



Compensation Update

February 22, 2022

Information in this presentation
may be updated on February 22, 2022
with the most recent information available.

Grounding the Work

- Board End Statement: Outstanding Educators and Staff
 - II-A: Quality educators and staff have been recruited, developed, supported, retained and celebrated
 - II-E: Educators and staff are valued and given multiple opportunities for their voices to be heard
- [Employee Compensation Values and Resolution 12-13-2018](#)
- [Benefits Values Resolution 12-13-2018](#)
- [Resolution Regarding Transitioning to a New Employee Compensation System 03-10-2020](#)
- [Authorizing One-time Employee Stipend And Reactivating The Resolution Transitioning To a New Employee Compensation System 9-28-2021](#)

Grounding the Work

Strategic Plan Theme: Positive and Supportive Culture

Initiative: Define and develop agreed upon core values, behaviors, and collective commitments.



Strategic Plan Theme: Recruitment, Retention and Development of High Quality Employees

Initiative: Develop and recommend a predictable compensation schedule for all employee groups that acknowledges experience/longevity, knowledge, and performance. In addition, it should be easily comparable to neighboring school districts, and progressively move toward a regionally competitive pay for all employees.

Needs Now and Future

Goal: *To be able to recruit, retain, develop and reward the best employees for our students. This will allow every area of our District to progress.*

Immediate

Licensed: Initial implementation of new licensed pay schedules for SY 22-23 with allocated funding.

Classified, Admin, Professional

Technical: Review and revision of pay ranges within each job type utilizing local market analysis data. Propose and implement pay adjustments for SY 22-23.

Sustainability of funding the compensation structure is an absolute priority.

Future

Future Needs SY 23-24 & Beyond: Our new salary schedules will need further adjustment in order to become more competitive with surrounding districts.

Sustainability: We will need to identify funding sources in order to sustain and/or make improvements to current plan beyond the 23-24 SY. Insufficient long-term funding will result in potential systemic impacts.

Timeline for Remainder of School Year

- **(February-May)** Continued analysis of over 600 non-licensed job descriptions, ranges/grades and recommended adjustments for SY 22-23
- **(March)** Launch SY 22-23 hiring season with draft Licensed Salary Schedules in postings (salary schedule are subject to final BOE approval)
- **(March 22)** BOE potential approval of licensed schedules and benefits for SY 22-23
- **(April)** Send out notifications of initial cell placement of current licensed staff (not salary placement) on draft licensed salary schedules
- **(May - June)** BOE approval of employment renewals and other employment actions for SY 22-23. Licensed contracts and compensation/pay statements (all employees) in Workday for employee review and acceptance
- **(June)** Final approval of budget for SY 22-23

Non-Licensed Employees Project Update

Classified, Admin and Pro/Tech Employees- IN PROCESS

- Increased minimum pay ranges for all job types
- Job description review and revision
- Metro Area market data analysis
 - Organization and application of data
 - Range review of all job types with market analysis
- Analysis of placement of individual employees within each job position range
 - Identify those who need further adjustment
 - Determine cost
- Share revisions and process with non-licensed employees
 - Phase 1- Further adjustments (Implementation goal: 2022-23 SY)
 - Phase 2- Employee data and individual employee adjustments where applicable

Licensed Salary Schedule Framework

- 3 Schedules - all structurally the same, but with different starting salaries
- 9 Lanes (BA, BA+15, BA+30, MA, MA+15, MA+30, MA+45, MA+60, PHD/EDS)
- Maximum of 25 steps (varying by lane)
- Overall range (\$43,680 - \$114,999)
- Higher percentage steps in years 5 - 10
- 7 years of non-DCSD licensed years of service given for placement on schedule
- Employees who are “under cell” to be brought to cell designation - Given full amount to be brought to cell in SY 22-23. All licensed employees will receive a minimum 2%, however, a portion may be paid as one-time.
- Employees who are “above cell” for their credentials - Will remain at their “above cell” designation. Increases will be applied in one-time pay until schedule catches up or employee earns matching credentials.

Licensed Categories Based on Candidate Pool

Hard to Hire

American Sign Language
ESL/ELL
Foreign Languages
Literacy Specialist
Math Secondary
Moderate Needs
Science Secondary
Social Worker
All CTE positions

Specialist/Extremely HTH

Audiologist
Autism Specialist
Behavior Specialist
Center-Based (SED/Autism)
Center-Based (Severe/Affective Needs)
Deaf and Hard of Hearing (DHH)
Early Childhood Special Ed (ECSE)
Occupational Therapist
Psychologist
Speech Lang Pathologist
Student Support Program
Visual Impairment

Remain on Unique Ranges Based on Work Calendar

Dean
Professional Learning Specialist
Nurse

****All other positions not listed will be part of the General Educator Schedule. Please note: Hard to Hire and Specialist (extremely hard to hire) categories will be reviewed on an annual basis.***

Site Employee Engagement Results

What are the positives of the proposed new system?

- Transparent
- Predictable
- Honors continuing education
- More competitive
- Honors 7 years of external experience
- Easy to understand
- Pay increase for being brought up to cell is nice
- Will be paid equally to those with same credentials

Site Employee Engagement Results

What else do you want us to know?

- Still less than neighboring districts
- Should honor more than 7 years external experience (current staff)
- Capped pay/above cell (2% one time pay) for veteran teachers not fair to long time employees, should not cap
- No longevity pay for certain milestone years (additional pay at yrs 5, 10, 15, 20)
- Want professional development credit to be recognized as well
- Would like longer lanes (up to 30 years) for all lanes to limit salary cap

The majority of feedback centered around confirmation that changes are going into effect as well as concerns for sustainability absent new funding.

Total Compensation Plan Cost Estimate

Full Implementation in Year 1	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Licensed Compensation	\$ 287,853,992	\$ 293,204,298	\$ 302,535,394	\$ 311,213,876	\$ 321,592,075
Cumulative Compensation Increase	\$ 24,467,272	\$ 31,870,128	\$ 39,531,114	\$ 47,422,534	\$ 55,475,530
Percent of Licensed Staff on Schedule	74%	79%	84%	87%	90%
Cost of Living Adjustment (COLA)	0%	2%	2%	2%	2%
Total Non-Licensed Compensation	\$ 150,769,633	\$ 160,969,633	\$ 171,601,292	\$ 182,445,584	\$ 193,743,617
Cumulative Compensation Increase	\$ 10,000,000	\$ 10,200,000	\$ 10,631,659	\$ 10,844,292	\$ 11,298,034
Cost of Living Adjustment (COLA)	0%	2%	2%	2%	2%
Total Combined Compensation Increase	\$ 34,467,272	\$ 42,070,128	\$ 50,162,772	\$ 58,266,826	\$ 66,773,563

- New Licensed and Non-Licensed Compensation planned for 7/1/22 implementation
- Staff not placed on schedule (over cell) will receive one time stipend equivalent to 2% as currently modeled
- Staff placed on schedule with base pay increase of less than 2% will receive one time stipend for difference up to 2%
- Multi-year cost estimates assume:
 - Step plus 2% for licensed (unless maxed in lane)
 - 2% only for non-licensed (schedules do not have lanes)

Summary of Funding Sources and Cost Estimates

Full Implementation

Full Implementation in Year 1	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Licensed Compensation	\$ 287,853,992	\$ 293,204,298	\$ 302,535,394	\$ 311,213,876	\$ 321,592,075
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Cost of Living Adjustment (COLA)	0%	2%	2%	2%	2%
Total Combined Compensation Increase	\$ 34,467,272	\$ 42,070,128	\$ 50,162,772	\$ 58,266,826	\$ 66,773,563
Estimated One-Time Funding Sources	\$ 43,448,551	\$ 24,837,113	\$ (1,253,317)	\$ (44,251,174)	\$ (90,994,977)
Estimated Ongoing Funding Sources	\$ 15,855,835	\$ 15,979,697	\$ 7,164,916	\$ 11,523,023	\$ 6,256,493
Surplus/(Deficit) Available Funding	\$ 24,837,113	\$ (1,253,317)	\$ (44,251,174)	\$ (90,994,977)	\$ (151,512,048)

Absent other budgetary changes to schools and departments or a dedicated funding source, DCSD will not be able to afford steps or COLA after 2023-2024 and pay would be frozen with full implementation in Year 1

Total Available Unassigned Fund Balance	\$ 56,581,753	\$ 47,970,315	\$ 21,879,884	\$ (21,117,972)	\$ (67,861,776)
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Total unassigned fund balance was \$15.4M in 2017-2018 and \$18.2M in 2018-2019 for comparison

Summary of Funding Sources and Cost Estimates

Option B: 2 Year Phased Implementation

Staff under cell requiring greater than 10% increase to base salary to be placed on schedule will receive 10% increase and placed on schedule in Year 2

Phase In (Partial Schedule Placement in Year 1)	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Licensed Compensation	\$ 275,692,979	\$ 293,297,869	\$ 299,039,135	\$ 306,892,162	\$ 314,897,899
Cumulative Compensation Increase	\$ 14,143,955	\$ 31,748,845	\$ 39,531,114	\$ 47,422,534	\$ 55,475,530
Percent of Licensed Staff on Schedule	30%	79%	84%	87%	90%
Cost of Living Adjustment (COLA)	0%	2%	2%	2%	2%
Total Non-Licensed Compensation	\$ 150,769,633	\$ 160,969,633	\$ 171,601,292	\$ 182,445,584	\$ 193,743,617
Cumulative Compensation Increase	\$ 10,000,000	\$ 10,200,000	\$ 10,631,659	\$ 10,844,292	\$ 11,298,034
Cost of Living Adjustment (COLA)	0%	2%	2%	2%	2%
Total Combined Compensation Increase	\$ 24,143,955	\$ 41,948,845	\$ 50,162,772	\$ 58,266,826	\$ 66,773,563
Estimated One-Time Funding Sources	\$ 43,448,551	\$ 35,160,431	\$ 9,191,283	\$ (33,806,574)	\$ (80,550,377)
Estimated Ongoing Funding Sources	\$ 15,855,835	\$ 15,979,697	\$ 7,164,916	\$ 11,523,023	\$ 6,256,493
Surplus/(Deficit) Available Funding	\$ 35,160,431	\$ 9,191,283	\$ (33,806,574)	\$ (80,550,377)	\$ (141,067,448)

Absent other budgetary changes to schools and departments or a dedicated funding source, DCSD will not be able to afford steps or COLA after 2024-2025 and pay would be frozen with full implementation in Year 2

Total Available Unassigned Fund Balance	\$ 56,581,753	\$ 58,293,633	\$ 32,324,484	\$ (10,673,372)	\$ (57,417,176)
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Total unassigned fund balance was \$15.4M in 2017-2018 and \$18.2M in 2018-2019 for comparison

Summary of Funding Sources and Cost Estimates

Option C : No COLA Beginning in Year 2

Full implementation in Year 1, but only provide step increases beginning in Year 2 and no Cost of Living Adjustment (COLA)

No Cost of Living Adjustment (COLA)	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Licensed Compensation	\$ 287,853,992	\$ 289,149,154	\$ 293,761,754	\$ 297,187,387	\$ 301,758,967
Cumulative Compensation Increase	\$ 24,467,272	\$ 27,814,983	\$ 31,015,605	\$ 34,101,063	\$ 37,050,651
Percent of Licensed Staff on Schedule	74%	76%	78%	79%	80%
Cost of Living Adjustment (COLA)	0%	0%	0%	0%	0%
Total Non-Licensed Compensation	\$ 150,769,633	\$ 160,769,633	\$ 170,988,452	\$ 181,207,270	\$ 191,644,907
Cumulative Compensation Increase	\$ 10,000,000	\$ 10,000,000	\$ 10,218,818	\$ 10,218,818	\$ 10,437,637
Cost of Living Adjustment (COLA)	0%	0%	0%	0%	0%
Total Combined Compensation Increase	\$ 34,467,272	\$ 37,814,983	\$ 41,234,424	\$ 44,319,881	\$ 47,488,288
Estimated One-Time Funding Sources	\$ 43,448,551	\$ 24,837,113	\$ 3,001,827	\$ (31,067,681)	\$ (63,864,540)
Estimated Ongoing Funding Sources	\$ 15,855,835	\$ 15,979,697	\$ 7,164,916	\$ 11,523,023	\$ 6,256,493
Surplus/(Deficit) Available Funding	\$ 24,837,113	\$ 3,001,827	\$ (31,067,681)	\$ (63,864,540)	\$ (105,096,335)

Absent other budgetary changes to schools and departments or a dedicated funding source, DCSD will not be able to afford steps or COLA after 2024-2025 and pay would be frozen with full implementation in Year 1

Total Available Unassigned Fund Balance	\$ 56,581,753	\$ 47,970,315	\$ 26,135,029	\$ (7,934,480)	\$ (40,731,338)
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Total unassigned fund balance was \$15.4M in 2017-2018 and \$18.2M in 2018-2019 for comparison

Questions