



FY 2023 Recommended Budget Budget Question

Board Question #: 10

BUDGET QUESTION: How was the Evergreen Compensation Study implemented for the Schools? What adjustments were made, in what years, and how were they funded? Was the Evergreen Compensation Study fully implemented for the Schools?

Additional Question: What was the County's contribution towards the Schools' Evergreen and other Schools' pay adjustments in the years when Evergreen was being implemented by the Schools? (Updates are highlighted below.)

RESPONDING DEPARTMENT/OFFICE: Schools

RESPONSE: The Evergreen study was conducted in 2017 and recommended:

- To adopt proposed salary tables to address the weaknesses (range spreads, midpoint progressions, and the number of tables) identified by Evergreen in SCPS
- Adopt the proposed grade order list which would help ensure both internal and external equity for all classifications in SCPS
 - Bring to minimum - employees making less than the minimum of the Evergreen proposed pay range (\$176,430)
 - Range penetration parity - pay range update (\$7,025,873)
 - Classification date parity - based on years or length of tenure in the current position (\$4,372,716)
- Adopt the Job Assessment Tool and market data-based methodology from Evergreen to consistently evaluate new and updated position titles
- Conduct a comprehensive classification and pay study every three to five years.

After consultation with Evergreen staff, it was proposed to implement a more affordable hybrid compensation strategy to offer equitable salary increases for teachers and support staff. Support staff recommended, per Evergreen's analysis, for tenure classification adjustments were to be completed over three years, and teachers were to be compensated at a minimum of 4% more for 3 consecutive years. SCPS used a 3 phase approach to address the following recommendations: Bring to Minimum and Classification Date Parity. Classification Date Parity places employees on their assigned pay grade based on their years of experience with the Schools in their current classification compared to the length of a typical career.

The results were addressed in 3 phases:

- Phase 1 - FY 2019 - Bring to minimum and 1/3 of tenure classification allocation for identified non-teacher employees. Schools received \$2.16M in additional local funding to support this phase.

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- Phase 2 - FY 2020 - $\frac{2}{3}$ of tenure classification allocation for identified non-teacher employees. Schools received \$3.01M in additional local funding to support this phase.
- Phase 3 - FY 2022 - $\frac{3}{3}$ of tenure classification allocation for identified non-teacher employees. Schools did not receive any additional local funding to support this phase. State funding was used to complete Phase 3.

*NOTE: Phase 3 was put on hold in FY 2021 due to the potential fiscal impact of Covid-19 and the adjustments to the FY 2021 adopted budget. Proposed teacher salaries in Evergreen were adjusted by SCPS and adopted salary increases were FY18 - 2%, FY19 - 4%, FY20 - 4%, FY21 - \$900 bonus, and FY22 – 5.5%. The school division was not able to address the inequity in any of the pay scales due to limited funding.

Update to respond to additional question – The Schools implementation of Evergreen occurred during FY 2019, FY 2020, and FY 2022. The only implementation specifically related to Evergreen was bringing employees to the minimum of scales and a three-year implementation of the Classification Date Parity recommendation. Otherwise, across-the-board increases were provided for teachers and support staff, and separate/at a lesser rate for administrators.

The attachment shows the costs of the Classification Date Parity implementation, as well as the other across-the-board adjustments in FY 2019, FY 2020, and FY 2022. The adjustments increased the Schools' budget by a total of \$26.8M over those three years, while local funding net of changes in debt service increased by a total of \$5.2M over the same three years.

ESTIMATE OF STAFF TIME SPENT ON RESPONSE: 2 hours

	Description of Evergreen-Related Actions	Evergreen Cost (in millions)	Other Pay Adjustment Description	Other Pay Adjustment Cost (in millions)	Add'l On-Going Local Funding Net of Change in Debt Service (in millions)
FY 2019	Either bring to minimum of adjusted salary scales or increase by 1/3 of the additional amount needed to achieve the Classification Date Parity	\$0.53	4% increase for teachers & support staff 2% increase for administrators	\$6.88	\$2.16
FY 2020	Application of second 1/3 of identified salary adjustment to achieve the Classification Date Parity	\$0.55	4% increase for teachers & support staff 3% increase for administrators	\$6.87	\$3.01
FY 2022	Application of third 1/3 of identified salary adjustment to achieve the Classification Date Parity	\$0.29	5.5% increase for teachers & support staff 5% increase for administrators	\$11.64	\$0.07
		\$1.37		\$25.39	\$5.24

Totals

Evergreen-Related Actions (FY 2019, FY 2020, FY 2022)

\$1.37

Other Pay Adjustments (FY 2019, FY 2020, FY 2022)

\$25.39

\$26.76

Additional On-Going Local Funding Net of Change in Debt Service

\$5.24