



ATLANTA PUBLIC SCHOOLS BOARD OF EDUCATION BUDGET COMMISSION

February 24, 2022

AGENDA

- ❑ Preliminary Conversation on Compensation Strategy
- ❑ Preliminary Draft of FY2023 Budget Primer



ATLANTA
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FY23 Preliminary Teacher Compensation Strategy Discussion

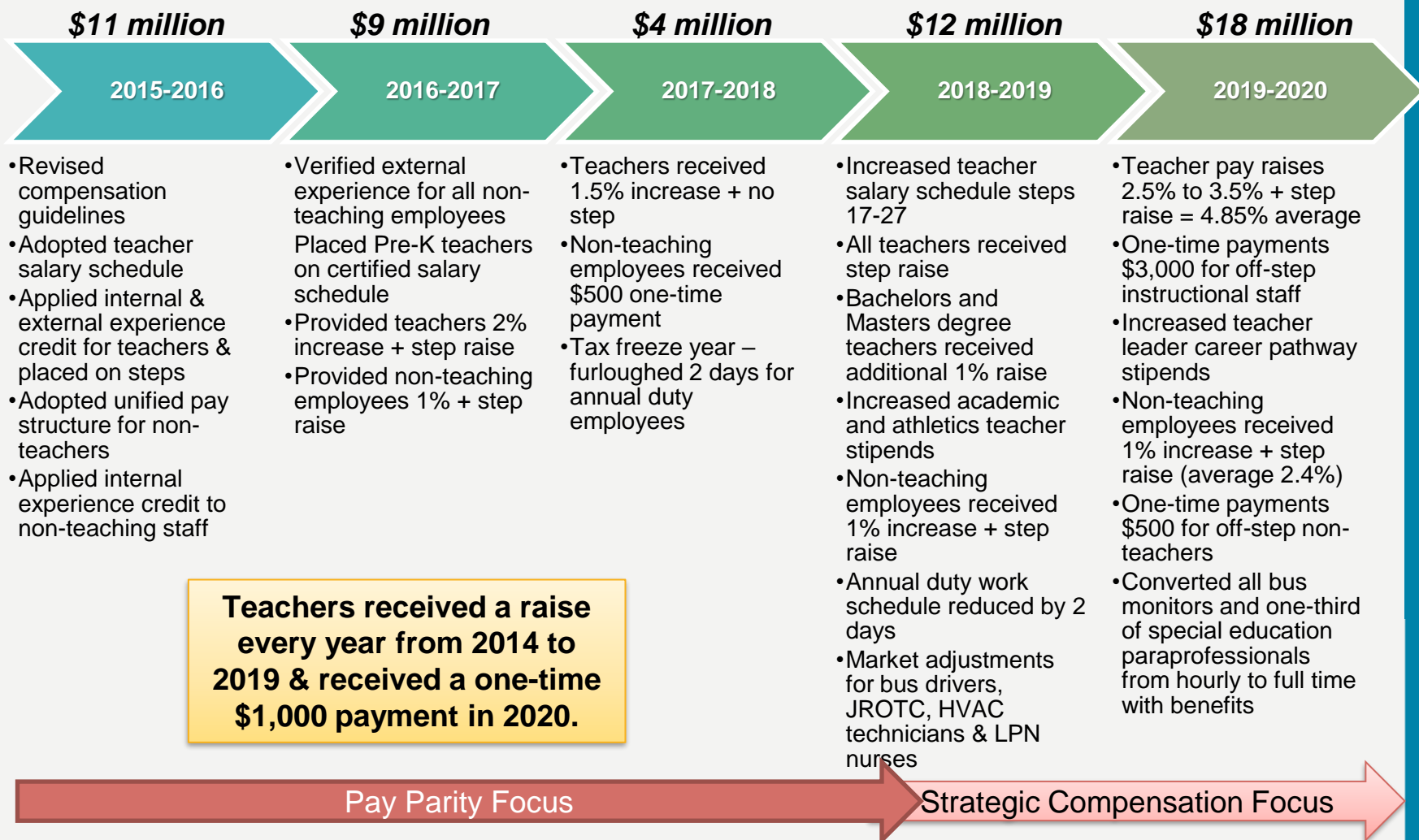
Office of Human Resources

Agenda

1. Background
2. Timeline
3. Proposed Teacher
Compensation Scenarios for
FY23
4. Next Steps

Background

APS made years of significant investments to remedy pay parity issues of the past and move to a system that utilizes compensation strategically to address recruitment and retention challenges.



Background

Through market research and employee feedback, we've been able to provide base pay increases for all staff and innovative solutions for high needs areas.

\$26.2 million + **\$31.3 million** = **\$57.5 million since COVID-19**

2020-2021

2021-2022

- Increased minimum wage for full time staff to \$15.00
- Completed and implemented compensation study for Information Technology pay scale
- Provided \$1,000 December payments for full-time staff (\$500 part-time)
- Provided \$1,000 retention stipends to full time staff in May
- Provided 2% end-of-year pay increases for all staff in April
- Step increase for all employees on a pay scale (~2%)
- Additional increase to teacher pay scale in years 5-15 (avg increase 5.8%)
- \$3,000 stipends for special education teachers
- \$500 - \$2000 stipends for all staff in high poverty schools
- \$3,000 recruitment stipends for hard to fill positions/schools
- Increase # of steps on Instructional Support (IS) scale to 28 and increase IS doctorate stipend
- Convert an additional third of special education paraprofessionals to full time with benefits
- Increased minimum wage for HOURLY staff to \$15.00
- Provided market pay increases to substitutes, nurses, police officers, graduation coaches, new athletic sports
- \$1,000 December retention stipends for all employees

\$54m to fix pay parity over previous 5 years plus \$57.5 COVID-19 response over most recent 2 years = \$111,500,000 total invested in employee compensation since 2014 compensation/pay parity study

Background

Legislation proposals for FY22 recommendations:

Governor Kemp's proposal would provide \$2,000 one-time salary supplement to:

Teachers, Media personnel, Paraprofessionals, Technology Specialist Counselors, Social Workers, Psychologist, Special Education Specialist Assistant Principals, Principals, Assistant Superintendents, Superintendents

In addition, his proposal would provide \$1,000 one-time salary supplement to:

School Nurses, Bus drivers, Nutrition Workers, Part-time staff

Background

Budget projections set the stage for the 2022-2023 recommendations:

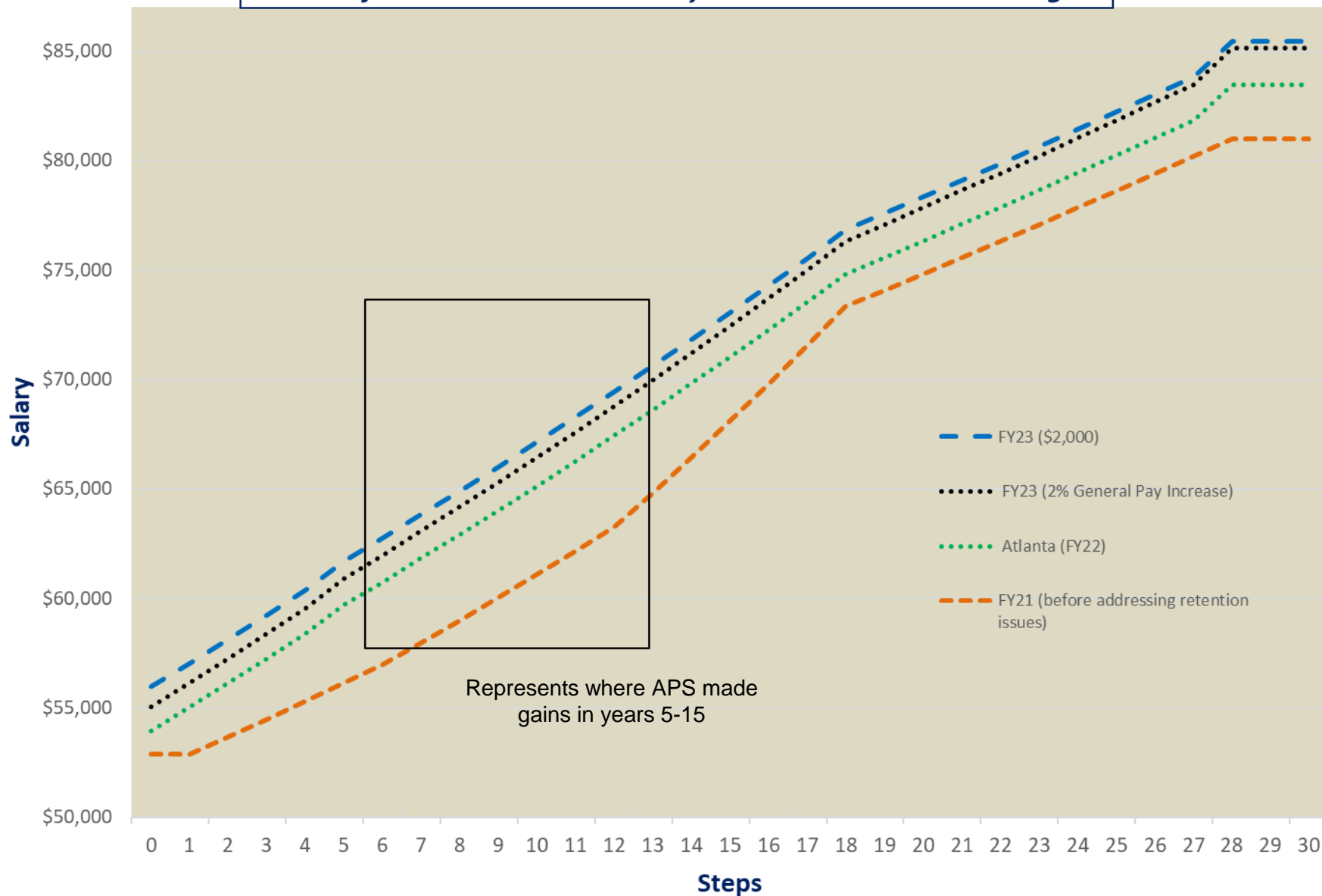
APS does not utilize the state teacher pay scale. The current scale was established by the compensation study in 2015 as part of our strategy to address long-standing pay parity issues. APS' Instructional Support (IS) pay scale. (The IS scale is ~4% higher than the teacher scale.)

Last year the board adopted a budget allowing an increase steps 3-13 of the teacher pay scale to address retention issues and market competitiveness where we dipped significantly below metro area.

For FY23, we anticipate the state will pass a budget with a pay increase of \$2,000 for each teacher, even though the state QBE allotment does not provide equivalent funding for all teaching positions.

Given this, our recommendation for FY23 will be aligned with State's plan, and includes all teachers, regardless of their funding source

FY23 Projected APS Teacher Salary Scenarios -- Master's Degree



Timeline

- The vast majority of compensation cost in the district is for teachers; therefore, it is necessary to align on a teacher compensation strategy and understand legislative impacts **early in the budget planning process.**
- The district previously engaged Education Resource Strategies (ERS) to assist with the development of the teacher compensation recommendations. Their **research and strategies will still be used for FY23.**
- In preparation for initial discussion of potential strategies at the February Budget Commission meeting, the compensation department will **analyze the following input** regarding teacher compensation:



Recommendations

The presented recommendations for teacher compensation are based upon the themes that emerged as the greatest needs:

1. Increase base pay for all teachers in alignment with the State's proposal to increase pay by \$2,000

2. Continue to address retention issues at high needs schools and certification areas (Math, DLI, Special Ed.)

Recommendations

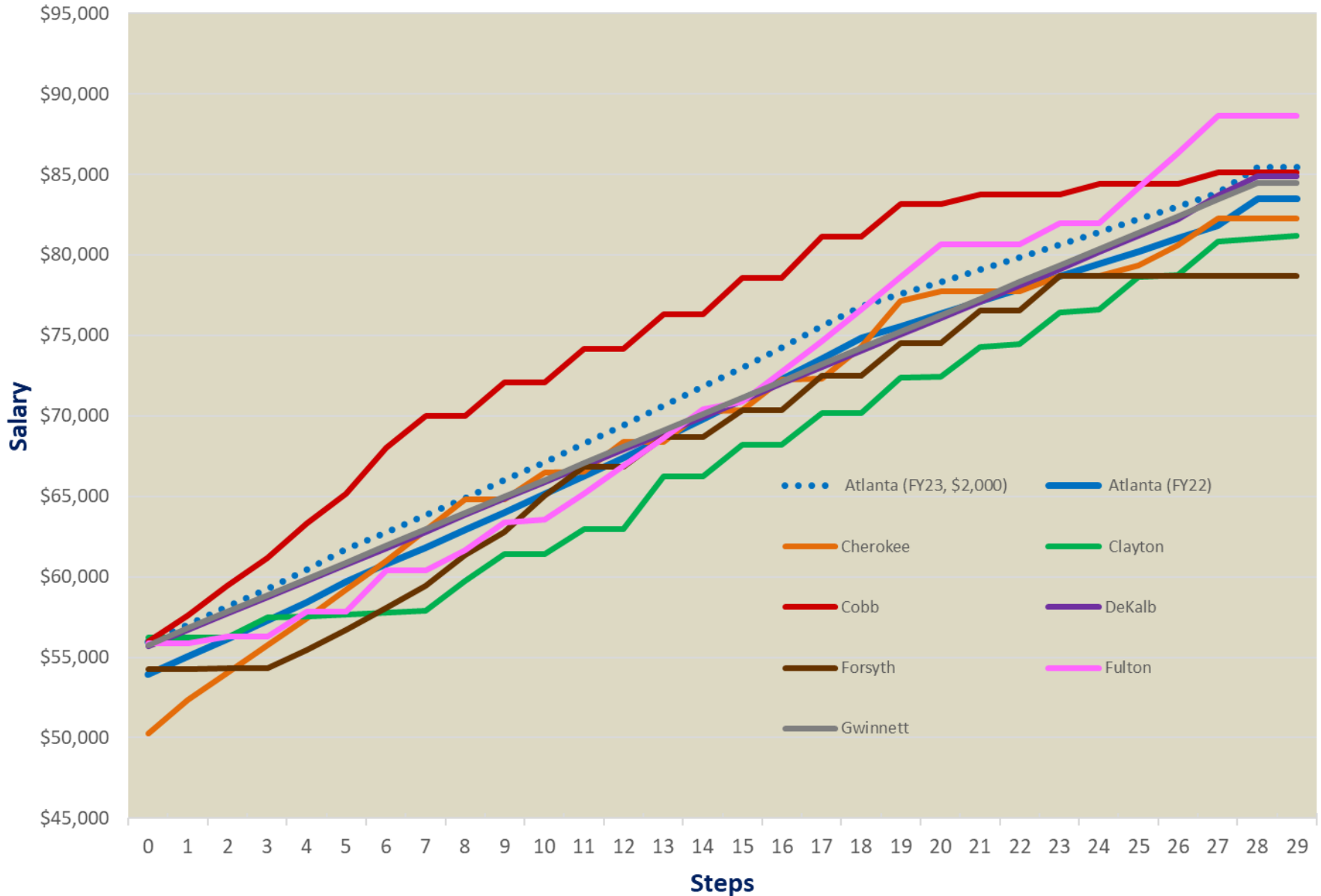
To address the identified needs while keeping budget constraints in mind, the following are potential teacher compensation investments for FY23:

Scenarios (Each scenario is outlined on the following slides by number)	Cost (with TRS)
1. Ensure all eligible employees on teacher pay scale receive \$2,000 increase (proposed by the State) (average raise 3.1%, \$2,000)	\$7.5m
2. Give all eligible employees on teacher pay scale a step increase (increases average raise to 4.6%, \$2,962 per teacher)	\$3.7m
3. Invest in teacher retention for high needs subject areas, continue with math and dual language immersion (DLI)	\$759k
Total cost of potential investments for FY23 (Without TRS & benefits, would be \$9.9m)	\$12m

FY23 Proposed Teacher Pay Raises Compared to Metro Area

13

FY23 Metro Atlanta Teacher Salaries -- Master's Degree



Metro area comparisons are estimated using a \$2,000 increase per step

Recommendations

4.) Invest in retention for high needs subject areas, starting with special education, math, and dual-language immersion (DLI)

January 2019

- Board approved \$130k contract with PCG EdForce for recruitment & certification test prep services (funded in general fund talent management strategy program)
- HR set aside \$30k of Title II funds for special ed teacher referral incentive program

February 2019
– August 2019

- HR pilots and monitors:
 - certification test prep services for up to 40 special education teachers
 - specialized recruitment support for up to 8 candidates
 - \$1,000 referral incentives for up to 30 APS employees who refer a special ed teacher who is hired

March 2019

- Provide cost estimate of transitioning majority of hourly special ed paraprofessionals to full time status to reduce turnover

September 2019 –
October 2019

- Pay out referral incentives
- Analyze effectiveness of initiatives compared to cost
- Reallocate funds towards most effective initiatives

October 2019
– November 2019

- Explore feasibility of differentiated pay for special education teachers
- Research and craft recommendations for a paraprofessional to special ed teacher pipeline program

July 2021 –
February 2022

- Initiated stipends high needs subject areas, starting with special education
- Add stipends for math and DLI in FY23

Proposed Recommendations

4.) Invest in retention for high needs subject areas, continuing with math and dual language immersion (DLI)

- APS currently defines high needs subjects as the following, in rank order based on teacher and principal feedback:
 1. Special Education PK-12 ✓
 2. Math 6-12
 3. Science 6-12
 4. ESOL K-12
 5. CTAE 6-12
 6. Dual Language Immersion K-12
 7. World Language K-12

Level	Stipend Amount	FY23 Cost
Math Teachers n = 167	\$3,000	\$501,000
Dual Language Immersion Teachers n = 75	\$3,000	\$225,000
Total (with tax added)		\$759,000

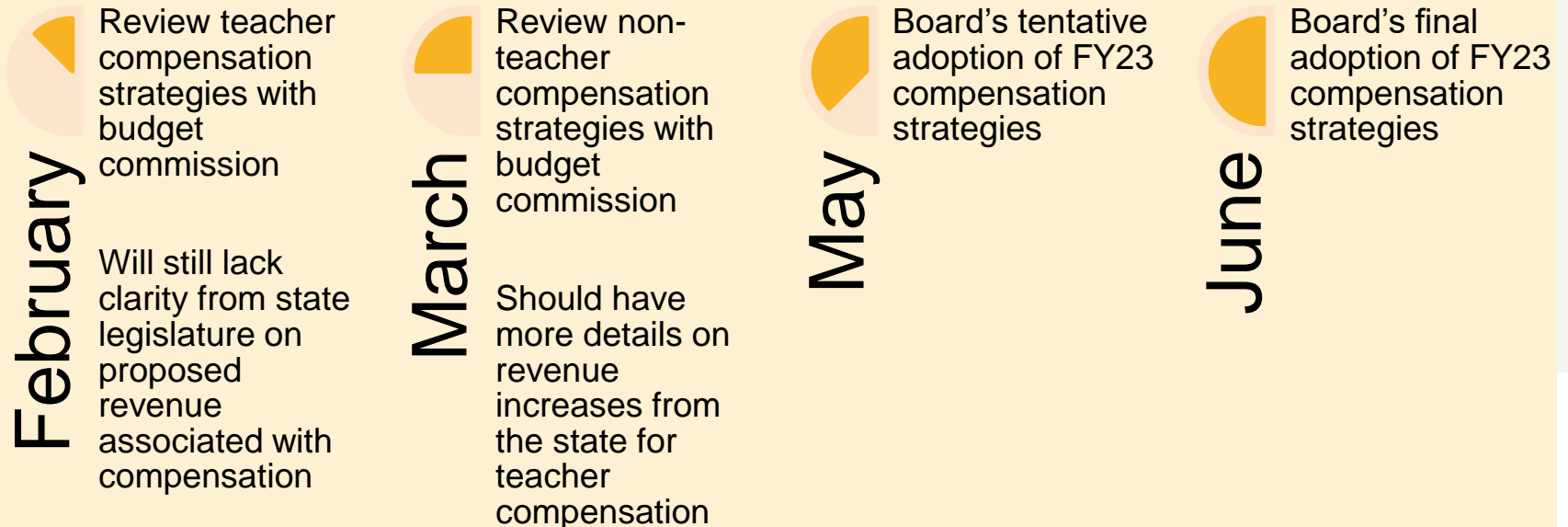
Additional Considerations

- Impacts to special revenues budgets due to pay increases for teachers paid through special revenue
- APS' pay structure is higher than the state base therefore we will tap into local revenue to support the pay increases
- Investments made in pay scales in one year perpetuate into future years' expenses
- Increases to base salaries have proportional increases to percentage-based benefits, like TRS and FICA - those have been factored into cost projections
- Atlanta's cost of living continues to be a barrier to teachers being able to live in the communities they serve and increasing base compensation is one way to help, but does not address the issue

Next Steps

1. Adjust teacher compensation scenarios based upon today's feedback
2. Meet with Teacher Advisory Council in February
3. Prepare compensation scenarios for non-teacher pay raises for March budget commission meeting

Then, the timeline for approval of the FY23 compensation strategy is as follows:





Review FY2023 Budget Primer

FY2023 Budget Primer

- Executive Summary
- About Atlanta Public Schools
- FY2023 Budget Development
- About the Budget Process
- Strategic Plan
- Innovations and Strategy
- Current Budget Recap
- Economic Context
- Expenditure Assumptions



BUDGET PRIMER

Fiscal Year 2023

Prepared by Department of Budget Services
Atlanta Public Schools



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Finance
Division



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Primer Highlights

- FY2023 Revenue and Expenditure parameters and guiding principles
- Overview of APS and current year district highlights including strategic plan overview, operating model, and investments including turnaround, signature programs, etc.
- Innovations and strategy including discussion of the SSF model, consolidation of funds, & changes to the central office budget process
- Overview of the budget process, timeline and calendars, and review of the current year FY2022 adopted budget
- Overview of current local, state, and federal economic context
- Discussion of known increasing mandatory costs and known revenue pressures



WRAP UP AND NEXT STEPS

Next Commission Meeting:
March 17, 2022

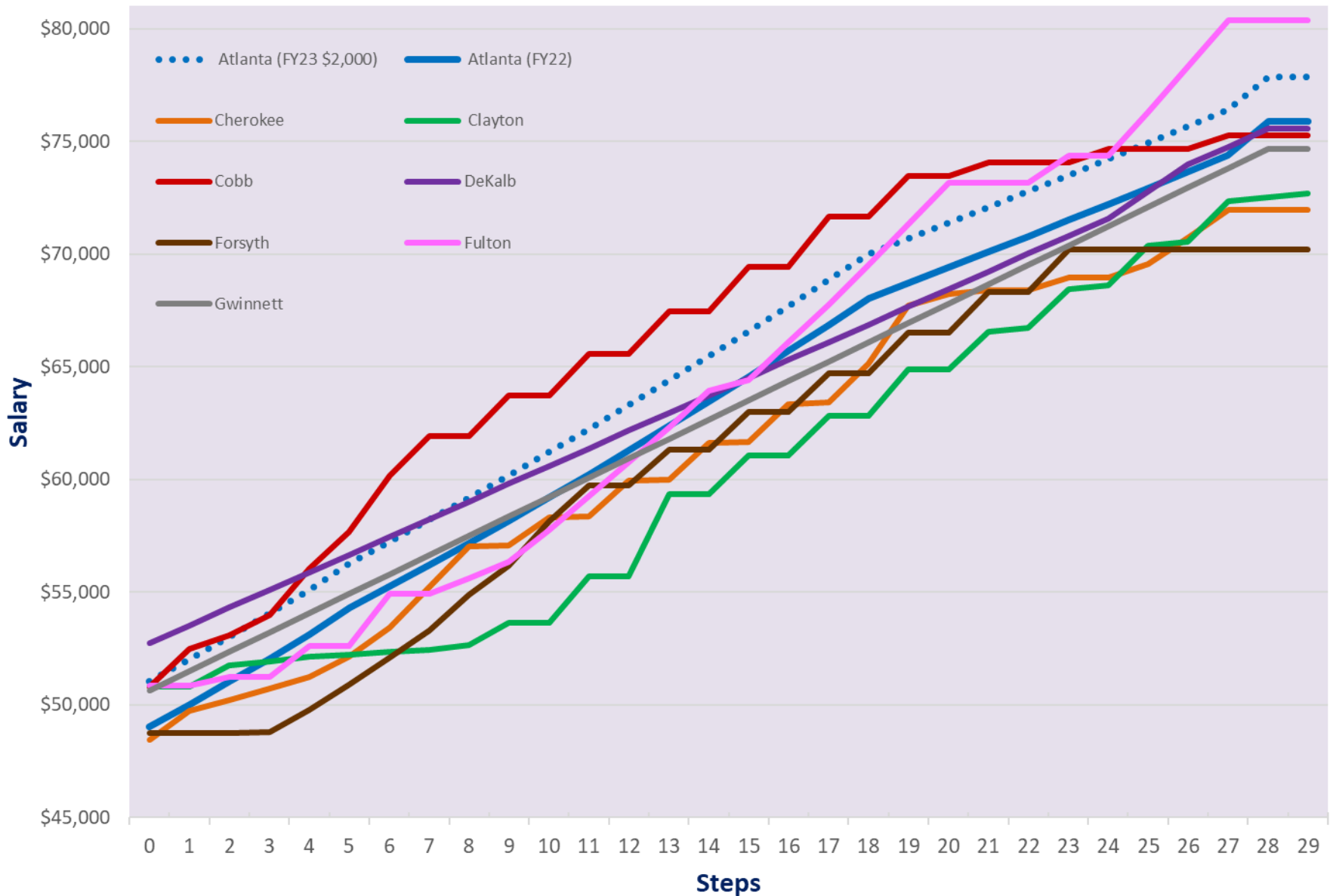
Agenda:

- Local Revenue Update, Revenue vs. Expenditure Analysis, & Legislative Update

Appendix

FY23 Proposed Teacher Pay Raises Compared to Metro Area

FY23 Metro Atlanta Teacher Salaries -- Bachelor's Degree



Metro area comparisons are estimated using a \$2,000 increase per step

High Needs Subject Areas Strategy Details

- In December 2019, Teacher Advisory Council (TAC) expressed the most alignment for providing extra pay for special education teachers.
- 56% rated special education (SPED) as their top priority #1.
- Feedback regarding other subject areas was mixed.

Raw Data	Options for Definition of "High Needs Subject"						
Rank Order (1 Being Highest Preference)	SPED Specializ ed	SPED Interrelat ed	Math	Science	ESOL	CTAE	World Language
1	31%	25%	17%	0%	0%	11%	3%
2	28%	19%	6%	17%	11%	3%	0%
3	6%	17%	22%	11%	8%	8%	6%
4	6%	9%	11%	20%	17%	9%	6%
5	6%	3%	6%	15%	32%	6%	12%
6	3%	6%	9%	12%	9%	21%	15%
7	0%	3%	6%	6%	9%	22%	31%

High Needs Subject Areas Strategy Details

However, Teacher Advisory Council (TAC) pointed out several pros and cons to the strategy (listed below).

Options in Rank Order (1 Being Highest Preference)	PROS	CONS
Special Ed. Specialized (EBD, MOID, Autism, etc.) PK-12	<ul style="list-style-type: none"> • We need to keep great teachers when we have them. • Attract passionate talent • Keeps teachers in place • Increased student support • Must provide consistency • Physically/emotionally demanding. Extremely hard work to attract quality workers. 	<ul style="list-style-type: none"> • Resentment between teachers • Teachers vs teachers • Not always right people in the position • Teacher burnout • Student testing and standards not as rigorous, so teachers may not be as motivated.
Special Ed. Interrelated K-12	<ul style="list-style-type: none"> • Keeps teachers in place • SPED self-contained only • Support in high needs area • More specialists • Need consistent support • Improve teacher morale 	<ul style="list-style-type: none"> • Just like we have master teachers, we need master special ed teachers • Special ed. Teachers need more money, but they need higher accountability • Resentment between teachers • Not always right people in the position • Teacher burnout • Accountability how to measure effectiveness • How do we hold teachers to the teacher standards and not a push-in para?

Step Increases Detail

Teacher pay scale - step increases

- A step increase is the equivalent to about 1.6% pay raise
- The combined effect of the 2% pay scale raise and a step increase is an overall average pay raise of about 3.6%
- Providing steps avoids the process of having to “freeze” teachers on their current step, which requires “rolling” all the steps back a year
- APS provides a step for each year of service, which is more than the state pay scale and some surrounding districts, which keep teachers on a step for more than one year in a row
- The number of APS teachers who are off-step has been reduced from 881 in 2015 to zero (0)
- Total cost of a step increase for all eligible employees paid on the teacher pay scale is \$3.7m

*Teacher pay scale includes: Teachers, Media Specialists, IB Specialists, Signature Program Specialists

Additional Context

Teacher step increases

If each teacher received exactly \$2,000:

- Average raise = 3.7 %
- Minimum raise = 2.1%
- Maximum raise = 4.1%

By customizing the increases to the needs of our unique pay structure:

- Average raise = 4.6%
- Minimum raise = 2.1%
- Maximum raise = 6.3%
- Minimum amount = \$2,000
- Maximum amount = \$4,302
- Average amount = \$2,962
- # below \$2,000 = none
- # at \$2,000 = 192
- # above \$2,000 = 2,922

Links

- [Atlanta Public Schools Compensation Web Site](#)
- [Employee Compensation Presentation to APS Board of Education Budget Commission, March 2021](#)
- [Talent Strategy Update to APS Board of Education, May 2019](#)
- [Teacher Compensation Presentation to APS Board of Education Budget Commission, February 2019](#)
- [Employee Compensation Presentation to APS Board of Education Budget Commission, March 2019](#)
- [Employee Compensation Presentation to APS Board of Education Budget Commission, March 2018](#)
- [Compensation Study and Pay Parity Recommendations to APS Board of Education, August 2015](#)