

# spotlight

No. 367 – February 3, 2009

## ANNUAL REPORT ON TEACHER PAY

*N.C. teacher compensation is more than \$4,000 higher than the national average*

**KEY FACTS:** • When adjusted for pension contributions, teacher experience, and cost of living, North Carolina's adjusted average teacher compensation is \$59,252, which is \$4,086 higher than the U.S. adjusted average compensation and ranks 14th highest in the nation.

• In a comparison of Southern Regional Education Board (SREB) states, North Carolina's adjusted teacher compensation is \$674 higher than the SREB average adjusted compensation.

education researchers Jay Greene and Marcus Winters said it best: “Few clichés permeate our culture more thoroughly than that of the underpaid schoolteacher.”<sup>1</sup> And nobody perpetuates that cliché better than the National Education Association (NEA), the nation's largest teachers union.

In December, the NEA released its annual estimates of teacher salaries for the 2008-09 school year. Over the past decade, the education establishment has been using teacher salary reports from the NEA and the American Federation of Teachers (AFT) to support a campaign that portrays teachers as victims of miserly, unappreciative, and ignorant taxpayers.<sup>2</sup> National polls conducted over the last twenty years indicate that the campaign is working. At the start of the 1980s, polls showed that a plurality of Americans agreed that teacher pay was appropriate for the profession. In 1981, 41 percent of respondents said that teacher pay was “about right” and 29 percent said that it was too low. By 1999, only 26 percent of respondents said that teacher pay was “about right” and 61 percent said that it was too low. Polls conducted since 2000 revealed nearly identical results.<sup>3</sup>

Such rhetoric compelled elected officials in a number of states to promise teachers multi-year pay increases to reach the national or regional average. In 2005, Governor Easley announced a plan that would raise teacher salaries to the national average within four years, estimated to be \$52,266 by the 2008-09 school year.<sup>4</sup> While the teacher unions and their affiliates praise these efforts, raising salaries to an arbitrary goal like a national average produces positive media coverage, not better teachers.<sup>5</sup> There is no evidence that reaching an “av-

200 W. Morgan, #200  
Raleigh, NC 27601  
phone: 919-828-3876  
fax: 919-821-5117  
www.johnlocke.org

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erage” salary level will produce a significant increase in teacher recruitment and retention or student performance.

In general, the mainstream media has been complicit in this effort by casting an uncritical eye on the NEA teacher salary studies. Taken at face value, the NEA’s teacher salary report showed that teacher’s salaries in North Carolina were falling behind the nation and the region. The NEA ranked North Carolina 30th in the nation in average teacher pay. They estimated that the state’s average teacher salary was \$48,603, over \$5,300 less than the unadjusted U.S. average, as calculated by NEA analysts.<sup>6</sup> The unadjusted salary figures, however, are misleading because they ignore important differences between states.

### **Adjusting for Cost of Living, Pension Contribution, and Experience**

The NEA admits that its rankings of nominal or unadjusted salaries will not produce apples-to-apples comparisons of teacher pay across states. The authors of the report caution,

Further, any discussion of average salary figures in the absence of other data about the specific state or district provides limited insights into the actual “value” of those salaries. For example, variations in the cost of living may go a long way toward explaining (and, in practice, offsetting) differences in salary levels from one area of the country to another.<sup>7</sup>

Without a doubt, cost of living is one of the most important differences between states. States such as Connecticut, New Jersey, and California have a high average salary and a high cost of living to match. The high cost of living in these and other states will weaken the purchasing power of a teacher’s compensation. On the other hand, states like North Carolina have a low cost of living, strengthening the buying power of a teacher’s compensation.

In addition, the NEA teacher salary study does not take into account factors such as pension contributions and teacher experience that more accurately represent teacher compensation in North Carolina and across the country. Pension contributions add, sometimes significantly, to the overall value of the teacher’s yearly compensation.<sup>8</sup>

Finally, teacher experience is a critical factor to include in any comparison of teacher salaries. Teachers are paid on a scale that increases their salary for each additional year of employment. States with a more experienced teacher workforce will post a higher average salary, which will skew the comparison with states that have less-experienced teachers. By adjusting for this factor, the experience or inexperience of the workforce will not distort comparisons of average teacher salaries for each state, leading to a much more accurate salary comparison at a given level of seniority. On average, North Carolina’s teachers are less experienced than the national average, so the NEA’s salary figure artificially deflates the state’s average teacher compensation when compared to other states.

### **North Carolina Is Above the National and Regional Averages**

North Carolina adjusted compensation surpasses both the average and the median compensation for the nation (see **Table 1**, pp. 3-4). North Carolina’s adjusted teacher compensation is \$59,252, which is \$4,086 higher than the U.S. adjusted average compensation. North Carolina’s low cost of living and lower-than-average teacher experience raised the state’s ranking from 30th on the NEA ranking to 14th in the nation when compensation was adjusted for pension contribution, average years of experience, and cost of living.<sup>9</sup>

Compared with our peers, teacher compensation in North Carolina is above average. In a ranking of Southern Regional Education Board (SREB) states, North Carolina ranks seventh in both the initial and adjusted ranking. The state’s adjusted teacher compensation is \$674 higher than the SREB average (see **Table 2**, p. 5). In the Southeast, only Georgia and Alabama rival North Carolina’s adjusted average teacher compensation.

North Carolina’s average teacher pay has nearly doubled (up 93 percent) between 1988 and 2008 (see **Figure 1**, p. 5). On the other hand, state employees had pay increases totaling nearly 56 percent over the last twenty years.<sup>10</sup>

There are wide variations in teacher pay across North Carolina school districts. Much of these variations are likely the result of differences in the experience of the teacher workforce and the educational attainment of the classroom teachers. Many of North Carolina's growing urban and suburban districts must recruit teachers with a bachelor's degree and little or no experience to meet their demand for teachers. As with the state's average compensation, a less experienced workforce will lower the average district compensation figure.

## The Future of Teacher Pay

Despite multi-million-dollar increases in teacher pay, it has become clear that across-the-board raises unrelated to performance serve to reward both good teachers and mediocre ones, thus doing little to help students learn.



**Table 1. Adjusted Teacher Compensation by State and D.C.<sup>11</sup>**  
*Salary adjusted for pension contribution, average years of experience, and cost of living*

| <i>2008<br/>NEA<br/>Rank</i> | <i>Jurisdiction</i>   | <i>Average Salary<br/>(NEA)</i> | <i>Pension<br/>Contribution<br/>Rates</i> | <i>Average<br/>Years of<br/>Experience</i> | <i>COL<br/>Index</i> | <i>Adjusted<br/>Compensation</i> | <i>2008<br/>Final<br/>Rank</i> |
|------------------------------|-----------------------|---------------------------------|---|--|----------------------|----------------------------------|--------------------------------|
| 17                           | Georgia               | \$53,270.00                     | 9.28%                                     | 12.9                                       | 0.909                | \$72,393                         | 1                              |
| 5                            | Illinois              | \$62,787.00                     | 9.50%                                     | 14.7                                       | 0.971                | \$70,238                         | 2                              |
| 23                           | Kentucky              | \$49,539.00                     | 12.36%                                    | 13.4                                       | 0.914                | \$66,270                         | 3                              |
| 28                           | Alabama               | \$48,906.00                     | 8.17%                                     | 12.8                                       | 0.917                | \$65,723                         | 4                              |
| 36                           | Arkansas              | \$47,472.00                     | 14.00%                                    | 13.6                                       | 0.894                | \$64,907                         | 5                              |
| 13                           | Delaware              | \$55,994.00                     | 6.10%                                     | 13.4                                       | 1.002                | \$64,523                         | 6                              |
| 16                           | Ohio                  | \$54,925.00                     | 13.00%                                    | 15.2                                       | 0.935                | \$63,683                         | 7                              |
| 11                           | Michigan              | \$57,327.00                     | 8.10%                                     | 14.7                                       | 0.967                | \$63,572                         | 8                              |
| 9                            | Alaska                | \$58,916.00                     | 21.00%                                    | 12.6                                       | 1.307                | \$63,125                         | 9                              |
| 40                           | Texas                 | \$46,179.00                     | 6.58%                                     | 12.6                                       | 0.909                | \$62,663                         | 10                             |
| 10                           | Rhode Island          | \$58,491.00                     | 25.03%                                    | 14.3                                       | 1.200                | \$62,146                         | 11                             |
| 33                           | Arizona               | \$47,937.00                     | 9.10%                                     | 11.9                                       | 1.066                | \$60,120                         | 12                             |
| 2                            | New York              | \$65,234.00                     | 8.60%                                     | 13.2                                       | 1.305                | \$59,972                         | 13                             |
| <b>30</b>                    | <b>North Carolina</b> | <b>\$48,603.00</b>              | <b>3.05%</b>                              | <b>12.8</b>                                | <b>0.963</b>         | <b>\$59,252</b>                  | <b>14</b>                      |
| 44                           | Missouri              | \$44,712.00                     | 12.00%                                    | 13.7                                       | 0.910                | \$58,574                         | 15                             |
| 1                            | California            | \$66,986.00                     | 10.27%                                    | 13.5                                       | 1.365                | \$58,452                         | 16                             |
| 22                           | Nevada                | \$50,067.00                     | 10.50%                                    | 12.8                                       | 1.087                | \$57,983                         | 17                             |
| 37                           | New Mexico            | \$47,341.00                     | 10.15%                                    | 13.0                                       | 1.012                | \$57,800                         | 18                             |
| 24                           | Louisiana             | \$49,284.00                     | 15.80%                                    | 15.2                                       | 0.950                | \$57,633                         | 19                             |
| 18                           | Oregon                | \$52,950.00                     | 16.97%                                    | 14.0                                       | 1.136                | \$56,789                         | 20                             |
| 29                           | Colorado              | \$48,707.00                     | 11.15%                                    | 13.2                                       | 1.058                | \$56,529                         | 21                             |
| 25                           | Indiana               | \$49,198.00                     | 19.80%                                    | 16.4                                       | 0.929                | \$56,412                         | 22                             |
| 8                            | Maryland              | \$60,844.00                     | 11.17%                                    | 13.8                                       | 1.275                | \$56,059                         | 23                             |
| 41                           | Oklahoma              | \$45,702.00                     | 7.05%                                     | 14.4                                       | 0.888                | \$55,792                         | 24                             |
| 12                           | Pennsylvania          | \$56,906.00                     | 6.46%                                     | 15.7                                       | 1.015                | \$55,438                         | 25                             |
|                              | <b>MEDIAN</b>         | <b>\$48,969.00</b>              | <b>9.10%</b>                              | <b>14.6</b>                                | <b>1.000</b>         | <b>\$55,387</b>                  |                                |

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A January 2007 study by researchers at the University of Arkansas found that teachers who participated in a merit pay pilot project produced larger gains in student performance and enjoyed a better working environment than those not in the program.<sup>12</sup> A follow-up evaluation of the program found similar gains.<sup>13</sup> Unfortunately, the scope, duration, and design of merit pay programs make rigorous evaluations of their impact difficult.<sup>14</sup>

Nevertheless, merit pay for teachers is one educational reform that shows great promise.<sup>15</sup> Policymakers and elected officials in North Carolina should work toward discontinuing across-the-board pay increases and begin to implement a comprehensive teacher pay program that attracts and rewards excellence. Guilford County’s Mission Possible program provides an excellent model for what a high quality merit pay program should look like.<sup>16</sup>



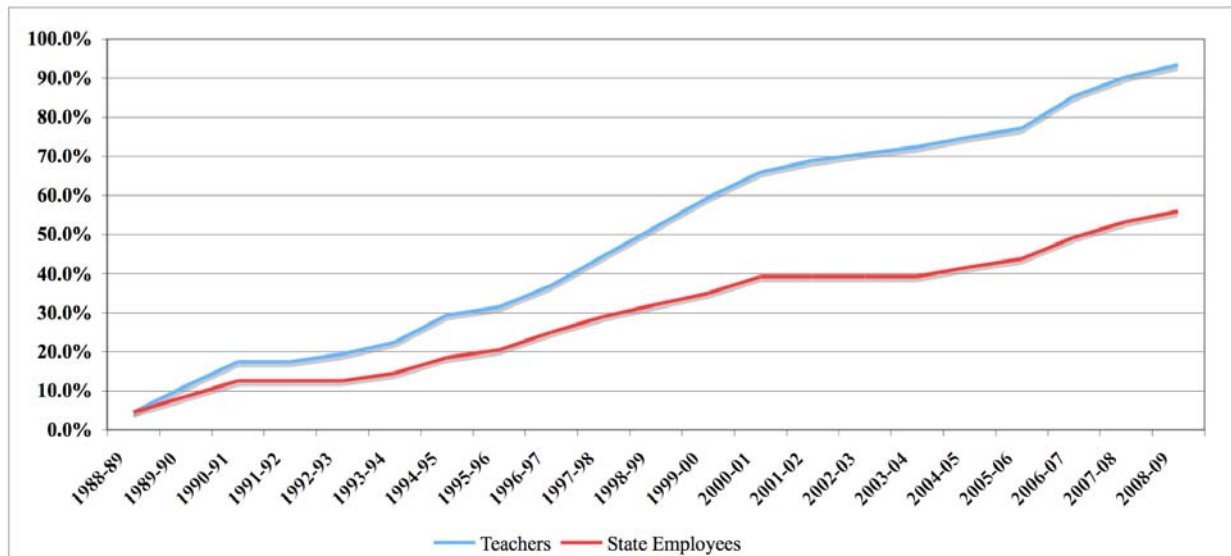
| <i>2008<br/>NEA<br/>Rank</i> | <i>Jurisdiction</i> | <i>Average Salary<br/>(NEA)</i> | <i>Pension<br/>Contribution<br/>Rates</i> | <i>Average<br/>Years of<br/>Experience</i> | <i>COL<br/>Index</i> | <i>Adjusted<br/>Compensation</i> | <i>2008<br/>Final<br/>Rank</i> |
|------------------------------|---------------------|---------------------------------|---|--|----------------------|----------------------------------|--------------------------------|
| 31                           | Virginia            | \$48,554.00                     | 9.20%                                     | 14.0                                       | 0.998                | \$55,337                         | 26                             |
| 42                           | Idaho               | \$45,439.00                     | 10.39%                                    | 14.3                                       | 0.927                | \$55,179                         | 27                             |
|                              | <b>AVERAGE</b>      | <b>\$51,359.00</b>              | <b>10.16%</b>                             | <b>14.6</b>                                | <b>1.000</b>         | <b>\$55,166</b>                  |                                |
| 49                           | Utah                | \$42,335.00                     | 14.22%                                    | 13.3                                       | 0.962                | \$55,112                         | 28                             |
| 46                           | Mississippi         | \$44,498.00                     | 11.30%                                    | 14.2                                       | 0.923                | \$55,103                         | 29                             |
| 3                            | Connecticut         | \$63,976.00                     | 15.28%                                    | 15.7                                       | 1.245                | \$55,021                         | 30                             |
| 6                            | Massachusetts       | \$62,769.00                     | 6.00%                                     | 14.9                                       | 1.188                | \$54,812                         | 31                             |
| 21                           | Wisconsin           | \$50,424.00                     | 5.60%                                     | 14.9                                       | 0.952                | \$54,740                         | 32                             |
| 39                           | Tennessee           | \$46,278.00                     | 6.42%                                     | 15.1                                       | 0.881                | \$53,985                         | 33                             |
| 32                           | Florida             | \$48,126.00                     | 9.85%                                     | 14.1                                       | 1.027                | \$53,238                         | 34                             |
| 15                           | Wyoming             | \$55,696.00                     | 5.57%                                     | 15.9                                       | 1.031                | \$52,304                         | 35                             |
| 19                           | Washington          | \$51,970.00                     | 4.74%                                     | 14.6                                       | 1.040                | \$52,277                         | 36                             |
| 34                           | South Carolina      | \$47,704.00                     | 8.05%                                     | 15.2                                       | 0.960                | \$51,510                         | 37                             |
| 20                           | Minnesota           | \$51,938.00                     | 9.00%                                     | 15.3                                       | 1.049                | \$51,437                         | 38                             |
| 38                           | Kansas              | \$46,987.00                     | 6.77%                                     | 15.5                                       | 0.922                | \$51,191                         | 39                             |
| 48                           | Nebraska            | \$44,120.00                     | 7.91%                                     | 15.4                                       | 0.901                | \$50,036                         | 40                             |
| 4                            | New Jersey          | \$63,018.00                     | 7.30%                                     | 15.4                                       | 1.284                | \$49,866                         | 41                             |
| 26                           | Iowa                | \$48,969.00                     | 5.75%                                     | 17.3                                       | 0.937                | \$46,585                         | 42                             |
| 7                            | D.C.                | \$62,557.00                     | 0.00%                                     | 14.6                                       | 1.374                | \$45,474                         | 43                             |
| 14                           | Hawaii              | \$55,733.00                     | 13.75%                                    | 12.9                                       | 1.636                | \$43,804                         | 44                             |
| 45                           | West Virginia       | \$44,625.00                     | 23.33%                                    | 19.9                                       | 0.941                | \$42,858                         | 45                             |
| 27                           | New Hampshire       | \$48,934.00                     | 5.81%                                     | 15.1                                       | 1.188                | \$42,089                         | 46                             |
| 47                           | Montana             | \$44,426.00                     | 7.58%                                     | 16.1                                       | 1.061                | \$40,800                         | 47                             |
| 50                           | North Dakota        | \$41,534.00                     | 7.75%                                     | 17.2                                       | 0.949                | \$39,981                         | 48                             |
| 51                           | South Dakota        | \$38,017.00                     | 6.00%                                     | 16.0                                       | 0.922                | \$39,835                         | 49                             |
| 35                           | Vermont             | \$47,697.00                     | 8.00%                                     | 16.1                                       | 1.176                | \$39,674                         | 50                             |
| 43                           | Maine               | \$44,731.00                     | 17.23%                                    | 16.9                                       | N/A                  | N/A                              | N/A                            |

**Table 2. Adjusted Teacher Compensation for Southern Regional Education Board States<sup>17</sup>**  
*Salary adjusted for pension contribution, average years of experience, and cost of living*

| <i>Jurisdiction</i>   | <i>Average Salary (NEA)</i> | <i>Pension Contribution Rates</i> | <i>Average Years of Experience</i> | <i>COL Index</i> | <i>Adjusted Compensation</i> | <i>2008 SREB Rank</i> |
|-----------------------|-----------------------------|-----------------------------------|------------------------------------|------------------|------------------------------|-----------------------|
| Georgia               | \$53,270.00                 | 9.28%                             | 12.9                               | 0.909            | \$72,393                     | 1                     |
| Kentucky              | \$49,539.00                 | 12.36%                            | 13.4                               | 0.914            | \$66,270                     | 2                     |
| Alabama               | \$48,906.00                 | 8.17%                             | 12.8                               | 0.917            | \$65,723                     | 3                     |
| Arkansas              | \$47,472.00                 | 14.00%                            | 13.6                               | 0.894            | \$64,907                     | 4                     |
| Delaware              | \$55,994.00                 | 6.10%                             | 13.4                               | 1.002            | \$64,523                     | 5                     |
| Texas                 | \$46,179.00                 | 6.58%                             | 12.6                               | 0.909            | \$62,663                     | 6                     |
| <b>North Carolina</b> | <b>\$48,603.00</b>          | <b>3.05%</b>                      | <b>12.8</b>                        | <b>0.963</b>     | <b>\$59,252</b>              | <b>7</b>              |
| <b>SREB AVERAGE</b>   | <b>\$49,098.63</b>          | <b>10.11%</b>                     | <b>14.2</b>                        | <b>0.959</b>     | <b>\$58,578</b>              |                       |
| Louisiana             | \$49,284.00                 | 15.80%                            | 15.2                               | 0.950            | \$57,633                     | 8                     |
| <b>SREB MEDIAN</b>    | <b>\$48,340.00</b>          | <b>9.24%</b>                      | <b>13.9</b>                        | <b>0.932</b>     | <b>\$56,846</b>              |                       |
| Maryland              | \$60,844.00                 | 11.17%                            | 13.8                               | 1.275            | \$56,059                     | 9                     |
| Oklahoma              | \$45,702.00                 | 7.05%                             | 14.4                               | 0.888            | \$55,792                     | 10                    |
| Virginia              | \$48,554.00                 | 9.20%                             | 14.0                               | 0.998            | \$55,337                     | 11                    |
| Mississippi           | \$44,498.00                 | 11.30%                            | 14.2                               | 0.923            | \$55,103                     | 12                    |
| Tennessee             | \$46,278.00                 | 6.42%                             | 15.1                               | 0.881            | \$53,985                     | 13                    |
| Florida               | \$48,126.00                 | 9.85%                             | 14.1                               | 1.027            | \$53,238                     | 14                    |
| South Carolina        | \$47,704.00                 | 8.05%                             | 15.2                               | 0.960            | \$51,510                     | 15                    |
| West Virginia         | \$44,625.00                 | 23.33%                            | 19.9                               | 0.941            | \$42,858                     | 16                    |



**Figure 1. History of State Employee and Teacher Compensation Increases (cumulative)**



**Table 3. Average Teacher Compensation by N.C. County<sup>18</sup>**

| <i>School District</i> | <i>Average Teacher Compensation<br/>(Benefits not included)</i> | <i>Average Teacher Compensation<br/>(Benefits included)</i> |
|------------------------|---|---|
| Caswell County         | \$46,820  | \$61,967  |
| Alleghany County       | \$46,563  | \$60,563  |
| Watauga County         | \$46,436  | \$60,499  |
| Polk County            | \$45,473  | \$60,245  |
| Tyrrell County         | \$44,927  | \$59,828  |
| Dare County            | \$44,837  | \$59,519  |
| Whiteville City        | \$44,530  | \$59,253  |
| Pamlico County         | \$44,487  | \$59,031  |
| Ashe County            | \$44,320  | \$59,013  |
| Carteret County        | \$44,218  | \$58,929  |
| Cherokee County        | \$44,137  | \$58,788  |
| Elkin City             | \$44,073  | \$58,765  |
| Rockingham County      | \$44,066  | \$58,573  |
| Clay County            | \$44,061  | \$58,572  |
| Perquimans County      | \$43,953  | \$58,173  |
| Hyde County            | \$43,838  | \$58,045  |
| Avery County           | \$43,801  | \$57,992  |
| Chapel Hill-Carrboro   | \$43,634  | \$57,950  |
| Scotland County        | \$43,487  | \$57,919  |
| Orange County          | \$43,476  | \$57,916  |
| Washington County      | \$43,469  | \$57,826  |
| Cleveland County       | \$43,459  | \$57,674  |
| Chowan County          | \$43,448  | \$57,659  |
| Asheville City         | \$43,297  | \$57,551  |
| Gates County           | \$43,098  | \$57,363  |
| Roanoke Rapids City    | \$42,988  | \$57,239  |
| Rutherford County      | \$42,984  | \$57,152  |
| Haywood County         | \$42,976  | \$57,021  |
| Stanly County          | \$42,923  | \$57,012  |
| Jones County           | \$42,871  | \$56,912  |
| Beaufort County        | \$42,861  | \$56,906  |
| Transylvania County    | \$42,848  | \$56,874  |
| Forsyth County         | \$42,836  | \$56,859  |
| Mitchell County        | \$42,791  | \$56,854  |
| Jackson County         | \$42,772  | \$56,693  |
| Macon County           | \$42,710  | \$56,608  |
| Bladen County          | \$42,701  | \$56,532  |
| Henderson County       | \$42,670  | \$56,514  |
| Columbus County        | \$42,613  | \$56,352  |
| Martin County          | \$42,453  | \$56,286  |
| Richmond County        | \$42,359  | \$56,275  |
| Yancey County          | \$42,353  | \$56,235  |
| Pitt County            | \$42,274  | \$56,190  |
| Moore County           | \$42,178  | \$56,159  |
| Nash-Rocky Mount       | \$42,085  | \$56,123  |
| Swain County           | \$42,037  | \$56,051  |
| Catawba County         | \$41,948  | \$56,043  |
| Buncombe County        | \$41,859  | \$55,927  |
| Weldon City            | \$41,796  | \$55,864  |
| Caldwell County        | \$41,690  | \$55,811  |
| Anson County           | \$41,658  | \$55,782  |
| Hertford County        | \$41,631  | \$55,773  |
| Clinton City           | \$41,621  | \$55,767  |
| Stokes County          | \$41,610  | \$55,726  |
| Northampton County     | \$41,520  | \$55,518  |
| <b>AVERAGE</b>         | <b>\$43,042</b>   | <b>\$55,491</b>   |
| Rowan-Salisbury        | \$41,440  | \$55,428  |
| Camden County          | \$41,417  | \$55,409  |
| McDowell County        | \$41,363  | \$55,390  |
| <b>MEDIAN</b>          | <b>\$42,957</b>   | <b>\$55,390</b>   |

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| <b>School District</b> | <b>Average Teacher Compensation<br/>(Benefits not included)</b> | <b>Average Teacher Compensation<br/>(Benefits included)</b> |
|------------------------|---|---|
| Vance County           | \$41,312  | \$55,366  |
| Craven County          | \$41,220  | \$55,181  |
| Mount Airy City        | \$41,211  | \$55,074  |
| Burke County           | \$41,120  | \$55,043  |
| Davie County           | \$41,085  | \$54,899  |
| Asheboro City          | \$41,075  | \$54,835  |
| Lenoir County          | \$41,012  | \$54,777  |
| Brunswick County       | \$41,010  | \$54,762  |
| Surry County           | \$40,830  | \$54,742  |
| Currituck County       | \$40,828  | \$54,678  |
| Montgomery County      | \$40,748  | \$54,650  |
| Halifax County         | \$40,715  | \$54,618  |
| Graham County          | \$40,703  | \$54,511  |
| Madison County         | \$40,685  | \$54,494  |
| Wayne County           | \$40,647  | \$54,404  |
| Durham Public          | \$40,590  | \$54,388  |
| Yadkin County          | \$40,557  | \$54,374  |
| Hickory City           | \$40,556  | \$54,362  |
| New Hanover County     | \$40,543  | \$54,308  |
| Person County          | \$40,533  | \$54,261  |
| Lee County             | \$40,516  | \$54,199  |
| Sampson County         | \$40,504  | \$54,141  |
| Pasquotank County      | \$40,462  | \$54,102  |
| Chatham County         | \$40,430  | \$53,987  |
| Pender County          | \$40,347  | \$53,970  |
| Lincoln County         | \$40,341  | \$53,956  |
| Duplin County          | \$40,324  | \$53,952  |
| Gaston County          | \$40,297  | \$53,828  |
| Johnston County        | \$40,269  | \$53,817  |
| Wake County            | \$40,259  | \$53,488  |
| Mooreville City        | \$40,249  | \$53,478  |
| Guilford County        | \$40,239  | \$53,430  |
| Wilkes County          | \$40,044  | \$53,391  |
| Wilson County          | \$40,000  | \$53,318  |
| Robeson County         | \$39,950  | \$53,289  |
| Bertie County          | \$39,947  | \$53,237  |
| Warren County          | \$39,888  | \$53,144  |
| Randolph County        | \$39,841  | \$53,120  |
| Alexander County       | \$39,767  | \$53,108  |
| Iredell County         | \$39,747  | \$53,059  |
| Davidson County        | \$39,700  | \$52,973  |
| Lexington City         | \$39,687  | \$52,973  |
| Granville County       | \$39,645  | \$52,892  |
| Cumberland County      | \$39,565  | \$52,752  |
| Kannapolis City        | \$39,528  | \$52,740  |
| Thomasville City       | \$39,387  | \$52,652  |
| Union County           | \$39,291  | \$52,536  |
| Franklin County        | \$39,260  | \$52,505  |
| Edgecombe County       | \$39,228  | \$52,498  |
| Greene County          | \$39,200  | \$52,464  |
| Newton-Conover City    | \$39,149  | \$52,291  |
| Onslow County          | \$39,133  | \$52,284  |
| Cabarrus County        | \$39,132  | \$52,205  |
| Harnett County         | \$39,100  | \$51,778  |
| Mecklenburg County     | \$39,048  | \$51,688  |
| Alamance County        | \$38,785  | \$51,681  |
| Hoke County            | \$38,671  | \$49,857  |



*Terry Stoops is the education policy analyst for the John Locke Foundation.*

## End Notes

1. Jay P. Greene and Marcus Winters, "The Teacher-Pay Myth," *The New York Post*, September 22, 2005, [www.manhattan-institute.org/html/\\_nypost\\_teacher\\_pay\\_myth.htm](http://www.manhattan-institute.org/html/_nypost_teacher_pay_myth.htm).
2. In the words of Reg Weaver, former president of the National Education Association, "Underpaying America's public school teachers is a classic case of being penny-wise and pound-foolish." Press release, National Education Association (NEA), "Teachers Take 'Pay Cut' as Inflation Outpaces Salaries," November 14, 2006.
3. Roper Center for Public Opinion Research, "Gallup Organization Polls," LexisNexis Database, accessed December 10, 2005.
4. Office of the Governor, "Gov. Easley Announces Plan To Raise Teacher Salaries," October 25, 2005, [www.governor.state.nc.us/News\\_FullStory.asp?id=2538](http://www.governor.state.nc.us/News_FullStory.asp?id=2538).
5. The NEA is attempting to gain greater power over the school reform agenda in the states. See Bess Keller, "NEA Wants Role in School Improvement Agenda," *Education Week*, January 24, 2007, p. 1: "With a closer-knit organization and a deeper policy operation thanks to the overhaul, Mr. Wilson envisions that the power of the state affiliates, often the most influential groups in state capitals, will translate into NEA clout."
6. NEA, "Rankings and Estimates," December, 2008, p. 67, [www.nea.org/home/29399.htm](http://www.nea.org/home/29399.htm). According to the report, the average estimated salary of a classroom teacher in the U.S. was \$53,910. Because of methodological differences, the NEA figure is higher than the unadjusted national average used in this report (see Table 1).
7. *Ibid.*, p. 76.
8. Teachers in a number of states have the option of enrolling in a state retirement system or one reserved exclusively for public school employees. Although employer pension contributions vary according to the regulations of each state, pension programs reserved for public school employees often give teachers more flexibility and have a higher employer contribution rate than retirement programs for other state employees. The differences are not reflected in this study, but it provides individuals an added incentive to enter and remain in the teaching profession.
9. The salary adjustments are made using a method identical to past salary studies by the John Locke Foundation. The value of the pension contribution rates are added to the average salary of each state. Years of experience and cost-of-living variables are simply normalized on a 1.0 base and adjusted accordingly.
10. North Carolina General Assembly, Fiscal Research Division, "Legislative Increases, 1970-2008" (2008), pp. 1-2, [www.ncga.state.nc.us/fiscalresearch/statistics\\_and\\_data/statistics\\_and\\_data.shtml](http://www.ncga.state.nc.us/fiscalresearch/statistics_and_data/statistics_and_data.shtml).
11. NEA, "Rankings and Estimates," December, 2008, p. 67. Missouri Economic Research and Information Center, "Cost of Living: 3rd Quarter 2008," [www.ded.mo.gov/researchandplanning/indicators/cost\\_of\\_living/index.stm](http://www.ded.mo.gov/researchandplanning/indicators/cost_of_living/index.stm). The composite index number is used here, which is a composite of grocery, health care, housing, transportation, utilities, and miscellaneous cost indexes by state. National Association of State Retirement Administrators/National Council on Teacher Retirement, "Public Fund Survey, FY 2007," [www.publicfundsurvey.org](http://www.publicfundsurvey.org). For Massachusetts, the following was used: Retired Educators Association of Massachusetts (REAM), "A look at Pensions, Taxes and Re-employment: Section E, Table 3," [www.ream1951.org/retirementplan.htm#introduction](http://www.ream1951.org/retirementplan.htm#introduction). National Center for Education Statistics, "Years teaching full-time public schools (by FIPS state code)," Data Analysis System (DAS), [nces.ed.gov/surveys/sass/das.asp](http://nces.ed.gov/surveys/sass/das.asp). Experience data are from the 2003-2004 Schools and Staffing Survey.
12. Joshua H. Barnett, Gary W. Ritter, Marcus A. Winters, and Jay P. Greene, "Evaluation of Year One of the Achievement Challenge Pilot Project in the Little Rock Public School District," Department of Education Reform, University of Arkansas, January 16, 2007.
13. Gary W. Ritter, Marc J. Holley, Nathan C. Jensen, Brent E. Riffel, Marcus A. Winters, Joshua H. Barnett, and Jay P. Greene, "Year Two Evaluation of the Achievement Challenge Pilot Project in the Little Rock Public School District," Department of Education Reform, University of Arkansas, January 22, 2008, p. 1-A22.
14. For an example of the limitations of research on merit pay, see Charles Clotfelter, Elizabeth Glennie, Helen Ladd, and Jacob Vigdor, "Would Higher Salaries Keep Teachers in High-Poverty Schools? Evidence from a Policy Intervention in North Carolina," National Bureau of Economic Research, *Working Paper* 12285, June 2006. The authors concluded, "The fact that the [merit pay] program appears to have reduced departure rates of teachers from the schools serving disadvantaged and low-performing students means that the program could potentially have raised student achievement had it remained in operation for a longer period of time" (p. 20).
15. While teachers report that performance pay programs produce stress, it does not appear to correlate with worsening working conditions, declining student and teacher performance, or extraordinary teacher attrition. See Herbert G. Heneman III, "Motivational Reactions of Teachers to a School-Based Performance Award Program," *Journal of Personnel Evaluation in Education* 12:1 (1998), pp. 43-59; Herbert G. Heneman III and Anthony T. Milanowski, "Teacher Attitudes about Teacher Bonuses Under School-Based Performance Award Programs," *Journal of Personnel Evaluation in Education* 12:4 (1999), pp. 327-341; Carolyn Kelley, "The Motivational Impact of School-Based Performance Awards," *Journal of Personnel Evaluation in Education* 12:4 (1999), pp. 309-326; Carolyn Kelley, Sharon Conley, and Steve Kimball, "Payment for Results: Effects of the Kentucky and Maryland Group-Based Performance Award Programs," *Peabody Journal of Education* 75:4 (2000), pp. 159-199; Carolyn Kelley, Allan Odden, Anthony Milanowski, and Herbert Heneman III, "The Motivational Effects of School-Based Performance Awards," *Consortium for Policy Research in Education* (February 2000), pp. 1-12; Carolyn Kelley, Herbert Heneman III, and Anthony Milanowski, "Teacher Motivation and School-Based Performance Awards," *Educational Administration Quarterly* 38:3 (August 2002), pp. 372-401; Herbert Heneman III, Anthony Milanowski, and Steven Kimball, "Teacher Performance Pay: Synthesis of Plans, Research, and Guidelines for Practice," *Consortium for Policy Research in Education* (February 2007), pp. 1-16.
16. See Terry Stoops, "Performance Pay for Teachers: Increasing Student Achievement in Schools with Critical Needs," John Locke Foundation *Policy Report*, September 2008, [johnlocke.org/policy\\_reports/display\\_story.html?id=175](http://johnlocke.org/policy_reports/display_story.html?id=175). See also Holli Gottschall Bayonas *et al.*, "Guilford County Schools Mission Possible Program, Year 1 (2006-07) External Evaluation Report," SERVE Center, University of North Carolina at Greensboro, April 2, 2008.
17. The website of the Southern Regional Education Board (SREB) describes the organization: "America's first interstate compact for education, the Southern Regional Education Board is a nonprofit, nonpartisan organization that helps government and education leaders in its 16 member states work together to advance education and improve the social and economic life of the region. Member states include: Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia." For more information, see [www.sreb.org](http://www.sreb.org).
18. North Carolina Department of Public Instruction, Financial & Business Services, "LEA Average Salary," (July 2008), [www.dpi.state.nc.us/fbs/allotments/planning](http://www.dpi.state.nc.us/fbs/allotments/planning). Average salary is the 6th pay period for the 2007-08 school year. Benefits include liability insurance (3%), Social Security (7.650%), retirement (8.140% per legislation), and hospitalization (\$4,147 per legislation).