# How Do New Orleans Educators' Salaries Differ by Role and Across Racial Groups?



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This Research Snapshot was initiated by the ERA-New Orleans Advisory Board as part of its annual research agenda.

#### **Overview**

The transition from a traditional district to New Orleans' current charter model has received both praise and critique. Community leaders have voiced concerns about racial pay equity and the balance between salaries for administrators, teachers, aides, and counselors. In this study, I compare the salary ranges of various job roles and examine disparities in average salaries between racial groups (all salary dollars are adjusted for inflation). Focusing on 2018-19 and 2019-20 and accounting for factors such as years of experience and education level, I find:

- 1. Administrators have the largest salary ranges of all job roles examined.
- 2. Black school administrators' salaries are lower than those of their white counterparts, on average. However, there are no significant disparities in salaries between Black and white administrators who provide instructional support or charter management organization administrators.
- 3. Black teachers' and Black counselors' salaries are lower than those of their white counterparts, on average. However, Black aides have higher average salaries than their white counterparts.

These findings build on prior ERA-New Orleans research on salary spending for educational staff and provide new insights into racial wage gaps at local public schools.

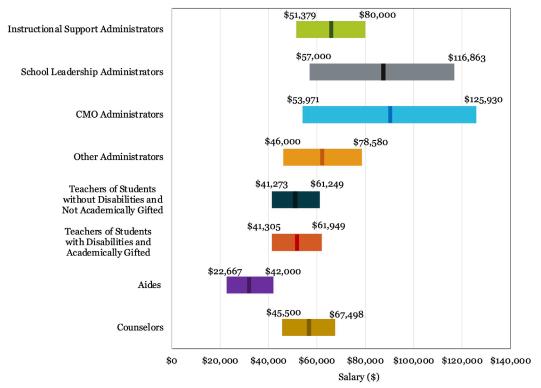
### **Background**

As a district primarily made up of publicly funded, independently run charter schools, New Orleans has a greater degree of autonomy in determining salaries than a traditional school district. Charter advocates argue that without the restrictions of union contracts and district salary schedules, New Orleans schools are better positioned to attract and retain top-tier educators and staff. Others, however, contend that without these uniform systems in place, New Orleans schools are likely to increase salary inequities and administrative costs. The post-Katrina school reforms shifted decisions about compensation from salary schedules and union contracts to charter leaders' discretion.

In this study, I examine how wide the pay range is for full-time administrators, teachers, and other district staff. While salaries do not include retirement, health, and other aspects of compensation, they do represent the majority of compensation. In addition to assessing salary ranges, I examine racial pay disparities for individual jobs, accounting for differences in experience, education, and school type.

#### **Key Finding #1**

#### Administrators have the largest salary ranges of all job roles examined.



Note: Amounts above indicate the 10th and 90th percentile salaries by role. Line | indicates average salary for each role.

To evaluate salary ranges, I calculated the 10th and 90th percentiles of salaries for each job role. This approach eliminates the very lowest and very highest salaries for each role. As an example, 10% of instructional support administrators make less than \$51,379 and 10% make more than \$80,000. Instead of using the full range of salaries, I used the 10th and 90th percentiles to exclude extreme values, which often represent data errors or unusual exceptions.

I find that charter management organization (CMO) administrators have the largest salary range among all job types. The difference between the high end (\$125,930) and the low end (\$53,971) for CMO administrators is \$71,959.

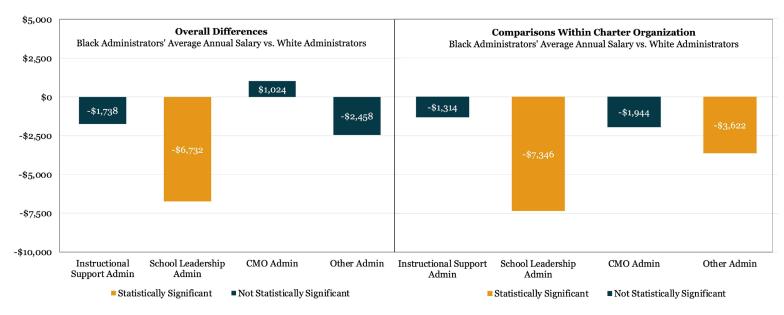
Compared to teachers, aides, and counselors, New Orleans administrators have larger salary ranges between the bottom 10th percentile and the top 90th percentile. On average, the salary range across different types of administrators is approximately \$48,000 whereas the average salary range for teachers, aides, and counselors is approximately \$20,000.

The wide range in top-end and bottom-end salaries for administrators is likely because of the wide range of roles and responsibilities encompassed within this group. For example, a principal of a large high school performs different work from an assistant principal at a small elementary school, and their salaries reflect those differences. There is less variation in the scope of work for teachers and other staff, which is reflected in the smaller salary ranges for these roles.

The jobs with wider ranges also have higher average salaries, with the exception of instructional support administrators and aides, so I also examined the salary ranges as a share of the average salary, and the basic patterns remain. For example, the salary range for CMO administrators is still widest when we account for their higher average salary. Instructional support administrators have a smaller range than would be expected from their average salary, and aides have a wider range than would be expected from their lower average salary.

#### **Key Finding #2**

Black school leadership administrator salaries are lower than those of their white counterparts, on average. However, there are no significant disparities in salaries between Black and white instructional support or charter management organization administrators.



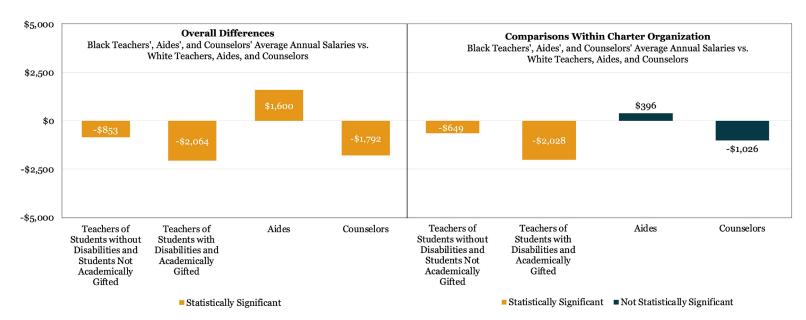
When I study overall salaries for administrators with the same level of education, years of experience, and school level across the various CMOs or local education agencies (LEA) in the city, I find that Black school leaders (e.g., principals, assistant principals) earn an average of \$6,700 less than their white counterparts, which is 8-9% of the average salary of school leaders. As I account for similar credentials, experiences, and school contexts, this finding illustrates that Black school leaders are receiving lower salaries than white school leaders with similar backgrounds in comparable roles.

While I find a disparity in salaries between Black and white school leaders, there are not clear (i.e., statistically significant) differences by race in the average salaries of the remaining administrator job types when accounting for level of education, years of experience, and school level.

The overall racial disparities, shown in the left-hand panel, are usually similar when we compare gaps within charter organizations. Assessing within-LEA salaries, I find that Black school leadership administrators make nearly \$7,500 less on average than their white counterparts. In addition to school leaders, administrators categorized as "other" administrators (e.g., budgeting services managers, supervision of psychological services) make an average of \$3,622 less than their white counterparts within the same LEA.

#### **Key Finding #3**

Black teachers' and Black counselors' salaries are lower than those of their white counterparts, on average. However, Black aides have higher average salaries than their white counterparts.



In analyzing overall racial wage gaps for teachers and aides, I find that Black teachers and counselors are making less than their white counterparts with the same level of education, years of experience, and school levels, on average. These differences amount to 2-4% of the average salaries for teachers and counselors. The disparity for teachers remains when I examine average salaries for Black and white teachers within the same CMO or LEA.

On the other hand, the disparity for counselors disappears when examining salaries within the same LEA. This means that Black counselors receive a lower salary than white counselors across New Orleans but that Black and white counselors with similar education levels, years of experience, and school levels in the same LEA receive the same salary, on average. This finding suggests that Black counselors tend to work in LEAs that pay counselors less, and white counselors tend to work in LEAs that pay counselors more.

Conversely, Black aides make more than their white counterparts, on average, in New Orleans public schools. The difference amounts to 5% of the average aide's salary. When I compare Black and white aides within the same LEA, I find that their salaries are essentially the same, as happened with counselors. These findings suggest that Black aides tend to work in LEAs that pay aides more, whereas white aides tend to work in LEAs that pay aides less.

#### **Methodological Notes**

For this study, I combined administrative salary records (adjusted for inflation) from 2018-19 and 2019-20 for all administrators, teachers, aides, and counselors who were a) in a New Orleans public school or CMO central office, b) full time staff, c) worked in only one school, and d) had only one job type.

These anonymized data provided by the Louisiana Department of Education include exact dollar salary amounts that are paid to each staff person in New Orleans' public schools and offices. I divided all job classifications into eight longitudinally consistent categories, calculated the 10th and 90th salaries for each job type, then used regression models to estimate the average differences in salary by race within each job type. In addition to ethnicity, the regression models included years of experience, education level, and whether the school was an elementary school, secondary school, or both. Regression models that also included students per teacher, aide, or counselor or students per school yielded similar results.

Additional details for each job category can be found at the end of an <u>earlier ERA-New Orleans</u> <u>snapshot</u>.

#### **About the Author**

**Olivia Carr** is a Postdoctoral Research Fellow at the Education Research Alliance for New Orleans.

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In this series of reports, we analyze data to inform New Orleans education policy and practice by answering questions asked by either our Advisory Board or NOLA Public Schools (NOLA-PS).

#### **About ERA-New Orleans**

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