

## **Salary Increase Information 2017**

### **Question: What did BCSS do with the money from the 3% raise that the Governor put in the latest budget?**

The reports that the Governor gave school systems enough money to provide employees a 3% raise is somewhat misleading. The statement doesn't take into account negative adjustments (see Offsets below) that were made in state funding to school systems in other areas. Nevertheless, all the money referred to as the "Governor's 3% raise" is budgeted to provide pay increases for BCSS employees in the form of step raises and a one-time 2% salary adjustment for all staff below the administration level only (teachers, paraprofessionals, clerical, maintenance, bus drivers, etc.). This was done even though we did not actually receive enough money to cover this from what was called by some "the Governor's 3% raise". BCSS also used \$303,731 out of our fund balance to complete this.

It is worth noting that there are some teachers that will see up to a 5% increase for this year with their step increase and the 2% adjustment. The others that don't receive a step increase this year will see the 2% increase. However, our paraprofessionals, clerical staff, maintenance, etc. (who were left out by the Governor's plan) will also see the 2%.

The 2% salary adjustment will be paid in January.

### **Offsets**

- This year the State used a different calculation than in the past which had the effect of cutting our anticipated QBE (Quality Basic Education) funds so that we did not receive the same percentage increase as we had in past years (we received approximately \$522 thousand less than we would have using the previous year's calculations).
- The State also increased the system paid portion of health care costs on our classified employees by \$286,800.

So, on the surface, the district was allocated an additional \$3.1 million in State dollars over the previous year. \$692 thousand of this was for growth positions which left approximately \$2.4 million as the actual returned Austerity Cut\* money that the Governor placed in the budget (the 3% “raise” money).

Actual BCSS received Austerity Cut* dollars that were returned to the system (what some termed money for 3% raise for teachers)	\$ 2,475,883
New health care charges picked up by the district	- \$286,800
Total available for salary increases from the State this year	\$2,189,083
Step increases for BCSS employees	- \$1,053,958
2% salary adjustment for staff below administration level (no administration level employees are receiving the 2% increase this year)	- \$ 1,438,856
Difference - BCSS salary increases not funded by the “the Governor’s 3% raise” funds (funded out of BCSS Fund Balance)	- \$303,731

\*Austerity Cut is defined as the amount deducted per fiscal year from the amount earned and allocated to the school system.

### Further Details

What some have called “the Governor’s 3% raise” for this year was not really a raise. If the Governor and the legislature wanted to raise teacher pay across the board in the state they could have done this by simply adding 3% to the State Teacher Salary Schedule as every Governor in the past has done. The last time this was done and could be called a true teacher raise was in 2009.

What they did was basically give districts back part of the money we earned that had been lost due to Austerity Cuts and then publicize it as funding for a raise. The actual parameters of the “3% raise” stated the money in question was encouraged to be applied to raising teacher pay, funding step raises, eliminating unpaid furlough days and allowing school districts to add back school instructional days to their school calendars to restore the 180-day school year. This is what BCSS did for 2017.