

# MONTANA TAXPAYER



MONTANA TAXPAYERS ASSOCIATION

HELENA, MONTANA

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## Upcoming Meetings

- October 29 – [Fire Suppression](#)
- November 7-8 – [Economic Affairs](#) – held in Miles City
- November 8 – [Energy and Telecommunications](#)
- November 9 – [Law and Justice](#) – held in Butte
- November 16 – [Children, Families, Health & Human Services](#)
- November 30 – [State Administration and Veterans' Affairs](#)
- November 30 – Second Half Property Taxes Due  
Or 30 days after mailing

## December 6 – Montax Annual Meeting

- December 6 & 7 – [Revenue and Transportation](#)
- December 6 & 7 – [Legislative Finance](#)
- December 12 & 13 – [Water Policy](#)
- December 13 – Educ and Loc Govt. [Subcommittee on HB49](#)
- December 13 – Educ and Loc Govt [Subcommittee on K-12](#)
- December 13 – Educ and Loc Govt [PEPB Subcommittee](#)
- December 14 – [Education & Local Government](#) (full comm.)
- January 7 – [State Administration and Veterans' Affairs](#)
- January 10 & 11 – [Law and Justice](#)
- January 14 & 15 – [Environmental Quality Council](#)

Visit our website [calendar](#) to print a monthly, weekly or daily calendar of upcoming events.

## Teacher Recruitment and Retention Update

*Prepared by Curtis Nichols*

In the spring of 2005 we examined recruitment and retention reports submitted by school districts to the Office of Public Instruction for the 2004-5 school year.<sup>1</sup>

We concluded that:

- Montana districts experience difficulty recruiting teachers in rural areas isolated from population centers, districts with high percentages of Native American students, and in mathematics, music, world languages and special education teaching fields;
- These difficulties often lead to violations of accreditation standards;
- Montana's experience appears much like the national experience with similar turnover rates and similar shortage areas;

- School districts with state help must find cost-effective ways to recruit teachers to the needed fields and communities;
- Approaches tried in other states may be helpful in Montana; and,
- Targeted state and district programs offer the prospect of efficiently addressing recruitment and retention problems.

With the passage of 2 years, two regular and two special legislative sessions and an interim study of school funding completed we wanted to look again at these reports. It is early to see the full effect from the legislative actions and we may want to look again in another two years.

### Legislative study of recruitment and retention

The Quality Schools Interim Committee created by 2005 legislature to construct a public school funding formula contracted a study of recruitment and retention. This study, by Stoddard and Young<sup>2</sup> found:

- During the period 1988 – 2000, Montana teacher salaries decreased from 85% of the national average to 76%. Salaries are currently (2004) about 78% of the national average.
- Both declining student enrollment and declining relative salaries have led an increasing fraction of new teaching graduates to leave Montana. About 40% of recent graduates teach in other states.
- Districts with the lowest starting salaries have higher turnover, more difficulty recruiting, and are more likely to fail to meet accreditation standards because of misassigned teachers.
- A salary increase of approximately 10 percent in the lowest paying districts would reduce turnover by about 20 percent, difficulty hiring by about 10 percent, and misassigned teachers by about 30 percent.

<sup>1</sup> Montana Taxpayer, *Teacher Recruitment and Retention*, March/April 2005.

<sup>2</sup> Stoddard, Christiana and Young, Douglas J., *Recruitment, Retention and Salaries of Teachers and Other School Personnel in Montana*. October 1, 2005.

# Montana Taxpayer

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- Besides salary, many other district characteristics significantly influence recruitment and retention. These include district contributions for medical insurance, opportunities for salary growth, region, geographic isolation, and school size.
- In some cases, a combination of factors has a substantial impact on recruitment and retention. In particular, more isolated districts also tend to have lower starting salaries, smaller size, and contribute less (if at all) to medical insurance. As a result, more isolated districts have the most severe recruitment and retention problems.
- More urbanized districts tend to have higher starting salaries and well-defined opportunities for salary increases with experience and additional education. They are also less isolated and are typically larger schools. All of these factors are associated with fewer recruitment and retention problems.

### Legislative actions to improve recruitment and retention

In the 2005 regular legislative session inflation and enrollment adjustments to school entitlements were funded and approximately \$60 million state funding was added for new proposals. Student counts for funding purposes were averaged over three years for declining districts. Per student entitlements were increased \$100 and \$250 for high schools and elementary schools respectively. The legislature initiated the Quality Schools Interim Committee to construct a new school funding formula with anticipation of a special session to implement the committee's recommendations.

Following the 2005 legislative session a study of school funding was undertaken and though not completed was ended when the Governor intervened with proposals in a December 2005 special session. The session added \$72 million to school funding (in addition to \$100 million bail-out for the teachers retirement system). The funding included the establishment of a \$2000 per-educator payment at a cost of \$24.3 million for fiscal year 2007.

During the 2007 regular and special sessions the per-educator payment initiated in the special session was increased to \$3036 and \$3042 for fiscal years 2008 and 2009 respectively.

If districts applied the new per-educator payment entirely to improving teacher compensation it could be expected to increase the average by approximately 8 percent based on a reported average teacher salary of \$39,832<sup>3</sup>. This is in addition to funding already provided for inflation and enrollment changes.

### School recruitment and retention reports 2006-7

According to reports from the Office of Public Instruction<sup>4</sup> a total of 1,064 teacher openings were reported in 2006-7 up from the 990 in 2004-5. The number of openings and the relative difficulty in filling varies from year to year. World languages, mathematics and music consistently represent the most difficult to fill teaching assignments. Difficulty filling special education openings has recently improved.

The table below lists the number of openings and the percent which were either "difficult to fill" or "very hard to fill". In this report "difficult to fill" means there was a shortage of applicants and "very hard to fill" means there were no applicants.

Teacher category	Number of Openings			Difficult or Very Hard to Fill		
	2003	2005	2007	2003	2005	2007
Elementary	270	354	411	30	21	42
Special Education	126	99	88	75	78	38
English	88	67	74	24	14	30
Mathematics	63	66	79	29	46	40
Music	77	65	62	65	42	53
Other	22	51	40	18	22	21
Science	52	50	55	26	23	26
World Languages	20	33	36	18	29	22
All Other Teachers	<u>236</u>	<u>205</u>	<u>219</u>	<u>88</u>	<u>87</u>	<u>96</u>
Total	954	990	1064	373	362	368

The same reports showed 55 teacher openings for the 2006-7 school year had no applicants. This is down from 82 in 2004-5 and 97 in 2002-3. The table isolates

<sup>3</sup> National Education Association, Rankings and Estimates: *Ranking of the states 2005 and Estimates of School Statistics 2006, November 2006*

<sup>4</sup> Montana Office of Public Instruction, *Personnel Recruitment and Retention Report (various years)*. August 2007.

those “very hard to fill”, those openings for which there were no applicants.

Teacher category	Very Hard (no applicants)			Pct Very Hard		
	2003	2005	2007	2003	2005	2007
Elementary	0	0	3	0%	0%	1%
Special Education	40	14	3	32%	14%	3%
English	4	0	0	5%	0%	0%
Mathematics	11	16	5	17%	24%	6%
Music	19	13	9	25%	20%	15%
Other	2	6	5	9%	12%	13%
Science	5	3	4	10%	6%	7%
World Languages	2	5	6	10%	15%	17%
All Other Teachers	14	25	20	6%	12%	9%
Total	97	82	55			

Again, the data reveals the most severe recruitment problems are concentrated in music and world languages teaching assignments. Nearly all openings for elementary teachers, by far the largest teaching assignment, had applicants. Recruitment problems in these particular assignments are very similar to the experience of other states. Nationally, foreign languages, mathematics, science and special education are reported as the most difficult to fill teaching positions<sup>5</sup>.

With over 10,350 FTE teachers employed the 1064 openings reported for the 2006-7 school year represent approximately than 10% leaving their current jobs. Retirements account for 227 of the teacher openings. Newly created jobs and vacancies created by teachers moving to another district or leaving teaching altogether explain the remainder. Undoubtedly a significant portion of the openings were filled in one district by the same teacher who created the opening in another district. Lacking reliable information about the number of teacher openings which are filled by teachers leaving one district in the state to teach in another it is difficult to determine the need for new teachers. If half the 1064 openings were filled by teachers leaving one district in Montana to teach in another we would need 532 new teachers from the state’s teacher education programs, other states, previous teachers reentering the profession or alternative certification programs.

A National Center for Education Statistics survey on teachers in 2001 found 16.5% of teachers left their current teaching job, of these 8.4% left teaching altogether while 8.1% or approximately half moved to another school<sup>6</sup>. The rates varied by teaching assignment with turnover of 19.5% for music teachers, 18.9% for special education teachers, and 15.4% for mathematics teachers. Compared to national experience

<sup>5</sup> National Center for Education Statistics, *Characteristics of Schools, Districts, Teachers, Principals and School Libraries in the United States 2003-04; Schools and Staffing Survey*, (Washington, D.C.: U.S. Department of Education, March 2006, revised June 2007)

<sup>6</sup> National Center for Education Statistics, *Teacher Attrition and Mobility: Results from the Teacher Follow-up Survey, 2000-01*, (Washington, D.C.: U.S. Department of Education, 2004)

Montana appears to have experienced a lower overall turnover rate in 2006-7 but similar rates in some fields.

### District level analysis

Though high schools have only 36% of the teachers they reported 67% in 2006-7 of the openings with no applicants and 57% of the openings with a shortage of applicants. Compared to the 2004-5 reports the share of difficult to fill teacher openings has shifted some towards elementary districts. Since the most significant problems are encountered in the high schools the following analysis focuses on these districts.

Smaller more rural districts continue have the most difficulty recruiting new teachers. The table below indicates Class C high school districts in the state that employ 20% of the state’s high school teachers experienced 53% of the vacancies with no applicants and 52% of the vacancies for which there were a shortage of applicants while Class AA schools employing 37% of the state’s high school teachers experienced only 7% of the vacancies with a shortage of applicants.

	Montana High School Recruiting			
	AA	A	B	C
Total Teachers				
Teacher Openings				
No applicants	0%	19%	28%	53%
Shortage of Applicants	7%	18%	22%	52%

The high school districts most affected by shortage or lack of applicants were those districts with over 25% minority enrollment (primarily Indian school districts) and those more isolated (located over 30 miles from the nearest A or AA school). The minority districts employed 11% of the state’s high school teachers yet had 33% of openings with no applicants and 25% of openings for which there was a shortage of applicants. The isolated high school districts employed 26% of the teachers while experiencing 57% of openings with no applicants and 49% with a shortage of applicants. Some districts exhibit a combination of a large minority percentage, isolation and small size. For these districts teacher recruitment is most difficult.

These results point to recruitment problems being concentrated in small, isolated and predominantly Indian districts. Often compounding the recruiting challenge for a small district is to find the teacher with the right mix of endorsements since they must serve in multiple fields in the low enrollment districts.

### Concluding remarks

Teacher recruitment and retention has improved some between 2004-5 and 2006-7. School funding has been modified and increased significantly in 2005 and 2007 legislative sessions. The implementation of a per-educator payment may be expected to lead to higher teacher salaries. Data is not yet available to determine the extent of compensation increase granted to teachers nor its effect on recruitment and retention. Recruitment problems remain to be higher in rural, isolated and heavy

minority districts. Recruitment is difficult for selected teaching specialties such as world languages, mathematics and music.

#### ***Local Government and Education Committee***

The Subcommittee on HB49 - a study of local government special purpose districts met on October 2 to establish a work plan. The study is to include a review of current law with regard to special purpose districts, an inventory of existing special purpose districts, and a determination of whether it may be appropriate to consolidate processes for various special purpose districts into one set of statutes. The subcommittee members include legislators and city and county officials. Committee members can be found on our website, [click here](#), or call our office at (406)442-2130 and we would be happy to send a copy to you.

Leanne Heisel, Lead Staff, presented a list of the various districts in the state. There are approximately 44 different types of special purpose districts that currently exist in the state. The Committee will be analyzing the statutory authority of the districts, compliance with state and county regulations and personnel issues, creation of districts, the governance, and finance.

The next meeting will be December 13. Greg Petesch will be presenting an overview of the difference between freeholder, qualified elector and property owner in the creation and dissolution of the districts. Leanne will be presenting a uniform process that will be used to analyze each district that the committee will discuss.

#### ***Legislative Finance Committee***

##### **K-12 Facility Condition and Needs Assessment and Energy Audit – Phase 2**

HB1, passed in the December 2005 Special Session, appropriated \$2.5 million to the Department of Administration, Division of Architecture and Engineering (A&E) to conduct or to contract for a condition assessment of existing K-12 facilities and to complete an energy audit. The bill also required the department to work in conjunction with the Legislative Finance Committee.

The assessment will be conducted in two phases. Phase 1 consisted of a web based data collection of the physical

characteristics of the facilities. Phase 1 was completed October, 2006. A&E collected information on approximately 300 school systems occupying slightly over 30 million gross square feet of facilities.

Phase 2 will produce three outcomes: the development of an assessment tool; a point-in-time facility condition assessment and an energy use assessment. The results of the assessments will be used to identify and cost existing, immediate, and near-term facility repairs and maintenance that fall within the two or three of the highest-priority categories, for example life-safety repairs. A final report to the Legislative Finance Committee is expected in July, 2008.

#### ***National Taxpayers Conference (NTC)***

Mary Whittinghill, President of the Montana Taxpayers Association was elected President of the National Taxpayers Conference (NTC) at their annual conference in Whitefish, Montana for the upcoming year. Kevin McCarthy, past president and chair of the nominating committee stated, "The National Taxpayers Conference (NTC) is excited to have Mary Whittinghill at the helm of our organization. Mary's experience and expertise in leading the Montana Taxpayers Association will serve NTC well in the coming year."

The National Taxpayers Conference is a private, nonprofit corporation whose members are the full-time chief executive officers of statewide associations devoted to the pursuit of objective and unbiased analysis of public finance issues in their states. For close to 70 years, NTC members have provided credible, non-partisan analysis of pressing fiscal issues in their states and have advocated for the adoption of sound fiscal policies.

#### ***Good Bye to a Very Dear Member***

Charlie Clark, a longtime member and supporter of the Montana Taxpayers Association passed away unexpectedly on October 21. Charlie was the Special Representative to the President of Union Pacific Railroad from 1984 and at the time of his death he was Director of Public Affairs for Idaho. Charlie loved the outdoors! In his free time, he could be found fly fishing or riding his Harley. His favorite place to go to unwind and relax was his little spot of paradise in Drummond, Idaho. He was a board member of the Idaho Association of Commerce and Industry, the Fraternal Order of the Elks, supporter of the ISU Alumni Association, Hook and Bullet Club, and President of the Good Grade Club, and numerous other organizations. Charles is survived by his wife Kathy; his parents, eight brothers and sisters and numerous nieces and nephews.