
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: GOVERNOR
FROM: RILEY
SUBJECT: IMPACT OF TEACHER PAY PLAN FOR TEACHER WITH 5 YEARS' EXPERIENCE AND 21 YEARS' EXPERIENCE
DATE 5/31/02
CC: FILE

Per your request, I had Ralph McDonald at MDE run the attached scenarios of the impact that the teacher pay plan will have on a teacher with five years' experience and a teacher with twenty-one years' experience at each certification level.

Teacher with five years' experience:

- A teacher with five years' experience and an "A" certificate earned \$25,715 in FY 02 (the first year of the teacher pay plan). This teacher's salary will increase to \$34,320 at full implementation of the teacher pay plan in FY 06, at which point the teacher will have nine years' experience. Such a teacher will experience a total salary increase of \$9,540 over the five years of implementation of the full pay plan.
- A teacher with five years' experience and an "AAAA" certificate earned \$29,590 in FY 02 (the first year of the teacher pay plan). This teacher's salary will increase to \$40,930 at full implementation of the teacher pay plan in FY 06, at which point the teacher will have nine years' experience. Such a teacher will experience a total salary increase of \$12,500 over the five years of implementation of the full pay plan.

Teacher with twenty-one years' experience:

- A teacher with twenty-one years' experience and an "A" certificate earned \$32,675 in FY 02 (the first year of the teacher pay plan). This teacher's salary will increase to \$43,520 at full implementation of the teacher pay plan in FY 06, at which point the teacher will have twenty-five years' experience. Such a teacher will experience a total salary increase of \$11,780 over the five years of implementation of the full pay plan.
- A teacher with twenty-one years' experience and an "AAAA" certificate earned \$40,150 in FY 02 (the first year of the teacher pay plan). This teacher's salary will increase to \$55,250 at full implementation of the teacher pay plan in FY 06, at which point the teacher will have twenty-five years' experience. Such a teacher will experience a total salary increase of \$16,260 over the five years of implementation of the full pay plan.

I've also attached the information that I mentioned to you regarding the impact that the teacher pay plan will have on retirement benefits. Steve Williams of MDE provided this information to me earlier and he has been out of the office this week, so I have not been able to confirm that these draft numbers have been finalized. I will do that when he returns to the office next week.

The bottom line message is that a 48-year old teacher who had 25 years experience and an "AA" license in June of 2002 and was eligible to retire, will see his/her annual retirement benefit increase by \$9,648 if the teacher continues to teach until 2006 when the teacher pay plan is fully implemented.