



South Dakota Blue Ribbon Task Force on School Funding

Pierre, South Dakota
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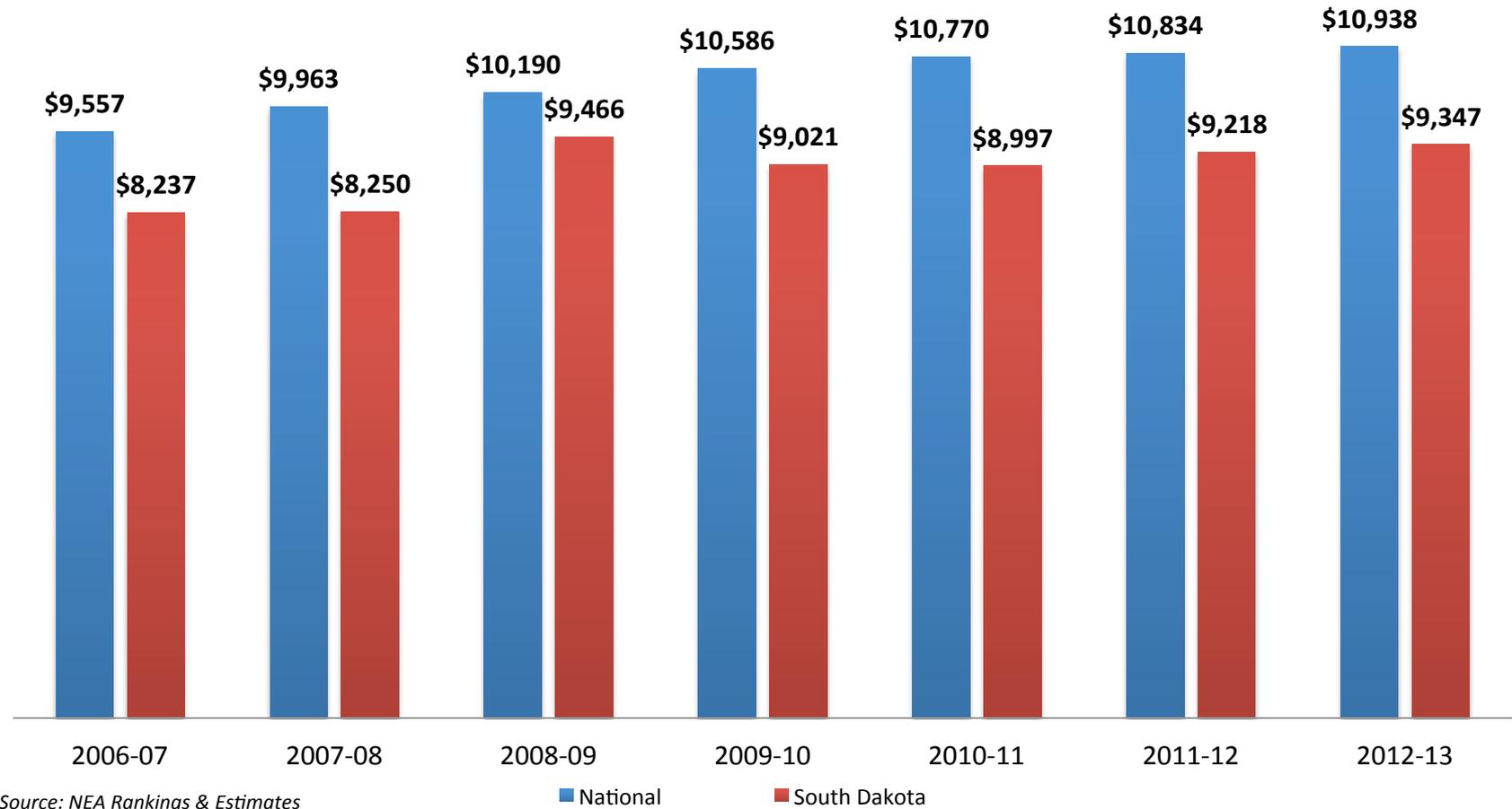
Education Commission of the States

- Created by states, for states, in 1965 to track state policy trends, translate academic research, provide unbiased advice and create opportunities for state leaders to learn from one another.
- 53 member states, territories and the District of Columbia
- Contact: www.ecs.org (303) 299.3600

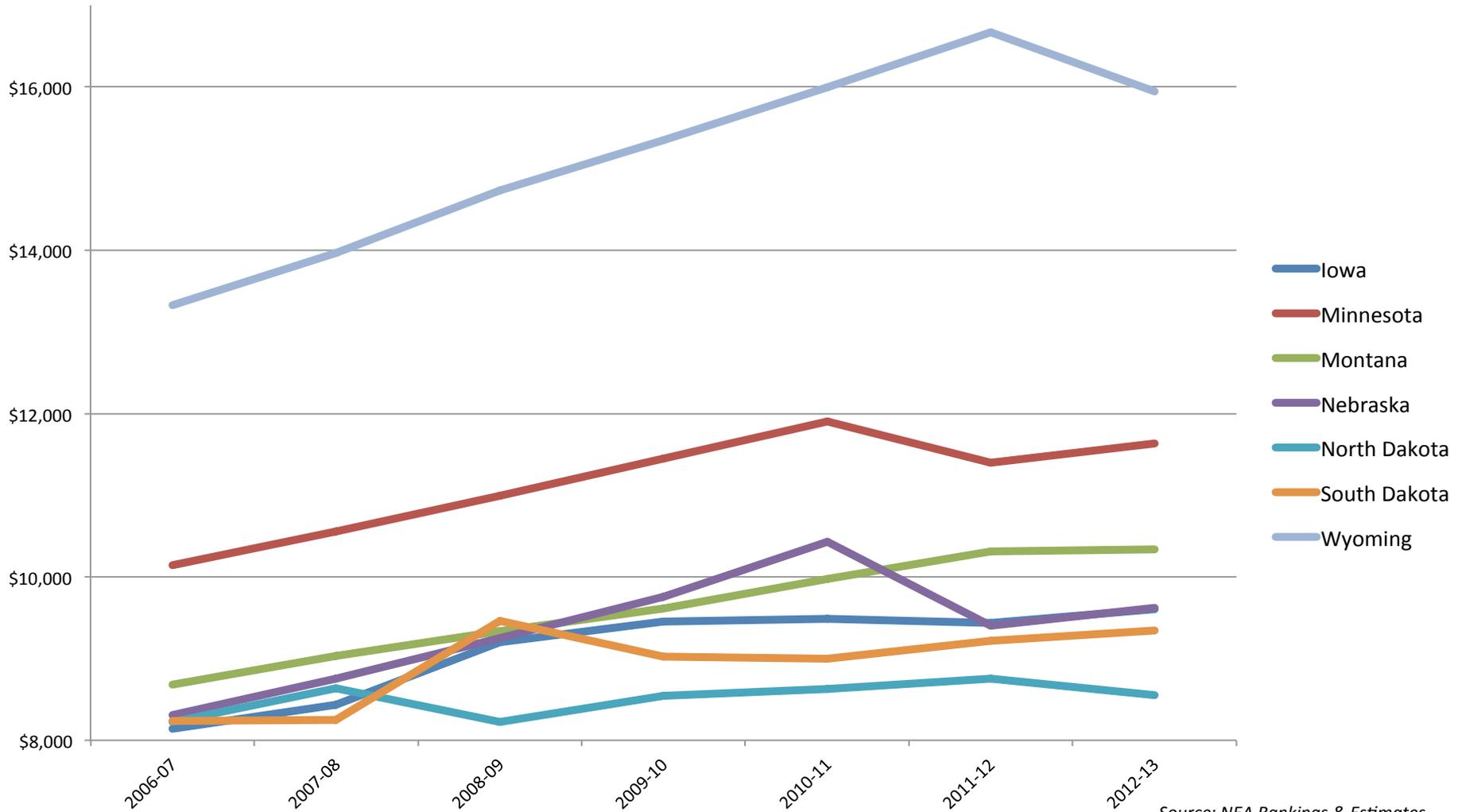
The ECS was asked to look into the issue of teacher pay and education spending in the state of South Dakota.

- **1:** What connection exists between education expenditures and teacher salaries in South Dakota?
- **2:** What, if anything, is creating a separation between education expenditures and teacher salaries in South Dakota?
- **3:** What policy solutions exist to solve this issue? – *Yet to be written*

Per Pupil Expenditures 2006-07 to 2012-13

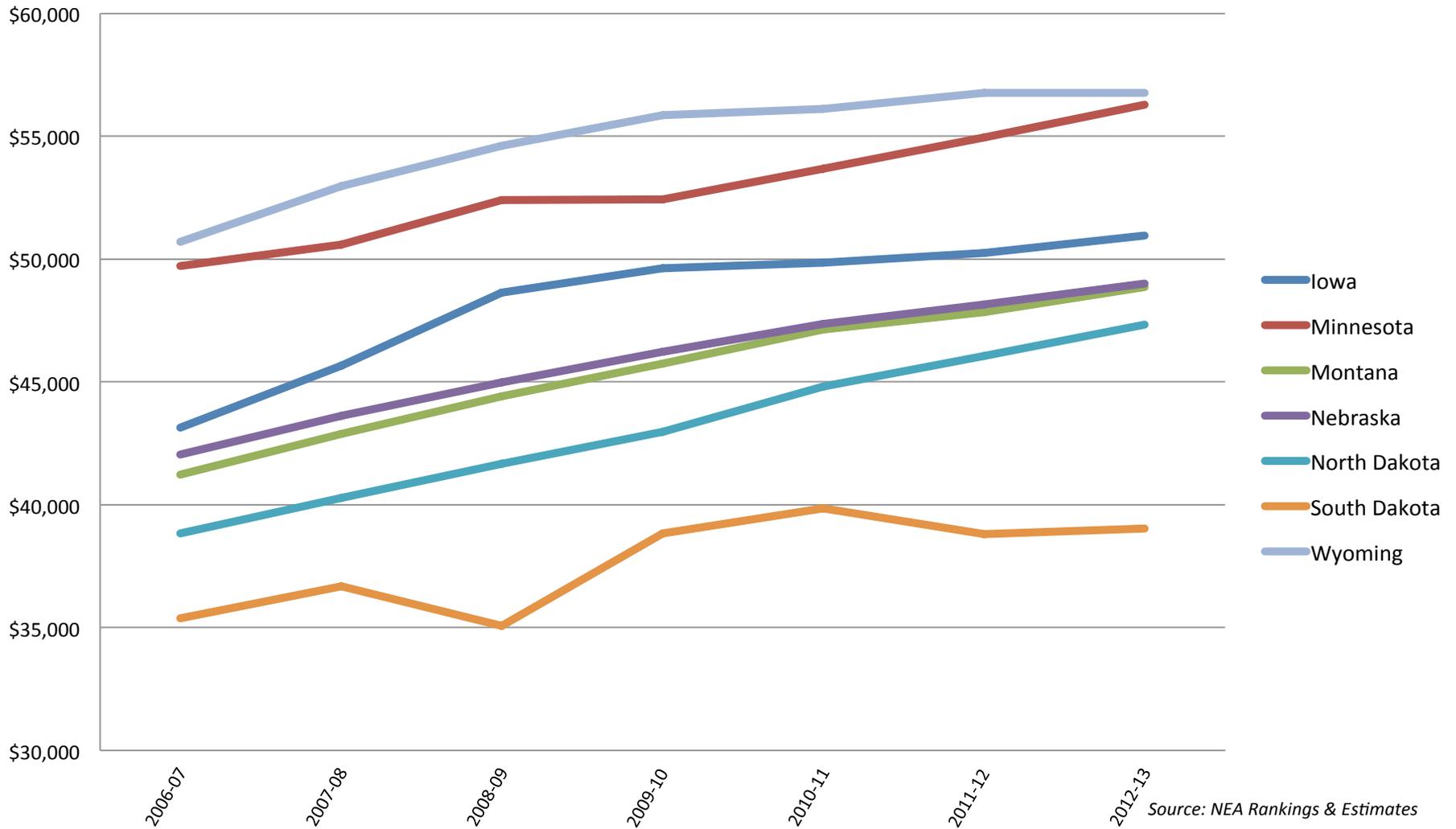


Average Per Pupil Expenditures in Bordering States

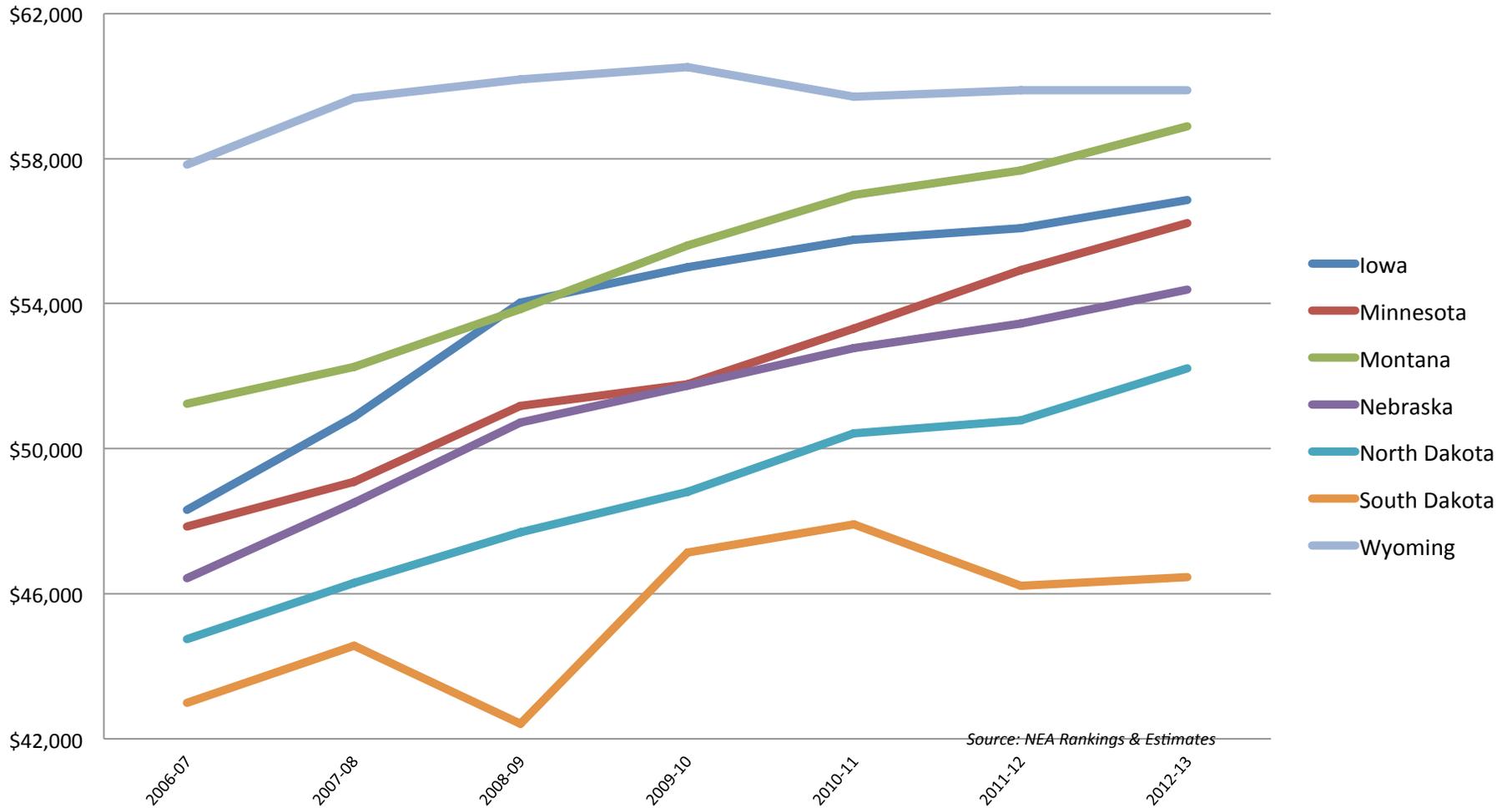


Source: NEA Rankings & Estimates

Average Salaries of Public School Teachers



Teacher Salaries Adjusted by the Comparable Wage Index



Source: NEA Rankings & Estimates

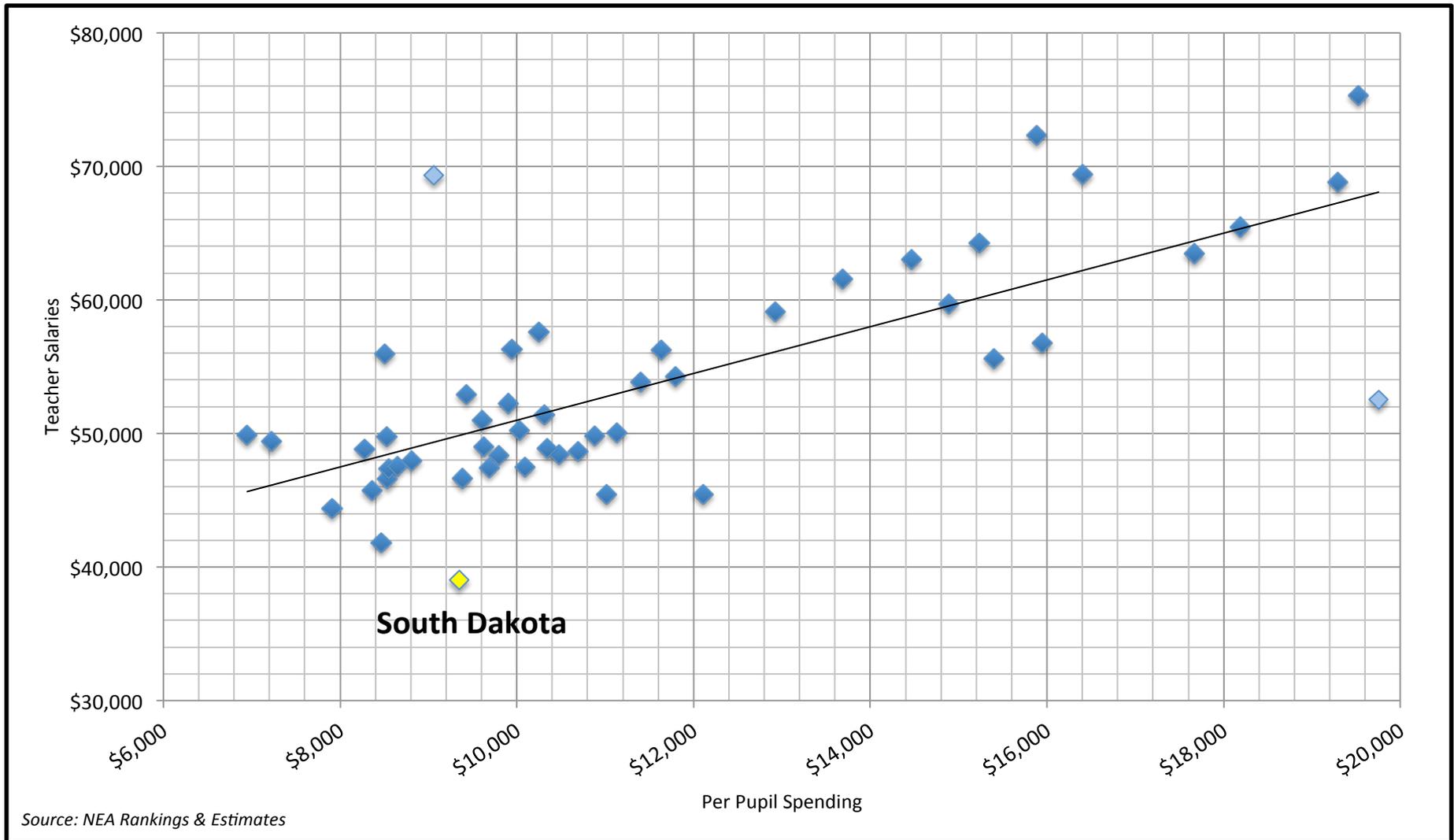
There does appear to be a separation between South Dakota's per pupil education spending amount and the average teacher salaries.

Between 2006-07 and 2012-13 in South Dakota:

- Per pupil spending ranked between 30th and 38th
- Average teacher salaries continually ranked in 50th place.

Teacher Salaries & Average Per Pupil Expenditures

FY 2012-13



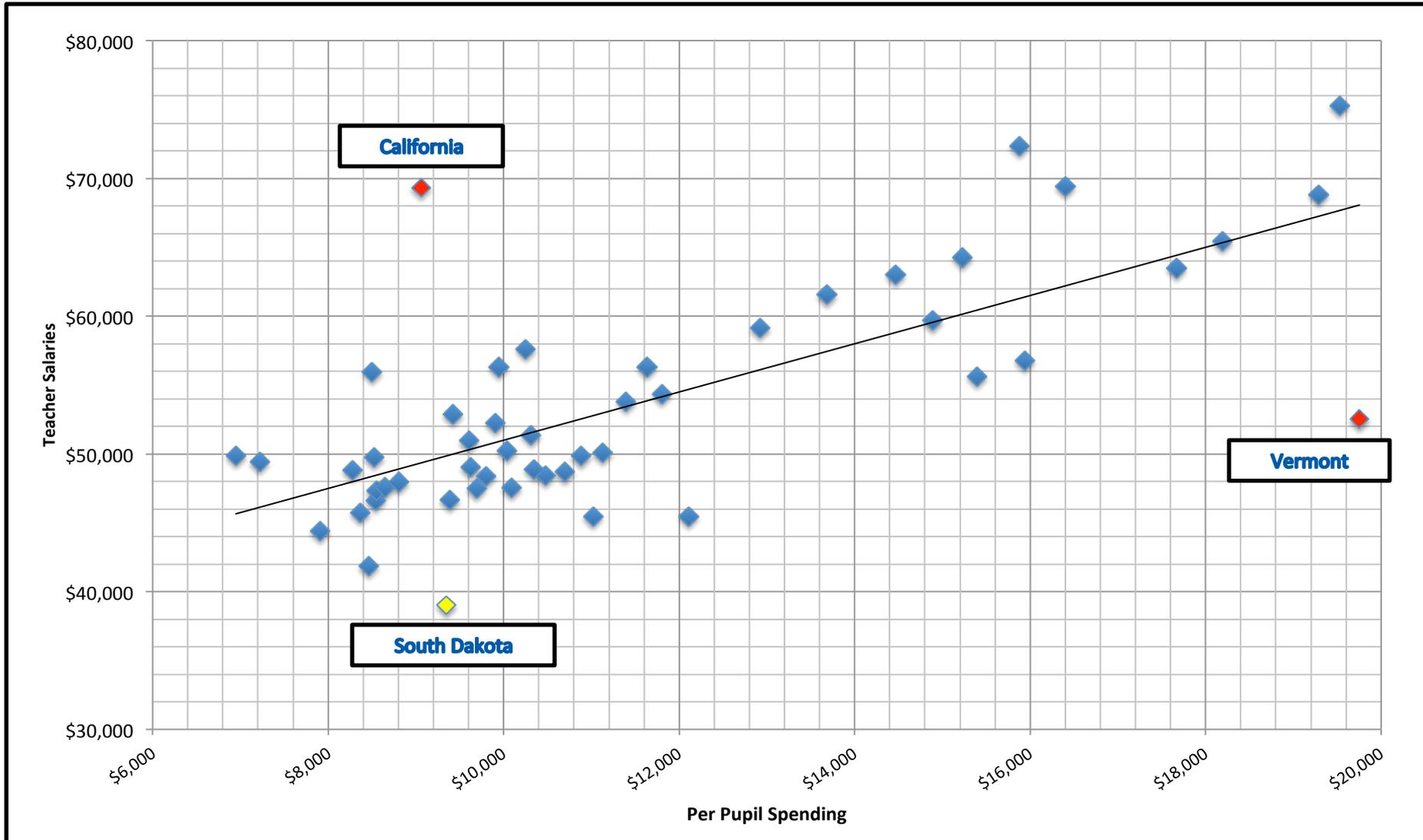
Source: NEA Rankings & Estimates

Open Discussion

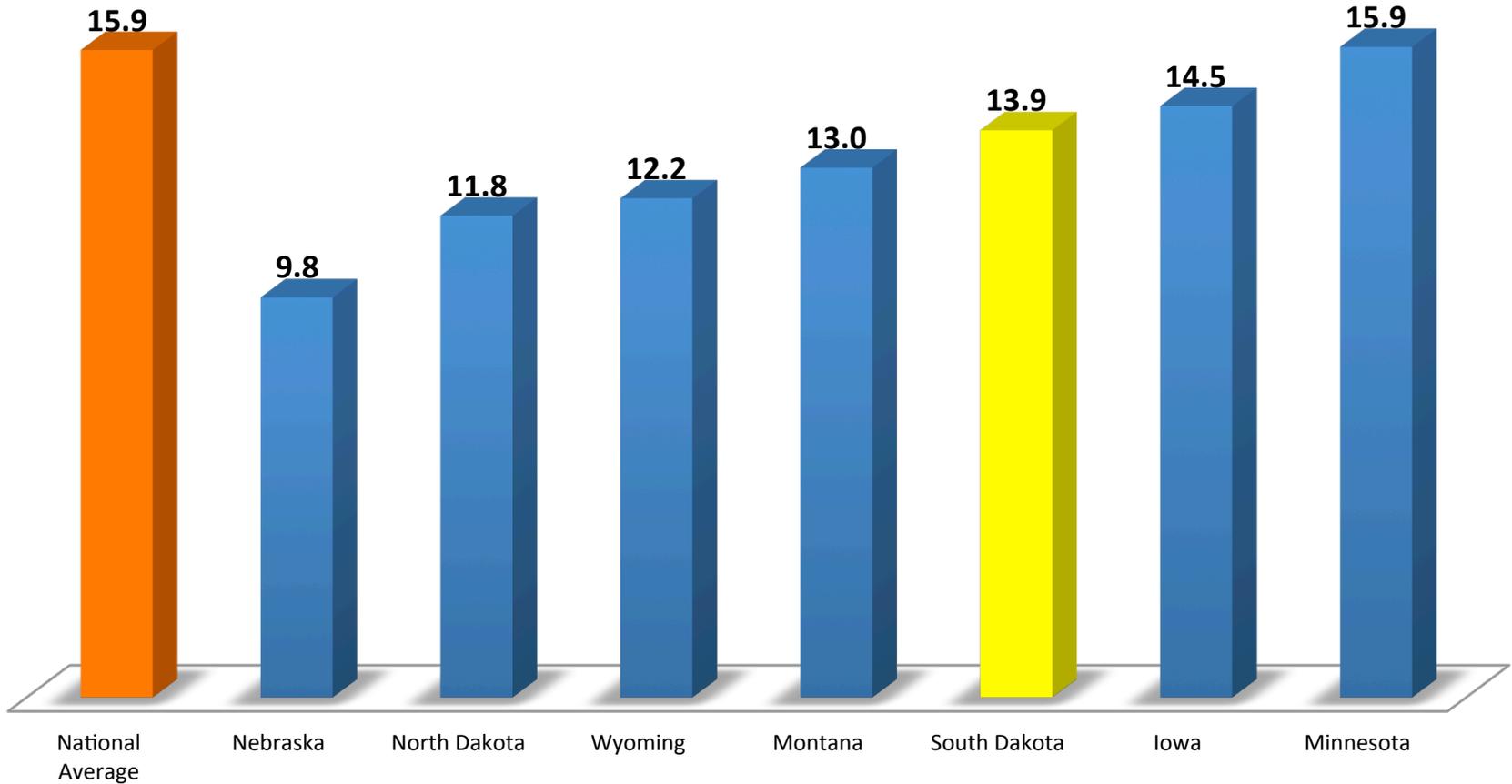
What is creating the disconnect between education expenditures and teacher salaries in South Dakota?

1. The number of teachers in the state
2. Expenditures on other educational staff
3. The relative size of the state's school districts
4. Other education budgetary decisions

Teacher Salaries & Average Per Pupil Expenditures FY 2012-13

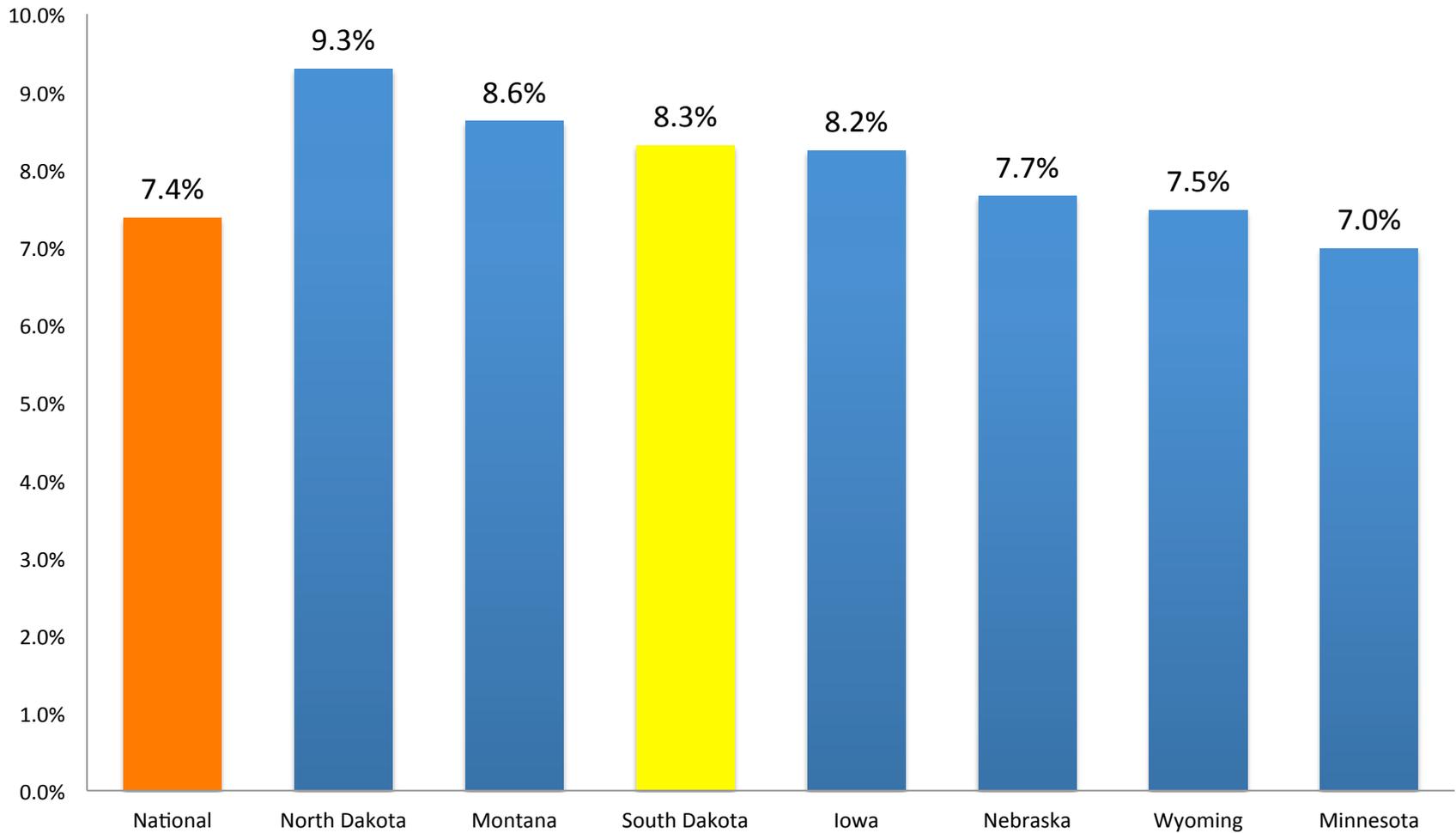


Number of Students Per Teacher 2012-13



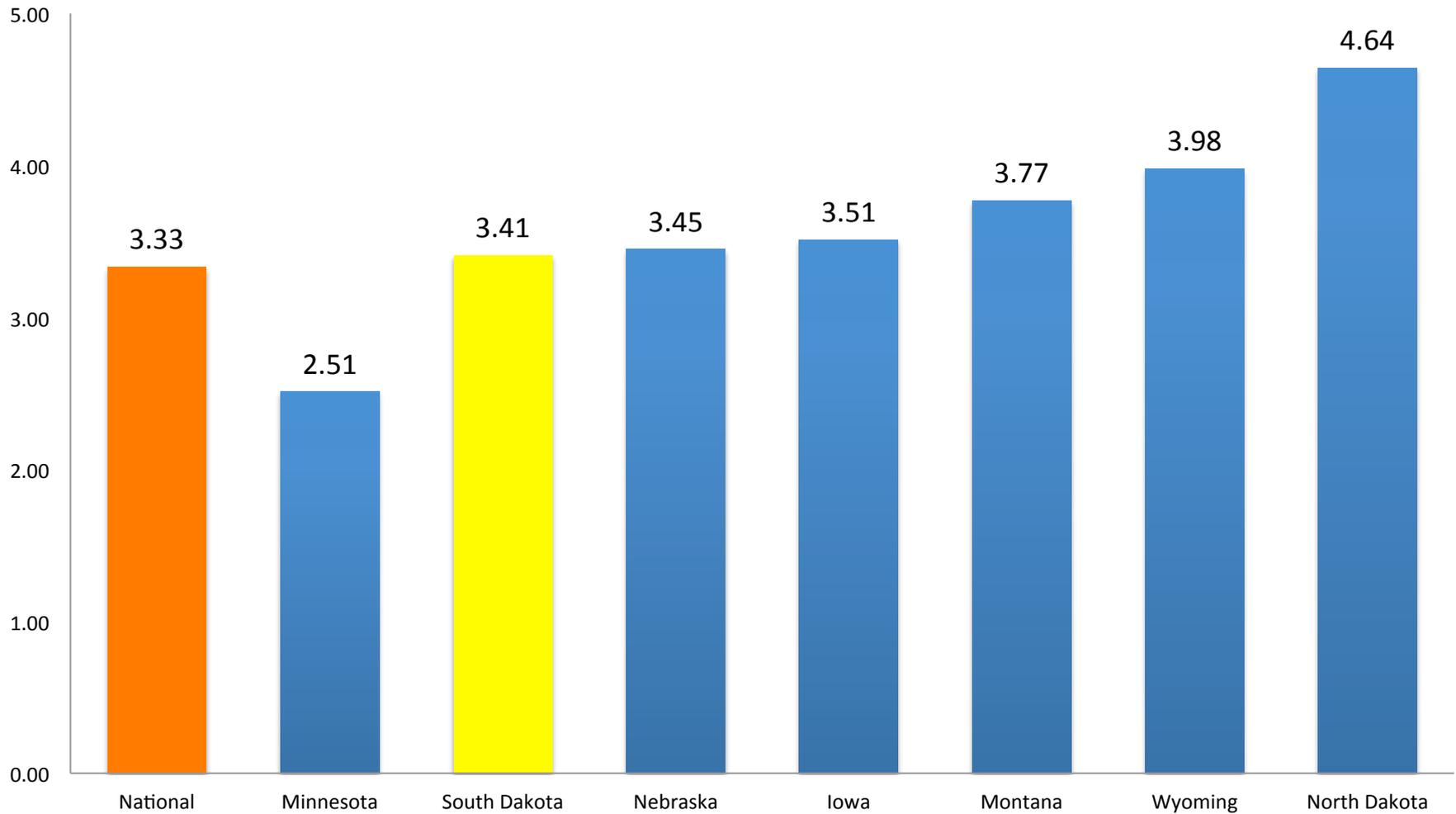
Source: National Center for Education Statistics

Administrative Costs as a Percentage of Total Expenditures



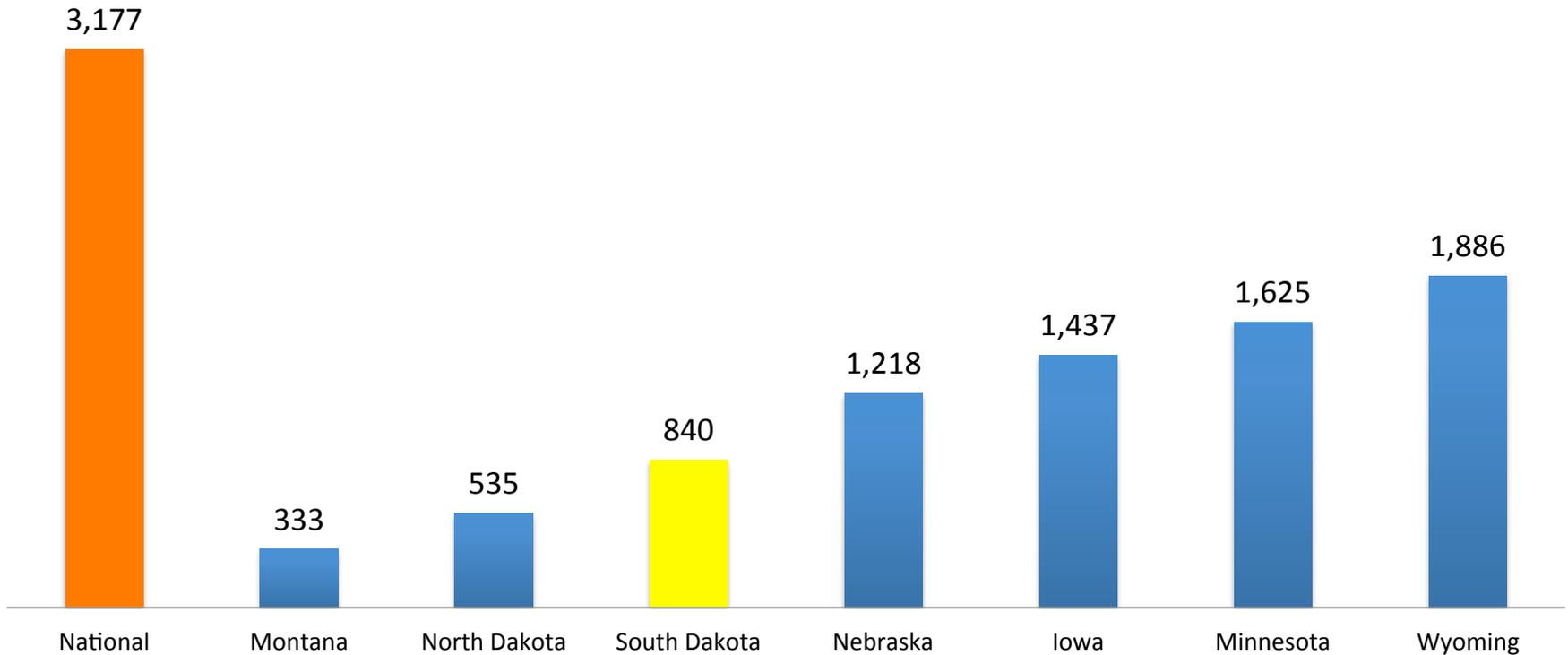
School Administrators per 1,000 Students

2010-11



Average Enrollment per District

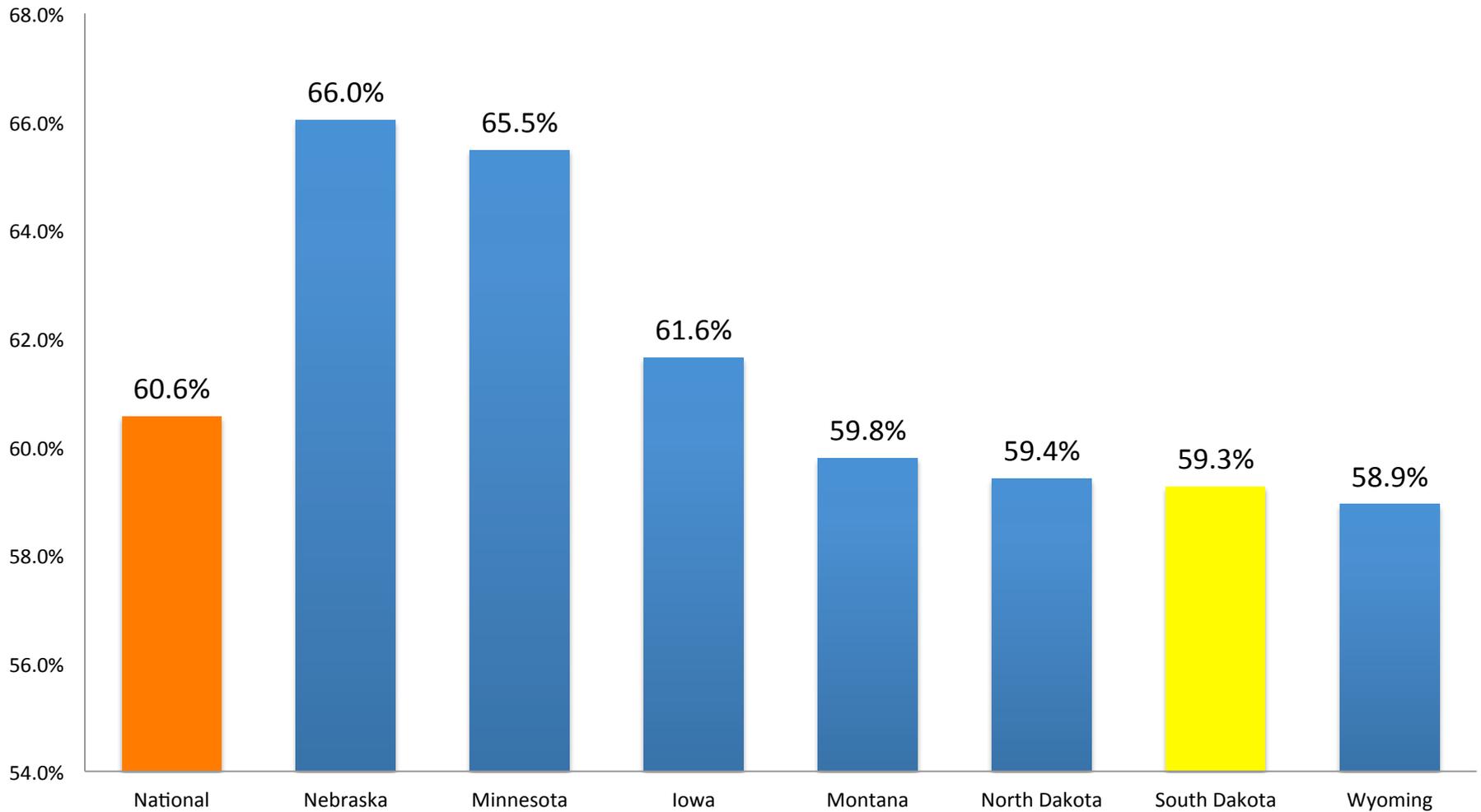
2012-13



Source: National Center for Education Statistics

Percentage of Expenditures Used for Instruction

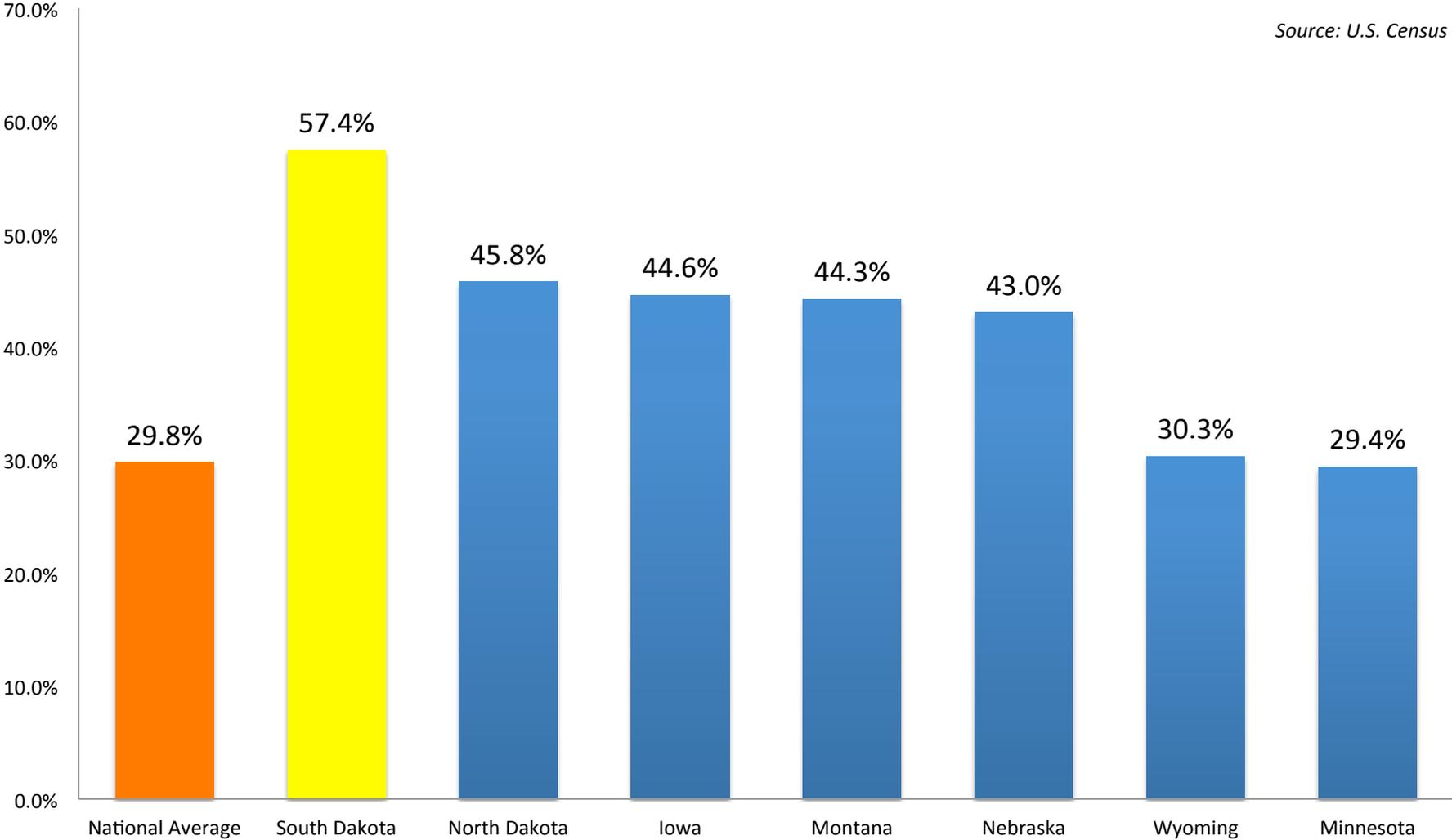
2012-13



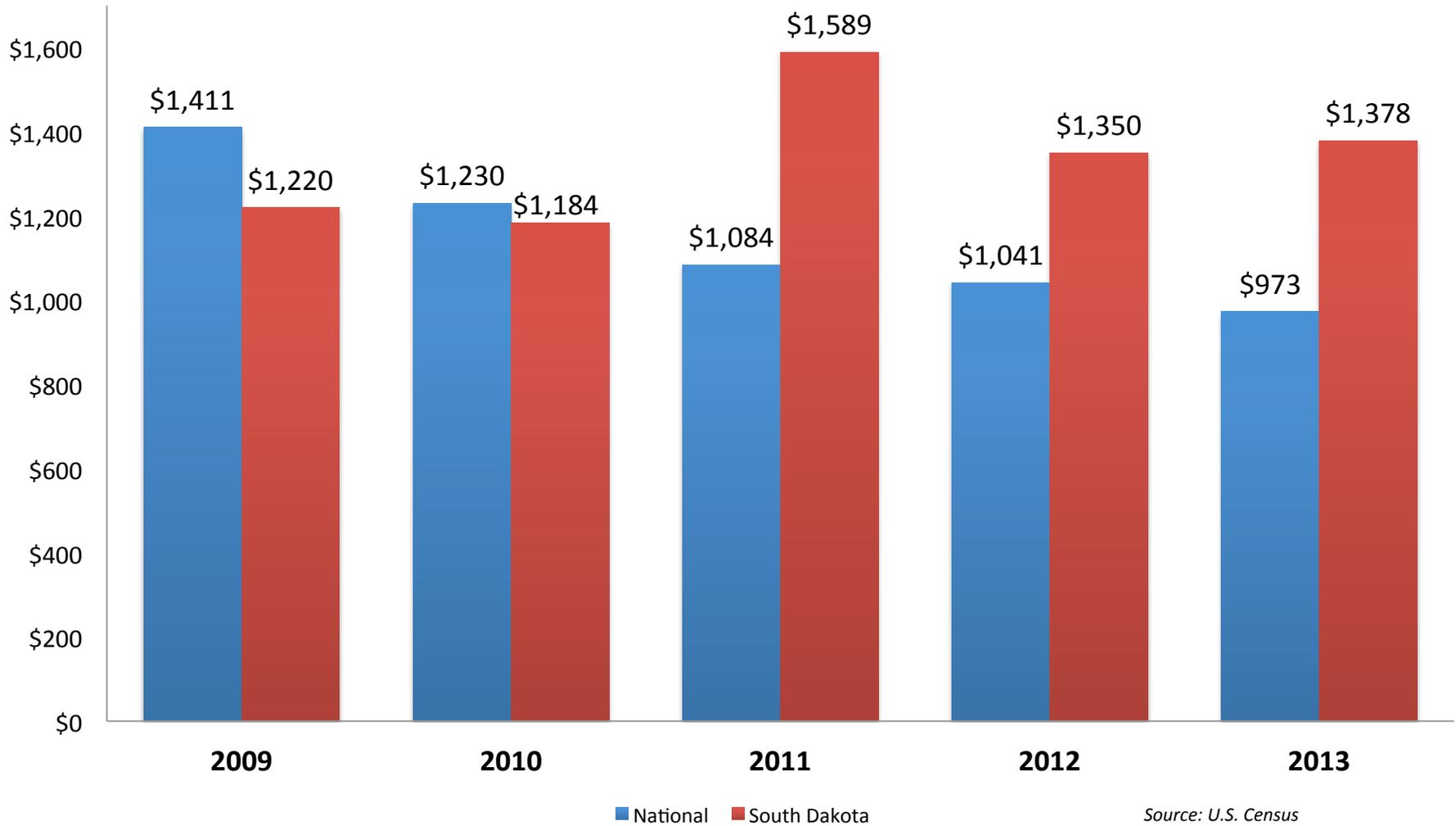
Year Ending Cash & Securities as a % of Total Revenue

2011-12

Source: U.S. Census



Per Pupil Capital Outlay Spending



Findings

- Above average number of teachers: While South Dakota's student to teacher ratios are on-line with other states in the region it is high compared to the national average. This high number of teaching positions may be holding down average teacher pay in the state.
- Slightly above average spending on administrative costs: Districts in South Dakota on average spend 0.9 percent more of their budgets on administrative costs than the national average. While this does not sound like a large amount it equates to approximately \$10 million annually.

Findings

- Slightly below average spending on classroom instruction: South Dakota school districts spend on average 1.3 percent less of their budgets on classroom instruction than the national average. If districts moved to the national average for classroom expenditures there would be an additional \$13 million available for teacher pay.
- Larger than average school district reserve funds: Districts in the state appear to have reserve funding amounts that are significantly higher than the national average. These additional dollars could be redirected for operational costs including teacher pay.

Open Discussion

What policy solutions exist to solve this issue?

Potential Solutions

Spending requirements

- Require districts to spend a certain percentage of their funding for classrooms instruction or on teacher salaries

Earmark Funding for Salaries

- The state can earmark current funding (or additional funding) for teacher salary increases.

Potential Solutions

Minimum teacher salaries

- The state establishes a minimum salary for all teachers

Statewide salary schedules

- The state establishes a statewide salary schedule that all districts are required to follow

Open Discussion

For More Information

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