

Teacher Pay Raise in a Nutshell

Byron Schlomach

- A \$3,000 raise would move Oklahoma from 30th to 20th in average cost-of-living-adjusted teacher pay by state; a \$5,000 raise would move Oklahoma to 15th.
- An across-the-board, constant-dollar raise for all teachers represents a higher percentage increase for new teachers than for experienced teachers.
- Accounting for cost of living, average pay for *beginning* teachers in Oklahoma is *above* the national median while Oklahoma's overall average teacher pay falls below the median by a few thousand dollars.
- Due to payroll taxes and employee benefits, a \$1,000 increase in a teacher's paycheck actually costs about \$1,200; a \$5,000 paycheck increase actually costs about \$5,900.
- The total cost of a \$1,000 average pay raise is \$48 million. A \$5,000 raise costs \$241 million.
- If non-teaching staff were reduced to raise the teacher/all-staff ratio to 55 percent, it would free almost \$500 million. (NOTE: Indiana and Michigan had teacher/all-staff ratios this high. Michigan has one of the highest teacher pay rates in the nation.)
- If Oklahoma's student/teacher ratio increased to that of Indiana's (from 16.3 to 17.5), \$130 million would be made available.
- The number of so-called emergency certifications is not a reliable indicator of a teacher shortage.
- The only two studies of the supply and demand for teachers in Oklahoma, one by the American Institutes for Research (commissioned by the Oklahoma State Regents for Higher Education) and the other by the 1889 Institute, indicate, at worst, an extremely modest teacher shortage, and perhaps a teacher surplus in some areas.
- Minimum teacher pay is set by the state based upon education level and years of service, with no consideration of teacher performance or academic area.
- School Districts can pay whatever they want to an individual teacher, so long as the teacher receives the state minimum. Most pay above the state minimum, but use a simple seniority/education level pay schedule, and ignore teacher performance and academic area.
- It is possible for a bad teacher putting out minimal effort to earn \$57 per hour (including benefits), while a good, hard-working teacher earns \$27 per hour.

If a statewide teacher pay raise is enacted, the legislature should require that new funds for a teacher pay raise be:

- distributed according to merit as determined by the local school district,
- distributed transparently, explicitly naming teachers and the amount of their raises, so citizens can confirm raises were merit-based.

References

- Baylee Butler and Byron Schlomach, "Oklahoma's Teacher Supply: Shortage or Surplus?" 1889 Institute, October 2016
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- Byron Schlomach and Vance H. Fried, "Making Oklahoma's School Funding More Rational: Simplifying the WADM Calculation," 1889 Institute, November 2017
- Alex Berg-Jacobson and Jesse Levin, "Oklahoma Study of Educator Supply and Demand: Trends and Projections," American Institutes for Research, September 2015

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