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FINAL REPORT
OF
PROFESSIONAL SALARY
STUDY COMMITTEE

JULY, 1974

MEMBERS OF COMMITTEE

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LIST OF ATTACHMENTS

1. The Consumer Price Index: A Short Description, U.S. Department of Labor, Bureau of Labor Statistics, 1971.
2. Consumer Price Index - U.S. All Items and Major Groups, U.S. Department of Labor, Bureau of Labor Statistics.
3. News Release, U.S. Department of Labor, May 21, 1974.
4. "Escalating the Dollar's Purchasing Power"; The Journal of The State Bar of California, July-August, 1964.
5. Comparability and Applicability of the Department of Public Instruction's Employment Needs in Relation to Those of the Merit System, Report of Salary Subcommittee #1.
6. Study of Small Salary Study Groups and Identification of Specific Concerns, Report of Salary Subcommittee #3.
7. Study of Salary Schedule II, Report of Salary Subcommittee #4.
8. Memo dated April 30, 1974, to all Department Heads from Governor Robert D. Ray (Policy Statement on Training and Development for State Employees).
9. Comparative and Competitive Salary Data, Report of Salary Subcommittee #2.
10. Projected Costs of Implementation of Cost of Living Adjustments for July 1, 1976.
11. Projected Costs of Implementation of Performance Increases Based Upon Various Percentages of Eligible Employees for July 1, 1976.
12. Minutes of Professional Salary Study Committee.
13. Memo dated March 26, 1974, to Professional Salary Study Committee Members from Dr. Robert D. Benton, State Superintendent.

OVERVIEW OF PROFESSIONAL SALARY STUDY COMMITTEE RECOMMENDATIONS

The recommendations of the Professional Salary Study Committee are presented in this report in two phases. The recommendations in Phase I include:

- a) Revision of the Present Salary Schedule I -- The revisions include: an increase in the base step of \$500. This increases the present \$14,000 to \$14,500 and represents a percentage increase of 3.57%. This \$500 increase is also reflected in steps two through seven. The addition of an eighth step is also proposed. (Projected percentage increase for FY 1976 -- 7.14%)
- b) Revision of the Present Salary Schedule II -- The first revision is an adjustment of the base step at index one from the present \$9,000 to \$9,349 which represents a 3.57% increase. This increases the base step by the same percentage as recommended in Schedule I. The proposed increase extends the top of the range from the present \$20,350 to \$20,749. Secondly, the increments across steps were adjusted, for indices 1 through 4, to \$500 and increments across steps for indices 5 through 10 were adjusted to \$700. This was done to eliminate inconsistencies in step increments which now exist. Finally, intervals across indices were adjusted to equal \$800 amounts between each interval. Previous interval amounts between indices ranged from \$600 to \$768, thus, this revision upgraded the intervals and removed such inconsistencies.
- c) Adoption of an annual cost of living adjustment based upon the Consumer Price Index. (Projected FY 1976 Cost Range: \$22,330 - \$178,640). These figures represent a projected percentage increase in the cost of living from 5% (\$22,330) to 12% (\$178,640).^a (See Attachment 10.)
- d) Adoption of a performance salary increase for employees who demonstrate outstanding performance. (Projected FY 1976 Cost Range: \$580 - \$8,990). These figures represent projected performance increases ranging from 2% staff eligibility (\$580) to 20% staff eligibility (\$8,990).^b (See Attachment 11.)
- e) Revision of initial placement practices to include provision for new employees to be placed on steps one, two, or three, depending upon experience and qualifications.
- f) Revision of the present practice of waiving the master's degree requirement for a small portion of incoming professional education staff considered for the Consultant, Supervisor, Chief, Director, and Associate Superintendent positions.

^aCalculations are based upon 154 professional staff members and were calculated in the manner prescribed by Recommendation 4, Phase I of this report.

^bCalculations are based upon 154 professional staff members and were calculated in the manner prescribed by Recommendation 5, Phase I of this report.

- g) Retention of salary schedules I and II as separate schedules until such time as the study described in Phase II is completed.
- h) Retention of existing policies regarding experience credit, educational degree adjustments, as stated in salary schedules I and II now in force.

Recommendations for Phase II include:

- a) A study of jobs within position titles to determine whether job complexity differs enough to warrant differentiated salaries and levels.
- b) Adoption of a single salary schedule for the professional staff of the Department.
- c) Procedure for placement of employees on a single salary schedule.
- d) Adoption of a policy which allows salary ranges of Table of Organization positions to overlap.

INTRODUCTION

The recommendations of the Professional Salary Study Committee are presented in terms of phases. Phase I recommendations would be implemented on July 1, 1975, and implementation of Phase II recommendations would be contingent upon the completion of studies described herein under Phase II recommendations.

By differentiating its recommendations in terms of phases, the Committee does not mean to suggest that Phase II recommendations should not be implemented concurrently with Phase I recommendations.

PHASE I RECOMMENDATIONS

RECOMMENDATION 1: ENDORSEMENT OF EXISTING POLICIES

The Committee supports and recommends that the following points as stated in the May 14, 1970, adopted salary schedules remain in effect:

- 1) *Once the individual has been employed at the appropriate salary step, the steps become annual salary increments whenever increments are awarded.*
- 2) *Credit for work-related experience for a new employee shall be as follows:*
 - a) *Work-related experience credit shall be given for full-time paid activities that contain significant elements of work pertaining to the position under consideration with the Department of Public Instruction. This judgment should be exercised and the determination made by the immediate supervisor of the proposed applicant and reviewed and approved by the Director or Associate Superintendent with significant elements of such work and recency of the experience detailed and appraised.*
 - b) *Acceptable work-related experience shall be given full credit for each year through five years and one-half credit for additional years.*
- 3) *Experience in certificated teaching positions or in approved Department of Public Instruction positions in public or private schools should not be classified as work-related but as actual experience for full credit and placement on the appropriate salary schedule Index.*
- 4) *Military experience credit for a new employee shall be given on a 1/2 for 1 basis for active duty only.*
- 5) *No employee shall receive less income because of the implementation of this schedule.*
- 6) *All salaries shall be implemented to the next highest amount divisible by the number of payroll periods.*
- 7) *Educational Adjustment:*
 - a) *Specialist's degree--an additional \$600 (Schedule I).*
 - b) *Ph.D. or Ed.D. degree--an additional \$1,200 (Schedule I).*
 - c) *Bachelor's degree--deduct \$600 (Schedule I).*
 - d) *Bachelor's degree plus 30 semester hours--an additional \$600 (Schedule II).*

RECOMMENDATION 2: REVISION OF SCHEDULE I

An increase of \$500 for the base step is proposed. This increases the step from \$14,000 to \$14,500 and represents a percentage increase of 3.57%. In addition, this increase represents the desire of the Professional Salary Study Committee to recommend a schedule which can be implemented at the 100% level from Departmental resources, even though a higher salary level is and can be justified.

A fixed dollar amount increase of \$500 for steps two through seven is proposed. This represents a decreasing percentage increase across steps ranging from a 3.33% increase at step two to a 2.50% increase at step seven. An eighth step is also proposed. The new step maintains the \$1,000 interval carried through the first seven steps.

1975-76 PROPOSED SALARY SCHEDULE I

<u>Position</u>	<u>Index</u>	<u>Step I</u>	<u>Step II</u>	<u>Step III</u>	<u>Step IV</u>	<u>Step V</u>	<u>Step VI</u>	<u>Step VII</u>	<u>Step VIII</u>
Consultant	1.00	\$14,500	\$15,500	\$16,500	\$17,500	\$18,500	\$19,500	\$20,500	\$21,500
Supervisor	1.10	15,950	16,950	17,950	18,950	19,950	20,950	21,950	22,950
Chief/Asst Director	1.15	16,675	17,675	18,675	19,675	20,675	21,675	22,675	23,675
Director	1.25	18,125	19,125	20,125	21,125	22,125	23,125	24,125	25,125
Assoc. Supt.	1.35	19,575	20,575	21,575	22,575	23,575	24,575	25,575	26,575

RATIONALE

The rationale is divided into two sections. One section deals with comparing salaries for the Departmental professional positions of consultant, supervisor, chief, director, associate superintendent, and state superintendent with comparable positions in other state education agencies, while the second section deals with the competitive aspects of Departmental salaries as they relate to Iowa schools and other Iowa organizations competing for professional educators.

Information within this section is based upon the data secured by the Professional Salary Study Subcommittee 2. The complete documentation of the Subcommittee report is provided in Attachment 9.

COMPARATIVE SALARY ANALYSIS

To establish a base salary for Department of Public Instruction professional personnel, data were requested from seven adjacent State Departments of Education. The six states responding to the request included: Minnesota; Wisconsin; Missouri; Illinois; Nebraska; and Kansas.^a No data were received from South Dakota.

From these data, comparisons were made between the Iowa Department of Public Instruction salary schedule and the salary schedules for the other six state departments. The following Iowa Department of Public Instruction positions were compared with comparable positions from the other six state departments: consultant; supervisor; chief; director; associate superintendent; and state superintendent. To assure the comparability of positions across state departments, the following measures were taken: 1) each state was sent a hierarchical structure depicting the level of each position in comparison to all other positions; and 2) a description of each job title was included for each position for which salary information was requested.

The comparisons were shown in Tables 1 through 8. An inspection of Table 1 indicates that when the states were ranked by 1974-75 entry level salaries for the various position titles, Iowa salaries are consistently low. For four of the six positions compared, Iowa ranked lowest or next to the lowest of the six states.

Table 1. Rank Order of 1974-75 Entry Level Salaries of Six State Department's of Education for Position Titles Consultant, Supervisor, Chief, Director, Associate Superintendent, and State Superintendent.

Rank	<u>Position</u>					
	<u>Consultant</u>	<u>Supervisor</u>	<u>Chief</u>	<u>Director</u>	<u>Assoc. Supt.</u>	<u>State Supt.</u>
1	Minnesota \$17,503	Minnesota \$17,503	Wisconsin \$17,640	Missouri \$24,918	Illinois \$27,000	Illinois \$42,500
2	Wisconsin \$14,880	Illinois \$17,100	Illinois \$17,100	Illinois \$24,000	Missouri \$26,165	Missouri \$40,627
3	Illinois \$13,800	<u>IOWA</u> \$14,399	Missouri \$15,531	Minnesota \$19,681	Minnesota \$23,020	Minnesota \$33,972
4	<u>IOWA</u> ^b \$13,090	Missouri \$14,259	<u>IOWA</u> \$15,053	Wisconsin \$19,240	Wisconsin \$20,953	<u>IOWA</u> \$29,000
5	Missouri \$12,376	Nebraska \$13,106	Nebraska \$13,969	<u>IOWA</u> \$16,362	Nebraska \$17,958	Nebraska \$28,000
6	Nebraska \$12,308	c	d	Nebraska \$15,839	<u>IOWA</u> \$17,671	e

Footnotes b, c, d, and e on next page.

^aKansas did not submit salary information for the 1974-75 year.

^bSalary figures for the Iowa Department of Public Instruction were calculated using a figure of 93.5 percent (\$13,090) of the adopted May, 1970, salary schedule, which reflects a base salary at the 1.0 index of \$14,000.

^cThe state of Wisconsin did not list Supervisor as a position title, nor did they interpret any of their present position titles to be comparable to the Supervisor position.

^dThe state of Minnesota did not list Chief as a position title, nor did they interpret any of their present position titles to be comparable to the Chief position.

^eThe state of Wisconsin did not submit salary information for the position of State Superintendent.

Table 2 depicts a comparison of Iowa's 1974-75 entry level salary for consultant, supervisor, chief, director, associate superintendent, and state superintendent with the 1974-75 mean entry level salary for a six-state region. The comparison indicates that Iowa Department of Public Instruction entry level salaries, for five of the six positions compared, fall below the six-state average. The one exception was the Chief position where the Iowa entry level salary was \$77 above the six-state average. Differences between Iowa entry level salaries and the six-state average for the five positions ranged from a negative difference of \$5,819 for state superintendent to a negative difference of \$175 for the supervisor position.

Table 2. Comparison of Iowa 1974-75 Entry Level Salaries for Various Positions With Mean Entry Level Salaries for State Departments in a Six-State Region.

	<u>Position</u>					
	<u>Consultant</u>	<u>Supervisor</u>	<u>Chief</u>	<u>Director</u>	<u>Assoc. Supt.</u>	<u>State Supt.</u>
Iowa ^a	\$13,090	\$14,399	\$15,053	\$16,362	\$17,671	\$29,000
Six- State \bar{X}	\$13,992	\$14,574	\$14,976	\$17,132	\$19,435	\$34,819

^aSalary figures for the Iowa Department of Public Instruction were calculated using a figure of 93.5 percent (\$13,090) of the adopted May, 1970, salary schedule, which reflects a base salary at the 1.0 index of \$14,000.

Data in Table 3 indicate that Iowa Department of Public Instruction 1974-75 maximum salaries for all six positions compared fall below the 1974-75 average maximum salary for the six-state region. Differences between Iowa 1974-75 maximum salaries and the six-state average for the six positions ranged from a negative \$5,819 for state superintendent to a negative \$624 for supervisor. In addition to the significant difference in state superintendent salaries, major differences were also found for the consultant position (Iowa salaries \$1,449 below the \bar{X}); director (Iowa salaries \$2,814 below the \bar{X}); and associate superintendent (Iowa salaries \$5,099 below the \bar{X}).

Table 3. Comparison of Iowa 1974-75 Maximum Salaries for Various Positions With Mean Maximum Salaries for State Departments in a Six-State Region.

	<u>Position</u>					
	<u>Consultant</u>	<u>Supervisor</u>	<u>Chief</u>	<u>Director</u>	<u>Assoc. Supt.</u>	<u>State Supt.</u>
Iowa ^a	\$18,700	\$20,009	\$20,663	\$21,972	\$23,281	\$29,000
Six- State \bar{X}	\$20,149	\$20,633	\$21,656	\$24,786	\$28,380	\$34,819

^aSalary figures for the Iowa Department of Public Instruction were calculated using a figure of 93.5 percent (\$13,090) of the adopted May, 1970, salary schedule, which reflects a base salary at the 1.0 index of \$14,000.

In Table 4, 1974-75 maximum salaries for the six states, including Iowa, are ranked for each of six positions compared. Again, Iowa ranks last or next to the last in all position categories except the supervisor position, where Iowa ranks third out of five states.

Table 4. Rank Order of 1974-75 Maximum Salaries of Six State Departments of Education for Position Titles Consultant, Supervisor, Chief, Director, Associate Superintendent, and State Superintendent.

(Table 4 next page.)

(Table 4. Continued)

<u>Rank</u>	<u>Position</u>					
	<u>Consultant</u>	<u>Supervisor</u>	<u>Chief</u>	<u>Director</u>	<u>Assoc. Supt.</u>	<u>State Supt.</u>
1	Minnesota \$23,944	Minnesota \$23,944	Illinois \$24,000	Illinois \$28,500	Illinois \$36,996	Illinois \$42,500
2	Illinois \$22,200	Illinois \$22,200	Wisconsin \$22,968	Minnesota \$26,928	Minnesota \$30,023	Missouri \$40,627
3	Wisconsin \$21,142	<u>IOWA</u> \$20,009	Missouri \$20,720	Wisconsin \$25,173	Wisconsin \$29,748	Minnesota \$33,972
4	Nebraska \$18,717	Missouri \$19,448	<u>IOWA</u> \$20,663	Missouri \$24,918	Missouri \$26,165	<u>IOWA</u> \$29,000
5	<u>IOWA</u> ^a \$18,700	Nebraska \$17,566	Nebraska \$19,933	<u>IOWA</u> \$21,972	Nebraska \$24,067	Nebraska \$28,000
6	Missouri \$16,192	b	c	Nebraska \$21,228	<u>IOWA</u> \$23,281	d

^aSalary figures for the Iowa Department of Public Instruction were calculated using a figure of 93.5 percent (\$13,090) of the adopted May, 1970, salary schedule, which reflects a base salary at the 1.0 index of \$14,000.

^bThe state of Wisconsin did not list Supervisor as a position title, nor did they interpret any of their present position titles to be comparable to the Supervisor position.

^cThe state of Minnesota did not list Chief as a position title, nor did they interpret any of their present position titles to be comparable to the Chief position.

^dThe state of Wisconsin did not submit salary information for the position of State Superintendent.

Using the same salary information from the six-state region, the proposed 1975-76 Iowa Department of Public Instruction salary schedule was compared to the 1974-75 salary schedules of the other states. Salaries were again ranked both by entry level salaries and by maximum salaries. The rankings are shown in Tables 5 and 6.

Table 5, which reflects rankings for entry level salaries, indicates Iowa would rank number three (3) of six (6) states for the Consultant position; three (3) of five (5) for Supervisor and Chief positions; fifth of six states for Director and Associate Superintendent positions; and fourth of five states for the State Superintendent position if prepared 1975-76 salaries were used for Iowa and 1974-75 salaries were used for the other states.

Table 5. Rank Order of Entry Level Salaries for Six State Departments of Education for Position Titles Consultant, Supervisor, Chief, Director, Associate Superintendent, and State Superintendent. (Based on Iowa 1975-76 proposed salary schedule vs. 1974-75 salary schedules for other states.)

Rank	<u>Position</u>					
	<u>Consultant</u>	<u>Supervisor</u>	<u>Chief</u>	<u>Director</u>	<u>Assoc. Supt.</u>	<u>State Supt.</u>
1	Minnesota \$17,503	Minnesota \$17,503	Wisconsin \$17,640	Missouri \$24,918	Illinois \$27,000	Illinois \$42,500
2	Wisconsin \$14,880	Illinois \$17,100	Illinois \$17,100	Illinois \$24,000	Missouri \$26,165	Missouri \$40,627
3	<u>IOWA</u> ^a \$14,500	<u>IOWA</u> \$15,950	<u>IOWA</u> \$16,675	Minnesota \$19,681	Minnesota \$23,020	Minnesota \$33,972
4	Illinois \$13,800	Missouri \$14,259	Missouri \$15,531	Wisconsin \$19,240	Wisconsin \$20,953	<u>IOWA</u> ^e \$33,350
5	Missouri \$12,376	Nebraska \$13,106	Nebraska \$13,969	<u>IOWA</u> \$18,125	<u>IOWA</u> \$19,575	Nebraska \$28,000
6	Nebraska \$12,308	b	c	Nebraska \$15,839	Nebraska \$17,671	d

^aSalary figures for the Iowa Department of Public Instruction were calculated using a figure of 93.5 percent (\$13,090) of the adopted May, 1970, salary schedule, which reflects a base salary at the 1.0 index of \$14,000.

^bThe state of Wisconsin did not list Supervisor as a position title, nor did they interpret any of their present position titles to be comparable to the Supervisor position.

^cThe state of Minnesota did not list Chief as a position title, nor did they interpret any of their present position titles to be comparable to the Chief position.

^dThe state of Wisconsin did not submit salary information for the position of State Superintendent.

^eThis figure represents a projected 15% salary increase for the State Superintendent.

In terms of maximum salaries, Table 6 suggests that Iowa ranks fourth for three of the six positions compared (Director, Associate Superintendent, and State Superintendent); second of five states for Supervisor and Chief positions; and third of six states for the Consultant position.

Table 6. Rank Order of Maximum Salaries for Six State Departments of Education for Position Titles Consultant, Supervisor, Chief, Director, Associate Superintendent, and State Superintendent. (Based on Iowa 1975-76 proposed salary schedule vs. 1974-75 salary schedules for other states.)

Rank	<u>Position</u>					
	<u>Consultant</u>	<u>Supervisor</u>	<u>Chief</u>	<u>Director</u>	<u>Assoc. Supt.</u>	<u>State Supt.</u>
1	Minnesota \$23,944	Minnesota \$23,944	Illinois \$24,000	Illinois \$28,500	Illinois \$36,996	Illinois \$42,500
2	Illinois \$22,200	<u>IOWA</u> \$22,950	<u>IOWA</u> \$23,675	Minnesota \$26,928	Minnesota \$30,023	Missouri \$40,627
3	<u>IOWA</u> ^a \$21,500	Illinois \$22,200	Wisconsin \$22,968	Wisconsin \$25,173	Wisconsin \$29,748	Minnesota \$33,972
4	Wisconsin \$21,142	Missouri \$19,448	Missouri \$20,720	<u>IOWA</u> \$25,125	<u>IOWA</u> \$26,575	<u>IOWA</u> ^e \$33,350
5	Nebraska \$18,717	Nebraska \$17,566	Nebraska \$19,933	Missouri \$24,918	Missouri \$26,165	Nebraska \$28,000
6	Missouri \$16,192	b	c	Nebraska \$21,228	Nebraska \$24,067	d

^aSalary figures for the Iowa Department of Public Instruction were calculated using a figure of 93.5 percent (\$13,090) of the adopted May, 1970, salary schedule, which reflects a base salary at the 1.0 index of \$14,000.

^bThe state of Wisconsin did not list Supervisor as a position title, nor did they interpret any of their present position titles to be comparable to the Supervisor position.

^cThe state of Minnesota did not list Chief as a position title, nor did they interpret any of their present position titles to be comparable to the Chief position.

^dThe state of Wisconsin did not submit salary information for the position of State Superintendent.

^eThis figure represents a projected 15% salary increase for the State Superintendent.

SUMMARY OF COMPARATIVE SALARY ANALYSIS

The data in Tables 1 through 4 clearly indicate that 1974-75 salaries for Iowa Department of Public Instruction professional employees are consistently low, both in terms of entry level and maximum dollar amounts when compared to 1974-75 state department salaries in a six-state region. Entry level salaries are below the six-state average in five of six position categories and are below the six-state average in terms of maximum salary in all six position categories compared. Iowa Department of Public Instruction professional salaries rank last or next to last when ranked by entry level salaries for four of six positions, and last or next to last when ranked by maximum salaries for five of six positions compared.

Further, the data in Tables 5 through 8 suggest that even when the FY 1976 proposed Departmental schedule figures are compared with FY 1975 salaries of other state departments the direct support staff level - consultant, supervisor, and chief salaries for Iowa Departmental personnel are only somewhat higher than the FY 1975 six-state mean. At the director, associate superintendent, and state superintendent levels the FY 1976 proposed Departmental salaries are all lower than the FY 1975 six-state mean.

Finally, as indicated in Tables 7 and 8, using the average entry and average 1974-75 maximum salaries for the six states as a base for comparison, the 1975-76 proposed Iowa Department of Public Instruction salary schedule for all professional positions places Iowa salaries above the six-state mean on only three of six position categories for both entry level and maximum salary comparisons.

Table 7. Comparison of Iowa 1975-76 Proposed Maximum Salaries for Various Positions With 1974-75 Mean Maximum Salaries for State Departments in a Six-State Region.

	<u>Position</u>					
	<u>Consultant</u>	<u>Supervisor</u>	<u>Chief</u>	<u>Director</u>	<u>Assoc. Supt.</u>	<u>State Supt.</u>
Iowa	\$21,500	\$22,950	\$23,675	\$25,125	\$26,575	\$29,000
Six- State \bar{X}	\$20,615	\$21,221	\$22,259	\$25,312	\$28,929	\$34,819

Table 8. Comparison of Iowa 1975-76 Proposed Entry Level Salaries for Various Positions With 1974-75 Mean Entry Level Salaries for State Departments in a Six-State Region.

	<u>Positions</u>					
	<u>Consultant</u>	<u>Supervisor</u>	<u>Chief</u>	<u>Director</u>	<u>Assoc. Supt.</u>	<u>State Supt.</u>
Iowa	\$14,500	\$15,950	\$16,675	\$18,125	\$19,575	\$29,000
Six- State \bar{X}	\$14,227	\$15,583	\$16,183	\$20,300	\$22,445	\$34,819

This is a relative minimum level which the Iowa Department of Public Instruction must maintain if it is to continue to retain the high caliber of professional personnel it now employs.

COMPETITIVE SALARY ANALYSIS

Additional salary information was also collected by Professional Salary Subcommittee 2. This information was used to indicate the Department of Public Instruction's competitiveness in relation to other Iowa agencies and educational institutions employing professional personnel.

Information from two basic sources was used to determine the Department's competitiveness in hiring and maintaining qualified staff. The sources included area school personnel and personnel from public schools.

Salary data from Iowa area schools is shown in Table 9. Table 9 depicts the Department's competitiveness with area schools in terms of instructional personnel. The table reflects that the Department of Public Instruction ranks eighth out of a possible eleven when salaries are ranked by entry level salary. Departmental salaries also fall below the average salary for area school instructors by a dollar amount of \$137. The range of salary differences between the Department of Public Instruction and area schools is from a negative \$1,575 to a positive \$1,488.

Competitiveness of the Department of Public Instruction salaries was also compared to salaries of public school instructors who met Departmental employment criteria. This information is reflected in Table 10. As the table indicates, the entry level salary for Consultants is \$613 below the salary figure for the 18 school districts.

SUMMARY OF COMPETITIVE SALARY ANALYSIS

Salaries for Department of Public Instruction professional personnel are not competitive with the majority of salaries for area school personnel. In fact, the Department ranked eighth out of eleven when salaries were compared with comparably experienced and qualified area school instructional personnel and also fell \$613 below the average salary for comparably experienced and qualified instructional personnel from 18 of the 20 largest Iowa public school districts.

Table 9. 1974-75 Entry Level Salary Competitiveness of Iowa Department of Public Instruction^a with Iowa Area Schools Instructor Salaries.^b

<u>Source^c</u>	<u>Salary</u>	<u>Rank</u>
Area I	\$13,360	1 Area XI
Area II	\$13,320	2 Area IX
Area III	\$13,236	3 Area XIV
Area V	\$12,722	4 Area XII
Area VI	\$12,597	5 Area I
Area IX	\$13,845	6 Area II
Area XI	\$14,665	7 Area III
Area XII	\$13,370	8 <u>DPI</u>
Area XIII	\$11,602	9 Area V
Area XIV	\$13,561	10 Area VI
		11 Area XIII
<u>DPI</u>	<u>\$13,090</u>	
<u>Area School X</u>	<u>\$13,227</u>	

^aDepartment of Public Instruction salaries based on 93.5 percent (\$13,090) of May, 1970, adopted salary schedule which reflects a base salary at the 1.0 index of \$14,000.

^bSalaries from area schools were adjusted to a 240 day contract.

^cAreas IV, VII, X, XV, and XVI were not included due to incomplete information or lack of an official salary schedule.

Table 10. 1974-75 Entry Level Salary Competitiveness of Iowa Department of Public Instruction With Iowa Public School District Salaries for Instructional Personnel.

<u>Source</u> (School Districts ^a)	<u>Salary</u>
Des Moines	\$13,776
Cedar Rapids	\$13,742
Waterloo	\$13,894
Sioux City	\$12,940
Council Bluffs	\$14,005
Dubuque	\$13,583
Iowa City	\$14,622
Ottumwa	\$13,161
Fort Dodge	\$13,150
Clinton	\$13,561
Marshalltown	\$13,495
Mason City	\$14,191
West Des Moines	\$14,038
Muscatine	\$13,311
Cedar Falls	\$13,735
Bettendorf	\$14,592
Newton	\$13,794
Ankeny	\$13,693
18 District \bar{X}	\$13,703
<u>DPI</u> ^b	\$13,090

^aSalaries from 18 of the State's 20 largest school districts were adjusted to a 240 day contract. (See Attachment 9 for complete listing of districts included.)

^bDepartment of Public Instruction salaries based on 93.5 percent (\$13,090) of May, 1970, adopted salary schedule which reflects a base salary at the 1.0 index of \$14,000.

RECOMMENDATION 3: REVISION OF SCHEDULE II

An increase of \$322 in the base step is proposed. This figure represents a percentage increase of 3.57% which is equal to that proposed for the base increase in Schedule I. A dollar amount increase for steps two through seven is also proposed. The dollar amount increase from one step to the next is based on the present differential across steps.

SCHEDULE II

<u>Index</u>	<u>Step I</u>	<u>Step II</u>	<u>Step III</u>	<u>Step IV</u>	<u>Step V</u>	<u>Step VI</u>	<u>Step VII</u>
1	\$ 9,349	\$ 9,849	\$10,349	\$10,849	\$11,349	\$11,849	\$12,349
2	10,149	10,649	11,149	11,649	12,149	12,649	13,149
3	10,949	11,449	11,949	12,449	12,949	13,449	13,949
4	11,749	12,249	12,749	13,249	13,749	14,249	14,749
5	12,549	13,249	13,949	14,649	15,349	16,049	16,749
6	13,349	14,049	14,749	15,449	16,149	16,849	17,549
7	14,149	14,849	15,549	16,249	16,949	17,649	18,349
8	14,949	15,649	16,349	17,049	17,749	18,449	19,149
9	15,749	16,449	17,149	17,849	18,549	19,249	19,949
10	16,549	17,249	17,949	18,649	19,349	20,049	20,749

For Phase I the Professional Salary Study Committee recommends that salary schedules I and II remain as separate entities.

RECOMMENDATION 4: COST OF LIVING ADJUSTMENT

A cost of living adjustment should be made annually for all employees on schedules I and II. The adjustment should be calculated on the basis of the basic Department of Public Instruction Consultant position at Step I of the 1.0 index using the percentage increase in the cost of living in excess of 4 percent as reflected by the change in the Consumer Price Index over a given 12 month time period. The resulting dollar amount, which would be the same for all employees on schedules I and II, should be added to each employee's salary annually on July 1.

In order to aid administratively in the implementation of this recommendation, the Committee recommends, for the first year, that employees assume the first 4 percent of any increase in the cost of living as measured by the Consumer Price Index and that any increase in excess of this 4 percent be paid to employees on July 1, 1975. The following year the adjustments in cost of living should be made based on the total increase in the Consumer Price Index and awarded thereafter on each succeeding July 1.

RATIONALE

The generally used technique for preventing a deterioration of the purchasing power of a salary is the use of a cost of living adjustment. Increasingly, the Consumer Price Index (CPI) prepared by the Bureau of Labor Statistics of the U.S. Department of Labor is being used to provide salaried workers with "income protection insurance" just as any other fringe benefit might be used. For example, the cost of living adjustment is a way an employer may guarantee the purchasing power of the employee's salary for basic essentials just as health insurance offers the employee a guarantee against some future misfortune. Therefore, any cost of living factor must be applied equally to each employee so that any adjustment is the same for all employees.

Authorities generally agree that the cost of living adjustment must occur as soon as the inflation is objectively measured in order to maintain the purchasing power of the dollar. Therefore, the adjustment must be applied and paid on at least an annual basis to be effective and accomplish its purpose.

Cost of living adjustments (i.e., the Consumer Price Index) have frequently been criticized as "inflationary". However, authorities have agreed that since the adjustment is applied after an inflationary spiral is in effect, the cost of living adjustment in itself merely confirms without adding to the trend.

Historically, cost of living adjustments have been a common but never satisfying element in many salary agreements. Not until the 1948 Union Contract with General Motors was developed had the cost of living been able to reflect and maintain the wage of the employee in the face of inflation. This

contract has served as a model for most attempts to equalize the purchasing power of the dollar in an inflationary period. Therefore, the cost of living provisions have been largely restricted to union agreements for those who work by the hour or do piece work.

Not until the late 1960's has the impact of the General Motor's contract begun to be felt among salaried workers. Since then, many groups of workers including teachers, government workers at the federal and state level, as well as salaried employees in business have begun to look toward the cost of living as an actual fringe benefit necessary to protect the purchasing power of their salaries.

The vast majority of union contracts presently on file with the Master Builders of Iowa, 221 Park Street, Des Moines, Iowa, provide that ". . . if the increase and the cost of living for any specified twelve month period is in excess of four percent, the scale will be increased by the percentage in excess of four percent". Other contracts provide for the full amount of the percentage increase on an annual basis.

Union contracts have traditionally applied the cost of living adjustment to the total wage of the worker. This is justified on the basis of protecting the employee's total wage rather than just his requirement for essentials. With the performance increment available to the professional staff, it would appear that a cost of living adjustment to protect the purchasing power for essentials is better justified.

Further information and rationale to support the proposed cost of living adjustment is supplied in Attachments 1-4.

The following points are suggested to serve as guidelines for implementation of the cost of living adjustment and have been extrapolated from the source described below.

- 1) The Consumer Price Index to which the report refers is the index published by the Bureau of Labor Statistics of the U.S. Department of Labor.
- 2) The specific index on which the cost of living should be based is the U.S. index.
- 3) The points in time for which the change in the cost of living is to be calculated are from April, 1974, to April, 1975, and for each successive 12-month period.
- 4) The adjustment in cost of living for the first year only should be made if the Consumer Price Index reflects a percentage increase in excess of four (4) percent and thereafter the total increase in cost of living should be awarded annually.

- 5) The change reflected in the cost of living from any given 12-month period should be reflected in an employee's salary effective July 1.

Source: Attachment 4

"Escalating the Dollar's Purchasing Power"; Journal of the State Bar of California; July-August, 1964.

RECOMMENDATION 5: PERFORMANCE INCREASE

Performance increases should be made available annually to all eligible employees on schedules I and II. Eligibility for performance increases should be based upon outstanding performance by an employee as determined by the chief administrator, the division administrator, the branch administrator, and the central administration. Initial recommendation for a performance increase should not be limited to the employees unit administrator. In cases where the employee performs work outside of his section, division, or branch, the appropriate section, division, or branch administrator should make such a recommendation. A performance increase would not be cumulative in nature. (If an employee earned a performance increase one year, he would not receive that amount the following year unless he was again recognized for outstanding performance through a formal recommendation.) The performance increase should be a fixed dollar amount and should be the same for all employees who earn such an increase. The recommended performance increase for eligible employees is 2% of the 1.0 index which currently represents a dollar amount of \$290. This is based on a \$14,500 salary at the 1.0 index. The performance increases should be added to eligible employees' salaries annually on July 1.

RATIONALE

"The mass reward system of the single salary schedule, along with the single ranking category under which all teachers are placed, inadequately meets the needs of any profession. Financial rewards and recognition on a level commensurate with individual ability, preparation, and effort are long overdue . . ."¹

The relevancy of the foregoing statement is equally amenable to the career educator within the Department of Public Instruction. In effect, the professional staff of the Department have available to them no provisions which allow for or recognize individual incentive. Beyond the two factors which presently provide the variance for economic growth within positions (acquisition of an advanced degree and movement on a salary schedule composed of a fixed number of steps), there are no additional formal means to provide economic reward or to encourage initiative. The one exception here is the change in classification or "promotion" of an employee to a position which carries with it a higher index. This, however, is a factor over which the employee has no control since a "promotion" is dependent upon an opening and not upon factors over which a potential candidate for a position with a higher index has any control. The importance of basing incentive awards on factors over which employees have control or are directly responsible for is supported by Anthony.² The provision for performance

¹Templeton, Ian. Merit Pay. Educational Management Review, Series Number 10. Oregon University, Euguen. ERIC Clearinghouse on Educational Management, November, 1972.

²Anthony, Bobbie M. A New Approach to Merit Rating of Teachers. Chicago University, Midwest Administration. September, 1968. ED 027 627.

increases in the salary schedule would provide such a vehicle for Department of Public Instruction professional career personnel.

Rhodes and Kaplan³ suggest that there are three basic ways to compensate employees: a) remuneration for the job (each job is judged to be worth a certain dollar amount and employees who hold that job are compensated accordingly); b) remuneration for performance (low performance is rewarded minimally and high performance is rewarded highly); and c) remuneration for the individual (economic rewards based upon employees' credentials and qualifications for the position). Under present conditions the Department is compensating its employees on the basis of the position title (i.e., consultant, chief, director, etc.) and additionally on the basis of the employee's qualifications and credentials, while no formal procedures for remuneration on the basis of quality of performance exists.

The argument for providing compensation to employees on the basis of their performance is aptly stated by Rhodes and Kaplan.⁴

". . . some financial award should be given in recognition of the differences that exist in the individual contributions to education. This has been based on the premise that recognizable differences do exist in the effectiveness of educators. There would not seem to be any concrete, rational arguments that would dispute this basic tenet."

The advantages of recognizing performance as a factor in compensation of employees are summarized by McDowell.⁵

- a) Employees differ in their ability and efficiency; their salaries should be related to these differences;
- b) Performance increments provide an incentive and a reward for superior service;
- c) If we can rate for promotion and tenure, we can rate for salaries;
- d) The public is willing to pay high salaries only to those who deserve them;
- e) Performance rating will reward those who deserve recognition;
- f) Performance rating will be well worth the additional cost, for it will insure that money is being wisely spent.

³Rhodes, Eric and Kaplan, Harold. New Ideas in Educational Compensation, Educational Service Bureau, Inc., Washington, D.C., 1972, ED 063 659.

⁴Ibid, p. .

⁵McDowell, Stirling. Accountability of Teacher Performance Through Merit Salaries and Other Devices. October, 1971. ED 055 989.

In addition to the advantages suggested by McDowell, Rhodes and Kaplan⁶ point out some additional advantages:

- a) A performance system can provide the incentives and the guidelines for the improvement of performance.
- b) A performance system focuses attention on the important achievements desired on the job. It requires a clarification of goals and organizational directions.
- c) A performance system requires sound personnel administration and supervision.
- d) A performance system should help make it attractive for the highly competent staff member to remain on the staff.

Despite all its advantages, it is recognized that compensating employees on the basis of performance is not without problems. Wagoner⁷ acknowledges the three most common problems encountered in implementing performance pay plans in the field of education: a) experience indicates that it is sometimes unworkable; b) current evaluation criteria to be used as a basis for performance pay are too inaccurate; and c) the method can produce undesirable relations within organizations.

Despite disadvantages, problems in implementation, operation and the like, the fact remains that differences in performance do exist, they have been documented, and they continue to be used as a basis for determination of "promotions". An appropriate summary of the dilemma of measuring the differences between employees' performances to determine salary differentials is presented by Rhodes and Kaplan.⁸

". . . The point of conflict, however, occurs in the discussion of how accurately and objectively this difference can be measured. It must be admitted that the task cannot be done with complete objectivity, and certainly there is a good possibility of error in judgment. This does not remove the necessity of making some evaluative judgments, even if merit increments were not awarded. Judgments on effectiveness have been made and will continue to be made with or without merit recognition."

Since the Department has already taken the first step in moving toward the recognition of differences in the performances of individuals with the January 1, 1974 implementation of the Employee Performance Appraisal document, it seems logical to provide a means for compensating employees on the basis of these differences. Such a means is provided by the proposed provision for

⁶Op. Cit. Rhodes and Kaplan.

⁷Wagoner, Roderic L., The Case for Competition, The Clearing House 44, 2. October, 1969. p. 110-114.

⁸Op. Cit. Rhodes and Kaplan.

performance increases. It would also appear that if recommendations for or against a yearly increment of \$1,000 can be made by the immediate supervisor that a similar recommendation for or against a performance increase of \$290 can also be made on the same basis.

Included with the performance increase recommendation, the Professional Salary Study Committee proposes the following set of conceptual guidelines for implementation of the recommendation.^a

- 1) The nomination of an employee for a performance increase should be based upon the written recommendation of the immediate supervisor or the supervisor in charge of the section, division, or branch for which the employee performed the work in cooperation with the appropriate Branch Associate Superintendent and/or upon the written recommendation of the Central Administration. Such recommendations should not be tied to extensive measurement and evaluation of an employee through the use of formal instrumentation. This proposed guideline is in keeping with the present practice of the use of the immediate supervisor's recommendation of employees for annual increments.
- 2) Documentation of outstanding performance of the employees nominated should be submitted to the appropriate Branch Associate Superintendent by the immediate supervisor or Central Administration. Documentation should be in the form of products produced by the candidate or make reference to such products.
- 3) The basis for judgment of outstanding performance should relate the contribution of the employee to the goals of the Department of Public Instruction and should not necessarily be limited to performance of section or division goals and objectives. The contribution of the candidate should demonstrate the candidate's initiative and/or reflect superior performance within the parameters of his written job duties and responsibilities.
- 4) Although no quota or percentage limitation is recommended for awarding performance increases to employees, performance increases should not be distributed on a wholesale basis to all employees within specific sections, divisions, or branches.

^aThe Professional Salary Study Committee recommends that implementation of Recommendation 5: Performance Increase, be delayed until such time as a specific method for determining how and under what circumstances such increases should be awarded is agreed upon by the staff of the Department.

RECOMMENDATION 6: INITIAL PLACEMENT PROCEDURES FOR NEW SCHEDULE I EMPLOYEES

Initial placement of Schedule I employees should be made in accordance with the following:

For candidates with:

- 1) A master's degree and less than 5 years of work-related experience - Step I only;*
- 2) A master's degree and 5 through 9 years of work-related experience - Step I, Step II*;*
- 3) A master's degree and 10 or more years of work-related experience - Step I, Step II*, Step III*.*

RATIONALE

Presently, Schedule I candidates for employment can be brought into the Department at either Step I or Step II. This provides a variance in the entry level salary that can be offered of \$935. This variance can be increased, by considering the educational adjustment for a Specialist, Ph.D. or Ed.D. degree, to a maximum of \$2,063. (\$935 for a step increase and \$1,128 for a Ph.D. or an Ed.D.)

A major concern of the Professional Salary Study Committee was to provide the administration with increased flexibility in the employment of experienced and well qualified people. With the proposed option to allow new employees to be placed at one of three entry levels if the candidates' experiences and qualifications so warrant, the variance in the entry level salary has been increased from \$935 (excluding the educational adjustments) to \$2,000 and by including the adjustments for the educational degree, the variance has been increased from \$2,063 to \$3,123. This represents an increase in the total variance of \$1,060.

**Decision made at the discretion of the appropriate Branch Associate Superintendent and the Central Administration.*

RECOMMENDATION 7: MINIMUM EDUCATIONAL REQUIREMENTS FOR SCHEDULE I EMPLOYEES

New employees considered for Consultant, Supervisor, Chief, Director, or Associate Superintendent positions should be required to meet the minimum educational requirements of a master's degree.

RATIONALE

The basic rationale for Recommendation 7 rests on findings of the study of the comparability and applicability of employment needs in the Department with employment needs in the Merit System. The completed study of the Professional Salary Study Subcommittee #1 is included as Attachment 5. A significant point in the findings included the fact that employment needs in the Department are unique in comparison to almost all Merit System employment needs since:

- 1) All professional educational positions on salary schedule I require a master's degree.
- 2) The Department does not permit substitution of "field" experiences for a master's degree as does the Merit System.

If the proposed recommendation is not adhered to, our present position of being exempt from the Merit System could be seriously weakened.

RECOMMENDATION 8:
PRIORITY OF SALARY ADJUSTMENTS FOR NEWLY PROPOSED RECOMMENDATIONS

The first priority is to implement the proposed schedule at the 100% level.

Once the proposed salary schedule is funded at the 100% level, the remaining newly proposed salary add-ons or adjustments should be implemented in the following order of priority for all eligible employees:

- 1) Cost of living increases.*
- 2) Annual increments.*
- 3) Performance increases.*

If after full implementation of the proposed schedule, funds are insufficient to allow for full implementation of cost of living increases the annual increments, and performance increases, these should then be distributed to eligible employees on a prorata basis.

PROJECTED COST OF IMPLEMENTATION OF PROPOSED SALARY SCHEDULES

The projected costs for implementation of the Professional Salary Study Committee's proposed pay plan for FY 1976 are reported below in two sections. The first section deals with projected costs for Schedule I employees and the second with projected costs for Schedule II employees. The figures are based upon output from a special computer program which was developed for the Department's Budget Coordinator. The cost projections were initiated by the Committee with assistance from the Budget Coordinator and selected Management Information Division programming staff.

PROJECTED COSTS FOR SCHEDULE I EMPLOYEES

Under the current Departmental pay plan, which was adopted in May, 1970, by the State Board of Public Instruction, and has since been implemented at the 93.5% level, the total salary expenditures for FY 1976 amount to \$2,526,376. Of this amount \$715,345 is from General Office Funds. Under the pay plan for Schedule I employees proposed by the Professional Salary Study Committee the

projected costs for salaries in FY 1976 would amount to \$2,706,943. This is an increase over the present plan of \$180,567 and represents a total percentage increase of 7.14 percent. Implementation of the proposed salary schedule would represent an increase in General Office expenditures of \$56,441 or an increase of 7.89 percent over the present \$715,345 which is spent on salaries from the General Office Fund.

These figures along with a more complete breakdown of cost comparisons are reflected in Table 11.

Table 11. Comparison of Present Pay Plan with Proposed Pay Plan and Accompanying Costs by Funding Source for Schedule I Employees.

Funding Source	A	B	C	Increases
	FY 1975 Present Pay Plan 93.5%	FY 1976 Present Pay Plan 93.5%	FY 1976 Proposed Pay Plan (Same Step)	Due To Proposed Pay Plan Implement. (C-B)
General Office	\$ 711,769	\$ 715,345	\$ 771,786	\$ 56,441
NDEA III	54,408	55,344	59,699	4,355
NDEA V	22,435	22,435	24,599	2,164
NDEA X	-	-	-	-
Career Education	556,860	570,900	610,166	39,266
Driver Education	53,382	53,382	58,549	5,167
Veterans Education	146,952	154,440	161,749	7,309
School Lunch	49,536	52,344	54,499	2,155
Early Childhood	5,919	6,231	6,499	268
Civil Rights IV	32,160	34,032	35,400	1,368
RERC	11,640	11,640	12,787	1,147
ABE	67,368	69,240	74,049	4,809
Drug Education	-	-	-	-
COP	15,888	16,824	17,499	675
Highway Safety	45,912	48,720	50,674	1,954
INFORMS	5,916	5,796	6,535	739
ESEA I	108,035	109,606	118,489	8,883
ESEA II	38,976	39,912	42,774	2,862
ESEA III	100,624	102,940	110,399	7,459
ESEA IV	79,896	81,768	87,599	5,831
ESEA V	177,461	179,801	191,987	12,186
ESEA VI	112,684	114,940	122,657	7,717
High School Equivalency	4,536	4,536	4,974	438
MDTA	76,200	76,200	83,574	7,374
Total ^a	2,445,581 ^b	2,526,376 ^c	2,706,943 ^d	180,567 ^e

Footnotes a, b, c, d, and e on next page.

^aEmployees not on schedule were projected at their current salary for all pay plans. This involved five employees in the General Office Fund category.

^bTotal was adjusted downward by \$32,976 to reflect salaries paid to two employees funded from Surplus Property Funds.

^cTotal was adjusted downward by \$32,976 to reflect salaries paid to two employees funded from Surplus Property Funds.

^dTotal was adjusted downward by \$34,858 to reflect salaries paid to two employees funded from Surplus Property Funds.

^eAll figures, including the \$180,567 which represents the difference in the dollar amount of implementing the FY 1976 proposed pay plan (at 100%) over the FY 1976 costs for the present pay plan (93.5%), were derived from a report initiated by Earl R. Linden, at the request of the Professional Salary Study Committee.

PROJECTED COSTS FOR SCHEDULE II EMPLOYEES

The FY 1976 expenditures for salaries of Schedule II employees under the present Departmental pay plan would be \$134,904. Under the proposed salary schedule recommended by the Professional Salary Study Committee, expenditures for salaries for FY 1976 would be \$137,790. This represents a dollar increase of \$2,886 or a total increase of 2.13%. For General Office expenditures the proposed FY 1976 schedule represents an increase of \$269 or a 1.55 percent increase over the cost of the present schedule. Table 12 contains comparative costs and a breakdown for funding source categories.

Table 12. Comparison of Present Pay Plan with Proposed Pay Plan and Accompanying Costs by Funding Source for Schedule II Employees.

<u>Funding Source</u>	<u>FY 1976 Current Pay Plan</u>	<u>FY 1976 Proposed Pay Plan</u>	<u>Dollar Increase Of Proposed Over Current</u>	<u>% Of Increase</u>
General Office	\$ 17,280	\$ 17,549	\$ 269	1.55
NDEA X	16,512	16,749	237	1.43
Career Educ.	28,800	29,498	698	2.42
Drug Educ.	15,720	16,049	329	2.09
INFORMS	20,160	20,698	538	2.66
ESEA V	15,720	16,049	329	2.09
ESEA VI	20,712	21,198	486	2.34
Total Increase^a	\$134,904	\$137,790	\$2,886	2.13%

Footnote a on next page.

^aAll figures, including the \$2,886 which represents the difference in the dollar amount of implementing the FY 1976 proposed pay plan (at 100%) over the FY 1976 costs for the present pay plan, were derived from a report initiated by Earl R. Linden, at the request of the Professional Salary Study Committee.

The projected costs for both schedule I and II employees were calculated in accordance with the following recommendations regarding transfer of employees from the current salary schedule to the Professional Salary Study Committee's proposed FY 1976 salary schedule.

Transfer of Schedule I Employees to Newly Proposed FY 1976 Salary Schedule:

It is recommended that Schedule I employees be placed on the newly proposed FY 1976 salary schedule at the current July 1, 1974 (FY 1975) step.

Transfer of Schedule II Employees to Newly Proposed FY 1976 Salary Schedule:

It is recommended that Schedule II employees be placed on the newly proposed FY 1976 salary schedule by advancing to the next step beyond the current July 1, 1974 (FY 1975) step.

*Need to rewrite
job descriptions first*

-30-

Concerns
1. Can a staff committee do this objectively or will the resultant recommendations be biased depending upon the makeup of the committee?
2. How much time will this take and will we be able to free people for such a committee? Interviews must be conducted.

PHASE II RECOMMENDATIONS

RECOMMENDATION 1: STUDY OF POSITIONS

A study of jobs within position titles should be made to determine whether job complexity differs enough to warrant differentiated salaries and levels. If differences in job complexity are sufficient to warrant a distinction in jobs within position titles, jobs should then be re-classified based on the findings of the study.

It is also recommended that the Central Administration appoint a committee to initiate such a study. It is further recommended that the feelings of the entire professional staff be taken into consideration prior to implementation of specific plans of action. Finally, it is recommended that the following guidelines serve to assist the appointed committee in planning for the study of positions:

CONCEPTUAL GUIDELINES FOR IMPLEMENTATION OF POSITION STUDY

- I. Verification of an employee performance appraisal system.
- II. Position description.
 - A. Development of position descriptions which describe the job requirements in terms of people, data and scope of responsibility in order to determine experience, degree(s) and educational requirements for each position.
 - B. Develop classification systems for grouping various levels of jobs.
 - C. Establish ranges of differentiation within each classification.

RATIONALE

During the last six-month period, all professional employees were provided an opportunity to discuss the salary schedule of the Department. This was accomplished through small group meetings where staff members were provided an opportunity to present any information they wanted regarding a salary

schedule and its accompanying provisions. As a result of these small study groups, the Deputy State Superintendent developed a summary paper regarding concerns of the staff. These concerns were presented to the small study groups for discussion. As a result of the study group meetings, each chairman developed a summary statement which was also submitted to the Deputy State Superintendent. One of the first assignments of the Professional Salary Study Committee was to name a subcommittee to analyze and review the comments, concerns, and questions raised by the previously established small study groups. The primary reason for this study was to assure that the concerns expressed by the staff were taken into account by the total Professional Salary Study Committee and that the ultimate recommendations would reflect these concerns.

The subcommittee did identify several different areas, one of which was a concern regarding the broadness of job titles. Listed below are statements taken from seven of the ten small study group reports. (See Attachment 6 for complete subcommittee report.)

- 1) Consultant classification too broad. The schedule should reflect the varying responsibilities required.
- 2) The administrative structure and the Table of Organization should be examined.
- 3) Develop specific job descriptions so that the position responsibility is specifically outlined. This would allow more steps within a consultant category.
- 4) Direct the Committee to give special consideration to a salary structure which provides for several vertical steps, on the schedule, within classifications.
- 5) A committee should be assigned to conduct a study of the following:
(a) Job descriptions and titles, and (b) position responsibilities.
- 6) Recommended that a study be made to determine the distinctions, if any, that exist between consultant positions in the Department. There was some feeling that there may be some reason for more than one classification of consultant but the Committee felt that such a distinction should be made only after a study of responsibilities and preparation of requirements is conducted.
- 7) It is suggested that an in-house committee be established and charged with the responsibility of conducting a comprehensive study rating of the breakdown of all positions and develop a hierarchy of competence and responsibility with a specific listing of both for each position.

After careful analysis, the Committee determined that the staff concerns regarding the matter were of sufficient magnitude to warrant the recommendation that a position study be made.

RECOMMENDATION 2:
PLACEMENT OF SCHEDULE I AND SCHEDULE II EMPLOYEES ON A SINGLE SALARY SCHEDULE

Following the study of positions described in Recommendation I of Phase II, all employees should be placed on a single schedule at an index commensurate with the position title which most nearly matches the job complexity of the employee's position.

RATIONALE

The rationale for placement of Departmental employees on a single salary schedule will evolve from the findings of the study of positions proposed in Recommendation 1 of Phase II.

According to interviews with present Departmental employees the existence of more than one salary schedule tends to create a morale problem for some employees. The Subcommittee's investigation (See Attachment 7) of the current practice of placing employees on two separate salary schedules revealed that Schedule II was not structured to allow an employee to understand how or why placement on a given index of the schedule was determined.

The placement of all employees on a given index of a single salary schedule on the basis of differentiated job complexities would assure that all employees receive fair and equitable treatment. Therefore, it should not be necessary to assign special indices to individuals or groups of individuals which are higher or lower than the indices assigned as a result of the position study.

RECOMMENDATION 3:
DIFFERENTIATION OF BASIC SALARY RANGES ON THE BASIS OF JOB COMPLEXITY

If the study suggests that there are various job complexities within position titles and that differentiated levels and salaries are warranted, the basic salary ranges for each level within the position title should vary. For example, if two levels of consultant are suggested by the study, the basic salary ranges for each of the two levels should differ in terms of minimum and maximum dollar amounts and should be based upon the factor of job complexity.

RATIONALE

This recommendation is made in accordance with the concept that the basic salary range for a given job is worth a specified dollar amount and that the individual who performs that job should receive the basic portion of his salary on the basis of the complexity of the job.

The use of the term basic salary range is meant to include that portion of the salary range which is based on the factor of job complexity. It is recognized, however, that there are two additional factors which must be considered in compensating employees; performance and credentials. (These factors have been recognized by the Committee and recommendations related to these factors are included within the report.)

The entire salary range, therefore, should be based on the combination of three factors; the complexity of the job, which determines the basic salary range, an individual's performance, and his credentials.

RECOMMENDATION 4: OVERLAP OF SALARY RANGES

If the study proposed in Recommendation 1 of Phase II suggests that there is a basis for differentiated salaries and levels within position titles, then salary ranges for higher level jobs within a given position title should overlap into salary ranges of higher position titles.

RATIONALE

Acceptance of this recommendation would promote the advancement of the career path concept endorsed by Governor Ray in his Policy Statement to all State Department heads.¹ (Attachment 8.)

Implementation of a recommendation of this nature would allow employees who wish to seek advancement without changing the basic nature of their positions to do so. In effect, individuals in non-administrative positions could enjoy opportunities for advancement by assuming additional responsibilities of a non-administrative nature instead of by the present means of having to assume a set of additional administrative responsibilities in order to advance beyond their present salary range.

¹Governor Robert D. Ray, Policy Statement on Training and Development for State Employees; Memo to all Department Heads, April 30, 1974.

SUMMARY

Based upon analysis of the Departmental staff concerns reflected in the small salary study groups input and upon a careful and comprehensive salary study, which included a study of Merit System Employment salaries, public school district salaries, area school salaries and salaries of surrounding State Departments of Education, the Professional Salary Study Committee has documented and presented a proposed pay plan for Departmental employees.

The plan consists of 12 specific recommendations and accompanying rationale. Implementation of these recommendations was proposed in two phases. Phase I recommendations:

- 1) Endorsement of several existing policies;
- 2) Revision of Salary Schedule 1 (this resulted in a total dollar increase of \$180,567 over the current pay plan for FY 76, or a percentage increase of 7.14%);
- 3) Revision of Salary Schedule II (this resulted in a total dollar increase of \$2,886 over the current pay plan for FY 76, or a percentage increase of 2.13%);
- 4) Cost of living adjustment (projected costs based on an increase in the cost of living from 5% to 12% range from \$22,330 to \$178,640);
- 5) Performance increase (projected costs based on a range of 2%-20% of eligible employees range from \$580 to \$8,990);
- 6) Revision of initial placement procedures;
- 7) Revision of minimum educational requirements;
- 8) Priority of salary adjustments;

Phase II recommendations:

- 1) Study of professional positions;
- 2) Placement of employees on a single salary schedule;
- 3) Differentiation of basic salary ranges on the basis of job complexity; and
- 4) Overlap of salary ranges.

The Committee sincerely believes that the data presented, both in terms of comparative and competitive salary analyses, are capable of justifying salaries which are equal to or greater than the figures represented in the modest salary schedules proposed. It is, however, the Committee's desire to recommend a salary schedule which can be implemented in full and which is realistic in terms of the Department's projected financial resources.

To help offset the higher salaries and superior fringe benefits accorded many other professional educators, the Committee has chosen to recommend implementation of a cost of living adjustment and a minimal dollar amount incentive for employees whose performance is outstanding. Thus, the Committee has avoided further upward adjustment of the salary schedule even though data are available to support such an adjustment.

Although the Professional Salary Study Committee was not charged with either responsibility for investigation or recommendation regarding the salary of the State Superintendent of Public Instruction, the Committee cannot overlook data which reveal that the present \$29,000 salary of the State Superintendent is considerably lower than salaries of Chief State School Officers in surrounding states, and lower than all but one of the salaries for Superintendents of the 20 largest Iowa school districts. Based on existing

documentation and upon the Professional Salary Study Committee's desire to endorse a salary for the State Superintendent of Public Instruction which is commensurate with the broad range and high level of responsibilities inherent in the position, the Committee urges that the State Board of Public Instruction continue to support an increase in the salary of the State Superintendent and further that such action, as necessary, be taken to bring about such an increase.

The Committee believes that the contents of this document provides data to support such action.