



Teacher Salaries and Benefits 2003–08

By Stephanie Rose
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Overview

The National Center for Education Statistics (NCES) released its annual report on public education revenues and expenditures for fiscal 2008.¹ Included in the NCES report are salary and benefit statistics for the 50 states and the District of Columbia. Comparing 2008 statistics to 2007 and 2003 NCES figures, it is apparent that benefits have risen relative to salaries nationwide and have become an increasingly large portion of teacher compensation in many states. Growth in benefit expenditure far outpaced growth in salary expenditure from 2003 to 2008, reflecting rising healthcare and pension costs for teachers. Additionally, some states increased teacher benefits in order to recruit and retain high-quality teachers.

While the calculation of benefits as a percentage of salaries produces an interesting statistic, it is important to note that a high-benefit percentage does not necessarily equate to higher teacher compensation or a more generous benefit package. Increasing teacher salaries while holding benefits constant will lower the ratio of benefits to salaries. As such, it is imperative to consider that salary and benefit decisions are unique to each state's education system when comparing data across states. Additionally, one-time appropriations for retirement funds or other benefit components can affect state benefit expenditures. In Alaska, a one-time appropriation of \$267 million to retirement systems in 2008 increased benefits by 57% over 2007.

For more information on public education revenues and expenditures please see NCES' *Revenues and Expenditures for Public Elementary and Secondary Education: School Year 2007–08 (Fiscal Year 2008)*: <http://nces.ed.gov/pubs2010/2010326.pdf>

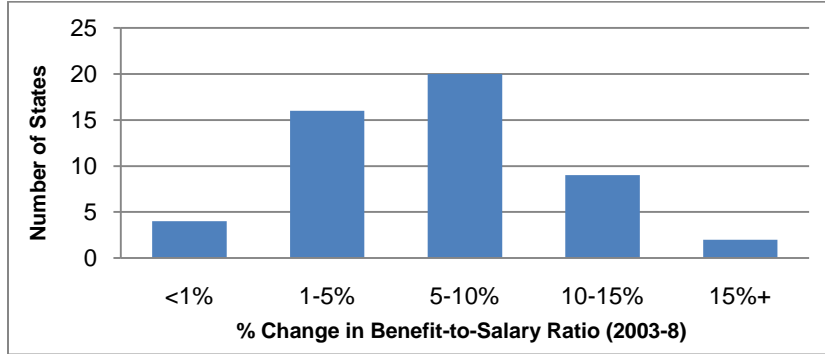
Findings from the NCES Data

- The ratio of benefits to salaries for the United States has increased over the last five years from 27% in 2003 to 33% in 2008.
- Total U.S. employee benefits increased by \$28 million (61%) between 2003 and 2008, and from \$46 million to \$74 million.
- 47 states increased benefits relative to salaries. The average increase in benefits relative to salaries from 2003 to 2008 is 6%.
- Three states and the District of Columbia decreased benefits relative to salaries from 2003 to 2008.
- Indiana and the District of Columbia decreased the dollar amount of benefits to teachers between 2003 and 2008.
- The average increase in salary expenditure across the 50 states and the District of Columbia was 32% from 2003 to 2008.
- The average increase in benefit expenditure across the 50 states and the District of Columbia was 61% from 2003 to 2008.

Summary Charts

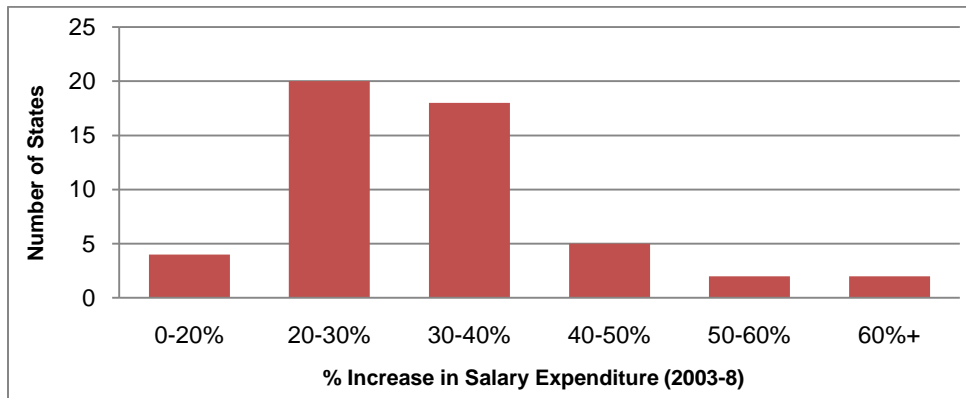
What is the most common increase in benefits relative to salaries from 2003–08?

The majority of states (36) realized an increase of 1-10% in the benefit-to-salary ratio. The average increase in benefits relative to salaries was 6%.



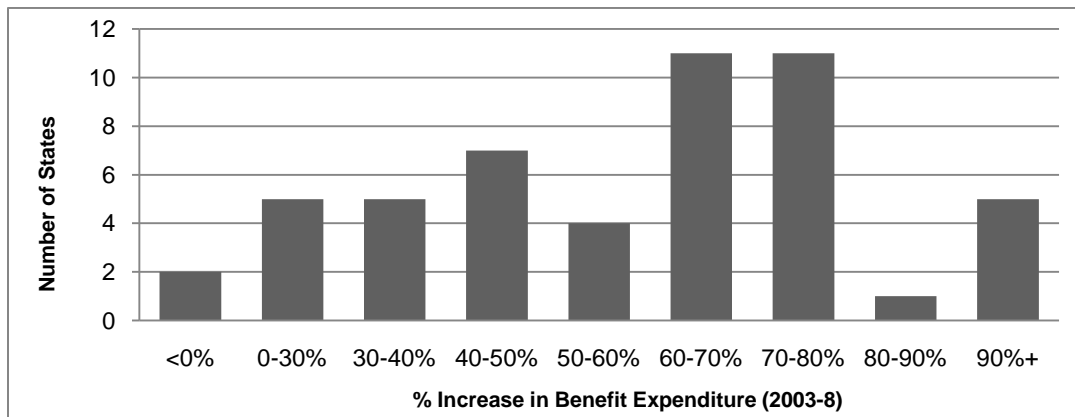
How much did salary expenditure increase from 2003–08?

The majority of states (38) realized an increase of 20-40% in teacher salaries paid. The average increase in salary expenditure was 32%.



How much did benefit expenditure increase from 2003–08?

The majority of states (33) realized an increase of 40-80% in teacher benefits paid. The average increase in benefit expenditure was 61%.



State Summary Table

State/Region	2008			2007		2003	
	Salaries	Benefits	Benefits / Salaries	Benefits / Salaries	1-Year Change	Benefits / Salaries	5-Year Change
U.S. Total	\$221,892,162	\$73,972,233	33.3%	32.5%	0.9%	27.2%	6.1%
Alabama	2,746,581	1,084,650	39.5	37.1	2.4	26.8	12.7
Alaska	623,045	441,636	70.9	46.4	24.5	27.6	43.3
Arizona	3,546,146	836,664	23.6	21.0	2.6	26.8	(3.2)
Arkansas	1,872,871	486,665	26.0	25.7	0.3	21.9	4.1
California	26,823,297	8,657,786	32.3	30.6	1.7	27.2	5.0
Colorado	3,052,387	1,007,222	33.0	23.9	9.1	18.8	14.2
Connecticut	3,488,187	1,318,145	37.8	35.4	2.4	26.7	11.1
Delaware	590,445	263,219	44.6	44.4	0.2	33.9	10.7
District of Columbia	460,258	68,319	14.8	12.0	2.9	31.1	(16.3)
Florida	10,233,984	3,001,136	29.3	29.0	0.3	25.2	4.2
Georgia	7,385,703	2,564,523	34.7	33.0	1.8	28.7	6.0
Hawaii	872,265	302,944	34.7	35.7	(0.9)	27.8	6.9
Idaho	835,069	268,988	32.2	31.6	0.6	29.8	2.5
Illinois	9,359,692	2,994,528	32.0	28.0	4.0	25.7	6.3
Indiana	4,464,238	1,113,195	24.9	50.3	(25.4)	44.2	(19.3)
Iowa	2,076,073	625,883	30.1	30.1	0.1	28.1	2.1
Kansas	2,172,806	529,874	24.4	23.4	1.0	20.5	3.9
Kentucky	2,689,264	816,603	30.4	30.4	(0.0)	24.6	5.8
Louisiana	2,953,099	996,561	33.7	34.3	(0.6)	28.1	5.6
Maine	979,269	399,166	40.8	41.5	(0.7)	38.1	2.7
Maryland	4,932,452	1,804,298	36.6	35.1	1.4	30.9	5.6
Massachusetts	5,718,880	2,570,772	45.0	43.4	1.5	31.6	13.3
Michigan	6,440,156	2,949,947	45.8	46.6	(0.8)	37.7	8.1
Minnesota	3,991,567	1,237,216	31.0	30.1	0.9	26.8	4.2
Mississippi	1,706,233	516,990	30.3	29.7	0.6	25.8	4.5
Missouri	3,841,388	979,806	25.5	24.7	0.9	21.7	3.8
Montana	584,938	164,520	28.1	28.4	(0.2)	27.4	0.7
Nebraska	1,374,792	449,345	32.7	32.5	0.2	26.3	6.4
Nevada	1,470,620	524,508	35.7	34.2	1.5	30.5	5.2
New Hampshire	1,003,385	387,249	38.6	36.1	2.5	28.7	9.9
New Jersey	9,161,452	4,486,869	49.0	41.1	7.9	29.7	19.2
New Mexico	1,275,660	382,709	30.0	28.7	1.3	26.3	3.7
New York	21,609,774	8,827,346	40.8	39.6	1.3	29.3	11.6

State/Region	2008			2007		2003	
	Salaries	Benefits	Benefits / Salaries	Benefits / Salaries	1-Year Change	Benefits / Salaries	5-Year Change
U.S. Total	\$221,892,162	\$73,972,233	33.3%	32.5%	0.8%	26.3%	7.1%
North Carolina	5,635,958	1,358,420	24.1	23.1	1.0	18.7	5.4
North Dakota	385,570	109,485	28.4	28.0	0.4	29.0	(0.7)
Ohio	7,834,999	2,643,415	33.7	33.6	0.1	29.4	4.3
Oklahoma	2,137,313	581,273	27.2	26.3	0.9	25.2	2.0
Oregon	2,015,106	944,928	46.9	45.6	1.2	41.2	5.7
Pennsylvania	8,805,742	3,214,910	36.5	35.7	0.8	25.9	10.6
Rhode Island	886,048	378,867	42.8	39.8	3.0	31.7	11.1
South Carolina	2,883,624	837,374	29.0	27.8	1.2	27.5	1.5
South Dakota	430,564	119,853	27.8	27.8	0.1	25.9	2.0
Tennessee	3,555,494	993,899	28.0	27.5	0.5	22.5	5.5
Texas	19,322,448	2,976,443	15.4	15.9	(0.5)	15.2	0.2
Utah	1,496,947	618,499	41.3	41.5	(0.1)	35.4	6.0
Vermont	560,460	201,834	36.0	36.4	(0.4)	29.1	6.9
Virginia	6,062,348	2,149,922	35.5	33.8	1.6	25.3	10.2
Washington	4,102,633	1,239,216	30.2	30.0	0.3	21.6	8.6
West Virginia	1,112,741	533,444	47.9	49.8	(1.9)	43.9	4.0
Wisconsin	3,807,138	1,829,710	48.1	48.8	(0.7)	42.3	5.7
Wyoming	521,054	181,458	34.8	35.4	(0.6)	31.9	2.9
Other Jurisdictions	\$1,921,190	\$312,350	16.3%	15.7%	0.5%	15.5%	0.8%
American Samoa	20,861	3,255	15.6	17.9	(2.3)	19.3	(3.7)
Puerto Rico	1,814,028	279,664	15.4	15.2	0.2	15.0	0.4
U.S. Virgin Islands	86,300	29,432	34.1	26.7	7.4	25.2	8.9

Source: National Center for Education Statistics, *Revenues and Expenditures for Public Elementary and Secondary Education*. http://nces.ed.gov/ccd/pub_rev_exp.asp.

Note: Figures include salaries and benefits for teachers, teaching assistants, librarians and library aides. Some values were adjusted by NCES to account for missing data items.

Note: U.S. Total includes the 50 states and the District of Columbia.

a) Includes 2008 appropriations for the teachers' retirement system and the public employee retirement system.

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ⁱ Lei Zhou, *Revenues and Expenditures for Public Elementary and Secondary Education: School Year 2007–08* (Fiscal Year 2008), National Center for Education Statistics, May 19, 2010.