

INTRODUCTION

Aledo ISD (AISD) engaged the HR Services Division of the Texas Association of School Boards (TASB) to conduct an employee compensation study. The HR Services Division has been providing compensation consulting and support service to Texas schools for over 30 years. This report presents a summary of the findings and recommendations from this project. The report includes a description of the study process, an explanation of the definitions and general purpose and methodology of pay systems, and a summary of findings and recommendations resulting from this study with supporting data.

Purpose

This study was conducted to objectively examine pay equity for employees and to determine if pay practices were internally fair and externally competitive. The primary goals for the project included the following:

- provide an objective assessment of pay based on job value;
- develop an affordable salary plan to correct existing pay inequities; and
- develop pay system controls for the future.

The employee groups included in this pay study are:

- Teachers, Librarians, and Nurses
- Administrative/Professional
- Clerical/Paraprofessional
- Auxiliary

Data Sources

Data sources for this project were obtained from:

- District payroll
- Peer districts
- Other salary surveys
- TASB Spring 2013 Survey of Districts

Market Comparisons

The following districts were used as the comparison districts to assess the competitive job market. Comparison districts were selected on the basis of enrollment and location. School district data was obtained from the most recent surveys conducted by TASB HR Services and reflect salaries and wages paid during the 2012–13 school year.

EXHIBIT 1 – COMPARISON DISTRICTS

DISTRICT	ENROLLMENT
Azle ISD	5,974
Burleson ISD	10,578
Carroll ISD	7,710
Castleberry ISD	3,813
Crowley ISD	15,059
Eagle Mountain-Saginaw ISD	17,511
Fort Worth ISD	83,772
Granbury ISD	6,511
Joshua ISD	5,342
Kennedale ISD	3,145
Northwest ISD	17,789
Springtown ISD	3,459
Weatherford ISD	7,643
White Settlement ISD	6,529

Other survey sources used:

- Economic Research Institute, 2012
- Kenexa, CompAnalyst
- Mercer 2012 Benchmark Survey
- Texas Workforce Commission. <http://www.texaswages.com>.

Pay plan information was also collected from the following public sector employers:

- City of Dallas
- City of Fort Worth
- Dallas County
- Dallas County Community College
- University of Texas at Arlington
- University of Texas at Dallas
- Collin County Community College
- Tarrant County Community College
- Tarrant County

Purpose and Objectives of Pay Systems

All organizations have common management needs and employee expectations that must be translated into pay practices. An effective pay system should address both the needs of the organization and the expectations of its employees.

Management needs to:

- recruit and hire qualified employees,
- prevent the loss of good employees, and
- control spending by paying the proper amount for job value.

Employees expect to receive:

- fair pay for their job responsibilities,
- fair pay compared to what other employers pay for the same work, and
- annual pay increases for continued service.

Basic Pay System Elements

Job Families: A job family includes jobs that share common characteristics and are grouped into a common pay structure. These characteristics include the type of work performed, the competitive job market, potential career paths for employees, and state and federal laws regulating wages and salaries. Separate pay range structures are typically built for each job family.

Pay Grades: Compensable job factors such as skill, effort, and responsibility serve as the basis for assigning jobs to different pay levels to achieve internal pay equity among employees. The greater the degree of skill, effort, and responsibility required by a job, the higher the level of pay. The process of evaluating compensable factors and assigning jobs to different levels of pay is called job evaluation and classification. A job title alone is not adequate to determine proper pay classification for a position; nor is the reliance on the personal characteristics or qualifications of incumbent employees in the position. The actual content of the job itself must be analyzed to assign jobs to proper pay levels for internal equity. Jobs that have similar value and are grouped into the same range of pay are assigned or classified to pay grades.

Job Pricing: While objective job evaluation and classification contributes to internal pay equity, job pricing contributes to external pay equity. Job pricing uses data collected from salary and wage surveys of other employers to determine the external market value of benchmark jobs. This data is used to set pay ranges that are competitive with the external job market. Because jobs have been analyzed and classified into groups of similar value, job pricing does not require a survey match for each unique job.

Job Market: Job markets may be different for different employee groups. By definition, a job market represents the employers that a district typically competes with to attract and retain employees. Professional employees may be recruited from a larger geographic area than paraprofessional or auxiliary employees. School districts may be the only competitors for instructional positions while other types of businesses may be competitors for business or technology jobs. For this reason, different job markets and survey sources may be used to accurately assess the district's true competitive job market.

Pay Structure: The pay structure itself is the key management tool that provides control over the district's competitive position in the marketplace and internal pay equity among all employees. Designing the pay structure involves setting the proper control points (midpoint, minimum, and maximum rates of pay) for each pay grade and ensuring that appropriate pay differentials between pay grade levels are established.

Issues that must be weighed and balanced in the design of pay structures include:

- positioning the district competitively,
- impact on current pay practices,
- adequate pay differentials for higher levels of job responsibility,
- internal consistency and rationality, and
- controlled variance within each pay range.

Pay System Implementation and System Administration

Not all current employees are paid within the recommended pay ranges. If employees are paid below the minimum rate of their pay range, additional adjustments have been provided to increase their pay to at least the minimum rate of pay. If employees are paid above the maximum of the pay range, they are left outside the range. No employee's pay will be reduced in this event as long as their current assignment does not change.

Employees advance in pay through pay adjustments tied to budget planning that are determined on an annual basis. These management decisions are based on current economic conditions, including projected district revenues, the cost of living, and market competition.

The midpoint of the range is recommended as the base for calculating employee increases. This ensures a more equitable distribution of the dollars available for pay increases and moves employees up to the range midpoint more quickly. Using the range midpoints instead of current salaries will deliver equal dollars to employees at the same job level and helps the District to control the rate of advancement through the pay range.

Long-Term Salary Administration

For any pay plan to meet its intended goals on a long-term basis, it must be updated regularly and administered properly. Salary administration involves four primary activities requiring administrative decisions:

- adjusting pay ranges for job market changes and general economic inflation,
- budgeting for annual salary increases for employees,
- placing new employees in the system, and
- calculating special increases for promotions or other job changes.

TASB RECOMMENDATIONS

Following are a priority listing of recommendations for the Aledo ISD compensation plan. They address the most significant issues in the District's current compensation plan, reflect current budget circumstances, and will enhance efforts in recruitment and retention of staff.

Recommendation 1:

Increase the teacher pay schedule starting salary to at least \$45,000. Provide a general pay increase to continuing teachers paid below the maximum.

Recommendation 2:

Implement the recommended pay plan structures with ranges that have defined minimums and maximums.

Recommendation 3:

Provide a general pay increase to employees whose pay is below the maximum of their pay range to reward and retain the District's quality staff.

Recommendation 4:

Provide equity adjustments to some administrators, clerical, paraprofessional, and auxiliary employees in order to improve their pay relationship to market.

Recommendation 5:

Implement the proposed adjusted stipend schedule.

PAY SYSTEM MANAGEMENT

The recommendations provided will help ensure a market-competitive and equitable system for Aledo ISD. However, pay systems are dynamic and are impacted by numerous factors. To maintain a competitive and equitable system, the District must work to manage its pay system. Following are recommendations to aid the District in this endeavor:

Adjust Ranges: Regularly adjust salary ranges in response to market changes. This will help the District maintain competitive salary levels over time.

Provide Pay Increases: Provide pay increases based on a percentage of the range midpoint rather than a percentage of individual salaries. This will accelerate advancement to the range midpoint for the lowest paid employees.

Pay At Least Minimum: Ensure that all employees are paid at least the minimum rate of pay.

Pay Within Ranges: Do not advance pay beyond the maximum of the range. Adherence to range limits helps to maintain pay equity between employees and control salary costs.

Follow Procedures: Document and follow consistent administrative procedures that address employee pay actions such as job classifications, promotions, reassignments, and new hire salary placement. Review procedures annually to ensure these are meeting district needs, are consistently applied, and support the District's strategic goals.

ESTIMATED COST OF RECOMMENDATIONS

3.0% GPI	Total Staff	Staff Affected	Cost Increase	Percent of Current Budget	2012-13 Current Budget
<u>General Pay Increase *</u>					
Teachers, Librarians & Nurses (RNs) \$1,675 pay increase	297	297	\$490,897	3.5%	\$14,180,362
Administrative/Professional 3.0% of pay range midpoint increase	55	54	\$107,552	3.0%	\$3,565,029
Clerical/Paraprofessional 3.0% of pay range midpoint increase	75	66	\$49,863	2.9%	\$1,703,338
Auxiliary 3.0% of pay range midpoint increase	69	62	\$34,984	2.8%	\$1,228,261
Subtotal - General Pay Increase	496	479	\$683,296	3.3%	\$20,676,990
<u>Implementation/Equity Adjustments</u>					
Teachers, Librarians, & Nurses (RNs) ¹ Schedule adjustments in years 1 through 15		165	\$174,114		
Administrative/Professional ⁵ Adjustments to 0.5% above pay range minimum Market equity adjustments		3 3	\$2,931 \$6,887		
Clerical/Paraprofessional ⁵ Adjustments to 0.5% above pay range minimum Additional equity adjustments		35 21	\$51,874 \$17,229		
Auxiliary ⁵ Adjustments to 0.5% above pay range minimum Additional equity adjustments		20 12	\$4,425 \$7,238		
Subtotal - Implementation/Equity Adjustments		259	\$264,698		
<u>Other Adjustments</u>					
Stipends		50	\$84,618		
Subtotal - Other Adjustments		50	\$84,618		
Total Cost Estimate			\$1,032,612	5.0%	\$20,676,990

* Employees paid above range maximum received a 1.5% general pay increase, and employees paid near range maximum received a reduced general pay increase.

Footnotes:

- ¹ Additional adjustments were made to the teacher schedule to improve market competitiveness.
- ⁵ All continuing employees were adjusted to at least the minimum of their pay range.

Aledo ISD

Teacher Salary Schedule Development

Aledo ISD										
Teacher Salary Schedule Development										
				3.00%				2013-2014		
2012-2013		2012-2013		General				Proposed		2013-2014
Completed		New Hire		Pay			Additional		New Hire	
Years Exp	→	Salary	+	Increase	+	Adjustment	=	Salary	→	Years Exp
								\$ 46,000	→	0
0	→	\$ 42,500	+	\$ 1,675	+	\$ 2,025	=	\$ 46,200	→	1
1	→	\$ 42,500	+	\$ 1,675	+	\$ 2,225	=	\$ 46,400	→	2
2	→	\$ 43,300	+	\$ 1,675	+	\$ 1,625	=	\$ 46,600	→	3
3	→	\$ 43,625	+	\$ 1,675	+	\$ 1,500	=	\$ 46,800	→	4
4	→	\$ 43,950	+	\$ 1,675	+	\$ 1,375	=	\$ 47,000	→	5
5	→	\$ 44,275	+	\$ 1,675	+	\$ 1,250	=	\$ 47,200	→	6
6	→	\$ 44,600	+	\$ 1,675	+	\$ 1,125	=	\$ 47,400	→	7
7	→	\$ 44,925	+	\$ 1,675	+	\$ 1,000	=	\$ 47,600	→	8
8	→	\$ 45,125	+	\$ 1,675	+	\$ 1,000	=	\$ 47,800	→	9
9	→	\$ 45,325	+	\$ 1,675	+	\$ 1,000	=	\$ 48,000	→	10
10	→	\$ 45,525	+	\$ 1,675	+	\$ 1,000	=	\$ 48,200	→	11
11	→	\$ 45,725	+	\$ 1,675	+	\$ 1,000	=	\$ 48,400	→	12
12	→	\$ 45,925	+	\$ 1,675	+	\$ 1,000	=	\$ 48,600	→	13
13	→	\$ 46,573	+	\$ 1,675	+	\$ 552	=	\$ 48,800	→	14
14	→	\$ 47,221	+	\$ 1,675	+	\$ 104	=	\$ 49,000	→	15
15	→	\$ 47,869	+	\$ 1,675	+	-	=	\$ 49,544	→	16
16	→	\$ 48,517	+	\$ 1,675	+	-	=	\$ 50,192	→	17

**Aledo Independent School District
Proposed Hiring Schedule for Teachers, Librarians, and Nurses (RNs)
2013-2014**

Completed Years Experience	New Hire Salary
0	\$46,000
1	\$46,200
2	\$46,400
3	\$46,600
4	\$46,800
5	\$47,000
6	\$47,200
7	\$47,400
8	\$47,600
9	\$47,800
10	\$48,000
11	\$48,200
12	\$48,400
13	\$48,600
14	\$48,800
15	\$49,000
16	\$49,544
17	\$50,192
18	\$50,840
19	\$51,630
20+	\$52,423

Salaries listed above are based on 10-month employment.
This salary plan is for the 2013-2014 school year only.
It does not represent salaries for future years.

**Aledo Independent School District
Proposed Administrative/Professional Pay Structure
2013-2014**

Pay Grade 1

Months/Monthly	<u>Minimum</u> \$4,100	<u>Midpoint</u> \$5,000	<u>Maximum</u> \$5,900
10	\$41,000	\$50,000	\$59,000
11	\$45,100	\$55,000	\$64,900
11.5	\$47,150	\$57,500	\$67,850
12	\$49,200	\$60,000	\$70,800
Business Manager Distance Learning Coordinator		In-Home Parent Trainer Police Chief	

Pay Grade 2

Months/Monthly	<u>Minimum</u> \$4,715	<u>Midpoint</u> \$5,750	<u>Maximum</u> \$6,785
10	\$47,150	\$57,500	\$67,850
11	\$51,865	\$63,250	\$74,635
11.5	\$54,223	\$66,125	\$78,028
12	\$56,580	\$69,000	\$81,420
Assistant Principal, Elementary Counselor Diagnostician		Director, Child Nutrition Occupational Therapist Speech Therapist	

Pay Grade 3

Months/Monthly	<u>Minimum</u> \$5,092	<u>Midpoint</u> \$6,210	<u>Maximum</u> \$7,328
11	\$56,012	\$68,310	\$80,608
11.5	\$58,558	\$71,415	\$84,272
12	\$61,104	\$74,520	\$87,936
Assistant Principal, Middle School		Band Director	

Pay Grade 4

Months/Monthly	<u>Minimum</u> \$5,500	<u>Midpoint</u> \$6,707	<u>Maximum</u> \$7,914
11	\$60,500	\$73,777	\$87,054
11.5	\$63,250	\$77,131	\$91,011
12	\$66,000	\$80,484	\$94,968
Assistant Principal, High School Principal, Alternative School		Principal, Elementary Principal, Intermediate	

**Aledo Independent School District
Proposed Administrative/Professional Pay Structure
2013-2014**

Pay Grade 5

Months/Monthly	<u>Minimum</u> \$5,940	<u>Midpoint</u> \$7,243	<u>Maximum</u> \$8,547
11	\$65,340	\$79,673	\$94,017
11.5	\$68,310	\$83,295	\$98,291
12	\$71,280	\$86,916	\$102,564
Director, Maintenance Principal, Ninth Grade Campus		Principal, Middle School	

Pay Grade 6

Months/Monthly	<u>Minimum</u> \$6,571	<u>Midpoint</u> \$7,823	<u>Maximum</u> \$9,074
11	\$72,281	\$86,053	\$99,814
11.5	\$75,567	\$89,965	\$104,351
12	\$78,852	\$93,876	\$108,888
Director, Athletics		Director, Special Programs	

Pay Grade 7

Months/Monthly	<u>Minimum</u> \$7,097	<u>Midpoint</u> \$8,449	<u>Maximum</u> \$9,800
11	\$78,067	\$92,939	\$107,800
11.5	\$81,616	\$97,164	\$112,700
12	\$85,164	\$101,388	\$117,600
Chief Financial Officer Deputy Superintendent Executive Director, Curriculum		Executive Director, Professional Development/Accountability Principal, High School	

**Aledo Independent School District
Proposed Clerical/Paraprofessional Pay Structure
2013-2014**

Pay Grade 1

Hourly	<u>Minimum</u> \$9.84	<u>Midpoint</u> \$12.00	<u>Maximum</u> \$14.16
Aide, Office Aide, PE		Aide, Special Education Aide, Teacher	

Pay Grade 2

Hourly	<u>Minimum</u> \$10.82	<u>Midpoint</u> \$13.20	<u>Maximum</u> \$15.58
Aide, ISS Aide, Library Aide, Special Education , Special Needs Choral Accompanist		Facilities Clerk Receptionist, High School Receptionist, Middle School	

Pay Grade 3

Hourly	<u>Minimum</u> \$12.45	<u>Midpoint</u> \$15.18	<u>Maximum</u> \$17.91
Attendance Clerk, HS Receptionist, Central Office Registrar/PEIMS Clerk, Ninth Grade Campus		Registrar/PEIMS Clerk, Elementary School Registrar/PEIMS Clerk, Intermediate School Registrar/PEIMS Clerk, Middle School	

Pay Grade 4

Hourly	<u>Minimum</u> \$13.94	<u>Midpoint</u> \$17.00	<u>Maximum</u> \$20.06
Registrar/PEIMS Clerk, High School Secretary, Ninth Grade Principal Secretary, Alternative School Principal		Secretary, Elementary School Principal Secretary, Intermediate School Principal Secretary, Middle School Principal	

Pay Grade 5

Hourly	<u>Minimum</u> \$15.61	<u>Midpoint</u> \$19.04	<u>Maximum</u> \$22.47
LVN Accounts Payable Clerk Secretary, Child Nutrition Secretary, High School Principal		Secretary, Maintenance Secretary, Security/Technology Secretary, Special Education	

**Aledo Independent School District
Proposed Clerical/Paraprofessional Pay Structure
2013-2014**

Pay Grade 6

Hourly	<u>Minimum</u> \$19.42	<u>Midpoint</u> \$22.85	<u>Maximum</u> \$26.28
Certification Specialist Secretary, Business Office		Secretary, Executive Director Communications Specialist	

Pay Grade 7

Hourly	<u>Minimum</u> \$23.31	<u>Midpoint</u> \$27.42	<u>Maximum</u> \$31.53
Coordinator, Payroll & Benefits		Coordinator, District PEIMS	

Pay Grade 8

Hourly	<u>Minimum</u> \$25.64	<u>Midpoint</u> \$30.16	<u>Maximum</u> \$34.68
Secretary, Superintendent			

**Aledo Independent School District
Proposed Auxiliary Pay Structure
2013-2014**

Pay Grade 1

Hourly	<u>Minimum</u> \$8.82	<u>Midpoint</u> \$10.75	<u>Maximum</u> \$12.69
Cafeteria Worker			

Pay Grade 2

Hourly	<u>Minimum</u> \$11.46	<u>Midpoint</u> \$13.98	<u>Maximum</u> \$16.50
Warehouse Clerk, Shipping & Receiving Locksmith/IPM/Plumber Apprentice		Cafeteria Manager, Elementary School Cafeteria Manager, Intermediate School	

Pay Grade 3

Hourly	<u>Minimum</u> \$13.76	<u>Midpoint</u> \$16.78	<u>Maximum</u> \$19.80
General Maintenance Worker Cafeteria Manager, Middle School Cafeteria Manager, Ninth Grade Campus		Cafeteria Manager, High School Electrician/Plumber, Apprentice	

Pay Grade 4

Hourly	<u>Minimum</u> \$15.69	<u>Midpoint</u> \$19.13	<u>Maximum</u> \$22.57
Carpenter			

Pay Grade 5

Hourly	<u>Minimum</u> \$18.04	<u>Midpoint</u> \$22.00	<u>Maximum</u> \$25.96
Plumber, Journeyman Plumber, Master Police Officer		HVAC Technician Electrician, Journeyman	

Pay Grade 6

Hourly	<u>Minimum</u> \$19.84	<u>Midpoint</u> \$24.20	<u>Maximum</u> \$28.56
General Foreman			

Hourly	\$8.00
Lunch Room Monitor	

**Aledo Independent School District
Proposed Extra Duty Stipends
2013-2014**

Athletics:	
Sport/Assignment	Amount
Baseball, Assistant	\$5,000
Baseball, Head	\$7,500
Basketball, Assistant	\$5,000
Basketball, Head	\$8,500
Basketball, Middle School	\$3,000
Coordinator, Athletics	\$2,000
Coordinator, Middle School	\$2,000
Cross Country, Assistant	\$3,500
Cross Country, Head	\$5,000
Cross Country, Middle School	\$3,000
Football, Assistant	\$6,500
Football, Coordinator	\$8,500
Football, Middle School	\$5,500
Golf, Assistant	\$3,000
Golf, Head	\$7,000
Intramurals, Middle School	\$500
Powerlifting, Assistant	\$3,500
Powerlifting, Head	\$5,000
Soccer, Assistant	\$4,000
Soccer, Head	\$7,500
Softball, Assistant	\$5,000
Softball, Head	\$7,500
Swimming, Head	\$7,500
Tennis, Head	\$8,500
Track, Assistant	\$3,500
Track, Head	\$6,500
Track, Middle School	\$3,000
Volleyball, Assistant	\$5,000
Volleyball, Head	\$8,000
Volleyball, Middle School	\$3,000

**Aledo Independent School District
Proposed Extra Duty Stipends
2013-2014**

Academics:	
Activity/Assignment	Amount
Academic Decathlon	\$2,000
Department Chair, High School	\$1,200
Department Chair, Middle School	\$1,000
Department Chair, Ninth Grade Campus	\$1,000
Future Business Leaders	\$500
Gifted & Talented Specialist, Middle School	\$500
Head Nurse	\$2,000
Lead Counselor, High School	\$1,000
Lead Teacher	\$300
National Honor Society	\$1,000
National Junior Honor Society	\$500
Newspaper, High School	\$1,300
Spelling Bee, Middle School	\$300
Student Council, High School	\$1,300
Student Council, Middle School	\$750
Student Council, Ninth Grade Campus	\$500
UIL Coordinator, Middle School	\$300
Web	\$500
Whiz Quiz	\$250
Yearbook, Elementary School	\$1,000
Yearbook, High School	\$2,000
Yearbook, Intermediate School	\$1,000
Yearbook, Middle School	\$1,850

Performing Arts:	
Activity/Assignment	Amount
Band, High School Assistant	\$8,000
Band, Middle School	\$7,000
Cheerleader, High School	\$5,000
Cheerleader, High School Assistant	\$2,500
Cheerleader, Middle School	\$2,000
Cheerleader, Ninth Grade Campus	\$3,500
Choir, High School	\$5,000
One Act Play/Musical	\$4,000
Theater Arts, Assistant	\$2,000