



## Supporting North Carolina's Human Capital: Teacher and School-Based Administrators

The Governor's Recommended Budget for FY 2018-19 improves both the statewide teacher salary schedule and the principal salary schedule. The recommended budget invests over \$112 million into the new teacher and principal schedules and addresses significant concerns with the current schedules including the lack of increases for veteran teachers and volatility and uncertainty for principals.

### Teachers and Instructional Support Personnel Salary Schedule

The Governor's Recommended Budget for FY 2018-19 recommends a significant increase in the statewide teacher salary schedule, which establishes the minimum pay for teachers and instructional support personnel (educators). Together these changes result in an average increase of over 8.0% for educators earning a year of creditable service; no educator receives less than a 5.0% salary increase in FY 2018-19.

Highlights of the recommendations for educators include:

- 1) **Investing in the teaching workforce.** The Governor's Recommended Budget invests an additional \$98.7 million in educator compensation. Together with the \$270.9 million in new funding already planned for FY 2018-19, the state will spend nearly \$390 million more on teacher salaries in FY 2018-19 than in FY 2017-18. This investment is part of a plan to increase North Carolina's average teacher salary to the national average within four years, by FY 2021-22.
- 2) **Eliminating salary plateaus for veteran teachers.** The recommended schedule returns to an annual step schedule that provides salary increases for teachers and instructional support who earn a year of creditable service for each of their 30 years of service. Under the schedule proposed by the General Assembly for FY 2018-19, an educator does not receive raises from years 15 to 25 or after year 25.
- 3) **Recognizing the role of certain school-based health professionals.** The salaries of these personnel, which includes master's level school psychologists, speech pathologists, and audiologists, begin at a salary equivalent to the sixth step of the "A" salary schedule plus 10%. This results in a salary plateau that occurs five years before most other educators. The Governor's Recommended Budget provides annual increases to these professionals for all 30 years of the salary schedule.

Table 1 provides a comparison of the Governor's recommended 2018-19 Teacher Monthly Salary Schedule for the Bachelor's "A" lane to the 2017-18 "A" schedule and the 2018-19 schedule that the General Assembly proposed for implementation in Section 8.1(i) of S.L. 2017-57.

In addition to these salary schedule changes, the Governor's Recommended Budget directs the State Board of Education, in consultation with OSBM and stakeholders, to study the compensation, employment, and allotment of student support services personnel including school social workers, counselors, nurses, and psychologists. These personnel are vital to students' positive mental health and school safety and this study will help determine future compensation and allotment decisions for these employees.



# STATE HIGHLIGHTS

Common Ground Solutions  
for NORTH CAROLINA

**Table 1: Comparison of "A" Lane, Teacher Monthly Salary Schedule**

Years of Experience (Step)	2017-18	2018-19	
	"A" Schedule (Existing)	Legislative Proposal. Sec. 8.1(i), S.L. 2017-57	Governor's Recommended "A" Schedule
0	\$3,500	\$3,500	\$3,550
1	3,600	3,600	3,675
2	3,630	3,700	3,780
3	3,730	3,800	3,855
4	3,730	3,900	3,930
5	3,830	4,000	4,000
6	3,830	4,100	4,100
7	3,930	4,200	4,200
8	3,930	4,300	4,300
9	4,055	4,400	4,400
10	4,055	4,500	4,500
11	4,205	4,600	4,600
12	4,205	4,700	4,700
13	4,355	4,800	4,800
14	4,355	4,900	4,900
15	4,555	5,000	5,000
16	4,630	5,000	5,025
17	4,730	5,000	5,050
18	4,730	5,000	5,075
19	4,830	5,000	5,100
20	4,830	5,000	5,125
21	4,930	5,000	5,150
22	4,930	5,000	5,175
23	5,000	5,000	5,200
24	5,000	5,000	5,250
25	5,130	5,130	5,300
26	5,130	5,130	5,390
27	5,130	5,130	5,415
28	5,130	5,130	5,440
29	5,130	5,130	5,465
30+	5,130	5,130	5,490



## School-based Administrators (SBAs)

### Principals

The Governor's Recommended Budget for FY 2018-19 recommends an experience-based salary schedule for principals to address concerns about the schedule implemented in FY 2017-18. These improvements include an investment of over \$22.7 million in principal salaries.

The recommended principal salary schedule has three parts:

- (1) A base salary schedule, which provides annual experience-based step increases based on years of experience as a principal;
- (2) A complementary schedule, which provides an annual supplement based on schools' average daily membership (ADM); and
- (3) A principal bonus program to begin in the 2019-20 school year that rewards high performing principals, attracts principals to hard-to-staff schools, and is based on input from local superintendents and other stakeholders.

The recommended changes increase base pay for principals from \$61,751 to \$66,960, reduce the potential for large swings in salary, and recognize that experience as a principal matters for principal effectiveness and student outcomes.

#### Base Schedule

The base schedule for principals is tied to Step 10 of the "A" teacher salary schedule; the annual salary for principals on Step 0 (i.e., in their first year as a principal) is equal to twelve months of the monthly rate of pay for teachers on the tenth step of the "A" teacher salary schedule, plus twenty-four percent (24%). The recommended schedule provides annual increases for principals for the next 20 years.

Table 2 provides the details of the Base Schedule for the Governor's recommended 2018-19 Principal Annual Salary Schedule.

#### Complementary Schedule

The complementary schedule continues the recognition that, typically, as a school's student population increases, the challenges of managing that school multiply, and the skills and experience needed to be an effective school leader increase. Table 3 provides the complementary schedule for supplements based on ADM.

#### Principal Bonuses

The Governor's Recommended Budget repurposes the \$7 million in growth-based bonuses to fund to a new Principal Bonus Program (program) that rewards high-performing principals and attracts principals to hard-to-staff schools. The State Board of Education is charged with developing this program in consultation with stakeholders and OSBM. Bonuses based on the program would begin in the FY 2019-20 school year.

### Assistant Principals

The Governor's Recommended Budget includes an additional \$962,000 to move assistant principal compensation to 19% above the Governor's "A" teacher schedule. With this increase, the total increase in net appropriation to support assistant principal salaries is \$6.2 million more in FY 2018-19 than in FY 2017-18.



**Table 2: Base Schedule, 2018-2019 Principal Annual Salary**

Years of Experience as a Principal (Step)	2018-19 Governor's Recommended Schedule
0	\$66,960
1	68,299
2	69,665
3	71,058
4	72,124
5	73,206
6	74,304
7	75,233
8	76,173
9	77,125
10	77,896
11	78,675
12	79,462
13	80,058
14	80,658
15	81,263
16	81,669
17	82,077
18	82,487
19	82,899
20+	83,313

**Table 3: Complementary Schedule, 2018-2019 Principal Annual Salary**

Avg. Daily Membership	Annual Supplement
0-400	-
401-700	\$1,500
701-1,000	3,000
1,001-1,300	4,500
1,300+	6,000