
SOUTH DAKOTA TEACHER COMPENSATION REVIEW BOARD

JULY 17, 2023



south dakota
DEPARTMENT OF EDUCATION

Learning. Leadership. Service.

BLUEPRINT OF PRESENTATION

- Review of 2021 Teacher Compensation Review Board Conclusions
- First Look at Core Data
- Other Current Workforce Data
- Enrollment and Teacher Workforce Projections

SDCL 1-45-39. Teacher Compensation Review Board.

The board shall review teacher compensation, including comparable wage indexes, in surrounding states at the completion of every two school years. The board shall report its findings to the Governor and the Legislature biennially by September thirtieth.

The members shall serve a term of two years.

The board shall consist of nine members to be appointed as follows:

- (1) Three members of the South Dakota Senate appointed by the president pro tempore of the Senate, no more than two of whom may be from the same political party;
- (2) Three members of the South Dakota House of Representatives appointed by the speaker of the House of Representatives, no more than two of whom may be from the same political party; and
- (3) Three members appointed by the Governor.



2021 CONCLUSIONS

SUMMARY OF FINDINGS FROM THE TEACHER COMPENSATION REVIEW BOARD



CONCLUSIONS FROM THE BOARD IN 2021

- The Blue Ribbon Task Force set out a robust agenda to enact positive change for teacher pay in South Dakota after the state had the lowest average teacher salary in the country for decades. Since then, the actions taken on the task force's recommendations, including changes to the funding formula and increased funding to K-12 education, show that South Dakota made significant strides in teacher pay. The only state with a larger increase in average teacher pay is Washington state. South Dakota's wage growth of 22.39%, ranked second best in the country, is far ahead of the national average growth over that time at 13.29%
- Though South Dakota has made significant investments, the state is now ranked 50th in teacher salaries after other states also made notable investments in teacher pay in recent years.
- Recruiting and retaining educators must remain a priority at both the local and state levels to ensure that, in addition to competitive salaries, the workforce is filled with qualified educators who support students in their academic and personal development.

CONCLUSIONS FROM THE BOARD IN 2021

- The teacher shortage in South Dakota is challenging for many districts and is projected to increase. The highest needs are in elementary positions, special education, language arts, fine arts, math, and miscellaneous/non-credit positions. Teacher pay is one of several important factors to address this shortage. The state's quality communities, excellent retirement benefits, low cost of living, and additional benefits paired with salaries all contribute to a good quality of life for those in the education profession.
- Decision makers at all levels must utilize all possible options to make teacher salaries competitive in the state and around the region. Every effort should be made to keep great teachers in classrooms in South Dakota, including addressing the costs of higher education for teacher candidates.
 - Local school boards set teacher salaries and make staffing decisions that align with their district priorities and needs. School districts must structure wage ranges, from starting pay to the highest wages, to attract and retain a qualified and capable workforce.
 - Policy makers must recognize there are many pressure points on local school district budgets. With property tax valuations increasing in many areas of the state, decisions makers should consider the reallocation of existing budgets to help attract and retain great teachers.

CONCLUSIONS FROM THE BOARD IN 2021

- Workforce shortages in non-certified staffing is [sic] causing a shift of resources away from teacher salaries. As schools have had to increase hourly wages to attract and retain support staff, budgets are shifting toward those priorities. Increased support staff costs will erode the ability for school boards to increase teacher salaries.
- The impacts of the COVID-19 pandemic are not yet fully understood, particularly in relation to the availability of the education workforce, economic inflation, and teacher compensation. In particular, substantial inflation over the past six months indicates that the index factor in the state aid formula is likely to be below the inflationary adjustment needed to prevent salaries from falling further behind in market competitiveness. Policy makers must watch economic and labor force indicators carefully in the coming months and years to position South Dakota's schools and educators in a sustainable and competitive position.



FIRST LOOK AT CORE DATA

EXAMINING TEACHER COMPENSATION, NATIONAL RANKINGS, AND COMPARABLE WAGES



TEACHER COMPENSATION

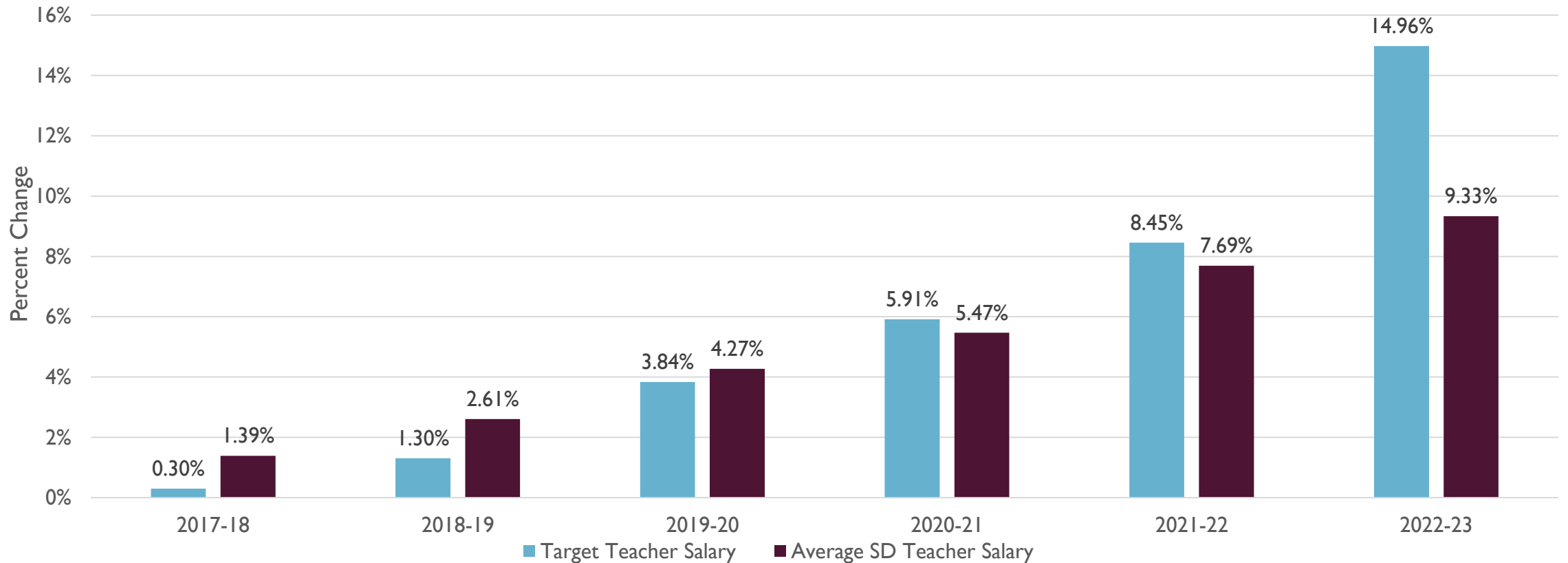
Salary Increases Over Time

School Year	Target Teacher Salary		Average SD Teacher Salary (NEA)		NEA Ranking
	\$	% Change*	\$	% Change*	
2013-14	N/A	-	\$40,023	-	51
2014-15	N/A	-	\$40,935	-	51
2015-16	N/A	-	\$42,025	-	51
2016-17	\$48,500.00	-	\$46,979	-	48
2017-18	\$48,645.50	0.30%	\$47,631	1.39%	47
2018-19	\$49,131.96	1.30%	\$48,204	2.61%	48
2019-20	\$50,360.26	3.84%	\$48,984	4.27%	50
2020-21	\$51,367.47	5.91%	\$49,547	5.47%	49
2021-22	\$52,600.29	8.45%	\$50,592	7.69%	49
2022-23	\$55,756.31	14.96%	\$51,363 (estimated)	9.33%	
2023-24	\$59,659.25	23.01%			

Note(s): *% change is calculated from baseline year 2016-17

TEACHER COMPENSATION

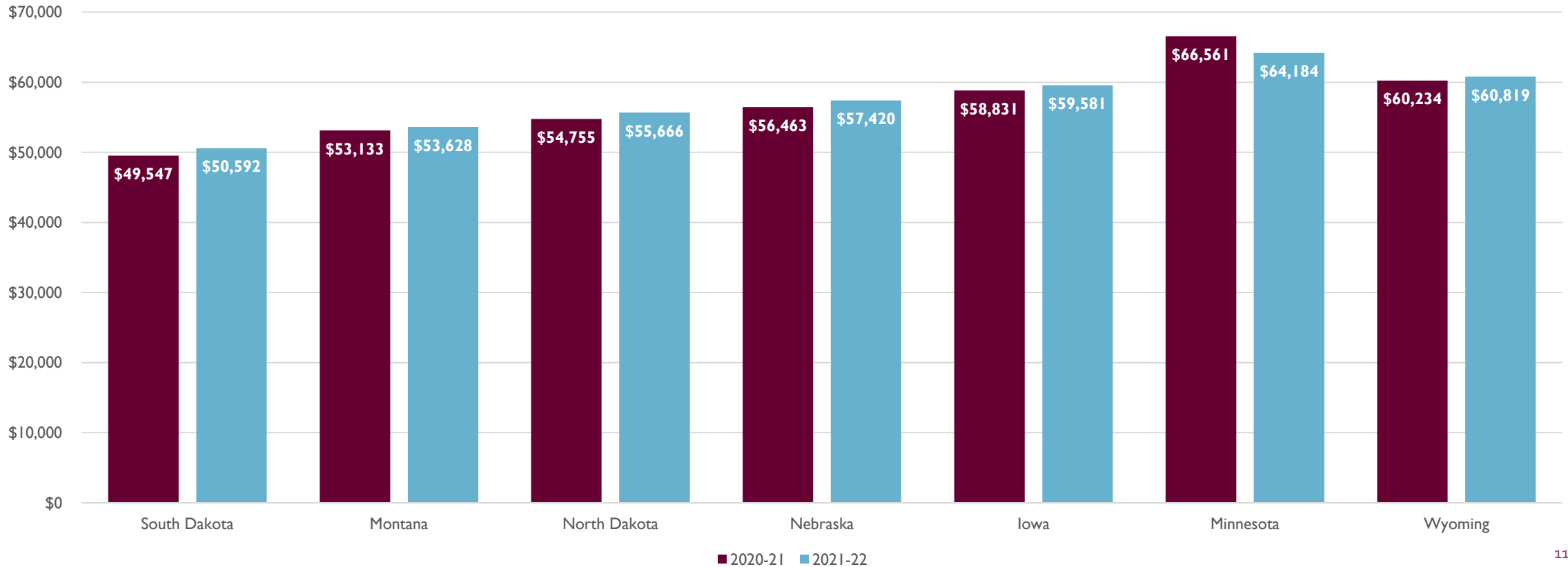
Annual Percent Change in Targeted and Average Teacher Salary



Source: South Dakota Department of Education School Financial Data and National Education Association

HOW DOES TEACHER COMPENSATION IN SD COMPARE TO NEIGHBORING STATES?

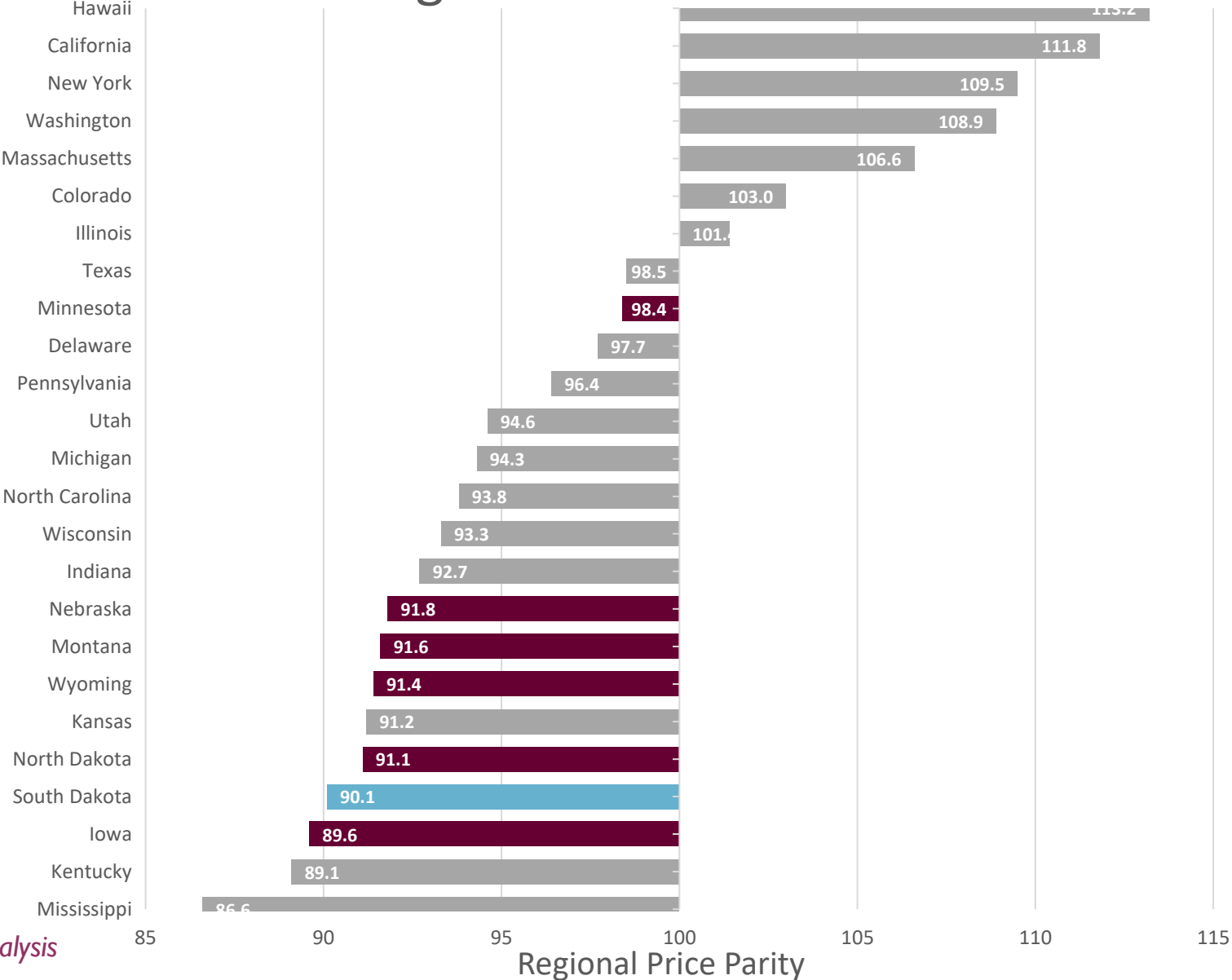
Average Teacher Salary



REGIONAL PRICE PARITIES

- Regional price parities (RPPs) measure the **differences in price levels across states** and metropolitan areas for a given year and are expressed as a percentage of the overall national price level.
- RPPs allow **comparisons of buying power** across the **50** states and the District of Columbia for a given year. Price levels are expressed as a percentage of the overall national level.

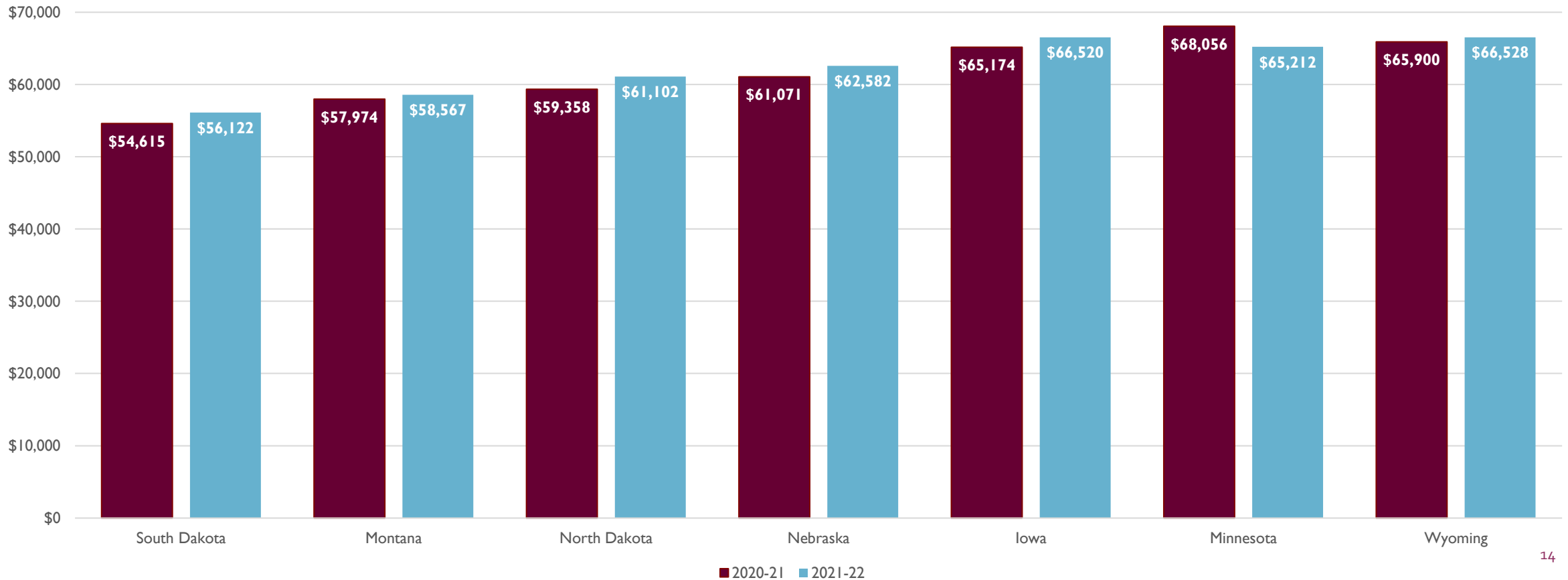
Regional Price Parities



Source: Bureau of Economic Analysis

HOW DOES TEACHER COMPENSATION IN SD COMPARE TO NEIGHBORING STATES?

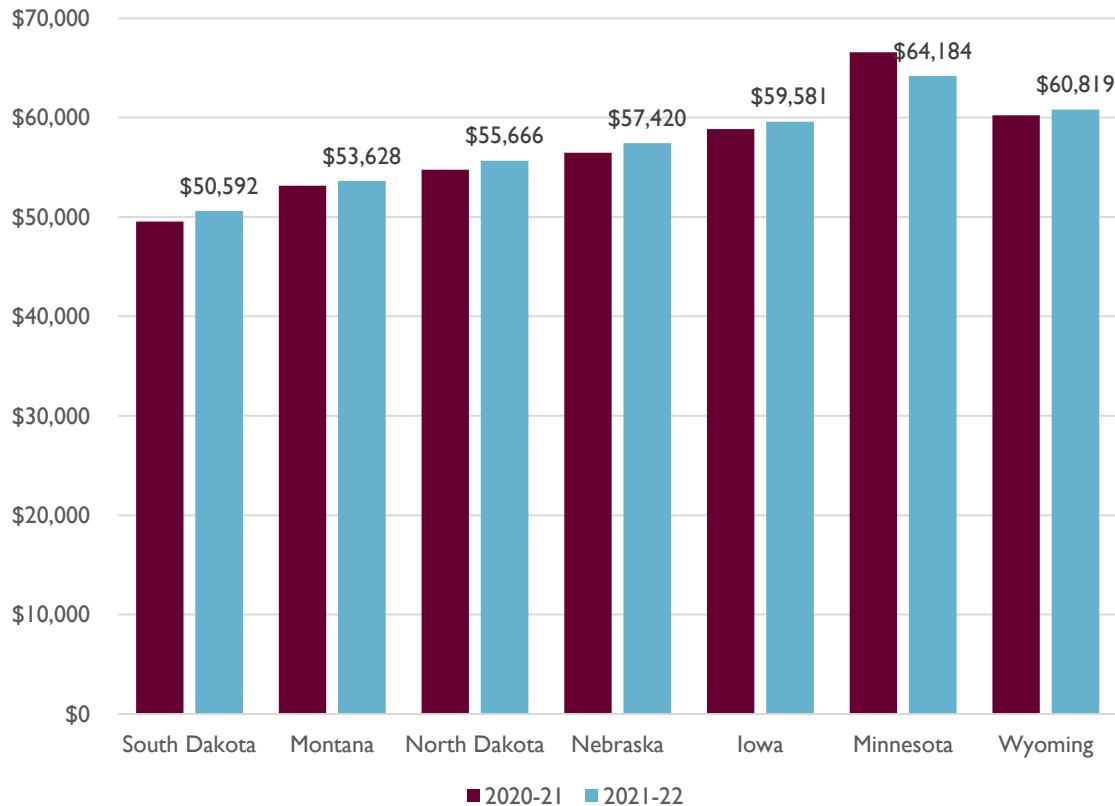
Salary Equivalent Adjusted for Regional Price Parity



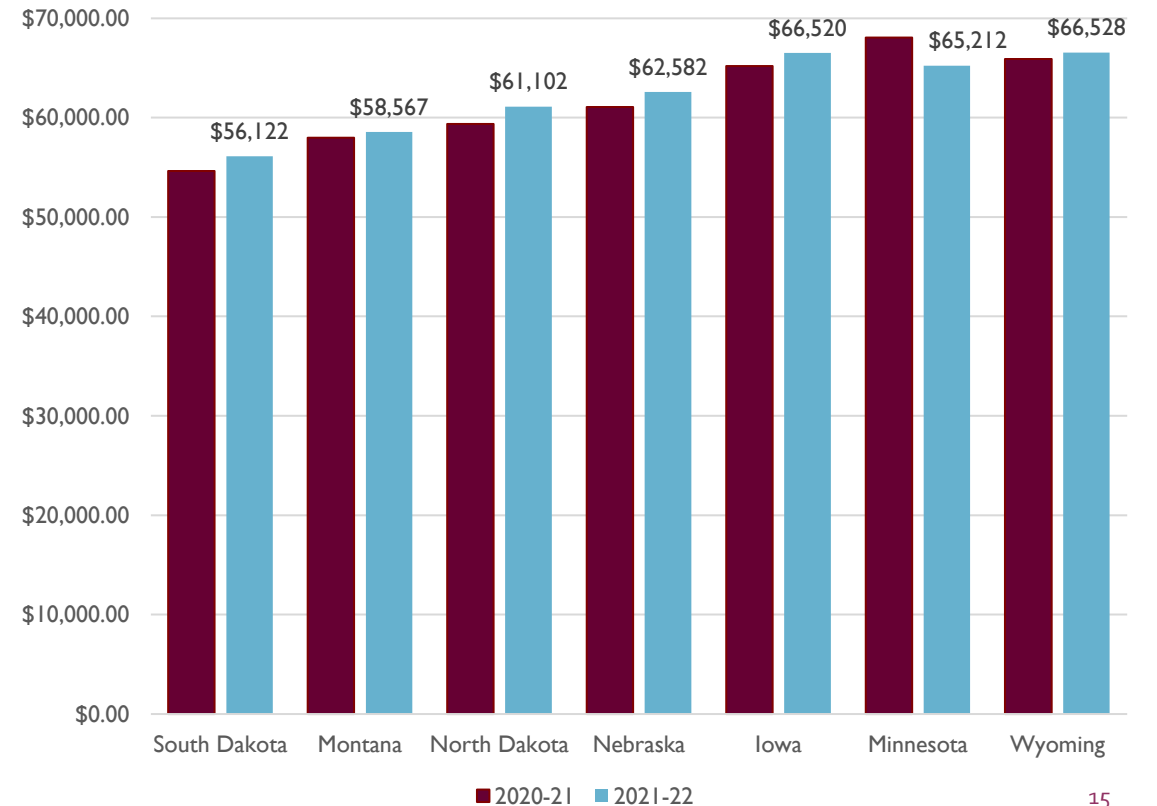
Source: National Education Association and Bureau of Economic Analysis

HOW DOES TEACHER COMPENSATION IN SD COMPARE TO NEIGHBORING STATES?

Average Teacher Salary

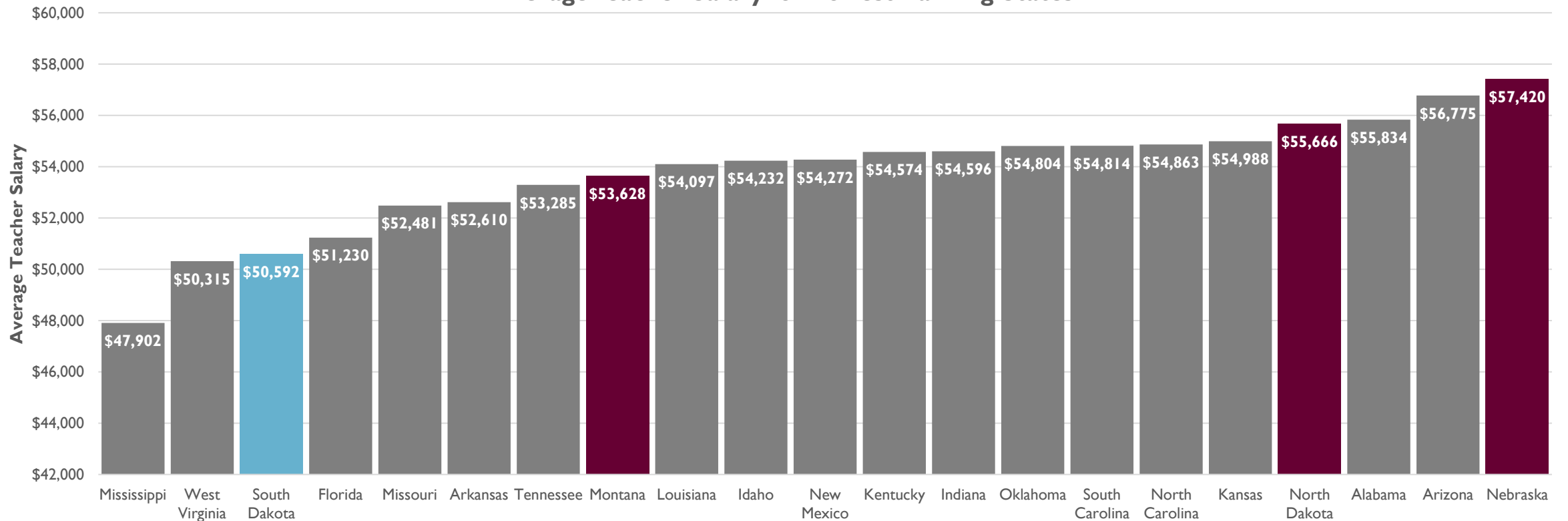


Salary Equivalent Adjusted for Regional Price Parity



SOUTH DAKOTA IS WITHIN \$5K OF BEING RANKED MUCH HIGHER (2021/22)

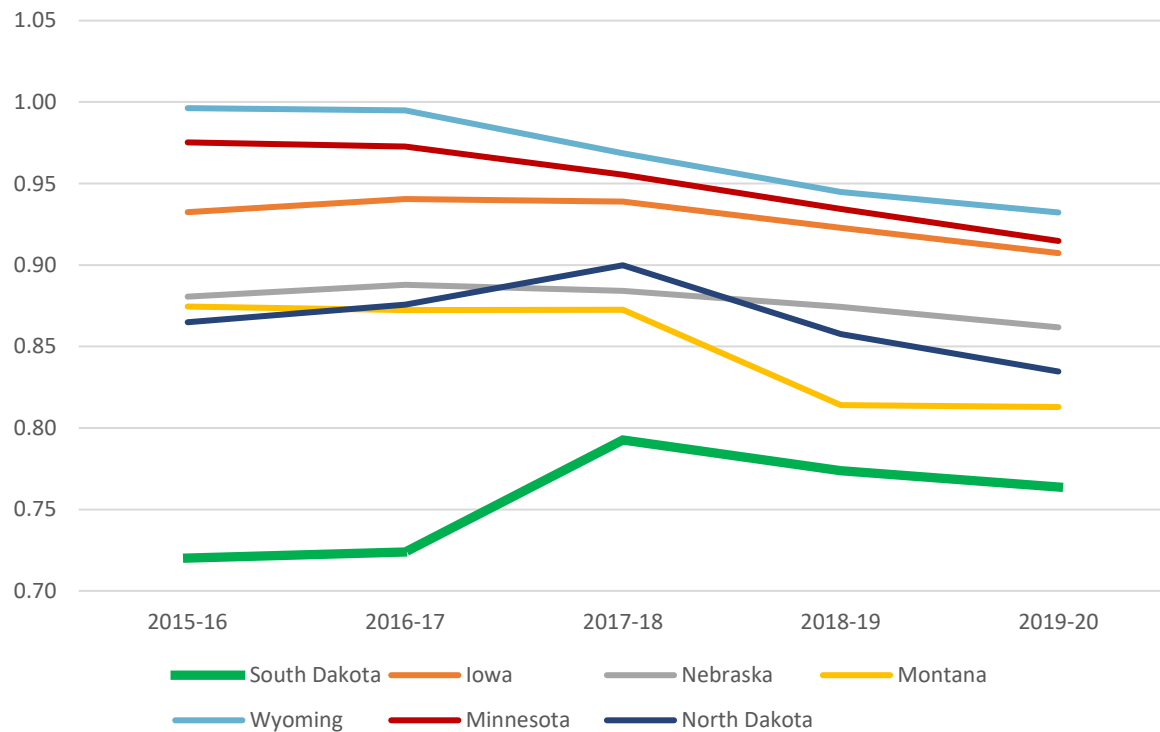
Average Teacher Salary for Lowest Ranking States



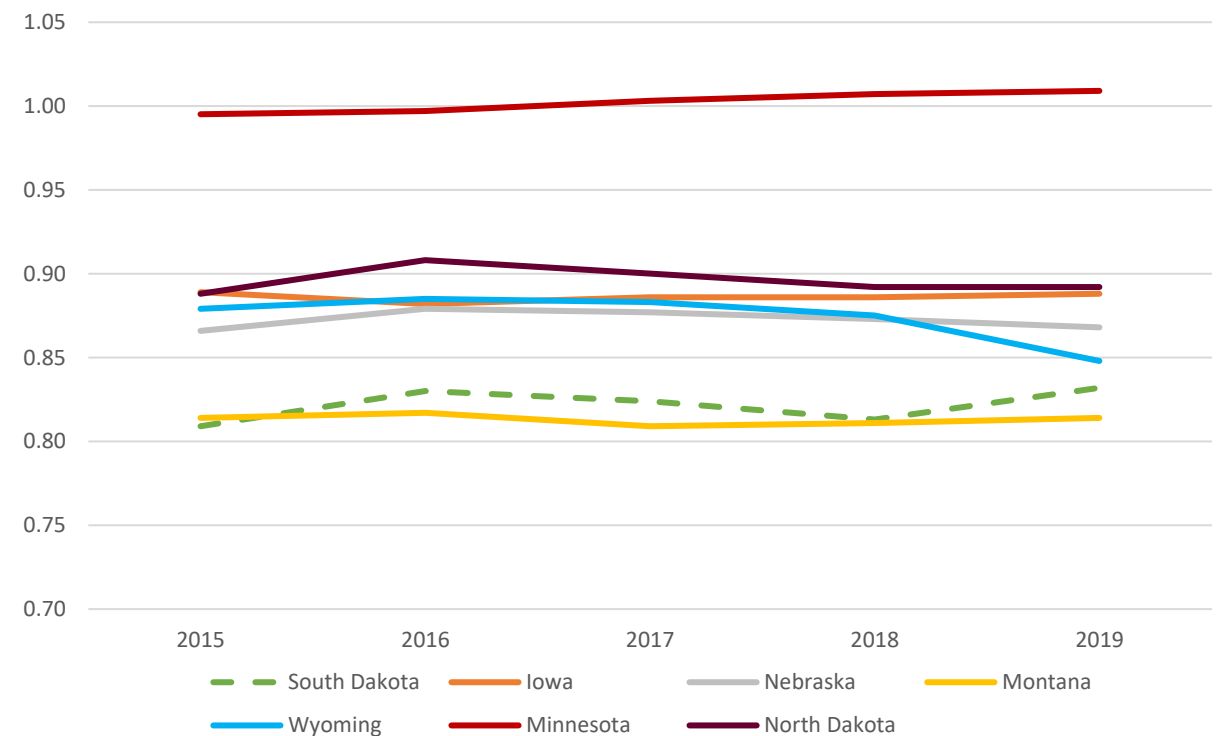
Source: National Education Association

COMPARABLE WAGE INDEX – UPPER MIDWEST REGION*

Average Teacher Salary

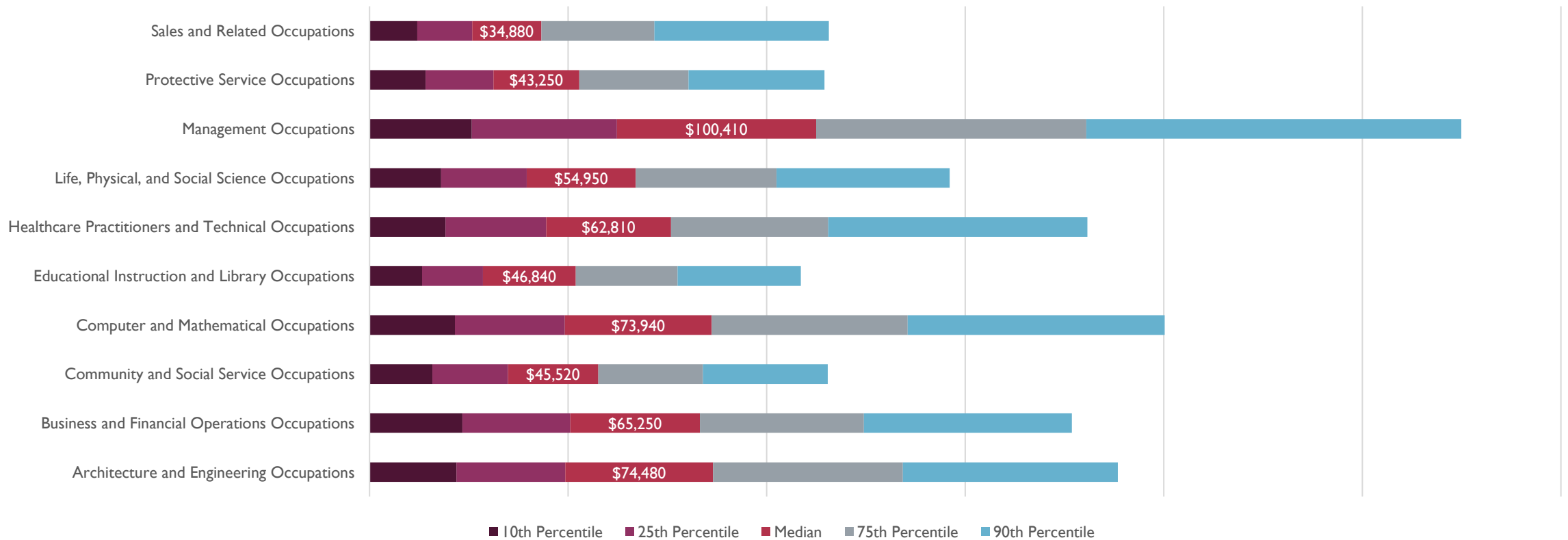


Comparable Salary



Note(s): *CWIFT metrics have not been updated since 2019

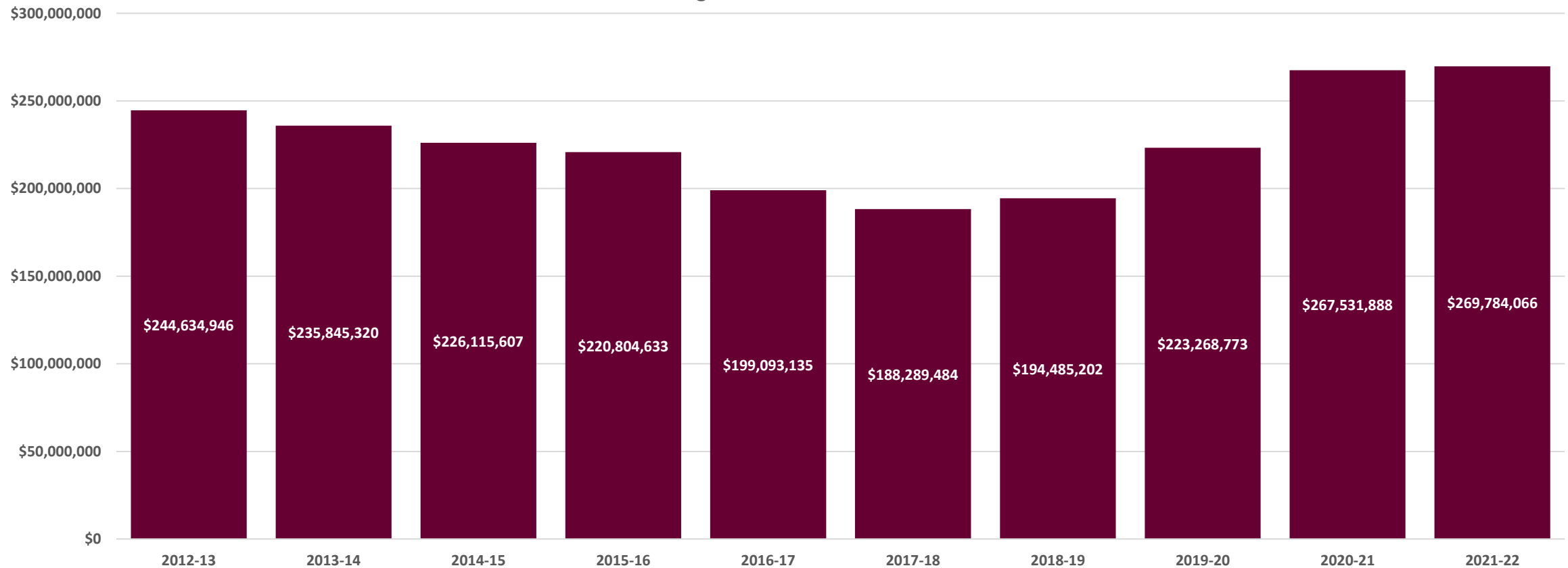
THE MEDIAN SALARY AND RANGE FOR EDUCATION AND LIBRARY OCCUPATIONS IS SIMILAR TO OTHER SERVICE OCCUPATIONS AND SALES



Source: Bureau of Labor Statistics

GENERAL FUND BALANCES HAD BEEN DECREASING

Ending General Fund Balance

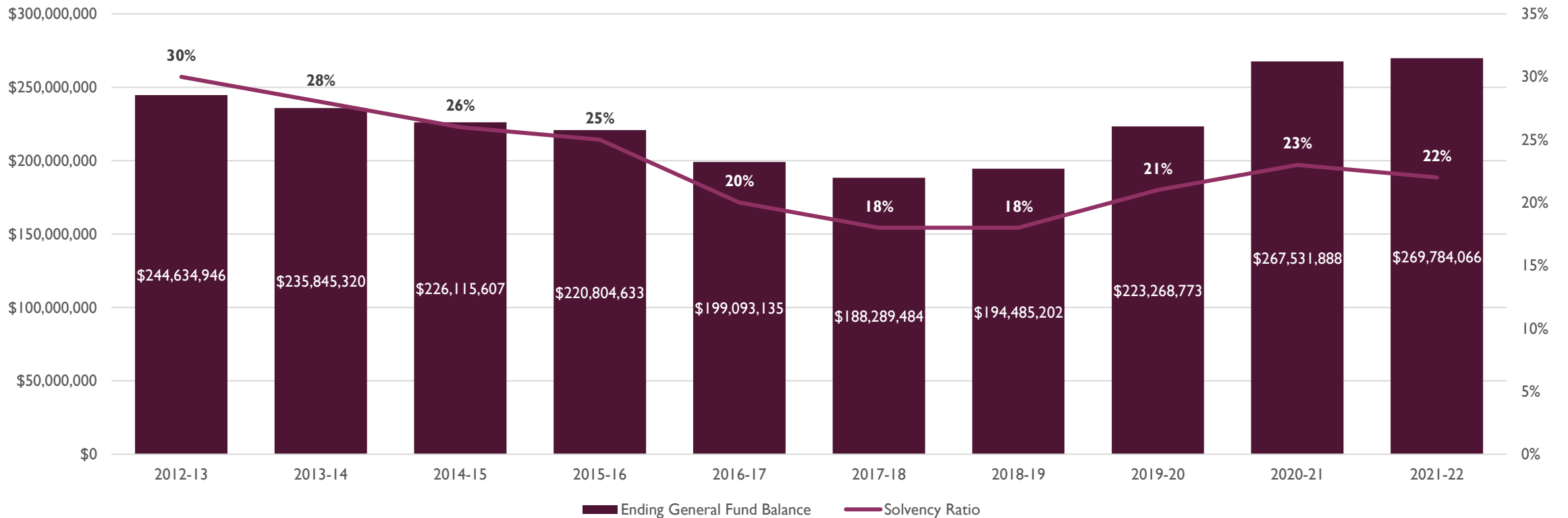


Note(s): COVID-19 affected school spending in the 4th quarter of the fiscal year.

Source: South Dakota Department of Education School Financial Data

GENERAL FUND BALANCES HAD BEEN DECREASING

Ending General Fund Balance and Solvency Ratio



Note(s): COVID-19 affected school spending in the 4th quarter of the fiscal year.

Source: South Dakota Department of Education School Financial Data

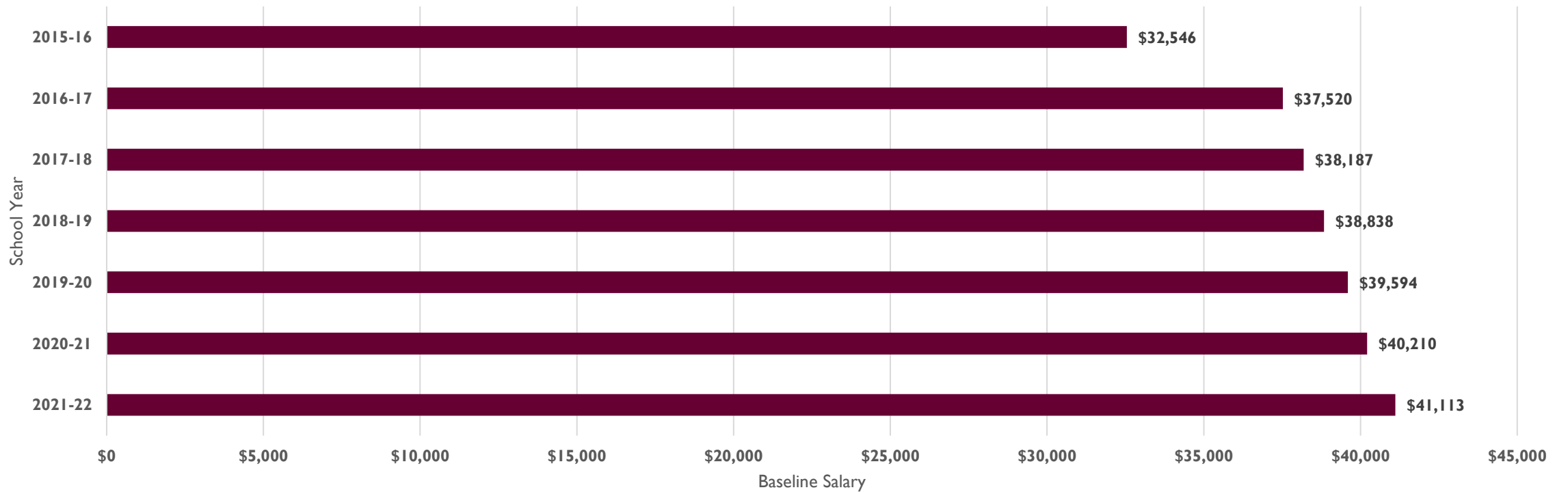


WHERE ARE WE NOW?

CURRENT DATA ON THE EDUCATOR WORKFORCE

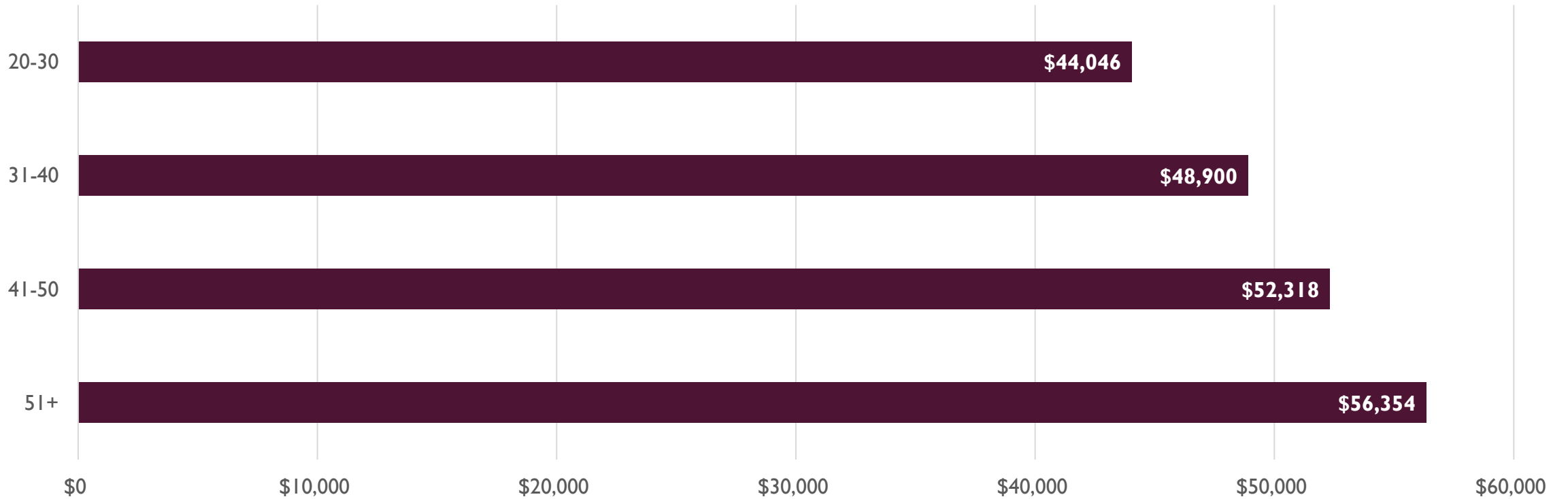


BASELINE TEACHER SALARIES INCREASED ALMOST 2% MORE THAN AVERAGE TEACHER SALARIES BETWEEN 2016-17 AND 2021-22



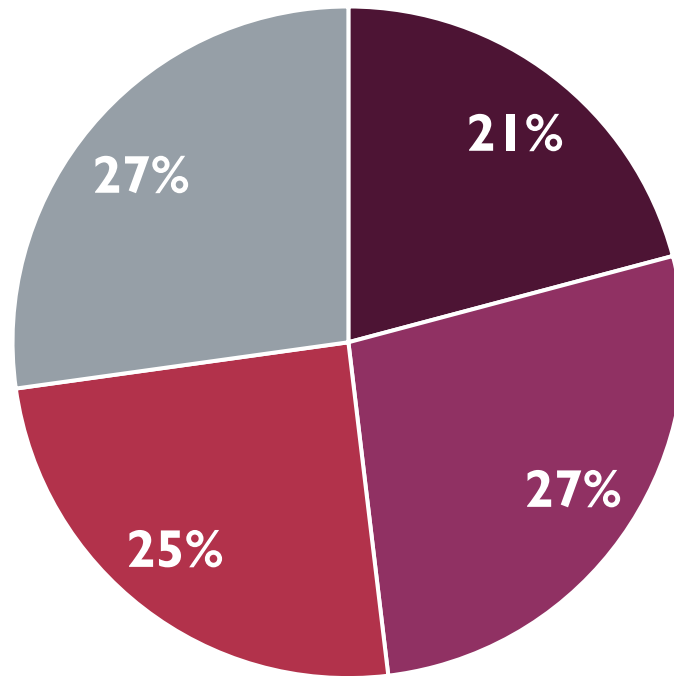
Source: South Dakota Department of Education Personnel Record Form

THE AVERAGE SALARY OF TEACHERS AGED 51+ IS \$12K HIGHER THAN TEACHERS AGED 20-30



Source: South Dakota Department of Education Personnel Record Form

THE SOUTH DAKOTA TEACHER WORKFORCE IS EVENLY DISTRIBUTED BY AGE



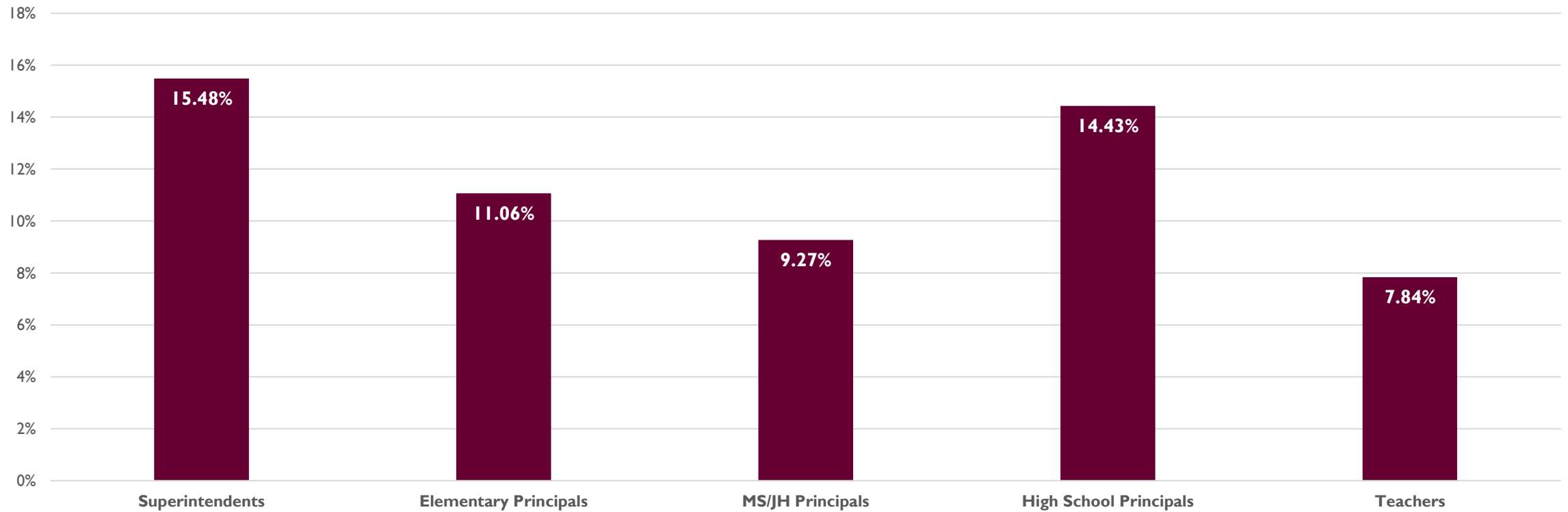
■ 20-30 ■ 31-40 ■ 41-50 ■ 51+

Source: South Dakota Department of Education Personnel Record Form

TOTAL TEACHER COMPENSATION HAS INCREASED SLIGHTLY MORE THAN SALARY ALONE SINCE 2017

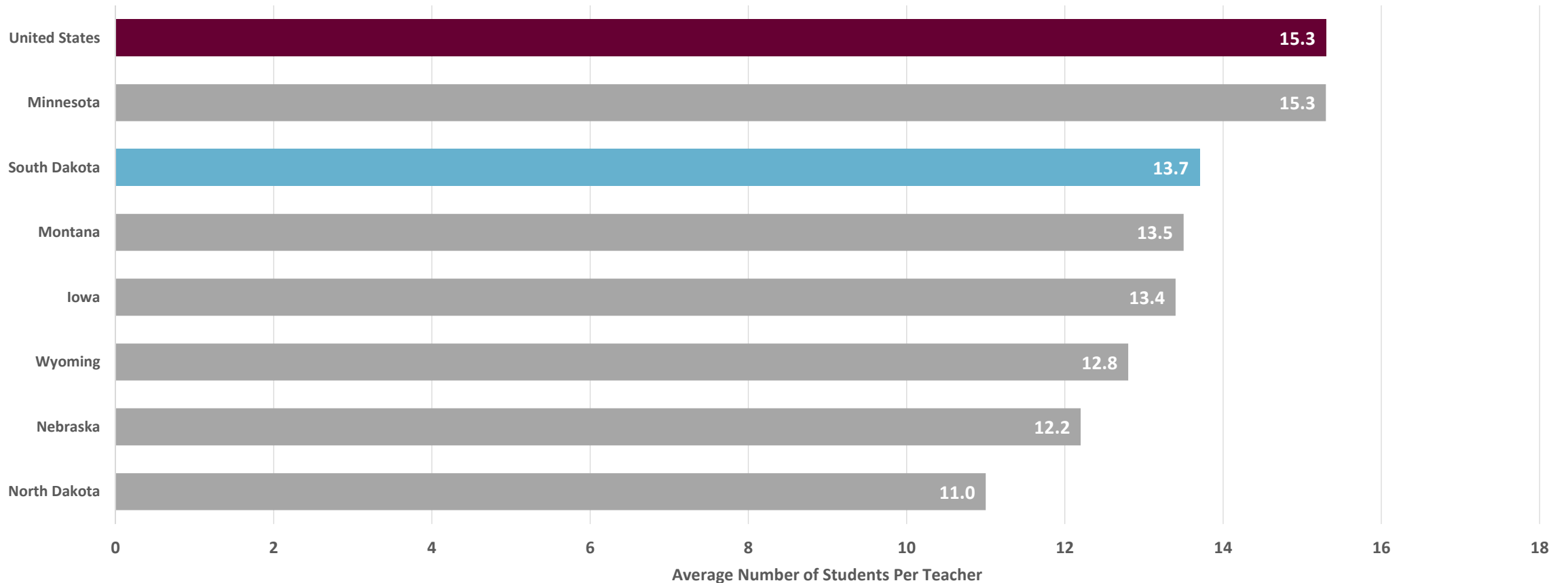
	2017	2018	2019	2020	2021	2022	% Change SY 2017 -22
Average Teacher Compensation (including benefits)	\$60,687	\$61,442	\$62,368	\$63,454	\$64,271	\$65,573	8.05%
NEA Average Teacher Salary	\$46,979	\$47,631	\$48,204	\$48,984	\$49,547	\$50,592	7.69%

ADMINISTRATOR SALARIES HAVE INCREASED MORE THAN TEACHER SALARIES BETWEEN 2016-17 AND 2021-22



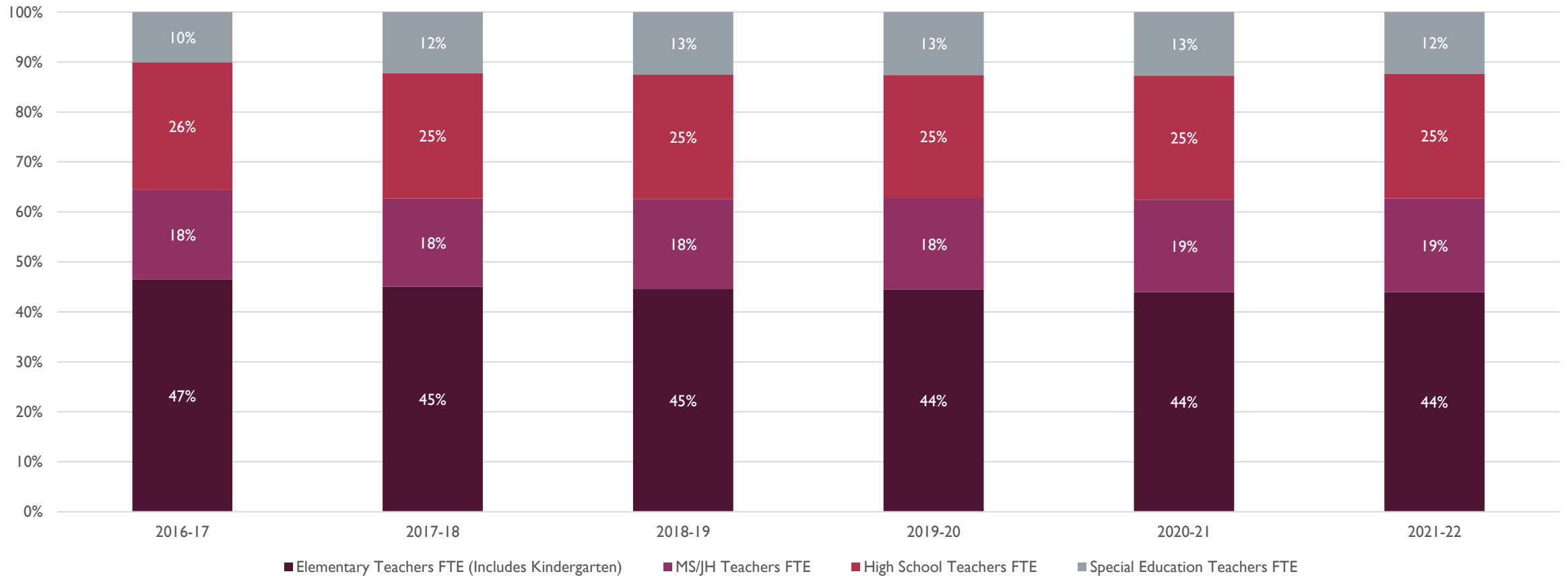
Source: South Dakota Department of Education Personnel Record Form

TEACHER-STUDENT RATIOS IN SOUTH DAKOTA ARE SIMILAR TO THOSE IN MOST NEIGHBORING STATES AND LOWER THAN THE NATIONAL AVERAGE



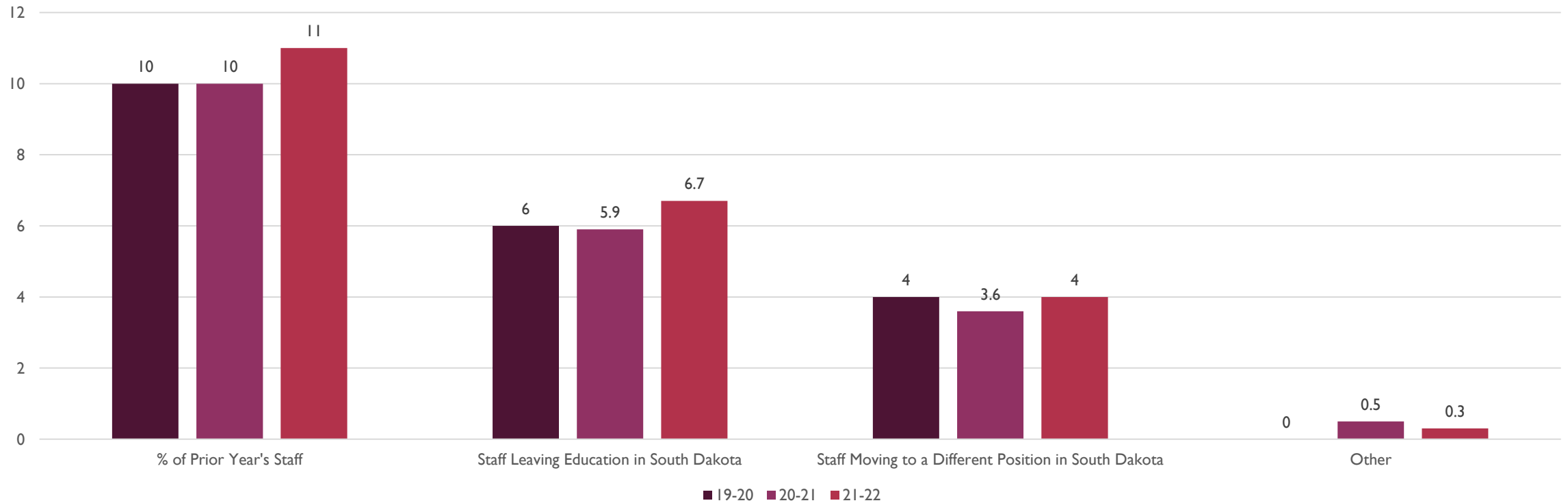
Source: South Dakota Department of Education Personnel Record Form

THE PERCENTAGE OF TEACHERS BY GRADE BAND HAS BEEN STABLE OVER TIME



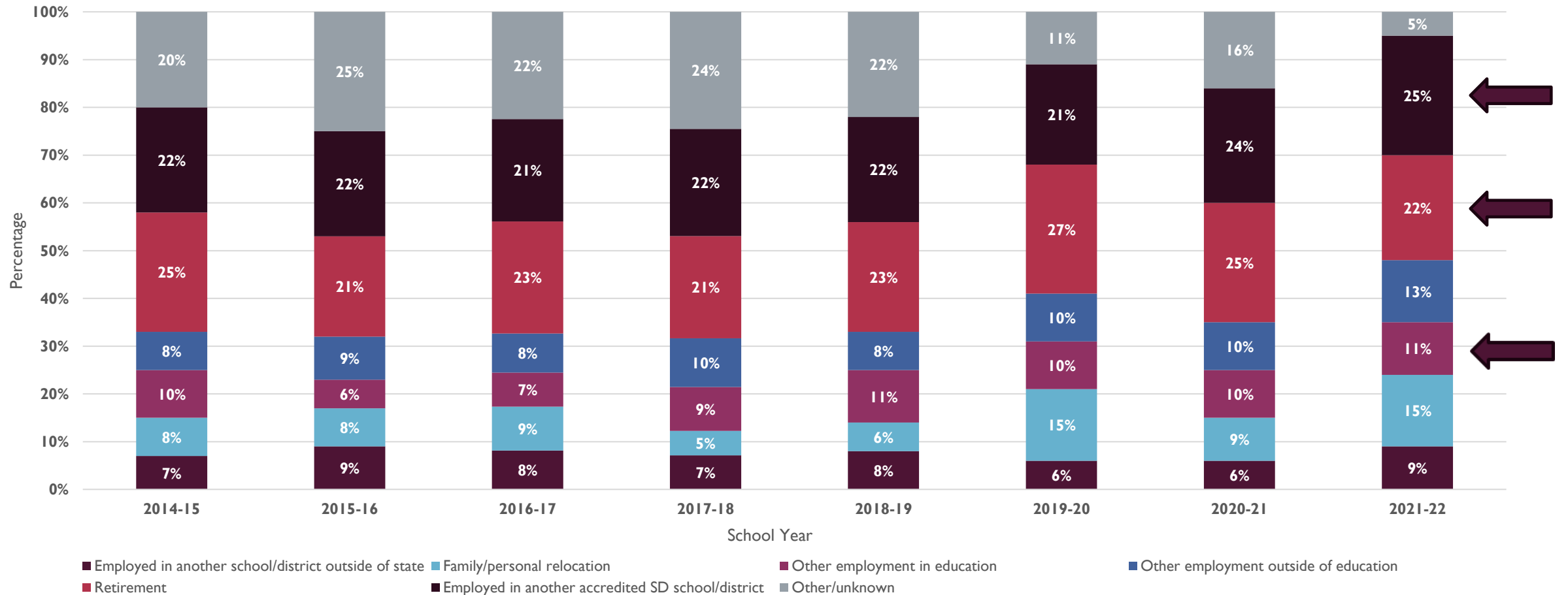
Source: South Dakota Department of Education Personnel Record Form

11% OF SOUTH DAKOTA TEACHERS LEFT THEIR POSITIONS AFTER THE 2021-22 SCHOOL YEAR



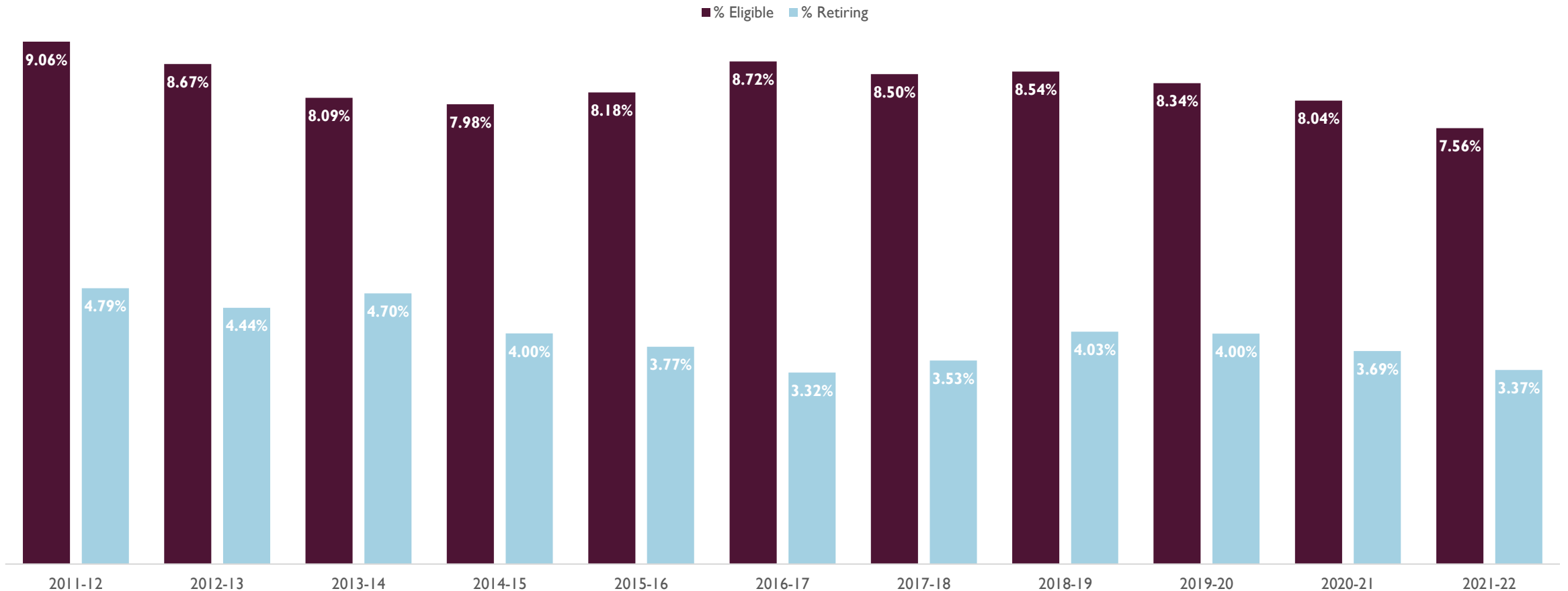
Source: South Dakota Department of Education Personnel Record Form

RETIREMENT & MOVEMENT WITHIN THE SOUTH DAKOTA EDUCATION SYSTEM REPRESENT NEARLY 60% OF TEACHERS LEAVING THEIR POSITIONS AS REPORTED BY DISTRICTS



Source: South Dakota Department of Education Personnel Record Form

FEWER THAN HALF OF ELIGIBLE RETIREES TEND TO RETIRE EACH YEAR

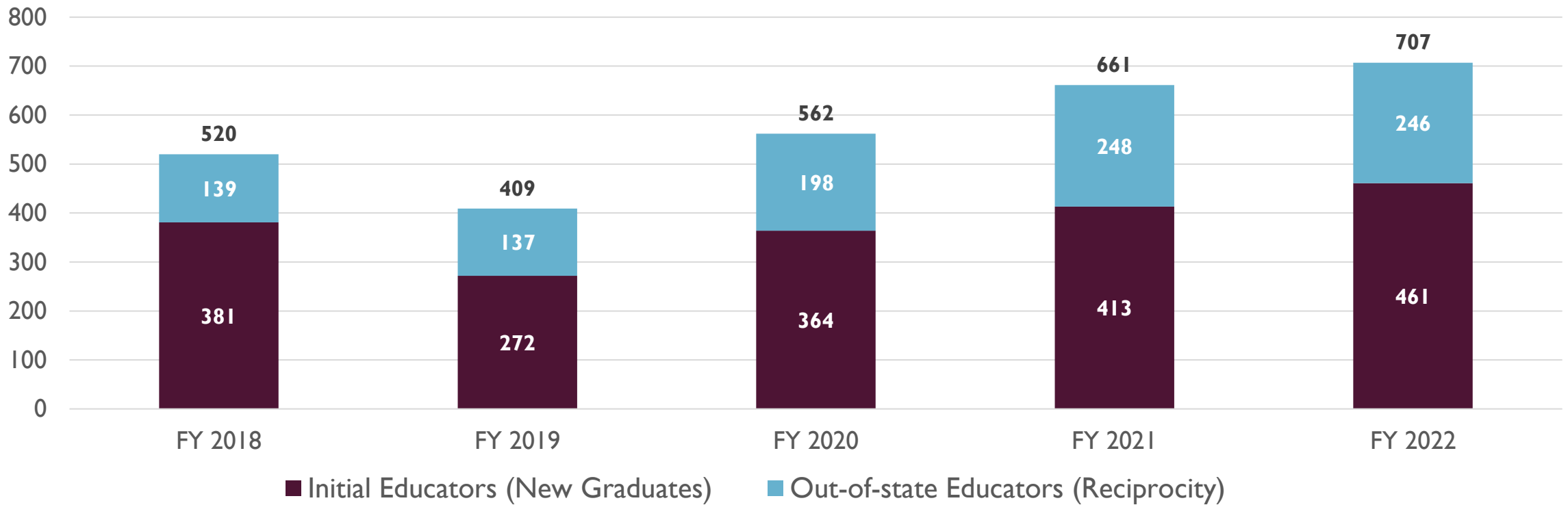


Source: South Dakota Department of Education Personnel Record Form

THE NUMBER OF EDUCATOR CERTIFICATES PROCESSED HAS INCREASED EACH YEAR

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Initial (Initial Educator, Educator Permit Only, Alternative Preliminary)	570	421	537	595	673
Initial based on Reciprocity (Provisional, Out-of-State, Out-of-Country)	144	141	219	265	308
Alternative Certification (CTE, General Education, TFA, SPED, Administrator)	70	165	138	123	170
Renewal (Educator Certification, Educator Permit, Provisional, Alt Cert, Temporary)	1837	2045	2251	2379	2323
Updates (Duplicate Certificate, Add Endorsement, Correction)	385	521	503	582	615
Total Certificates Processed	3,006	3,293	3,648	3,944	4,089

THE NUMBER OF SOUTH DAKOTA GRADUATES AND APPLICANTS FROM OUT-OF-STATE HAS INCREASED AND HELD

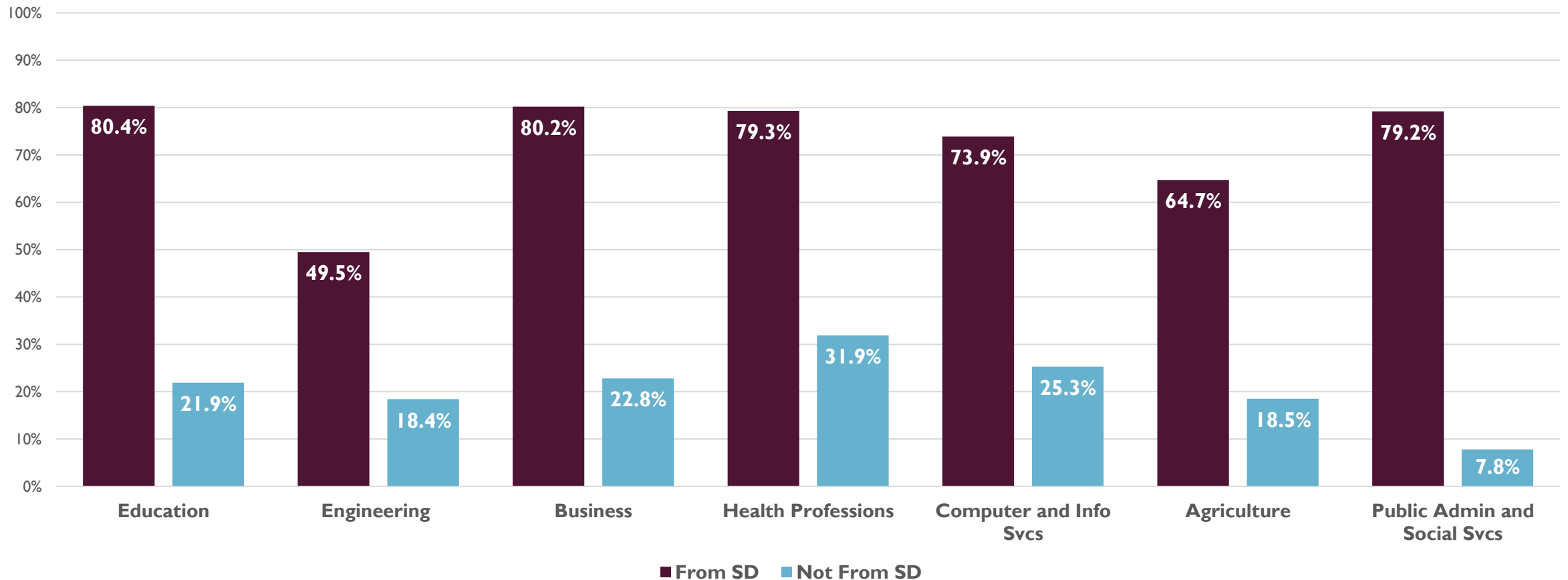


Source: South Dakota Department of Education Certification System

THERE ARE MORE TEACHER PREPARATION GRADUATES THAN INITIAL CERTIFICATES PROCESSED

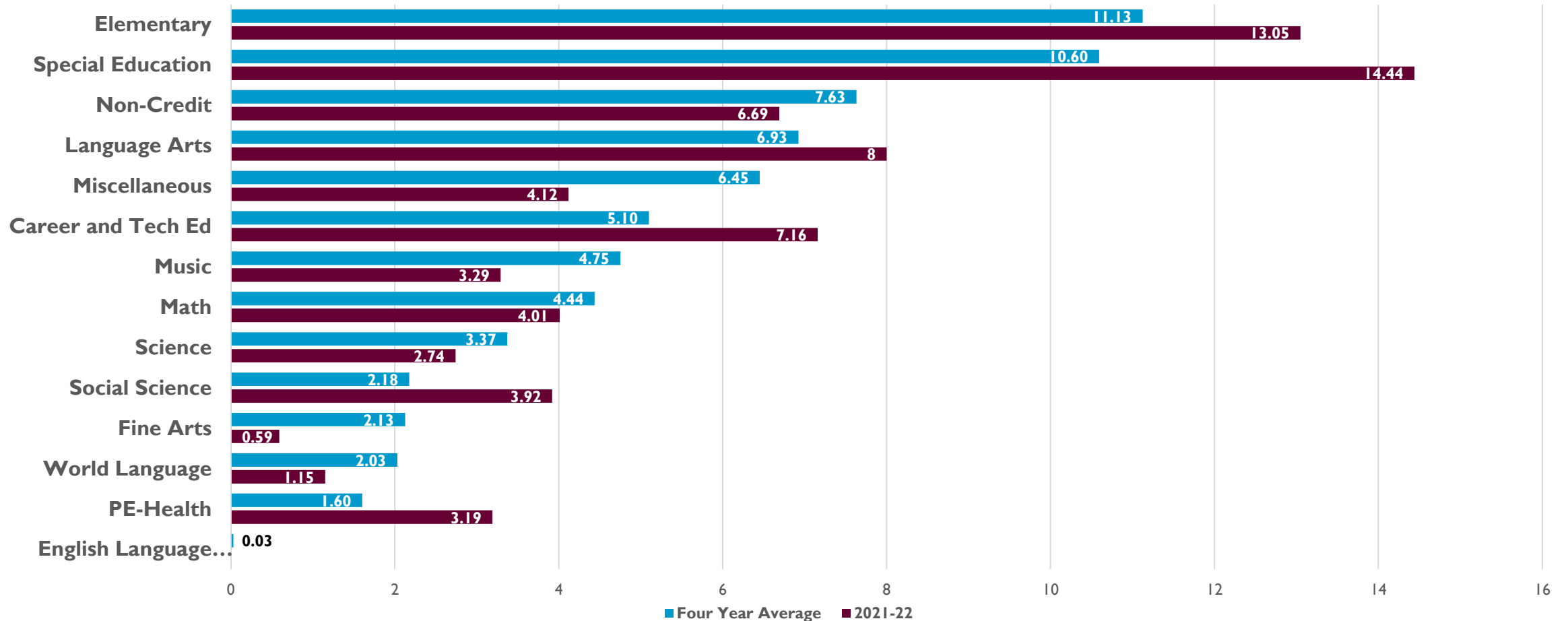
TEACHER PREPARATION GRADUATES						
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Non-BOR Grand Total	142	130	133	139	141	158
BOR Grand Total	532	597	520	561	511	514
Combined Grand Total	674	727	653	700	652	672
Source: Title II Report						
Initial Educator Certificates Processed			381	272	364	413
Source: South Dakota Educator Certification System						

SOUTH DAKOTA EDUCATION GRADUATES FROM BOARD OF REGENTS UNIVERSITIES WERE PLACED IN SOUTH DAKOTA AT A HIGHER RATE THAN OTHER MAJOR AREAS IN 2019



Source: South Dakota Board of Regents

UNFILLED VACANCIES AT THE BEGINNING OF 20-21 WERE HIGHER THAN THE 4-YEAR AVERAGE IN SEVERAL CATEGORIES



Source: South Dakota Department of Education Personnel Record Form

THE NUMBER OF JOB POSTINGS FOR TEACHERS IS INCREASING

South Dakota Educator Job Postings

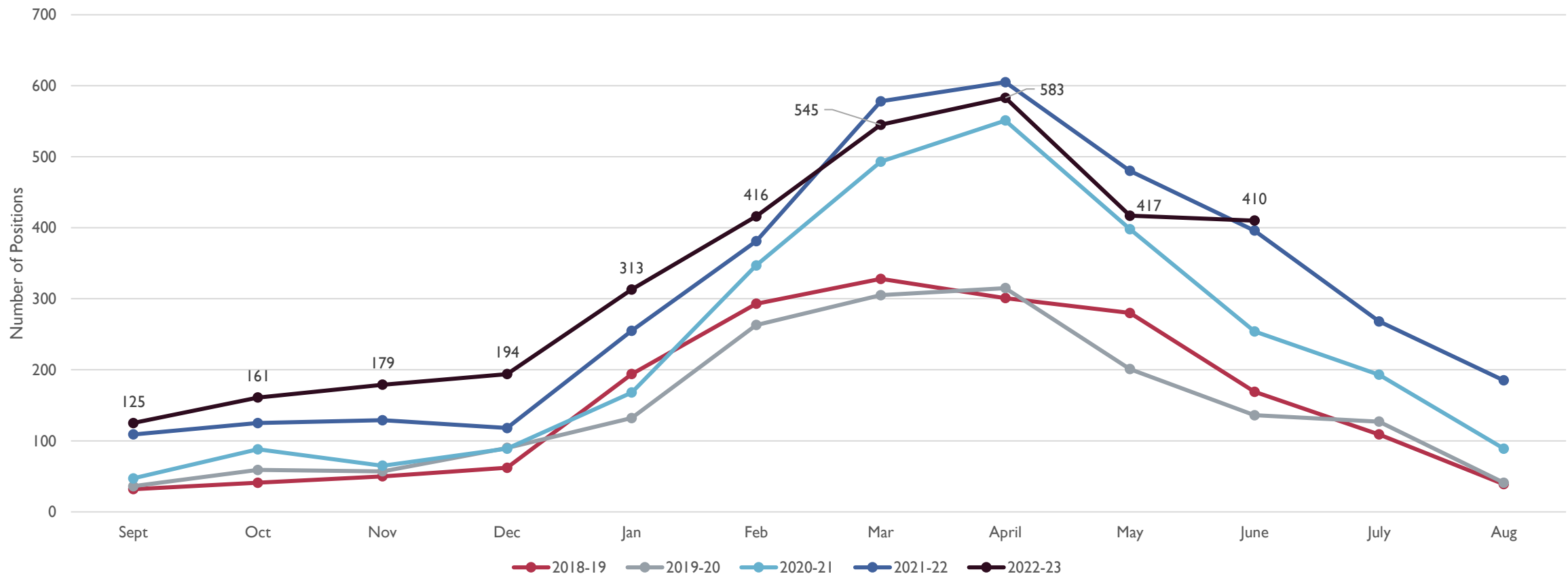
Highest Categories of Positions Posted on the Teacher Placement Center

2018		2019		2020		2021		2022		2023	
April											
SPED/Early Childhood	62	SPED/Early Childhood	39	SPED/Early Childhood	53	SPED/Early Childhood	71	Elementary Teachers	89	Elementary Teachers	118
Elementary Teachers	61	Elementary Teachers	37	Elementary Teachers	52	Elementary Teachers	69	SPED/Early Childhood	78	SPED/Early Childhood	102
Math	27	Art/Music/Health/PE	26	CTE	35	Math Teachers	52	Art/Music/Health/PE	65	Art/Music/Health/PE	53
Administrators	26	English/Language Arts	24	Art/Music/Health/PE	28	English/Language Arts	52	English/Language Arts	43	Administration & CTE	33
August											
SPED/Early Childhood	10	SPED/Early Childhood	8	SPED/Early Childhood	8	SPED/Early Childhood	24	SPED/Early Childhood	31		
Elementary Teachers	7	Elementary Teachers	5	Elementary Teachers	4	Elementary Teachers	17	Elementary Teachers	24		
English/Language Arts	5	Art/Music/Health/PE	5	Math Teachers	4	English/Language Arts	8	CTE	16		
Administrators	4	Technology Education	4	Speech Pathologist	4	CTE	7	English/Language Arts	12		

Source: Associated School Boards of South Dakota

ASBSD TEACHER PLACEMENT DATA

TEACHING POSITIONS LISTED IN THE ASBSD TEACHER PLACEMENT CENTER



Source: Associated School Boards of South Dakota



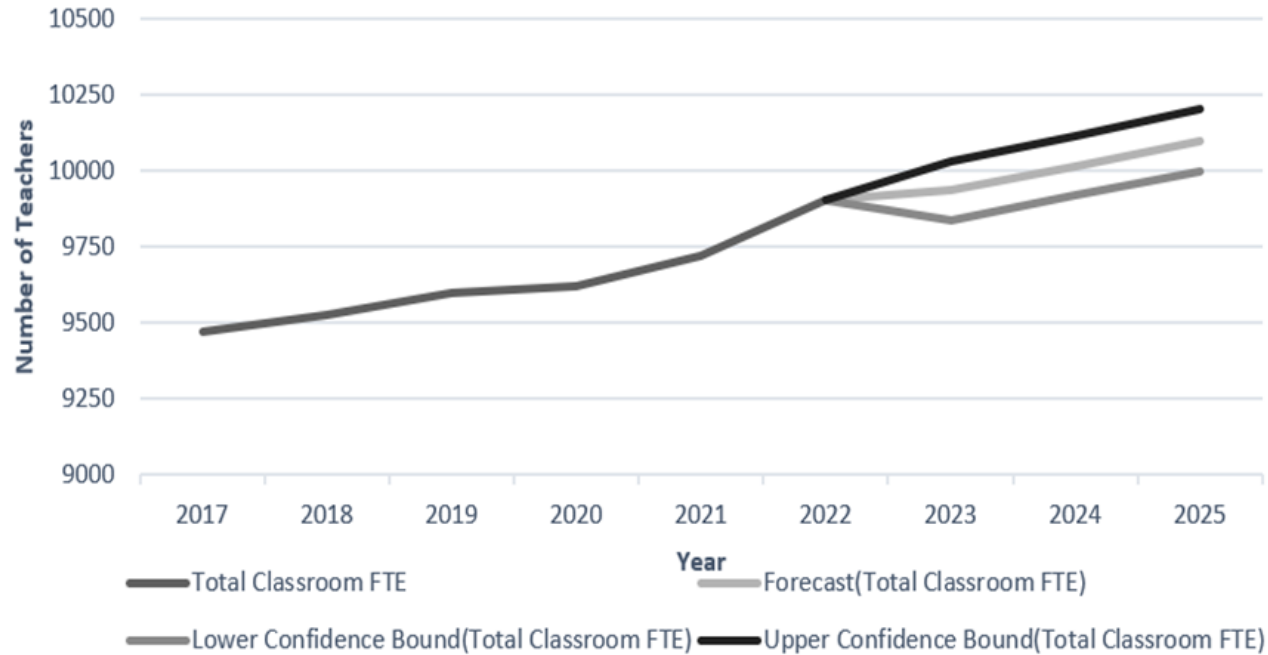
PROJECTIONS

PROJECTED DATA ON THE EDUCATOR WORKFORCE



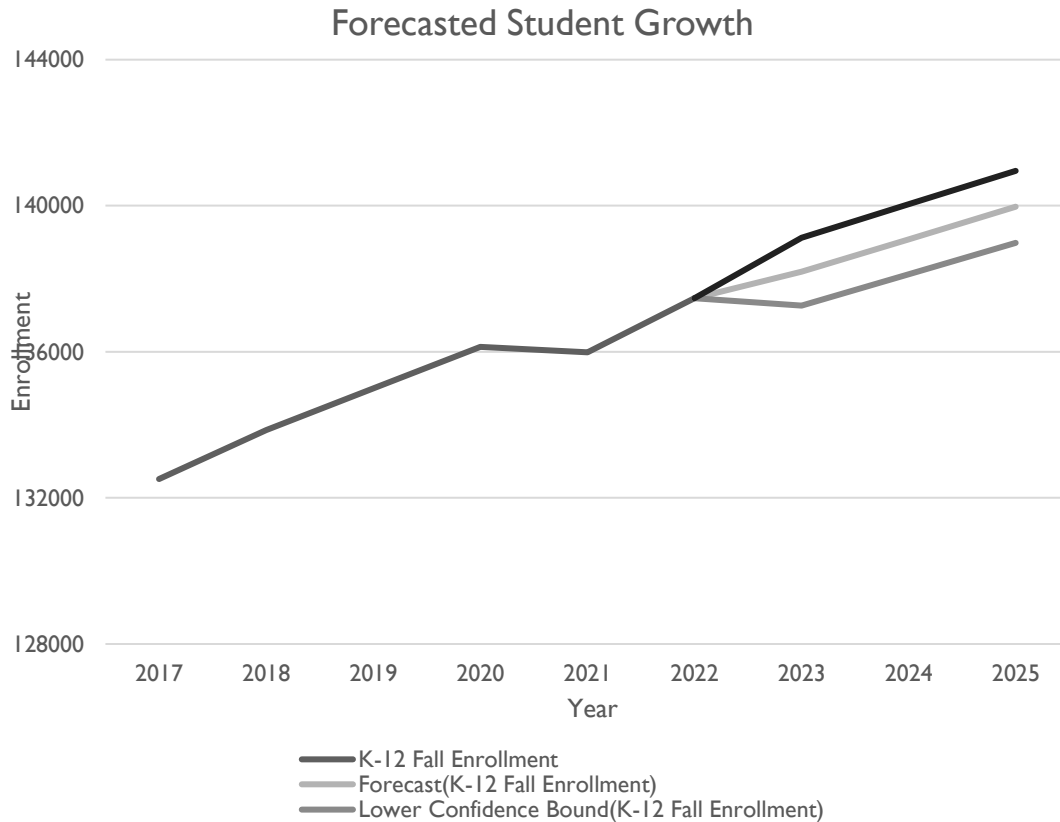
THE TEACHER WORKFORCE IS PROJECTED TO GROW BY ~200 IN THE NEXT 3 YEARS

Forecasted Growth of Teacher Workforce



Year	Forecast	Lower	Upper
2022	9905	9905	9905
2023	9936	9840	10032
2024	10018	9919	10117
2025	10100	9999	10202

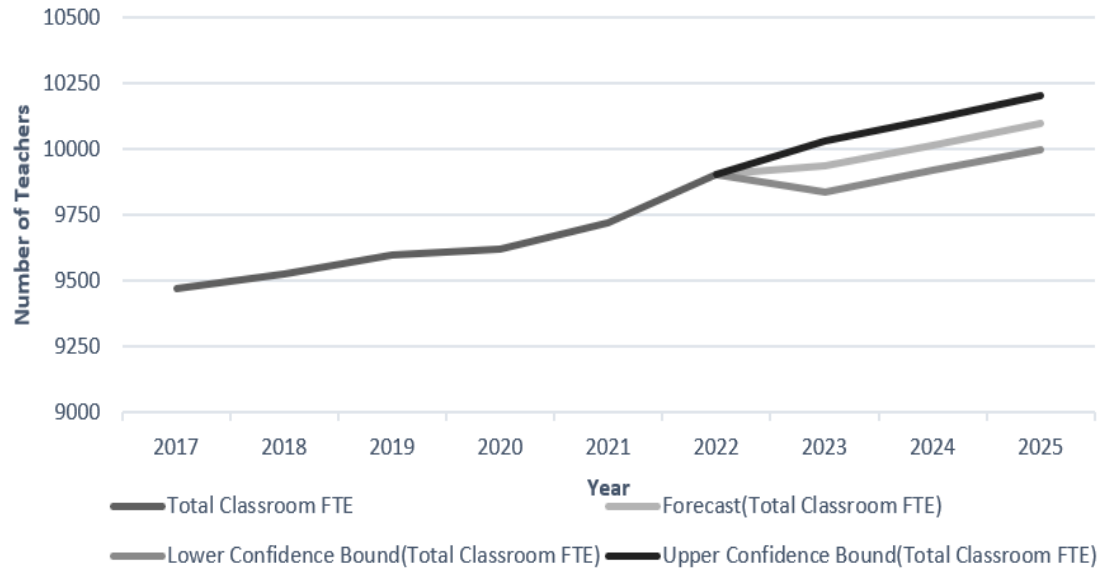
STUDENT ENROLLMENT IS PROJECTED TO INCREASE BY 2500 IN THE NEXT THREE YEARS AND COULD INCREASE BY ALMOST 3500



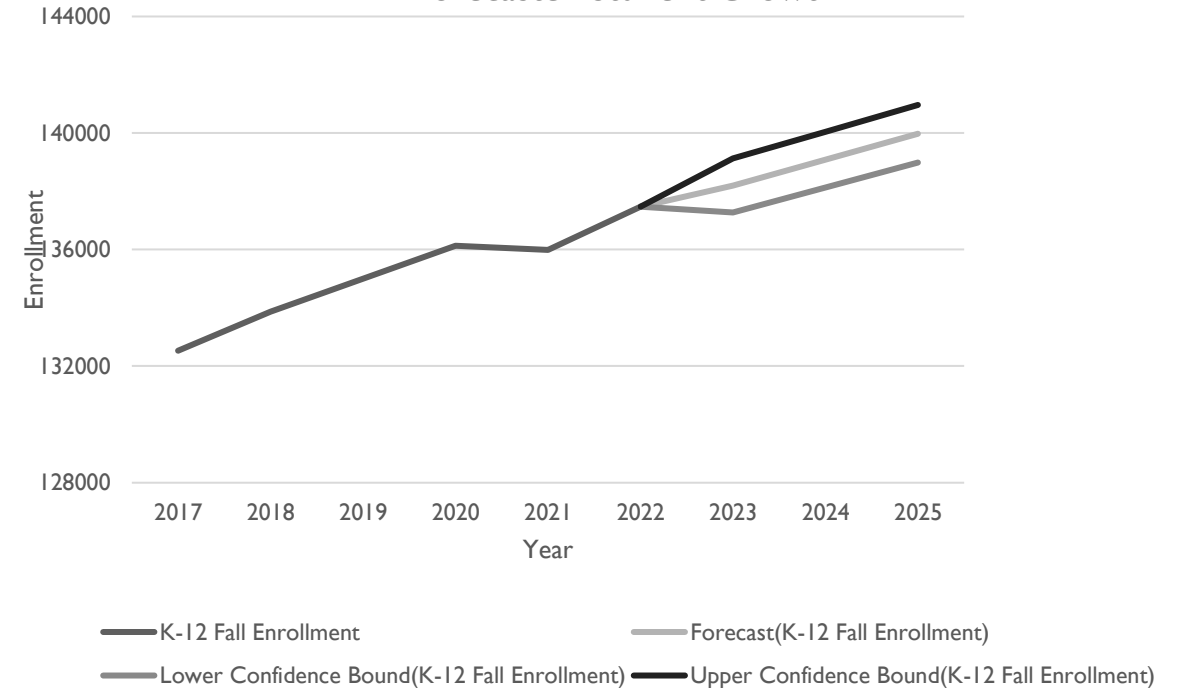
Year	Forecast	Lower	Upper
2022	137468	137468	137468
2023	138196	137268	139124
2024	139083	138126	140040
2025	139970	138985	140955

TRAJECTORIES OF TEACHER WORKFORCE AND STUDENT ENROLLMENT ARE SIMILAR

Forecasted Growth of Teacher Workforce



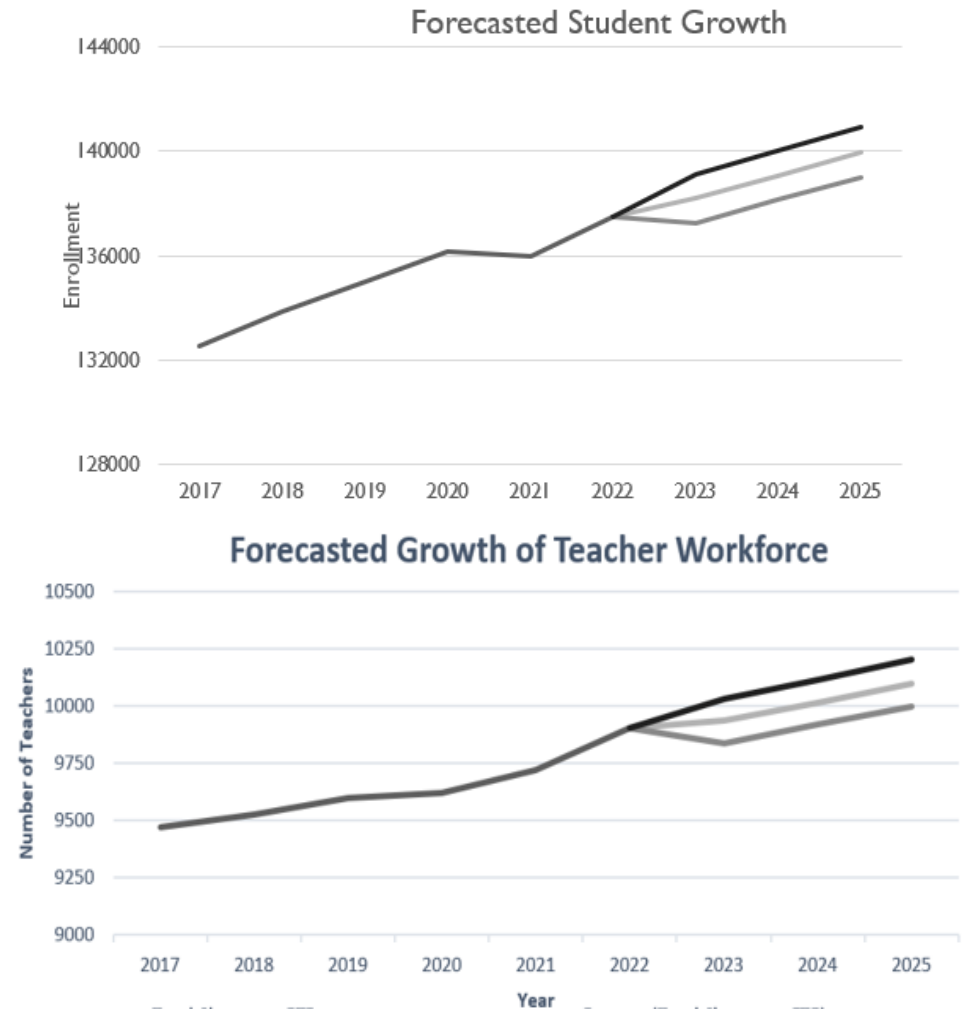
Forecasted Student Growth



PROJECTED GROWTH IN TEACHER WORKFORCE MAINTAINS AND POTENTIALLY IMPROVES THE STUDENT-TEACHER RATIO

SUMMARY OF ENROLLMENT AND WORKFORCE PROJECTIONS

- The trend for student enrollment shows an increase of 834 students per year.
- The trend for teacher workforce shows an increase of 65 teachers per year.
- The ratio of additional students to additional teachers is 13:1.
- The target ratio is 14:1.





CURRENT DOE EFFORTS TO EASE TEACHER SHORTAGE



CURRENT DOE EFFORTS TO EASE TEACHER SHORTAGE

- Teacher Apprenticeship Pathway Pilot
- Education Employment System
- Recruitment and Retention Marketing Campaign
- Student Teacher Permits – Standard and Advanced
- State Mentoring Programs



FRAMEWORK FOR THE 2023 TEACHER COMPENSATION REVIEW BOARD FINAL REPORT

DEFINING DESIRED OUTPUTS FROM THE BOARD



BOARD INPUT ON FRAMEWORK FOR FINAL REPORT

- Which data should be included in the report?
- What does the board desire to produce?
 - Findings
 - Conclusions
 - Recommendations

WHAT ADDITIONAL DATA ARE NEEDED?

- For the next steps in board findings or recommendations.
- For the final report.



PUBLIC COMMENT



NEXT TEACHER COMPENSATION REVIEW BOARD MEETING

AUGUST 21, 2023

