

TEACHER, PRINCIPAL AND SUPERINTENDENT SALARY REVIEW 2002 TO 2007

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This study examines teacher, principal, and superintendent salary data from 2002 to 2007 in order to determine the impact of the Student Achievement and Teacher Quality Program legislation which was enacted in 2002.

Historically, Iowa has ranked in the lower half of the nation in average teacher salary compensation. Beginning in 2002, the Iowa Legislature created and funded the Student Achievement and Teacher Quality Program. The purpose of this legislation was to increase teacher salary pay and provide a mechanism for professional development and market factor pay. The initial allocation for teacher compensation in 2002 was \$31.2 million. It increased to \$75.8 million in 2007.

In 2002, Iowa ranked 34th nationally in teacher salary compensation. However, these rankings reflected average total teacher salary which included extra duty for extra pay. In 2006, Iowa started reporting average regular salary which excluded extra pay. As a result, Iowa decreased in the state ranking from 34th in 2002 to 39th in 2006. In 2007, Iowa gained ground in the rankings and has moved up to 38th nationally in teacher salary compensation.

Table 1—2002-2007 Iowa’s Average Salary Compared to the National Average

YEAR	NATION	IOWA	NATIONAL RANK	DIFFERENCE	PERCENT DIFFERENCE
2002	\$44,683	\$37,243	34*	\$7,440	17%
2003	\$45,891	\$38,000	34*	\$7,891	17%
2004	\$46,752	\$38,381	38*	\$8,371	18%
2005	\$47,674	\$39,284	38*	\$8,390	18%
2006	\$49,109	\$40,877	39	\$8,232	17%
2007	\$50,816**	\$42,922	38	\$7,894	16%

*Rank reflects Iowa average total salary

**FY 2007 data from the NEA is an estimate.

Currently, Iowa ranks 5th in average teacher salary in comparison to eight other Midwest States. Between the 2006 and 2007 school years, most Midwest States have either lost ground or stayed the same in national rankings. Illinois, Minnesota, and Missouri have slipped in average teacher salary rankings while Kansas, Nebraska, North Dakota, South Dakota and Wisconsin have maintained their current positions. Iowa is the only Midwest State from 2006 to 2007 that increased in rank.

Table 2—Average Teacher Salary, Midwest and the Nation 2006 and 2007

NATION AND STATE	SALARY	2006 MIDWEST RANK	NATIONAL RANK	SALARY	2007 MIDWEST RANK	NATIONAL RANK
Nation	\$49,026	-	-	\$50,816	-	-
Illinois	\$58,686	1	4	\$58,246	1	8
Iowa	\$40,877	5	39	\$42,922	5	38
Kansas	\$41,647	4	37	\$43,334	4	37
Minnesota	\$48,489	2	17	\$49,634	2	19
Missouri	\$40,462	6	42	\$41,839	7	44
Nebraska	\$40,382	7	43	\$42,044	6	43
North Dakota	\$37,764	8	50*	\$38,822	8	50*
South Dakota	\$34,709	9	51*	\$35,378	9	51*
Wisconsin	\$46,390	3	21	\$47,901	3	21

*NEA Rankings include District of Columbia, which ranked 4th nationally in teacher salary compensation in 2006-2007

Table 2 shows the average salary for Iowa teachers, principals, and superintendents in 2002, 2006 and 2007. Since the inception of the Teacher Quality Program legislation, teachers have seen an increase of 15.2 percent in salary compensation. However, principals and superintendents have seen increases of 17.3 percent and 21.1 percent, respectively.

Table 3—Iowa’s Average Teacher, Principal, Superintendent Salary 2002, 2006 and 2007

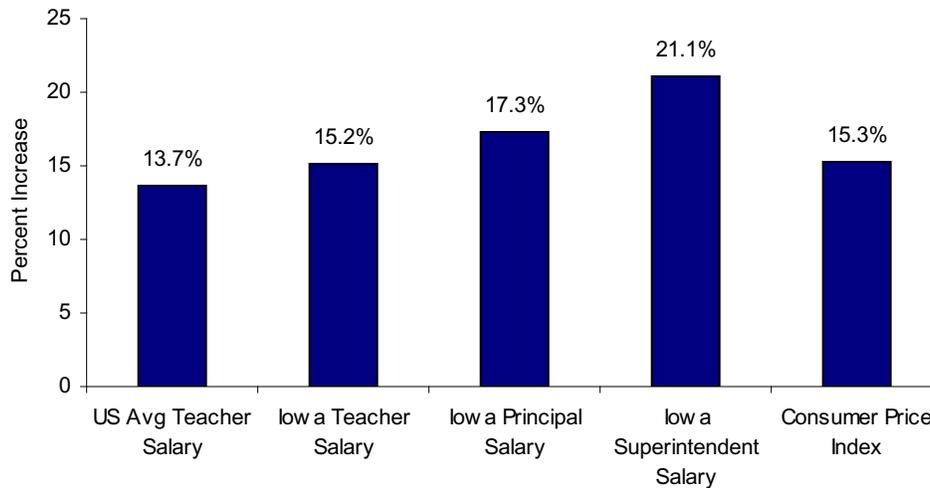
	2002	2006	2007	PERCENT CHANGE 2006 TO 2007	PERCENT CHANGE 2002 TO 2007
Teacher	\$37,243*	\$40,877	\$42,922	4.8%	15.2%
Principal	\$66,351	\$77,813	\$77,813	4.0%	17.3%
Superintendent	\$84,255	\$102,008	\$102,008	3.7%	21.1%

*Reflects Iowa average total salary

The Consumer Price Index (CPI) is the most widely used measure of inflation and is sometimes viewed as an indicator of the effectiveness of government economic policy. It provides information about price changes in the nation’s economy to government, business, labor, and private citizens and is used as a guide to making economic decisions. Figure 1 displays the Consumer Price Index from 2002 to 2007. The figure shows the comparison of the CPI to the United States average teacher salary, the Iowa teacher salary, and the Iowa principal and superintendent salary from 2002 to 2007.

Nationally, teacher salaries have not kept pace with inflation. In the past six years, Iowa teachers have outpaced national teacher salary trends. Iowa teachers have kept close to the increase in the Consumer Price Index but are still 0.1 percentage point less from 2002 to 2007. However, Iowa principals and superintendents have fared better. Principals and superintendents have seen salary increases above the CPI between 2002 and 2007. Principals have received a 2 percentage point increase and superintendents have received a 5.8 percentage increase above the CPI from 2002 to 2007.

Figure 1—Percent Increase 2002 to 2007



Source: Iowa Department of Education.

Conclusion—Since the inception of the Student Achievement and Teacher Quality Program, the allocation has had minimal impact on overall Iowa average teacher salaries when compared to national teacher salaries. On average, Iowa teachers have seen a 2.54 percent increase per year from fiscal year 2002 to 2007. On average, the nation has seen a 2.28 percent increase per year in average salary over this same period.

Currently, Iowa is ranked 38th nationally in teacher salary compensation, the lowest quarter of all states. This indicates that the Student Achievement and Teacher Quality Program has had little impact on average teacher salary when compared to both the Midwest and United States average salary. Further, Iowa teacher salaries have barely kept pace with the Consumer Price Index. On the other hand, Iowa superintendents and principals have fared better than the CPI.

The Student Achievement and Teacher Quality Program allocation is needed in order for Iowa teacher salaries to keep pace with national trends. The increase in allocation from \$75.8 million in fiscal year 2007 to \$248.9 million in fiscal year 2009 will have more of an impact on average Iowa teacher salaries in future years and allow Iowa to move up in national rankings.