers' careers. However, as "baby boomer" teachers begin to retire in masse this practice could challenge the solvency of the state's retirement system. Lower career earnings not only diminishes spending power, but also decreases STRS contributions.

Another possible benefit of compressing the index is an intangible one. Surveys suggest that newer teachers feel disconnected with their local and state associations. Enhancing newer members' salaries could go a long way toward facilitating union commitment.

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Attacks on the Single Salary Schedule

In recent years, local anti-tax groups, conservative politicians, and proponents of performance-based pay systems have attacked the single salary schedule portraying it as an anachronism and an impediment to advancing student academic performance. Such claims have no basis in fact.

The single salary schedule is an objective method for determining teacher compensation. It removes biases associated with grade level, race and gender. It recognizes the contributions of all teachers irrespective of the subject matter taught. And, it guards against subjective and inconsistent evaluations of performance.

To the extent the typical Ohio single salary schedule is problematic in that it favors end-of-career earnings over entry pay, thus, resulting in low starting salaries. This problem can be addressed through salary compression.

Alternative Compensation

While the single salary schedule remains the standard for determining teacher pay, alternative compensation models are gaining some momentum. It is not surprising that high stakes testing and value-added assessment have provided a staging platform for those desirous of tying teacher pay to student academic achievement. Moreover, many have proposed alternative compensation as a math and science teacher recruitment tool and as a means to entice experienced teachers to work in high poverty districts and buildings. Developing and rewarding master teachers and mentors is another alternative compensation initiative that has received some attention

A few Ohio school districts have begun experimenting with alternative compensation based on some or all of the principles stated above. A pilot alternative compensation program, funded through the federal government's Teacher Incentive Fund, has been established or is being developed in Cincinnati, Cleveland, Columbus and Toledo.

Other forms of alternative compensation are already well established in Ohio. Thousand of teachers receive additional pay for performing supplemental duties as athletic coaches, band directors, and club advisors. Also, the Ohio Department of Education reports that 2,900 Ohio teachers have achieved National Board Certification. Most NBCTs receive an annual stipend of \$2,500. Some local associations and school districts have agreed to amounts beyond the state NBCT stipend.

Alternative compensation models can be implemented without dismantling the single salary schedule. Supplements or stipends that reward advanced contributions to the teaching profession or that recognize highly challenging working conditions could very well serve public education policy goals.

**Appendix:
2008-2009 Ohio Teacher Salaries**

	Bachelors with 0 Years' Experience	Masters with 0 Years' Experience	Masters with 11 Years' Experience	Masters Maximum	Schedule Maximum (with Longevity Steps)
Low	\$21,865	\$24,412	\$36,569	\$39,357	\$45,370
25 th Percentile	\$29,587	\$32,737	\$49,338	\$53,397	\$60,248
50 th Percentile (Median)	\$31,514	\$34,845	\$52,869	\$57,854	\$65,813
75 th Percentile	\$33,831	\$37,579	\$57,934	\$64,022	\$73,346
High	\$43,042	\$49,917	\$74,877	\$87,186	\$99,265
Average	\$31,792	\$35,256	\$53,923	\$59,386	\$67,590

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