



Bureau Brief

MEMORANDUM

TO: Senator Jimmy Jeffress, Chair, Joint Adequacy Evaluation Oversight Subcommittee of the House and Senate Interim Committees on Education
Representative Bill Abernathy, Chair, Joint Adequacy Evaluation Oversight Subcommittee of the House and Senate Interim Committees on Education

FROM: Jerri Derlikowski, Administrator, Policy Analysis and Research, Bureau of Legislative Research

DATE: January 9, 2008

RE: Teacher Salaries

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

1. How do Arkansas teacher salaries compare with surrounding states and states of the Southern Regional Education Board?
2. Has the disparity in teacher salaries within Arkansas increased or decreased in FY 2006-07?
3. How does the cost of living in Arkansas and surrounding states affect the value of Arkansas teacher salaries?
4. How do teacher salaries in Arkansas compare with other professions with similar educational requirements within the state?

BUREAU OF LEGISLATIVE RESEARCH

1. How do Arkansas teacher salaries compare with surrounding states and states of the Southern Regional Education Board?

2006-07 Teacher Salary Averages and Minimums

Surrounding States	Average*	Minimum*
Texas	\$44,897	\$27,320
Arkansas	\$44,009	\$28,611
Tennessee	\$43,816	\$28,365
Louisiana	\$42,816	\$23,708
Oklahoma	\$42,379	\$31,000
Missouri	\$41,839	\$22,000
Mississippi	\$40,182	\$30,000
SREB States		
Maryland	\$56,927	\$36,050
Delaware	\$54,680	\$35,184
Georgia	\$49,905	\$31,659
North Carolina	\$46,410	\$28,510
Virginia	\$45,573	\$28,600
Florida	\$45,308	\$26,357
Texas	\$44,897	\$27,320
South Carolina	\$44,336	\$25,628
Arkansas	\$44,009	\$28,611
Tennessee	\$43,816	\$28,365
Kentucky	\$43,646	\$25,360
Alabama	\$43,389	\$33,737
Louisiana	\$42,816	\$23,708
Oklahoma	\$42,379	\$31,000
West Virginia	\$40,531	\$27,700
Mississippi	\$40,182	\$30,000

*Sources: Average teacher salaries, except Arkansas's, come from SREB. The Board bases its information on data submitted by individual states and the National Education Association's *Rankings & Estimates: Rankings of the States 2006 and Estimates of School Statistics 2007*, December 2007, Summary Table G, column 9. The Arkansas average salary comes from the Arkansas Department of Education using the NEA methodology for computing teacher salaries. Minimum salary levels come from state education department websites and staff in the respective states.

SREB States and Missouri: Percent change in average teacher salaries between 2005-06 and 2006-07*

Oklahoma	9.30%
Texas	7.55%
Alabama	7.54%
Louisiana	6.96%
West Virginia	5.87%
North Carolina	5.66%
Maryland	4.77%
Florida	4.63%
Virginia	4.60%
Missouri	3.40%
Georgia	3.32%
Arkansas	3.26%
South Carolina	3.08%
Tennessee	3.01%
Kentucky	2.47%
Delaware	0.77%
Mississippi	-0.97%

*Surrounding states are indicated in bold print.

SREB States' Legislative Actions to Increase Teacher Salaries

According to SREB:

Legislatures in most SREB states do address teacher salary increases as part of the budgeting process, though local districts often consider further increases. Specific pay raises are not included in the state budget in Florida and Maryland; increases are determined through local collective bargaining agreements. Funds for pay raises were included in Texas' budget, but local districts will determine actual increases. Teachers in Alabama and Kentucky likely will see the largest pay raises in the region in 2007-2008. Alabama's budget included funds for 7 percent pay raises, while raises of \$3,000 were included in Kentucky. Louisiana teachers will receive an additional \$2,375. North Carolina teachers will see 5 percent raises. Oklahoma teachers will receive \$1,000 in the fourth part of a five-year plan to increase teacher pay to a level comparable with surrounding states. Funds for 3 percent increases were allocated in Georgia, Mississippi, South Carolina, Tennessee and Virginia. West Virginia teachers will receive 3.5 percent and those in Delaware, 2 percent. In Arkansas, the teacher salary schedule was increased by 1 percent [underline added]. (The 2007 Legislative Briefing, 2007, p. 4.)

2. Has the disparity in teacher salaries within Arkansas increased or decreased in FY 2006-07?

The disparity in beginning salaries has decreased, according to data provided by the Arkansas Department of Education. The district with the lowest beginning salary in 2005-06 was \$27,940, and the highest was \$40,521 for a range of \$12,581. In 2006-07 the lowest beginning salary was \$28,611, and the highest was \$41,000 for a range of \$12,389. If the top three districts were removed from the list, the range would be \$8,389. The gap between the third highest district and the fourth highest is \$3,503. Thirty-four districts (approximately 14%) have the legal minimum of \$28,611 as their beginning salary. The map on the following page shows the geographical relationship of districts with low beginning salaries to districts with higher beginning salaries.

The disparity in average salaries has increased. The lowest district average salary in 2005-06 was \$32,232, and the highest was \$54,701 for a range of \$22,469. In 2006-07 the lowest average salary was \$34,080, and the highest was \$59,026. The range was \$24,946. The range between the top two districts was \$5,131. If the top district were removed from the list, the range would be \$19,815. For 2006-07, the matrix provided funding to support a teacher salary of \$42,845. One hundred seventy-nine (179), or 73%, of the district's averages were below the matrix-supported level.

The following is provided as an example of the level of disparity that exists within other states. Data on the disparity in average teacher salaries by individual districts was available for the FY2005-06 school year for Kansas, Mississippi, Missouri and Tennessee. The disparity within those states ranged from \$41,647 in Missouri to \$11,552 in Mississippi.

State	Average Teacher Salary	Measure
Kansas	\$56,210	High
	\$33,195	Low
	\$23,015	Difference
Mississippi	\$47,204	High
	\$35,652	Low
	\$11,552	Difference
Missouri	\$63,030	High
	\$21,383	Low
	\$41,647	Difference
Tennessee	\$53,234	High
	\$35,774	Low
	\$17,460	Difference

Sources: The Kansas State Department of Education, the Mississippi Department of Education, the Missouri Department of Elementary and Secondary Education, and the Tennessee Department of Education.

Map

**Beginning Salary Rank
By School District 2006-07**

3. How do comparable wages and the cost of living in Arkansas and surrounding states affect the value of Arkansas teacher salaries?

Comparable Wage Index Data for SREB/Contiguous States*

State	CWI_2005	FY06-07 Average Teacher Salary	Comparative Salary
Delaware	1.2864	\$54,680	\$42,566
Arkansas	1.0411	\$44,009	\$42,272
Maryland	1.3677	\$56,927	\$41,622
Georgia	1.2419	\$49,905	\$40,184
Oklahoma	1.0635	\$42,379	\$39,849
Alabama	1.1082	\$43,389	\$39,153
Kentucky	1.1173	\$43,646	\$39,064
Louisiana	1.0967	\$42,816	\$39,041
South Carolina	1.1401	\$44,336	\$38,888
North Carolina	1.1939	\$46,410	\$38,873
Florida	1.1711	\$45,308	\$38,688
Mississippi	1.0506	\$40,182	\$38,247
West Virginia	1.0709	\$40,531	\$37,848
Tennessee	1.1626	\$43,816	\$37,688
Missouri*	1.1441	\$41,839	\$36,569
Texas	1.2514	\$44,897	\$35,877
Virginia	1.3692	\$45,573	\$33,284

* Missouri is not an SREB state but is contiguous.

CWI Source: Taylor, L.L., and Fowler, W.J., Jr. (2007). "Data Files: NCES Comparable Wage Index (NCES 2007397). U.S. Department of Education. Washington, D.C.: National Center for Education Statistics.

The Comparable Wage Index (CWI) used for the table above was developed by the National Center for Education Statistics. The basic premise of a CWI is that all types of workers--including teachers--demand higher wages in areas with a higher cost of living. The CWI reflects regional variations in the salaries of college graduates who are not educators. Then the CWI can be used to measure the uncontrollable component of variations in the wages paid to educators. A state's CWI is a weighted average of the local wages within its borders.

For comparison, a cost-of-living approach is also provided. The cost-of-living index was developed by Douglas Rose of Augenblick, Palaich and Associates.

Cost-of-Living Index Data for SREB/Contiguous States*

State	FY06-07 Average Teacher Salary	Cost of Living as % of US Average Costs	Cost-of- living Index	Salary Adjusted
Delaware	\$54,680	100%	1.0000	\$54,680
Maryland	\$56,927	108%	0.9259	\$52,709
Arkansas	\$44,009	84%	1.1905	\$52,393
Georgia	\$49,905	98%	1.0204	\$50,923
North Carolina	\$46,410	94%	1.0638	\$49,371
Alabama	\$43,389	88%	1.1364	\$49,307
Oklahoma	\$42,379	86%	1.1628	\$49,278
Kentucky	\$43,646	90%	1.1111	\$48,495
South Carolina	\$44,336	92%	1.0870	\$48,193
Florida	\$45,308	95%	1.0526	\$47,691
West Virginia	\$40,531	85%	1.1765	\$47,685
Tennessee	\$43,816	92%	1.0870	\$47,628
Louisiana	\$42,816	90%	1.1111	\$47,573
Mississippi	\$40,182	86%	1.1628	\$46,724
Missouri*	\$41,839	90%	1.1111	\$46,487
Texas	\$44,897	97%	1.0309	\$46,284
Virginia	\$45,573	103%	0.9709	\$44,247

* Missouri is not an SREB state but is contiguous.

4. How do teacher salaries in Arkansas compare with other professions with similar educational requirements within the state?

2006 Annual Mean Salaries for Arkansas

Profession	Mean Salary
Civil Engineers	\$61,430
Computer Programmers	\$57,730
Loan Officers	\$54,110
Registered Nurses	\$51,330
Foresters	\$49,240
Insurance Underwriter	\$48,770
Accountants & Auditors	\$47,660
Librarians	\$43,890
Mental Health Counselors	\$39,730
Editors	\$41,550
Technical Writers	\$39,610
Secondary School Teachers	\$41,530
Curators	\$31,110
Social Workers	\$40,640
Surveyor	\$37,460
Electrician	\$36,970
Interior Designers	\$31,080
Appraisers & Assessors	\$36,180
Licensed Practical Nurse	\$31,250
Preschool Teachers	\$19,530

Source: U.S. Bureau of Labor Statistics