

# TEACHER SALARIES IN TENNESSEE, 2015-2018

## Comptroller's Office of Research and Education Accountability

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Presentation to the BEP Review Committee

September 4, 2019

# REQUEST TO STUDY

- ④ How much new state funding was used to raise teacher salaries?
- ④ How much new local funding was used by districts to raise teacher salaries?
- ④ How much of this funding was used for non-salary items?
- ④ Did districts spend state funds for teacher salaries on unallowable purposes?



# STATE INCREASES

| Fiscal year                     | New state funding for instructional salaries, 2015-2018 | Salary unit cost |
|---------------------------------|---|------------------|
| 2014-15                         | \$0   | \$40,447         |
| 2015-16                         | \$97,600,000  | \$42,065         |
| 2016-17                         | \$104,600,000   | \$44,430         |
| 2017-18                         | \$100,386,000   | \$46,225         |
| <b>Total increase (2015-18)</b> | <b>\$302,586,000</b>                                    | <b>14.3%</b>     |
| 2018-19                         | \$55,124,000  | \$47,150         |
| 2019-20                         | \$71,250,000  | \$48,330         |
| <b>Total increase (2015-20)</b> | <b>\$428,960,000</b>                                    | <b>19.5%</b>     |

# HOW DID DISTRICTS USE NEW STATE FUNDS?

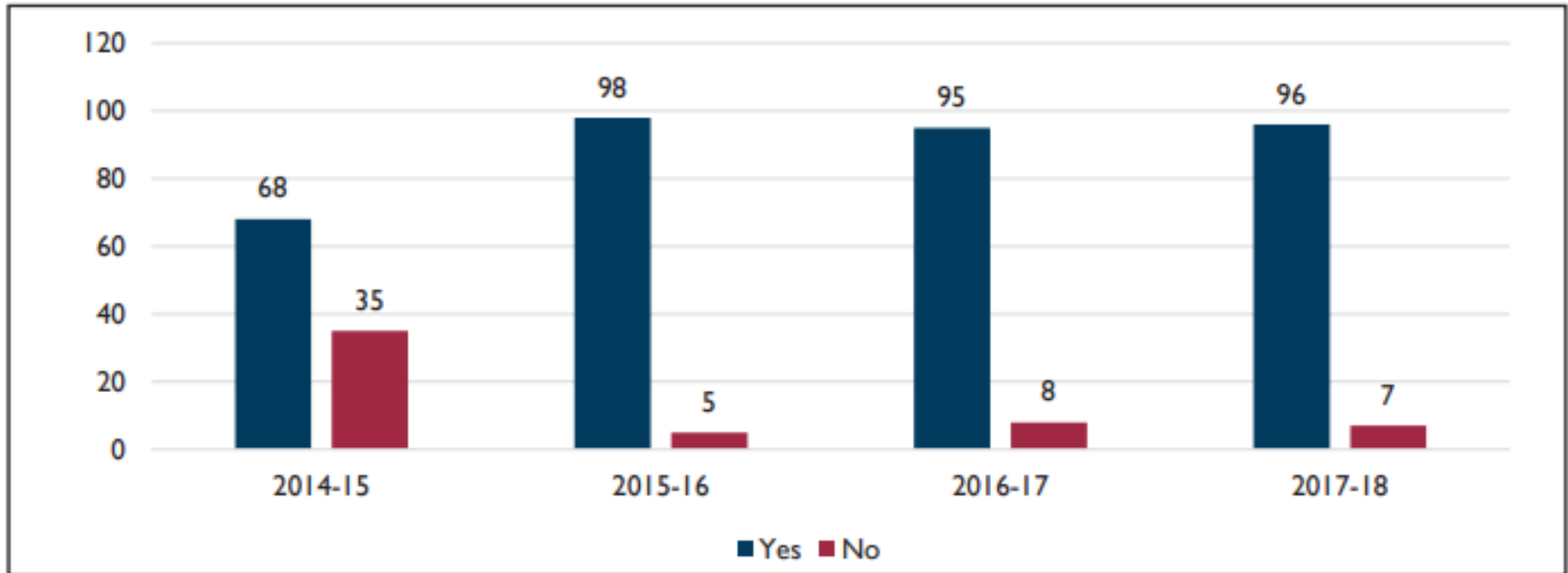
- 🌟 **Raises**
  - **Step increases**
  - **Across-the-board increases**
  - **Bonuses**
- 🌟 **Hired new staff**



# TEACHER RAISES

Most districts gave raises, resulting in a 6.2 percent rise in average classroom salaries statewide.

Exhibit I: Number of districts giving raises to instructional employees, fiscal years 2015-2018



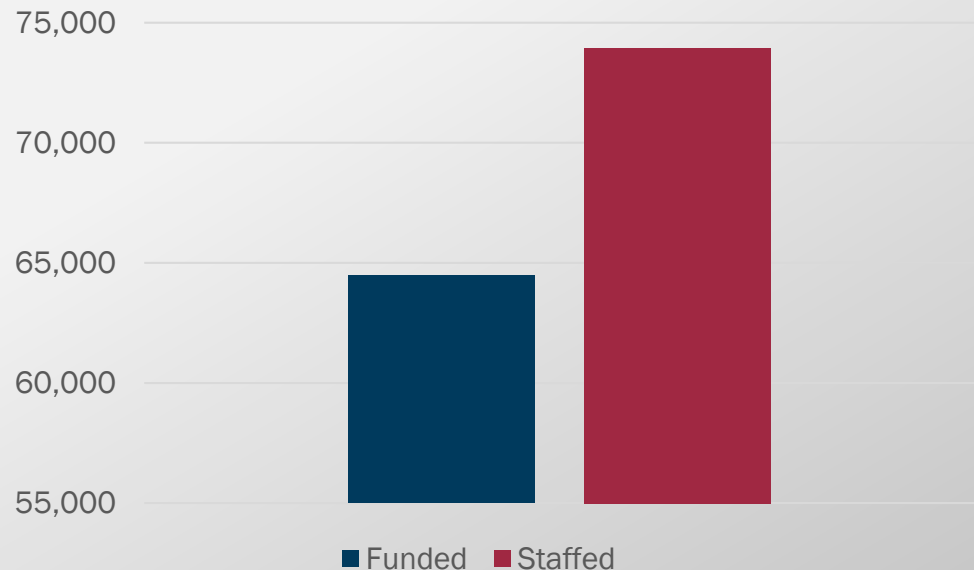
Source: OREA survey of directors of schools, September 2018.

# HIRING NEW STAFF

- 🌐 **Additional positions between 2015-18:**
  - **BEP: 1.84 percent increase**
  - **District staffing 1.97 percent increase (1,430 positions)**

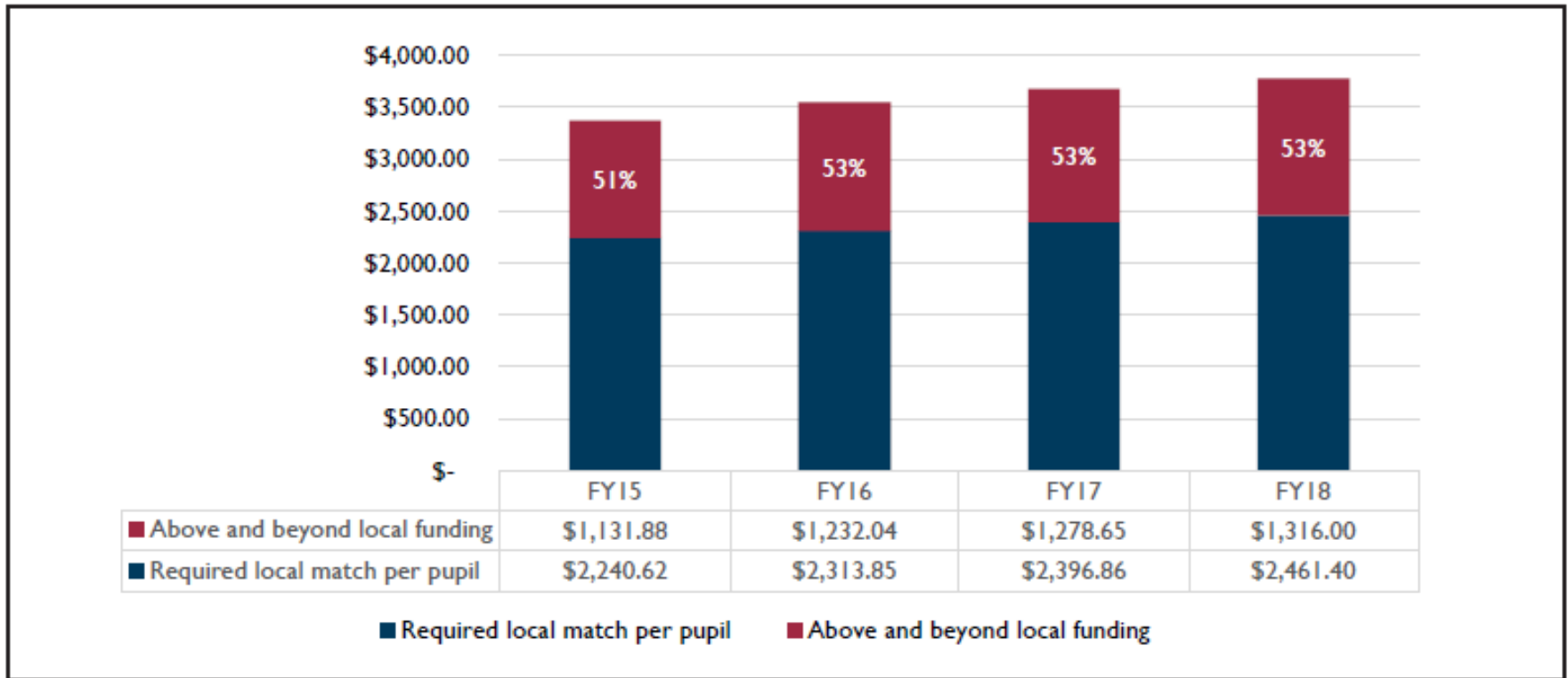
🌐 **Funded: 64,462**

🌐 **Staffed: 73,951**



# DID LOCAL FUNDING KEEP UP?

Exhibit 2: Statewide above and beyond local funding and required local match per pupil, 2015-2018



# LOCAL FUNDING

How much local funding was spent on increasing teacher pay?

- ⊙ Revenues  $\neq$  Expenditures
- ⊙ The BEP is a **FUNDING FORMULA** not a **SPENDING PLAN**
- ⊙ Funding formula does not match expenditure reports





# BARRIERS TO INCREASING PAY

- Health insurance
- Raises for support staff



# STATE FUNDS FOR UNALLOWABLE PURPOSES

- 🇺🇸 **2016 BEP Enhancement Act requirements:**
  - **Budget the same level of local funding for salaries and wages from the prior year**
  - **Do not use increases in state BEP instructional salaries funding to offset local expenditures**



# SALARY EQUITY FUNDING

- **\$14.5 million split among 83 districts**
  - **\$8,418 annually in Coffee County**
  - **\$597,026 annually in Cumberland County**
- **Based on districts with average weighted salaries below weighted average salary in 2015**
- **Districts that qualify have changed since 2015**



# MOVING FORWARD

## **Public Chapter 153**

- **Districts must report how they spend new state BEP funds for instructional salaries**
- **Requires BEP Review Committee to include the information in its annual report**



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# TEACHER SALARIES IN TENNESSEE, 2015-2018

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**Access the report here:**

**<https://bit.ly/2lAg6EU>**