SOUTH DAKOTA TEACHER COMPENSATION REVIEW BOARD

JUNE 16, 2025



ORGANIZING THE 2025 TEACHER COMPENSATION REVIEW BOARD

OVERVIEW OF TEACHER COMPENSATION REVIEW BOARD AGENDA

- Call to Order and Roll Call
- Adoption of Agenda
- Opening Comments Secretary of Education Joseph Graves
- Election of Chair and Vice Chair
- Presentation and Board Discussion
- Framework for 2025 Teacher Compensation Review Board Final Report

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:

- (I) 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.

BLUEPRINT OF PRESENTATION

- Review of 2023 Teacher Compensation Review Board Recommendations
- First Look at Core Data
- Other Current Workforce Data
- Enrollment and Teacher Workforce Projections

2023 RECOMMENDATIONS

SUMMARY OF FINDINGS FROM THE TEACHER COMPENSATION REVIEW BOARD

RECOMMENDATIONS FROM THE BOARD IN 2023

- **Recommendation I:** Direct the South Dakota Department of Education to craft an updated teacher salary/compensation accountability model which enhances average teacher salaries at the district and state levels.
 - When the Blue Ribbon legislation passed in 2016, it contained several mechanisms designed to hold schools accountable for ensuring that the influx of new funding went directly to teacher salaries, as was intended by the Legislature. These accountabilities may no longer be having the impact they once did. In particular, the accountability outlined in 13-13-73.6 penalizes a district if its average teacher compensation is less than it was in fiscal year 2017. Board members agreed it was time to revisit this benchmark.
 - Senate Bill 127 (SB 127), enacted in 2024, revises teacher compensation requirements and establishes a minimum teacher salary. It requires school districts to increase average teacher compensation based on state aid funding increases. The minimum teacher salary is set at \$45,000 for fiscal year 2025, with future increases tied to state aid funding.

RECOMMENDATIONS FROM THE BOARD IN 2023

- Recommend that the legislative and executive branches carefully monitor the ongoing impact of inflation when setting the state education finance formula increases in the future.
 - The board's discussion leading up to the recommendation had to do with inflation and how it impacts a school district's buying power. Board members wanted policy makers to recognize inflation as an important factor when considering future increases in the state aid funding formula.

RECOMMENDATIONS FROM THE BOARD IN 2023

- Add the Department of Education's Government Operations and Audit Committee performance indicators as an appendix to [the board's 2023] report.
 - Discussion around this recommendation had to do with outcomes and understanding how investment
 of state funds may/may not have a direct impact on things like student achievement, attendance, and
 graduation rates.

FIRST LOOK AT CORE DATA

EXAMINING TEACHER COMPENSATION, NATIONAL RANKINGS, AND COMPARABLE WAGES

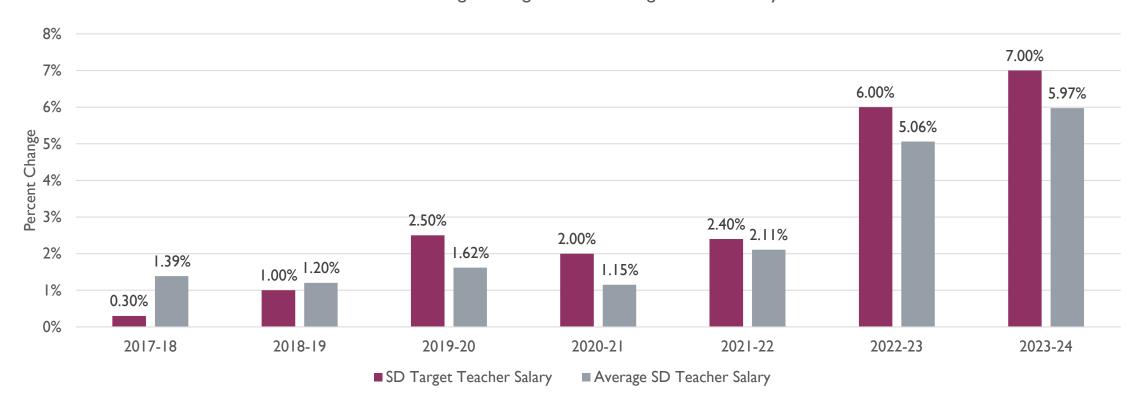
AVERAGE TEACHER SALARY ACHIEVES ITS HIGHEST RANK

School Year		Target Teacher Sala	Average SD Te			
	\$	% Change from baseline year; 2016-17*	% Change from year to year	\$	% Change from year**	NEA Ranking
2016-17	\$48,500.00			\$46,979		48
2017-18	\$48,645.50	0.30%	0.30%	\$47,631	1.39%	47
2018-19	\$49,131.96	1.30%	1.00%	\$48,204	1.20%	48
2019-20	\$50,360.26	3.84%	2.50%	\$48,984	1.62%	50
2020-21	\$51,367.47	5.91%	2.00%	\$49,547	1.15%	49
2021-22	\$52,600.29	8.45%	2.40%	\$50,592	2.11%	49
2022-23	\$55,756.31	14.96%	6.00%	\$53,153	5.06%	49
2023-24	\$59,659.25	23.01%	7.00%	\$56,328	5.97%	46
2024-25	\$62,045.62	27.93%	4.00%			
2025-26	\$62,821.19	29.53%	1.25%			

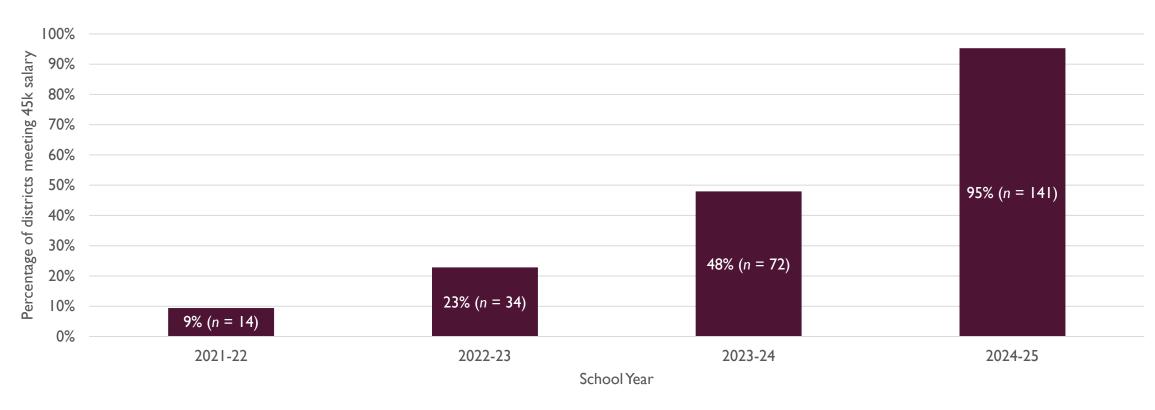
Source: South Dakota Department of Education School Financial Data and National Education Association

INCREASES IN AVERAGE TEACHER SALARY HAVE FALLEN SHORT OF TARGET SALARY INCREASES

Annual Percent Change in Targeted and Average Teacher Salary



THE NUMBER OF DISTRICTS MEETING THE STATE MANDATED SALARY OF 45K HAS INCREASED SINCE SY2021-22

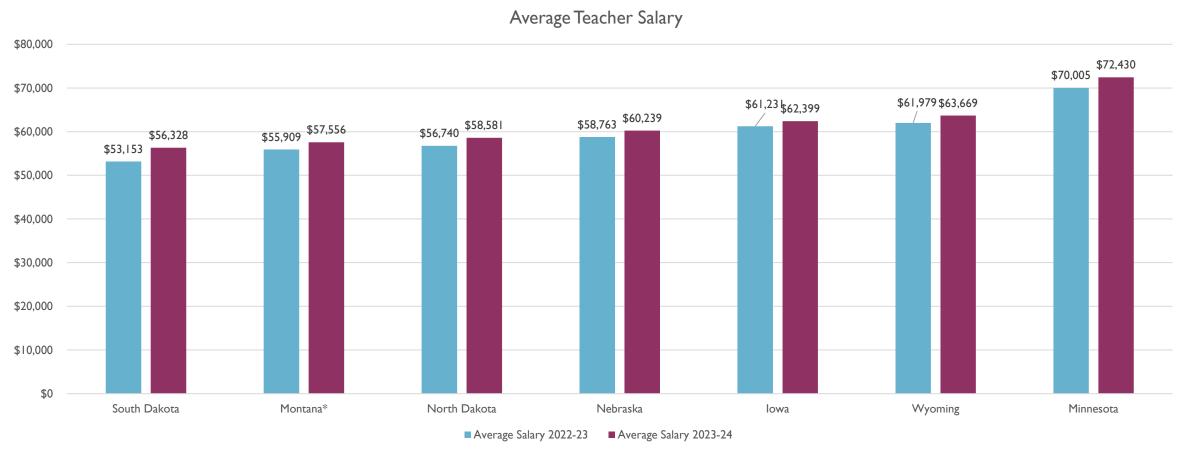


Note: Number of districts: \$Y2021-22=149; \$Y2022-23=149; \$Y2023-24=148; \$Y2024-25=148

Source: South Dakota Department of Education Personnel Record Form



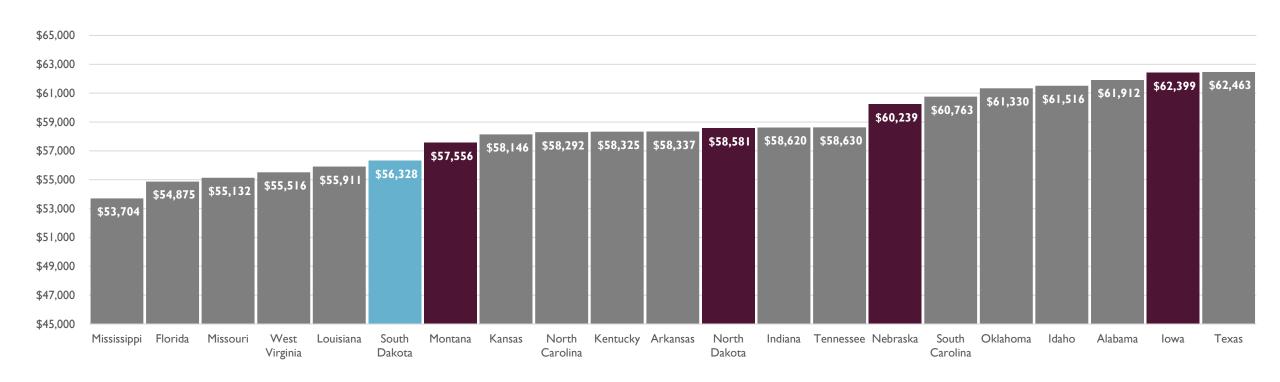
SOUTH DAKOTA'S AVERAGE TEACHER SALARY TRAILS NEIGHBORING STATES



^{*}Montana's average teacher salary for 2023-24 are reported as an estimate by NEA

Source: National Education Association, SY2023-24

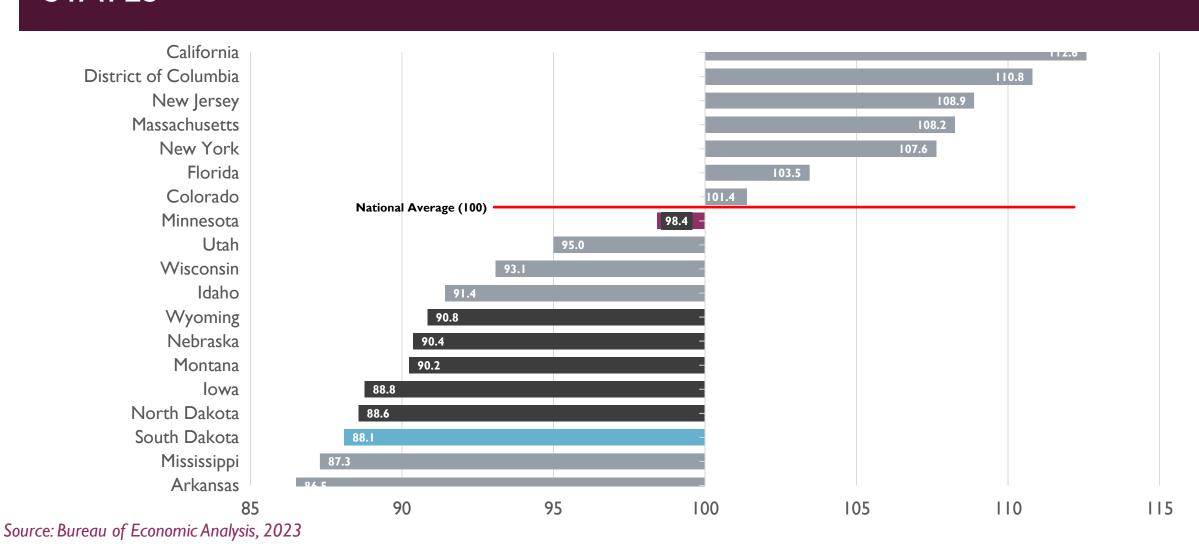
SOUTH DAKOTA'S AVERAGE TEACHER SALARY HAS SURPASSED FLORIDA, MISSOURI, AND LOUISIANA, AND STAYED AHEAD OF MISSISSIPPI AND WEST VIRGINIA



REGIONAL PRICE PARITIES

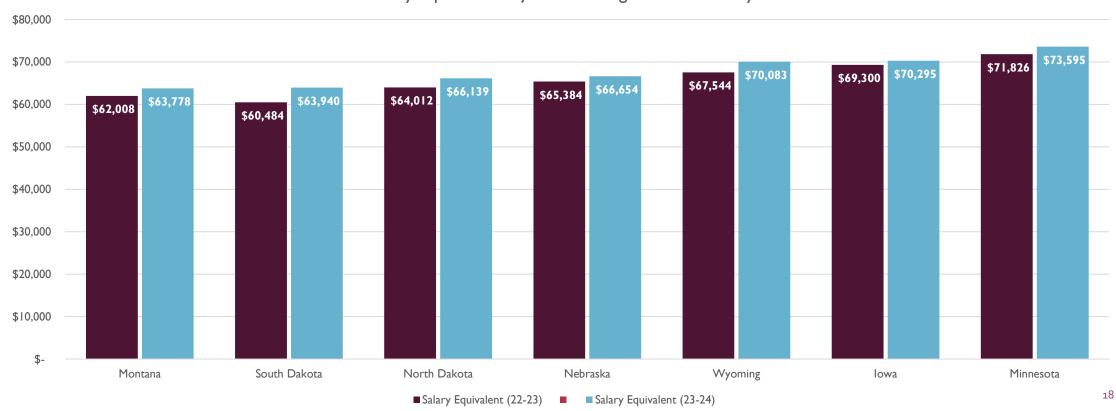
- Regional price parities (RPPs) measure the differences in price levels across states and metropolitan areas for a given year and are expressed as a percentage of the overall national price level.
- RPPs allow comparisons of buying power across the 50 states and the District of Columbia for a given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

SALARY GOES FURTHER IN SOUTH DAKOTA THAN IN 48 OTHER STATES



SOUTH DAKOTA'S AVERAGE TEACHER SALARY IS HIGHER THAN MONTANA'S WHEN ADJUSTED FOR REGIONAL PRICE PARITY

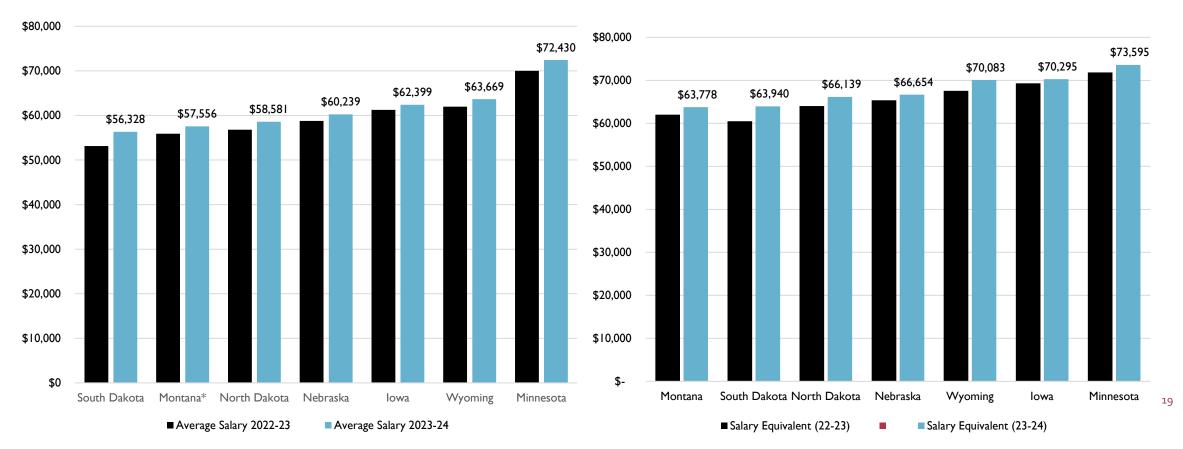
Salary Equivalent Adjusted for Regional Price Parity



ADJUSTED FOR RPP, SALARY COMPARISONS WITH NEIGHBORING STATES REMAIN SIMILAR



Salary Equivalent Adjusted for Regional Price Parity

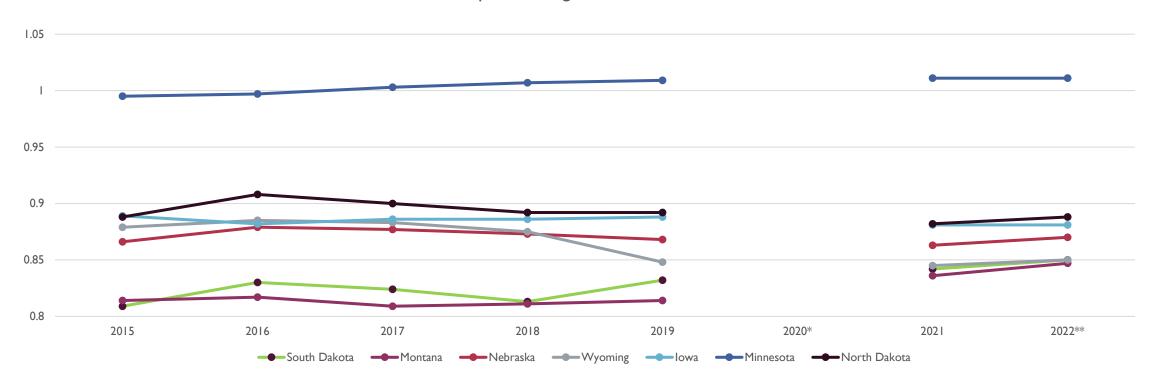


COMPARABLE WAGE INDEX FOR TEACHERS (CWIFT)

- The <u>Comparable Wage Index for Teachers (CWIFT)</u> is a tool that helps compare teacher salaries to what college graduates with similar qualifications could earn in other non-teaching professions within the same geographic area. It adjusts for regional differences in cost of living and labor market conditions to provide a more accurate comparison of teacher pay across different areas.
- CWIFT is designed to help researchers and policymakers understand how teacher salaries compare to the earnings of college-educated workers in other fields, taking into account regional variations in wages and costs of living.

SOUTH DAKOTA'S COMPARABLE WAGE INDEX FOR TEACHERS HAS INCREASED

Comparable Wage Index for Teachers

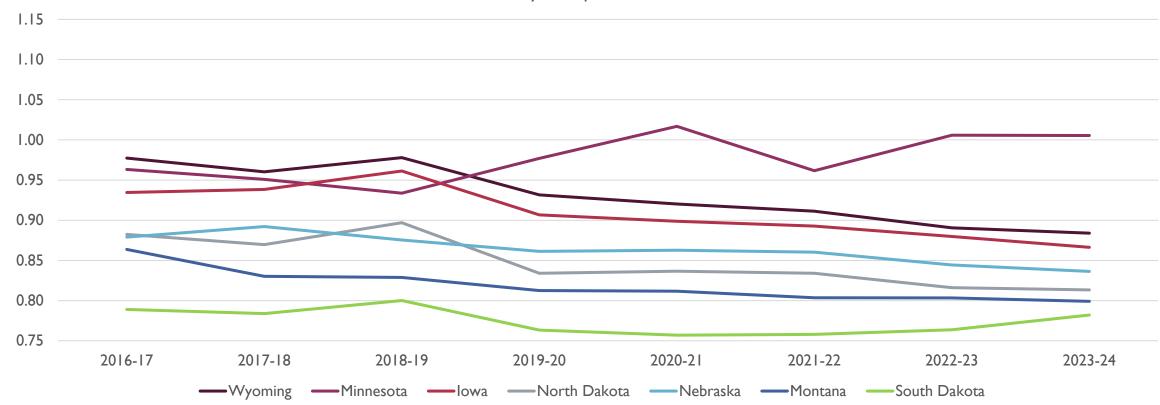


^{*}The Census Bureau did not release official ACS I-year estimates for 2020 due to data collection and quality concerns resulting from the impact of the COVID-19 pandemic.

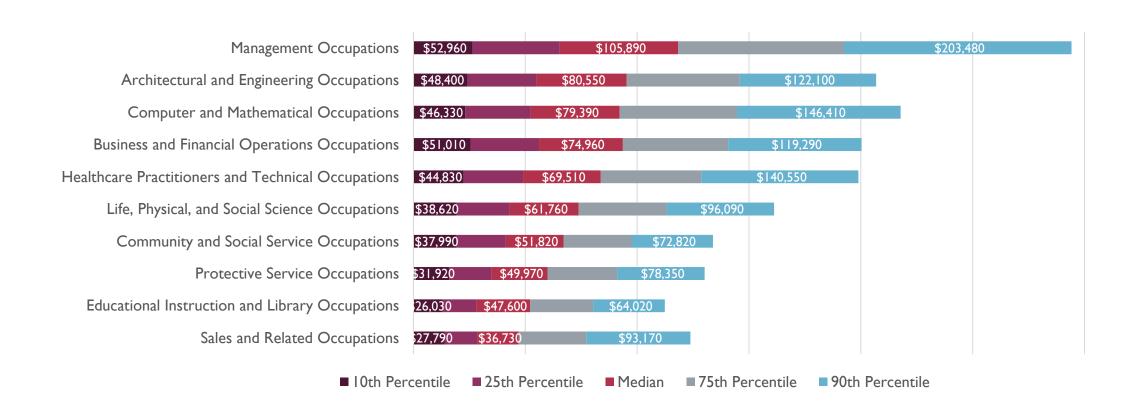
Source: National Center for Education Statistics Comparable Wage Index for Teacher (CWIFT)

SOUTH DAKOTA IS CLOSING THE GAP BETWEEN AVERAGE TEACHER SALARY AND THE NATIONAL AVERAGE

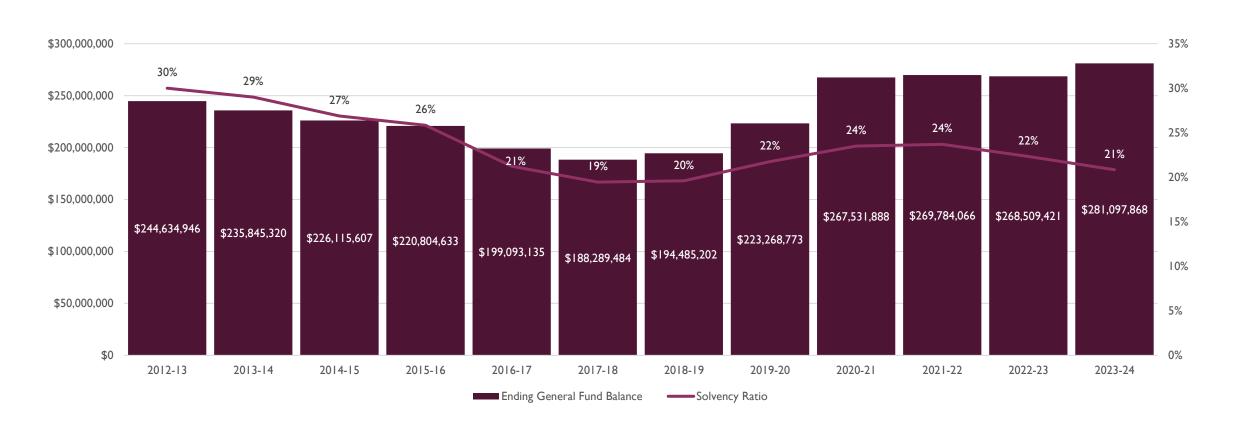




IN SOUTH DAKOTA, THE MEDIAN SALARY AND RANGE FOR EDUCATION AND LIBRARY OCCUPATIONS IS SIMILAR TO SALES AND RELATED OCCUPATIONS



GENERAL FUND BALANCES HAVE BEEN INCREASING SINCE 2017-19



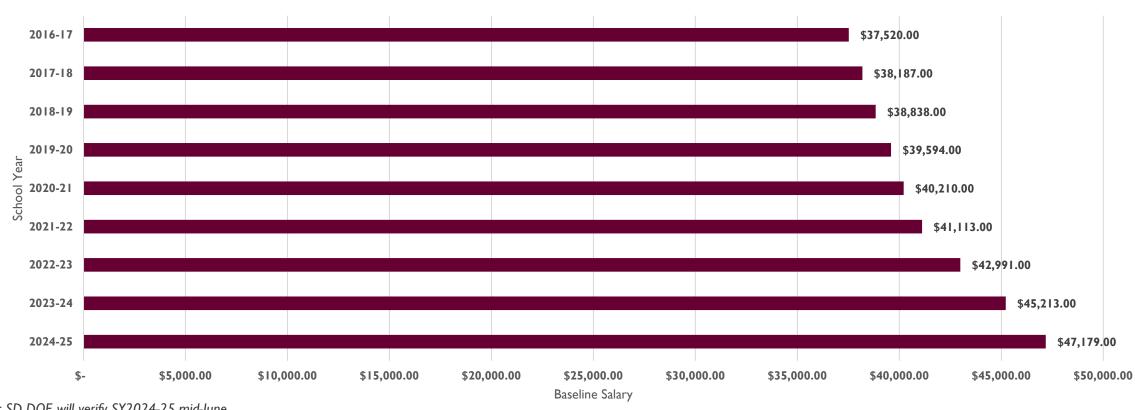
Note: COVID-19 affected school spending in the 4th quarter of the fiscal year in 2021-22.

Source: South Dakota Department of Education School Finance Data

WHERE ARE WE NOW?

CURRENT DATA ON THE EDUCATOR WORKFORCE

BASELINE TEACHER SALARIES INCREASED ALMOST 3% MORE THAN AVERAGE TEACHER SALARIES BETWEEN 2016-17 AND 2023-24

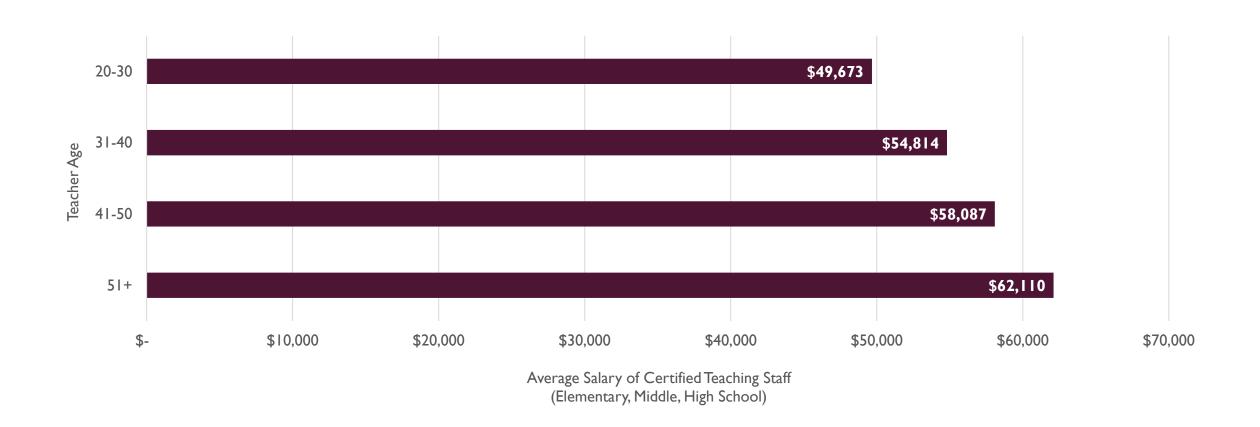


Note: SD DOE will verify SY2024-25 mid-June.

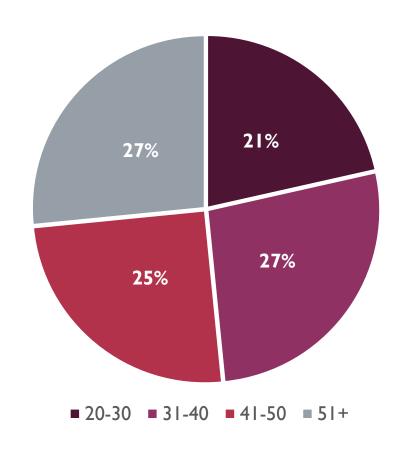
Source: South Dakota Department of Education Personnel Record Form



IN 2023-24, THE AVERAGE SALARY OF TEACHERS AGED 51+ IS \$12K HIGHER THAN TEACHERS AGED 20-30



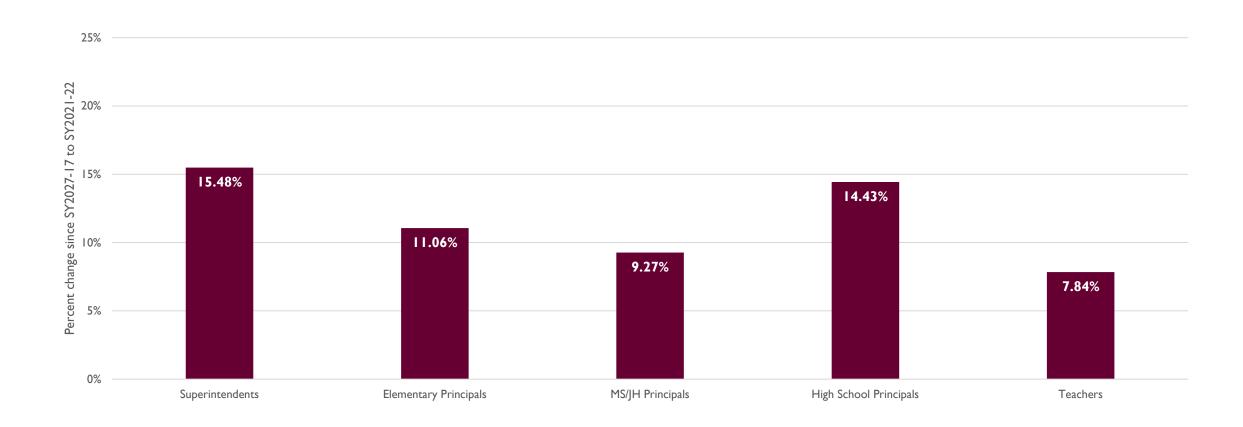
THE SOUTH DAKOTA TEACHER WORKFORCE IS EVENLY DISTRIBUTED BY AGE



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

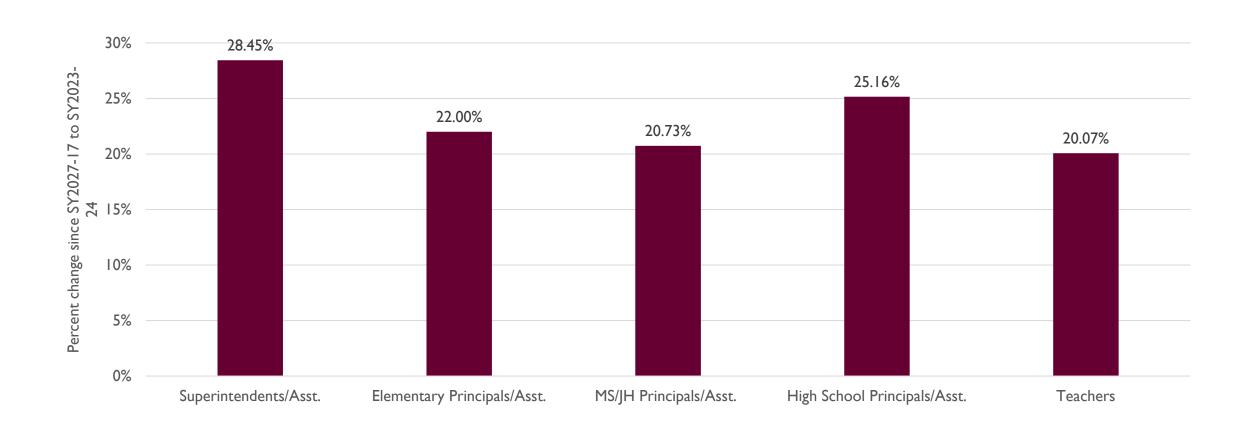
	2017	2018	2019	2020	2021	2022	2023	2024	% Change 2017 - 2024
Average SD Teacher Total Compensation (including benefits)	\$60,687	\$61,442	\$62,368	\$63,454	\$64,271	\$65,573	\$68,726	\$72,623	19.67%
NEA Average SD Teacher Salary	\$46,979	\$47,631	\$48,204	\$48,984	\$49,547	\$50,592	\$53,153	\$56,328	19.90%

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



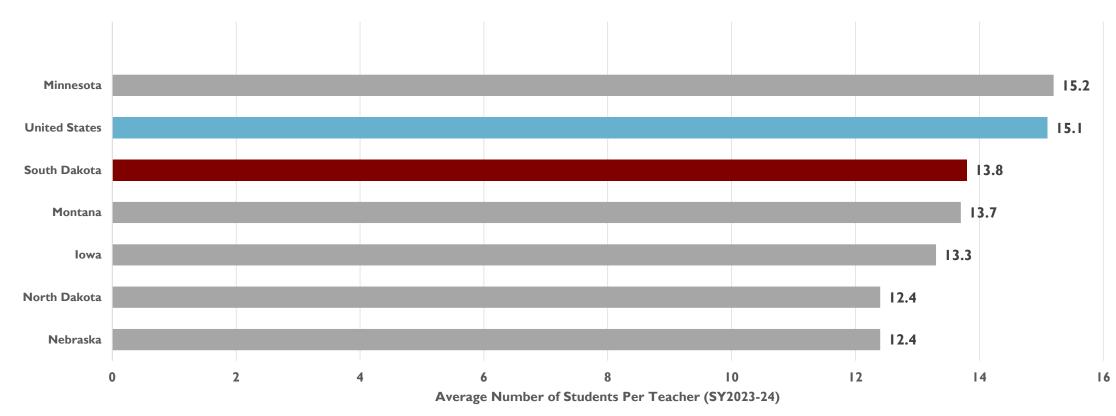


TEACHER SALARY INCREASES SINCE 2016-17 HAVE CLOSED THE GAP ON ADMINISTRATOR INCREASES BY 2023-24



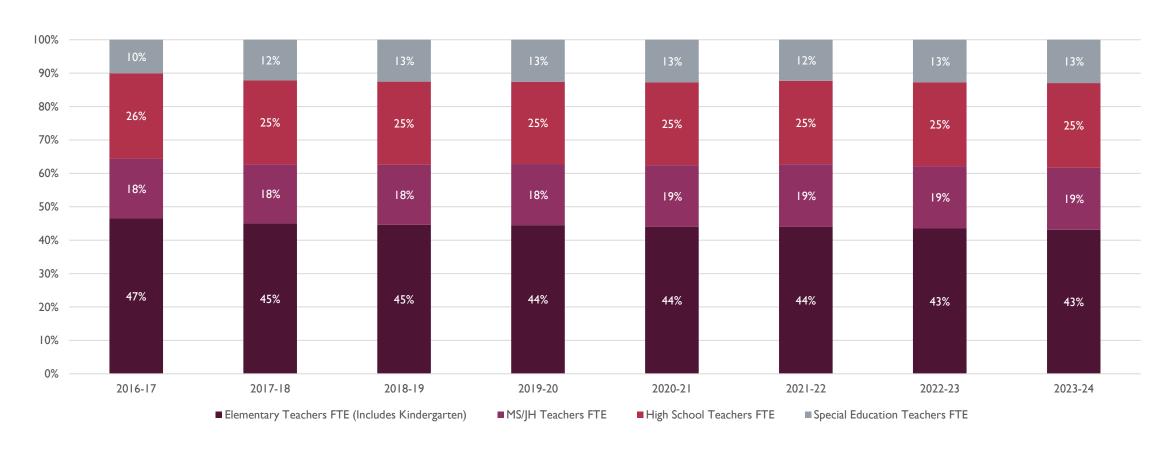
TEACHER-STUDENT RATIOS IN SOUTH DAKOTA ARE SIMILAR TO THOSE IN MOST NEIGHBORING STATES AND LOWER THAN THE NATIONAL AVERAGE

Student-to-Teacher Ratio

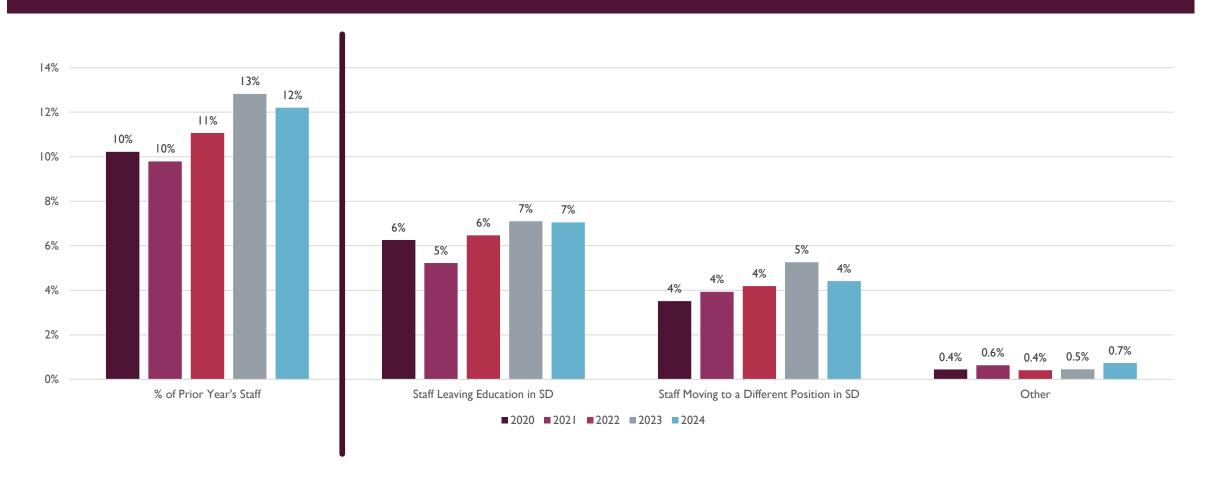


Source: National Education Association, SY2023-24

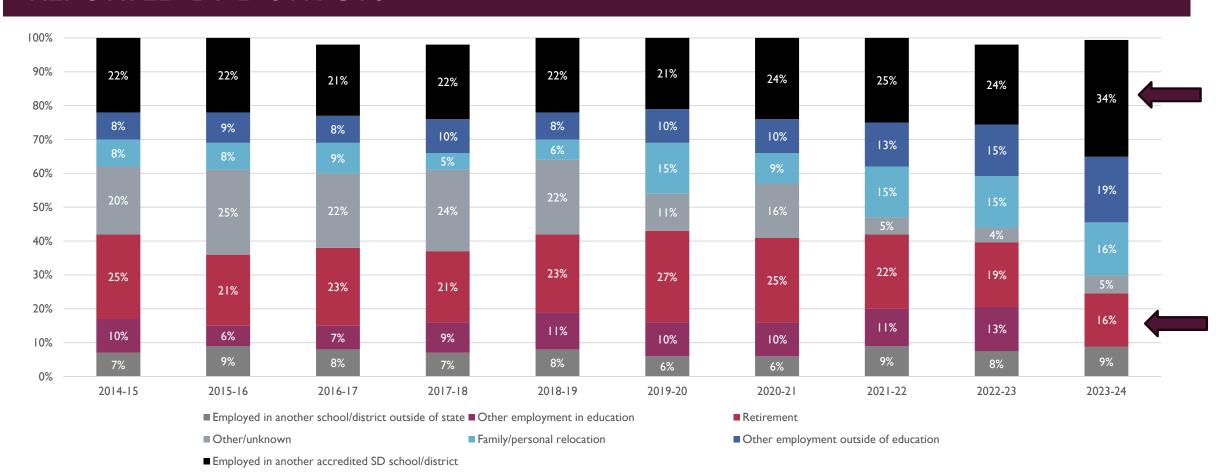
THE PERCENTAGE OF TEACHERS BY GRADE BAND HAS BEEN STABLE OVER TIME



12% OF SOUTH DAKOTA TEACHERS LEFT THEIR POSITIONS AFTER THE 2023-24 SCHOOL YEAR



RETIREMENT & MOVEMENT WITHIN THE SOUTH DAKOTA EDUCATION SYSTEM REPRESENT NEARLY 50% OF TEACHERS LEAVING THEIR POSITIONS AS REPORTED BY DISTRICTS



FEWER THAN HALF OF ELIGIBLE SOUTH DAKOTA RETIREES TEND TO RETIRE EACH YEAR





THE NUMBER OF EDUCATOR CERTIFICATES PROCESSED HAS INCREASED EACH YEAR

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY2023	FY2024
Initial (Initial Educator, Educator Permit Only, Alternative Preliminary)	570	421	537	595	673	368	1017
Initial based on Reciprocity (Provisional, Out-of-State, Out-of-Country)	144	141	219	265	308	164	318
Alternative Certification (CTE, General Education, TFA, SPED, Administrator)	70	165	138	123	170	120	135
Renewal (Educator Certification, Educator Permit, Provisional, Alt Cert, Temporary)	1837	2045	2251	2379	2323	1733	3944
Updates (Duplicate Certificate, Add Endorsement, Correction, Public Record Request)	385	521	503	582	615	292	381
Total Certificates Processed	3,006	3,293	3,648	3,944	4,089	2,677 (4,236)	5,795 (4,236)

Note: A system change in FY2023 impacted certificate reporting. To address this issue, *Total Certificates Proceed* in parenthesis represent the average total certificates processed in FY2023 and FY2024.

Source: South Dakota Department of Education Certification System



INVESTMENTS IN THE TEACHER PIPELINE ARE TRANSLATING INTO TEACHERS FILLING POSITIONS

Paraprofessional Apprenticeship Program Outcomes						
Cohort	# Enrolled	# Graduated to date	# Employed in SD district			
Cohort I	87	59	40*			
Cohort II	88	N/A	N/A			
Cohort III	TBD	N/A	N/A			
Total	175	59	40*			

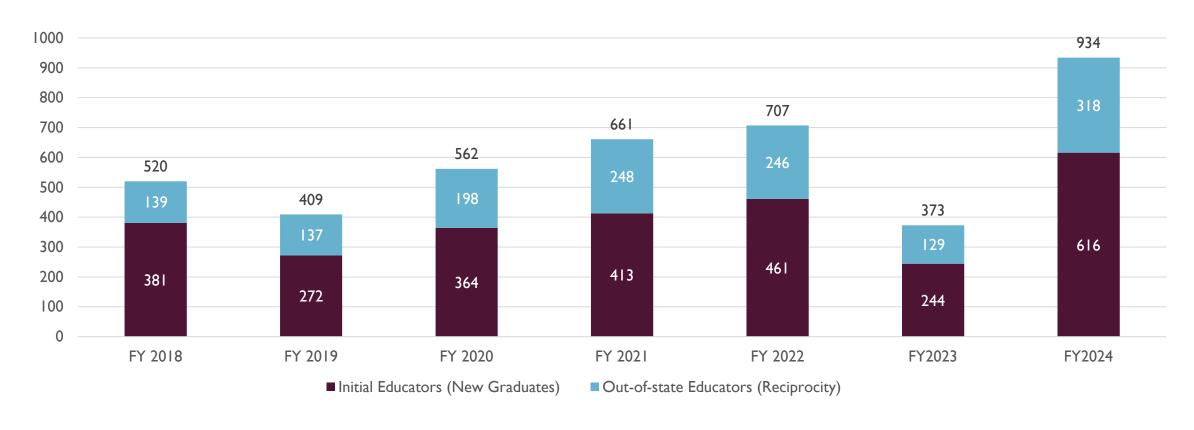
Tea	Teachers of record with an Advanced Student Teacher Permit						
Year	# of Districts	#Teachers of Record	Average FTE	Average Salary			
2024	2	2	0.75	\$44,333.33			
2025	12	14	0.86	\$48,404.26			

The paraprofessional apprenticeship program is a 2-year program with Cohort I starting in the fall of 2023, Cohort II in the fall of 2024, and Cohort III in the fall of 2025.

^{*} As of June 2025.



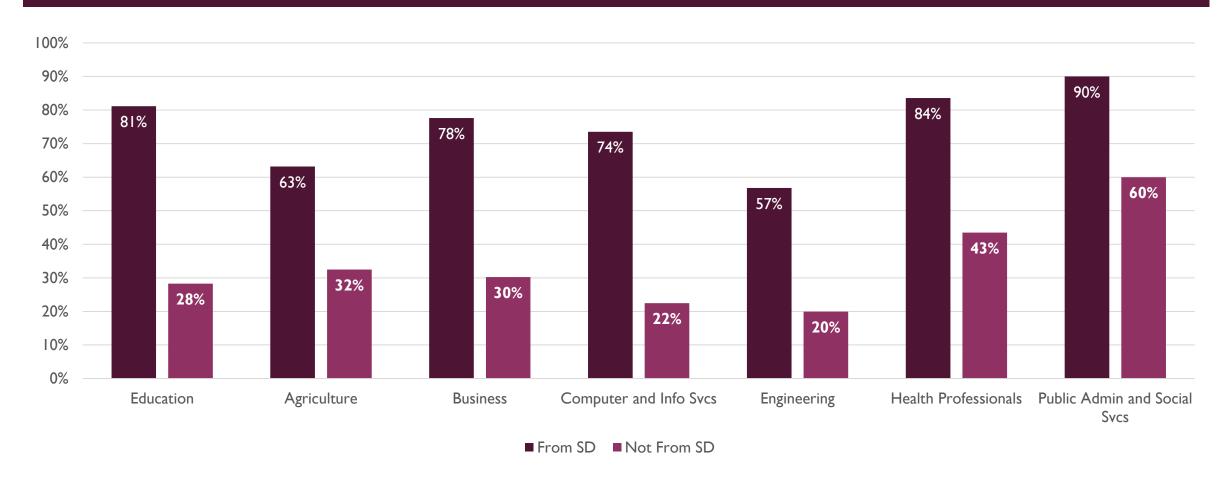
THE NUMBER OF SOUTH DAKOTA GRADUATES AND APPLICANTS FROM OUT-OF-STATE HAS HELD STEADY



Note: A system change in FY2023 impacted certificate reporting.

Source: South Dakota Department of Education Certification System

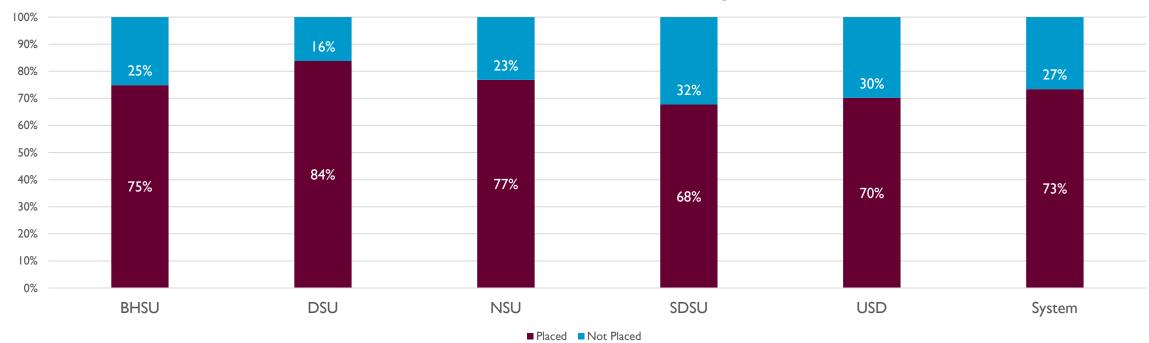
SOUTH DAKOTA RETAINS EDUCATION GRADUATES AT RATES COMPETITIVE TO OTHER FIELDS



Source: South Dakota Board of Regents, FY2023

MOST TEACHER CANDIDATES FROM SOUTH DAKOTA IN BOR PROGRAMS ARE PLACED IN SOUTH DAKOTA

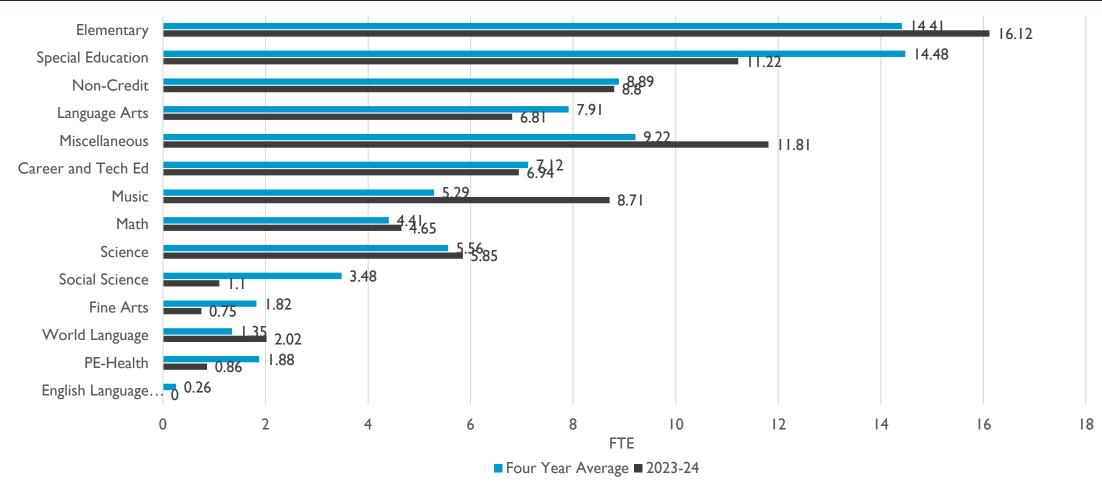




Graduates were counted as placed if they were found at any of the DOE provided staffing files for AY2023-24.

Source: South Dakota Board of Regents

ELEMENTARY, MUSIC, AND MISCELLANEOUS VACANCIES WERE HIGHER THAN AVERAGE AT THE BEGINNING OF 2023-24



MATH AND SCIENCE ARE SHOWING UP AS AREAS WITH HIGH NUMBERS OF VACANCIES

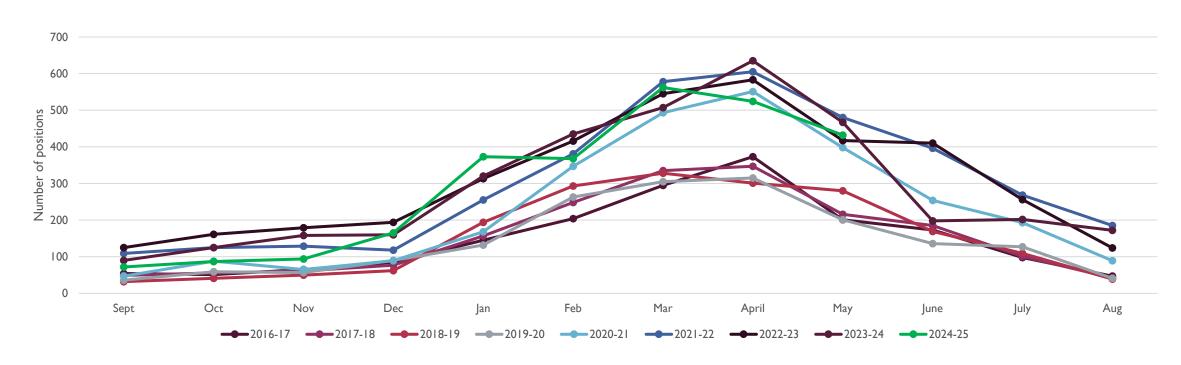
South Dakota Educator Job Postings

Highest Categories of Positions Posted on the Teacher Placement Center

2020		2021		2022		2023		2024	
April									
SPED/Early Childhood	53	SPED/Early Childhood	71	Elementary Teachers	89	Elementary Teachers	118	Elementary Teachers	96
Elementary Teachers	52	Elementary Teachers	69	SPED/Early Childhood	78	SPED/Early Childhood	102	SPED/Early Childhood	79
CTE	35	Math Teachers	52	Art/Music/Health/PE	65	Art/Music/Health/PE	53	Math	74
Art/Music/Health/PE	28	English/Language Arts	52	English/Language Arts	43	Administration & CTE	33	English/Language Arts	63
August									
SPED/Early Childhood	8	SPED/Early Childhood	24	SPED/Early Childhood	31	Elementary Teachers	49	SPED/Early Childhood	24
Elementary Teachers	4	Elementary Teachers	17	Elementary Teachers	24	SPED/Early Childhood	43	Math	24
Math Teachers	4	English/Language Arts	8	СТЕ	16	Art/Music/Health/PE	26	Science	22
Speech Pathologist	4	CTE	7	English/Language Arts	12	Administration & CTE	18	Elementary Teachers	21

ASBSD LISTED TEACHER POSITIONS

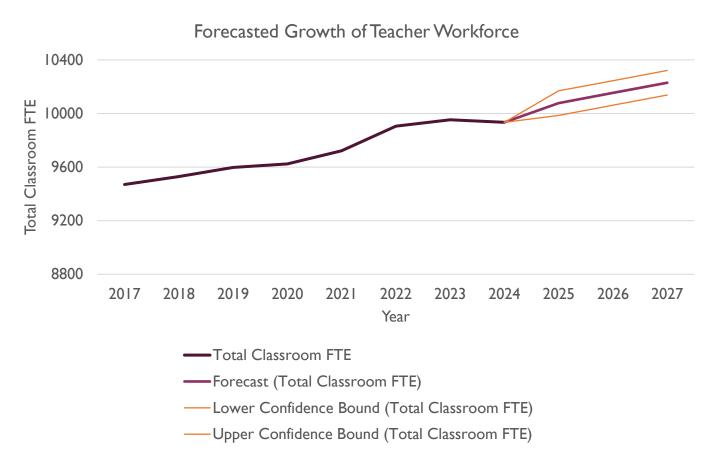
TEACHING POSITIONS LISTED IN THE ASBSD TEACHER PLACEMENT CENTER



PROJECTIONS

PROJECTED DATA ON THE EDUCATOR WORKFORCE

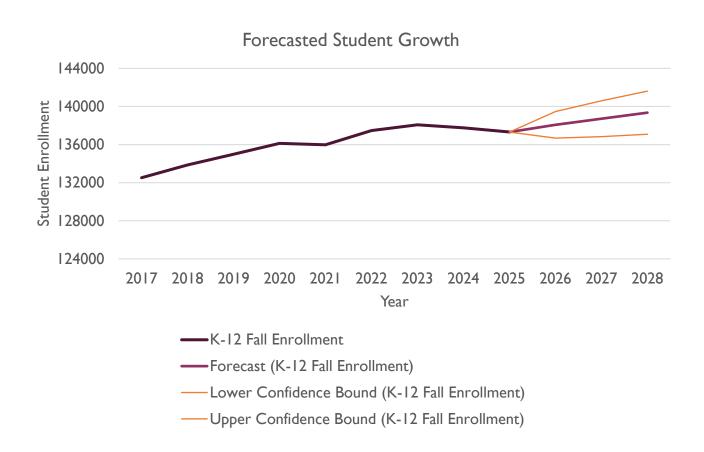
THE TEACHER WORKFORCE IS PROJECTED TO GROW BY ~150 IN THE NEXT 3 YEARS



Y ear	Forecast	Lower	Upper
2025	10078	9986	10169
2026	10153	10062	10245
2027	10229	10138	10321

Source: South Dakota Department of Education Personnel Record Form

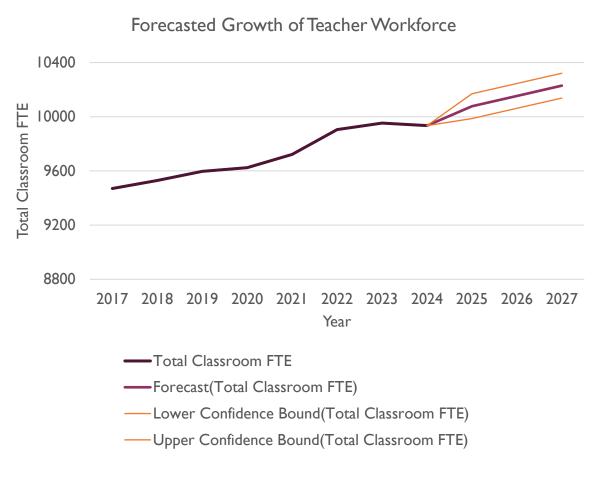
THE 2024 FALL ENROLLMENT WAS 137, 313—LOWER THAN FORECASTED. CURRENT PROJECTIONS FORECAST GROWTH OF AROUND 1500 STUDENTS OVER 3 YEARS.

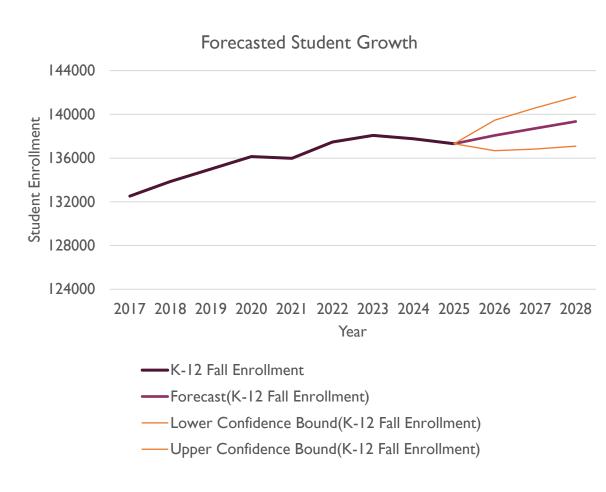


Year	Forecast	Lower	Upper
2026	138070	136676	139465
2027	138710	136833	140587
2028	139349	137089	141608

Source: South Dakota Department of Education SD-STARS

PROJECTED GROWTH IN TEACHER WORKFORCE AND STUDENT ENROLLMENT WOULD BE DISPROPORTIONATE TO CURRENT RATIOS





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 2025 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

JULY 28, 2025