

8. What is a Salary Guide?

- The salary guide establishes the district's compensation policy for the classification of employees it covers. While it is not the only way in which employees may be compensated (e.g., another method could be salary ranges with minimums and maximums, possibly a mid-point, but no incremental steps), the salary guide approach has become an almost universal method of compensating teachers.
- In New Jersey, as well as throughout the United States, school employee unions (and to a lesser extent, school management) have demonstrated a strong preference for salary guides. Union philosophy contends that the salary guide approach treats employees consistently, fairly, and equitably.
- In addition, from the employee's perspective the standardized guide structure suggests a certain level of predictability of future guide advancement and anticipation of potential future earnings.
- This chart helps to compensate a staff member based on his/her years of service and level of education earned. See below for an example.
- The salary guide is constructed by the NJEA and the CTEA negotiations committee.

Salary Guide Example

SCHEDULE A Teacher's Salaries 2016/17

Year 4 2016/17	Clinton Twp.							
Salary Guide Step	BA	BA+15	BA+30/ MA	BA+45/MA+15 MA IN F	BA+60/MA+30 MA IN F+15	BA+75/MA+45 MA IN F+30	BA+90/MA+60 MA IN F+45	DOCT
A	52,340	53,290	54,840	56,090	58,590	59,840	61,090	61,590
B	53,480	54,430	55,980	57,230	59,730	60,980	62,230	62,730
CD	54,630	55,580	57,130	58,380	60,880	62,130	63,380	63,880
EFG	55,830	56,780	58,330	59,580	62,080	63,330	64,580	65,080
H	56,830	57,780	59,330	60,580	63,080	64,330	65,580	66,080
I	58,175	59,125	60,675	61,925	64,425	65,675	66,925	67,425
J	59,842	60,792	62,342	63,592	66,092	67,342	68,592	69,092
K	62,342	63,292	64,842	66,092	68,592	69,842	71,092	71,592
L	64,927	65,877	67,427	68,677	71,177	72,427	73,677	74,177
M	67,877	68,827	70,377	71,627	74,127	75,377	76,627	77,127
N	70,832	71,782	73,332	74,582	77,082	78,332	79,582	80,082
O	73,832	74,782	76,332	77,582	80,082	81,332	82,582	83,082
P	76,832	77,782	79,332	80,582	83,082	84,332	85,582	86,082
Q	80,032	80,982	82,532	83,782	86,282	87,532	88,782	89,282
R	82,632	83,582	85,132	86,382	88,882	90,132	91,382	91,882

The red oval indicates that the teacher that is in Step A and the BA column has a Bachelor of Arts degree only, with no other degrees or credits and in their first year with the District. This teacher will make \$52,340 in 2016-17.

The blue oval indicates that the teacher is in Step I, has a Bachelor of Arts degree only, with more than 75 credits and/or a Masters Degree with more than 45 credits, and in their sixth year in the District. This teacher will make \$65,675 in 2016-17.

- Definition of Increment Cost

- An increment cost is the total amount of money that is required to permit each member in the CTEA to receive a salary step increase from the year's prior salary. (or years' prior salaries.)
 - For example: the increment value for one teacher in the CTEA between BA step 1 (\$45,800) and BA step 2 (\$46,100) is \$300. The increment cost for that one teacher is \$300.
 - The current increment cost, the total amount of money require, to give teachers in the CTEA a raise would be an increase of approximately 2.7% for one year, equaling \$326,251.
 - The members of the CTEA's current total cost of salary and benefits are \$12,945,918. If you add the cost of an increment, then the total salary would equal \$13,272,669.
- **Current Salary Guide Challenges for The CTEA**
- The biggest challenge is an increment cost of approximately 2.7%. This is considered to be very high.
 - The problem with an increment cost this high is that any settlement less than 2.7% means that in all likelihood, each teacher will not advance on the salary guide – no increase in salary.

Cause and Effect of a High Increment cost for the Members of the CTEA

- Over the years, the CTEA has developed salary guides that do not lower the high cost of increment.
 - This is a problem because an unresolved high increment cost is then passed on to the next round of negotiations, which is where the CTEA and the Board find themselves now.
 - Negotiating a salary guide containing a 2.7% increment cost places a great strain on both the CTEA and Board.
- **How to Correct the Salary Guide and the Cost to do so to the District**
- Lowering increment costs can be accomplished by changing the entire structure of the salary guide
 1. Establishing salary ranges rather than salary steps. Not many districts in New Jersey take this approach
 - Another approach, is to lower the amount of money between steps on the guide. This can be done by increasing salary steps, or adding more money to existing steps.
 - With an existing 2.7% increment cost, the Board would be required to add hundreds of thousands of dollars to lower such a high cost.