

# K–12 Basic Education Compensation Advisory Committee

May 26, 2022

## Meeting Summary

Committee Members Present: Brandy Strait, Denise Reddinger, Kayalyn Stewart, Keri Hutchins, Lyn Nakashima, Michelle Scott, Naila Prieto-Duval, Nancy Chamberlain, Shawn Brehm, Shawn Lewis, Shreya Shaji, Tom Seigel

Time	Agenda Item	Summary
4	Welcome and Land Acknowledgement	Committee Chair, Shawn Lewis welcomed the Committee.
4:05	Inflationary Factors, Regional Adjustments, and Hard-to-fill/Retain Incentives	<p>Shawn led a presentation on inflationary factors, regional adjustments, and incentives.</p> <p>Key points and draft discussion points for the Committee include:</p> <p><b>Inflationary Factors</b>—the measure of inflation for a given application depends on the intended use of the data.</p> <ul style="list-style-type: none"><li>• <u>Consumer Price Index</u><ul style="list-style-type: none"><li>○ The most commonly used measure for adjusting payments to allow consumers to purchase, at today's prices, a market basket of goods and services equivalent to one that they could purchase in an earlier period.</li><li>○ Widely used to index wages, benefits, taxes and transfers.</li><li>○ Comparison between years is easy because the types and quantities of the goods and services consumed are fixed.</li></ul></li><li>• <u>Implicit Price Deflator</u>—the Implicit Price Deflator measures the prices of a much wider group of goods and services than the CPI.<ul style="list-style-type: none"><li>○ Example: includes all consumption of health care rather than just out of pocket expenses and consumer purchased insurance measured in the CPI.</li><li>○ IPD is based on current economic conditions and consumer expenditures, tastes and preferences.</li></ul></li></ul>



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		<ul style="list-style-type: none"> <li>○ Frequently used to adjust state economic and revenue data.</li> <li>○ The state expenditure limit is based on the IPD as well as inflation adjustments in the state's biennial budget.</li> <li>● <u>Employment Cost Index</u>—the Employment Cost index is a measure of growth of total employee compensation (including benefits) and/or growth of total employee wages. <ul style="list-style-type: none"> <li>○ Published by the Bureau of Labor Statistics</li> <li>○ Does not measure the inflation in the cost of goods</li> <li>○ Measures the change in the cost of labor, free from the influence of employment shifts among occupations and industries</li> <li>○ Often used to measure the growth of wages in a particular area by economists, but not typically used as a cost-of-living adjustment indicator</li> </ul> </li> </ul> <p><b><u>Draft Recommendation for Committee Discussion</u></b></p> <p>State salary allocations should be adjusted annually using the consumer price index – Seattle. This factor better represents the amount necessary to ensure consistent purchasing power for the allocations between each salary rebase. Legislation should be clarified to ensure common understandings for the time period used for the adjustment. For instance, the annual percentage change of the CPI-S for the preceding calendar year will be used to adjust salary allocations beginning September 1.</p> <p><b>Questions/Comments from Committee Members:</b></p> <ul style="list-style-type: none"> <li>● This recommendation meets the intent. CPI is a fairer basis than IPD.</li> <li>● Support this 100%--believes this is appropriate that CPI is a better representation of the market and changes in costs of goods.</li> <li>● Support this recommendation and CPI does provide an index that makes sense but wondering about the September 1 date. Administrators are on a July 1 calendar year so often times their district increases go into place in July, so if the salary allocations aren't made until September 1, there are two months' worth of increases that the districts are encountering that aren't being funded at the</li> </ul>

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		<p>appropriate level. Is there a way to address that, such as break it out by the administrator category vs. the CIS or CLS category?</p> <ul style="list-style-type: none"> <li>• Bus drivers don't get their numbers until October 10. Can we make it part of our recommendation that everyone's years gets standardized to whatever we think is best? Let's make the same calendar for all of us.</li> <li>• I agree with this wording as well on inflationary measures. I like us all being on the same calendar—make it academic year, not fiscal year.</li> <li>• Using the CPI index will not have to be negotiated. Can we make sure that that is something that goes directly to these salaries? Districts may use CPI index for something else that should go directly to salaries.</li> <li>• Having all contracts start on September 1 makes sense. Calendar-year, fiscal-year, and school-year calendars are all different as well as when staff start work is also variable. Do not make CPI a year late but closer to the start of the schoolyear.</li> <li>• Under the current RCW 28A.400.205, the index is used to calculate the amount of inflationary adjustment for each group but that does not equate for school districts' the same as what the index would be for every person. 5.5% for this year does not mean every person gets 5.5%. It is not a straight 5.5% across the board to every single employee.</li> <li>• Caution against the recommendation that it be applied to all salaries. Best left at the district level to determine how those inflationary funding adjustments gets passed through.</li> <li>• Supportive of the idea of making this legislation.</li> <li>• Comfortable with this general statement that we would use the Seattle CPI.</li> <li>• In small districts, financial staff like to have all contracts for staff out, knowing exactly how much we are going to be making for the next year.</li> <li>• Easiest to leave the date at September 1.</li> <li>• Allocation goes into a pool. Is it really a viable solution to earmark it and say it has to be spent that way, then the district may have to use their levy funds or other funds to match that 5.5 %? For all employees not just the state funded</li> </ul>

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		<p>ones?</p> <ul style="list-style-type: none"> <li>• It is hard to get some districts to consider giving staff an IPD and it's harder for districts to give classified employees CPI.</li> <li>• The CPI does not always get shared to administrators—in most cases it is not.</li> <li>• The September 1 date helps with budgeting. A different date would be very hard. Makes sense to leave it during the school fiscal year.</li> <li>• Classified staff need the CPI or IPD the most.</li> </ul> <p>Shawn Lewis will amend the Inflation Factor recommendation language based on comments and feedback received and bring back to the Committee at one of the future meetings.</p> <p><b>Regionalization</b>—Current regionalization is based on Median House price within a district as adjusted by the legislature.</p> <ul style="list-style-type: none"> <li>• Question for Committee members—What should regionalization be based on? <ul style="list-style-type: none"> <li>○ Housing Prices (or cost of living factor)</li> <li>○ Wage Differences (or competitive wage market factor)</li> </ul> </li> <li>• Question for Committee members: How should regionalization be distributed? <ul style="list-style-type: none"> <li>○ Metropolitan Statistical Areas</li> <li>○ Federal Cost Adjustment Area</li> <li>○ County</li> <li>○ School District</li> </ul> </li> <li>• Question for Committee members: How much?</li> </ul> <p><b><u>Draft Recommendation for Committee Discussion</u></b></p> <ul style="list-style-type: none"> <li>• State salary allocations should be adjusted for high-cost areas consistent with [the areas used by the federal government for adjusting GSA salaries] [Washington State Labor Market areas as identified by the BLS]. Where these high-cost boundaries exist, neighboring school districts will receive an allocation for salary amounts that is no less than 98%.</li> </ul>

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		<ul style="list-style-type: none"> <li>• All districts should be held harmless using these new regionalization factors. For those districts that maintain a previous regionalization amount, these amounts will be considered when evaluating neighboring districts to ensure adjoining districts receive at least 98% of the salary allocation amounts for staff.</li> </ul> <p><b>Questions/Comments from Committee Members:</b></p> <ul style="list-style-type: none"> <li>• In small/rural districts in Washington, their unique situations were not taken into consideration as much as they thought it should. We need to ensure they are represented fairly.</li> <li>• Supportive of the Labor Market model and that we are not going district by district which created that divide and was inequitable in many ways.</li> <li>• Districts will be much happier because everyone gets an increase in some way.</li> <li>• The Metropolitan market is fairer to the east side of the state but either option would solve the problem.</li> <li>• Using the median housing model is flawed.</li> <li>• Supports the Metropolitan map which covers more area and is fairer.</li> <li>• Would like to see different wage amounts on average in each region.</li> <li>• Metropolitan is much better.</li> <li>• The Tri-cities area has one district that received regionalization and two didn't which is very challenging.</li> <li>• With the district-by-district model, would there be any unintended consequences that we do not see? Any concerns from those districts that the overlay doesn't work?</li> <li>• There needs to be an appeal process to this as there currently isn't one.</li> <li>• For the cost, could we base it on an average cost of living factor?</li> </ul> <p>Shawn Lewis will bring back to the Committee wage differentials for the Metropolitan Statistical Area and what we have now.</p>

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		<p><b>Incentives</b></p> <ul style="list-style-type: none"> <li>• Hard-to-Fill Jobs <ul style="list-style-type: none"> <li>○ Science, Math, Special Education</li> <li>○ Bus Drivers</li> <li>○ Paraeducators</li> <li>○ Dual Language Elementary</li> </ul> </li>   <li>• Hard-to-Fill Districts/Schools</li>   <li>• Incentives for Selected Skills <ul style="list-style-type: none"> <li>○ Bilingual</li> <li>○ Other</li> </ul> </li> </ul> <p>Key Questions for Committee members:</p> <ul style="list-style-type: none"> <li>• What dollar value incentive is sufficient to help attract and/or retain?</li> <li>• Are these incentives one-time, periodic, or annual?</li> </ul> <p><b><u>Draft Recommendation for Committee Discussion</u></b></p> <ul style="list-style-type: none"> <li>• Annual state bonuses should be provided to K-12 school-based staff who work in high poverty schools. These bonuses should be no less than 10% of the K-12 state salary allocation for the positions and school districts will be responsible for funding the bonus for any staff receiving the bonus above prototypical model levels.</li> <li>• Annual state bonuses should be provided to K-12 staff who are bilingual. These bonuses should be no less than 10% of the K-12 state salary allocation for the positions and school districts will be responsible for funding the bonus for any staff receiving the bonus above prototypical model levels.</li> <li>• Annual state bonuses should be provided to K-12 school-based staff who work in positions requiring a special education, math, or science teaching endorsement of no less than 10% of the K-12 salary allocation. Additional hard-to-fill</li> </ul>

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		<p>endorsement areas or job positions (e.g dual language elementary teachers) may be added to this list after the Superintendent of Public Instruction provides a finding of fact that a shortage exists, and the legislature appropriates funding.</p> <ul style="list-style-type: none"> <li>• Annual state bonuses should be provided to K-12 school based paraeducators who work directly with students who require additional supports in the following programs: Title 1, Institutional Education, Learning Assistance Program, Special Education, and Multi-Language Learners (Transitional Bilingual). The additional bonus should be no less than 10% of the K-12 salary allocation.</li> <li>• For Districts with documented challenges in hiring, the state will reimburse districts for an initial hiring bonus that should be no less than 10% of the K-12 salary allocation.</li> </ul> <p><b>Questions/Comments from Committee Members:</b></p> <ul style="list-style-type: none"> <li>• On the draft recommendation on high poverty schools and retaining principals, supportive of the idea of these bonuses. As we look at staff in high poverty schools and bilingual staff, however, concern that some districts cannot pay for all bonuses for all staff that may be eligible.</li> <li>• Supportive of the hiring bonus.</li> <li>• How would we define a challenging school? Some years a school may be a challenging school and some years they may not be or may be challenging but only in some areas, not all. How would we define it?</li> <li>• For the first two bullets of this draft recommendation—would rather have the recommendation language be like the National Board bonus language—if they meet the criteria, they get it.</li> <li>• Consider a hiring bonus with a retention bonus—such as a \$5,000 hiring bonus and \$10,000 bonus if you stay in the school for a certain number of years.</li> <li>• Regarding the annual bilingual bonus—what if their second language is not directly related to their job and they cannot use it in their daily work? Can we put some parameters around that?</li> <li>• One of the overriding charges of this Committee is to support a multicultural and</li> </ul>

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		<p data-bbox="884 240 1919 347">multilingual workforce. So, the idea behind this bonus is to support educators and students to connect to the community and to have the educators reflect the populations they serve.</p> <ul data-bbox="835 358 1919 1198" style="list-style-type: none"> <li data-bbox="835 358 1850 386">• How would the level of proficiency of the second language be determined?</li> <li data-bbox="835 396 1919 464">• Would it be based upon some sort of test to ensure the individuals are bilingual and can speak/read/write proficiently in that language?</li> <li data-bbox="835 474 1919 618">• Supportive of the bonus for Title I and low-income areas for paraeducators who work directly with those students but concerned that giving a hiring bonus without some form of sustainability, we are opening ourselves up to those staff moving to a different district and getting another hiring bonus.</li> <li data-bbox="835 628 1360 656">• Need a longevity stipend at year 3-5.</li> <li data-bbox="835 665 1919 734">• Supportive of these bonuses and they should be directly from the state based on qualifications—this should not be negotiated.</li> <li data-bbox="835 743 1919 812">• Third bullet about math and science bonuses, should only be for districts which actually have a hard time filling those positions.</li> <li data-bbox="835 821 1850 849">• Can we include language that these bonuses be offered to bus drivers too?</li> <li data-bbox="835 859 1822 886">• Important that any bonuses are directly state funded like National Board.</li> <li data-bbox="835 896 1850 964">• When looking at interpreters and CPR, there are standards that are in place already for those areas.</li> <li data-bbox="835 974 1835 1042">• Any bonus should be part of the hiring process and have funding secured already.</li> <li data-bbox="835 1052 1919 1198">• In small/rural districts, it is getting tougher and tougher to find SPED teachers. Many small/rural districts in Eastern Washington have had SPED positions posted for years that are going unfilled. We need to fix this. Very supportive of annual bonuses for SPED teachers.</li> </ul> <p data-bbox="789 1247 1919 1313">Based on Committee member feedback, Shawn will divide into different categories and provide updated language for Committee review and discussion on the following items:</p> <ul data-bbox="835 1323 1507 1390" style="list-style-type: none"> <li data-bbox="835 1323 1297 1351">• High-poverty schools incentives</li> <li data-bbox="835 1360 1507 1390">• Multi-lingual/bilingual staff in schools incentives</li> </ul>



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		<ul style="list-style-type: none"> <li>• SPED endorsement incentive</li> <li>• Math and Science incentives</li> <li>• Paraeducators who provide direct instruction to students</li> <li>• Hiring bonus for challenging districts and unique hiring issues</li> </ul> <p>The Staff Mix Allocation Adjustment information and draft recommendation language will be discussed at the June 2 meeting.</p>
6	Google Doc Review of Proposals	<p>Shawn led the Committee through the document of all proposals/recommendations received to-date via the public comment survey or presentations made to the Committee.</p> <p>Carrie will resend the Google document link for Committee members to continue to add their comments, questions, and perceived benefits and/or concerns to each proposal. The list of all proposals received will be an appendix to the final report and recommendations this Committee moves forward.</p>
6:45	Stakeholder Comment Period	<p>Rebecca Purser, Suquamish Tribal member, OSPI ONE staff member provided comments to the Committee:</p> <ul style="list-style-type: none"> <li>• Appreciate identification of Tribal language cultural and the district-based need. There is a very low amount of Native American educators.</li> <li>• Question: Would STEC schools be eligible for these bonuses/incentives as well? If not, can we include them?</li> <li>• Please include the First People's Oral Tradition, Language and Culture certificates in your bonus/incentive conversations and recommendations.</li> <li>• Working in the OSPI ONE office, language grants will be coming out soon.</li> </ul>
No later than 7 pm	Adjournment	<p>Carrie will send out all meeting materials, the OneDrive shared file link which contains all meeting materials from previous meetings, and the link to the Google doc prior to the next meeting.</p>