EXHIBIT 5
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HB 124

Teacher Recruitment and Retention

Montana Taxpayers Association
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Teaching nationally is one of the most stable professions. A 2001 study by the National Center for Education Statistics found 82% of bachelor degree recipients employed as full-time teachers in 1994 were still teaching three years later. No other profession examined in this study was more stable[1]. Teachers reported liking most about their careers: time off during the school year; opportunities to make a significant contribution; support from colleagues, curricular freedom, and the length of the school day. Teachers that left the profession most often cited reasons were in order: retirement, pregnancy/child bearing, and to pursue another career. In spite of the attractive nature of teaching and its stability there is concern in states across the country, as we are experiencing here in Montana, about the ability to recruit and retain the needed teachers.

Montana districts experience difficulty recruiting teachers in rural areas isolated from population centers, districts with high percentages of Indian students, and certain teaching fields. These difficulties often lead to violations of accreditation standards. School districts with state help must find cost-effective ways to recruit teachers to the needed fields and communities. Montana's experience appears much like the national experience with similar turnover rates and similar shortage areas. Approaches tried in other states may be helpful in Montana.

Statewide summary

According to reports from the Office of Public Instruction[2] 82 teacher openings for the 2004-5 school year had no applicants. This is down from 92 in 2003-4 and 97 in 2002-3. A total of 990 teacher openings were reported in 2004-5. 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.

	Number of Openings			Difficult or Very Hard to Fill		
Teacher category	2003	2004	2005	2003	2004	2005
Elementary	270	244	354	30	18	21
Special Education	126	134	99	75	101	78
English	88	79	67	24	23	14
Mathmatics	63	55	66	29	28	46
Music	77	67	65	65	51	42
Other	22	22	51	18	8	22
Science	52	49	50	26	15	23
World Languages	20	29	33	18	25	29
All OtherTeachers	236	231	205	88	70	87
Total	954	910	990	373	339	362

The number of openings and the relative difficulty in filling varies from year to year. World languages, special education, mathematics and music represent the most difficult

to fill teaching assignments. The next table isolates the "very hard to fill", those openings for which there were no applicants.

Teacher category	Very Hard (no applicants) 2003	2004	2005	Pct Very Hard (no applicants) 2003	2004	2005
Elementary	0	5	0	0%	2%	0%
Special Education	40	37	14	32%	28%	14%
English	4	1	0	5%	1%	0%
Mathmatics	11	6	16	17%	11%	24%
Music	19	13	13	25%	19%	20%
Other	2	1	6	9%	5%	12%
Science	5	4	3	10%	8%	6%
World Languages	2	6	5	10%	21%	15%
All OtherTeachers	14	19	25	6%	8%	12%
Total	97	92	82			

The most severe recruitment problems are concentrated in mathematics, music, world languages, and special education teaching assignments. 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[3].

The next table provides some perspective to the previous tables by showing the number of openings as a percent of FTE teachers employed by Montana districts.

	2004 FTE	Openings	Percent
Elementary	3631	244	7%
Special Education	864	134	16%
English	712	79	11%
Mathmatics	539	55	10%
Music	365	67	18%
Science	484	49	10%
World Languages	188	29	15%

This table provides a rough measure of the turnover rate experienced in the different teaching assignments. The turnover rate is higher in the hardest to fill assignments such as special education, world languages and music. With over 10,200 FTE teachers employed the 990 openings reported for the 2004-5 school year represent less than 10% leaving their current jobs.

Retirements account for 231 of the teacher openings. Newly created jobs in growing districts, 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 990 openings were filled by teachers leaving one district in Montana to teach in another we would need 495 new teachers from the state's

teacher education programs, other states, previous teachers reentering the profession or alternative certification programs. A recent report noted that in 2002 Montana teacher education programs graduated 1045 students. This report stated 29% were anticipated to stay in Montana[4]. A 2003 report by the Career Services office at MSU found 63% of MSU graduates in education found jobs within the state. With the large number of teacher program graduates, potential reentrants and use of alternative certification programs finding enough teachers is not an unachievable objective.

A National Center for Education Statistics survey on teachers in 2001 found 15.1% of teachers left their current teaching job, of these 7.4% left teaching altogether while 7.7% moved to another school[5]. 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 Montana appears to have experienced a lower overall turnover rate in 2004-5 but similar rates in some fields.

District level analysis

Though high schools have only 36% of the teachers they report 82% of the openings with no applicants and 67% of the openings with a shortage of applicants. Since the most significant problems are encountered in the high schools the following analysis focuses on these districts.

Smaller more rural districts 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 56% of the vacancies with no applicants and 40% of the vacancies for which there were a shortage of applicants while Class AA schools employing 36% of the state's high school teachers experienced only 2% of vacancies with no applicants and 32% of the vacancies with a shortage of applicants.

Montana High School Recruiting

	AA	A	B	C
Total Teachers	36%	23%	21%	20%
Teacher Openings				
No Applicants	2%	16%	26%	56%
Shortage of Applicants	32%	8%	20%	40%

To look closer at the districts most affected by shortage or lack of applicants the hiring experiences of 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) were calculated. The minority districts employed 11% of the state's high school teachers yet had 36% of openings with no applicants and 16% of openings for which there was a shortage of applicants. The isolated high school districts employed 18% of the teachers while experiencing 64% of openings with no applicants and 42% with a shortage of applicants.

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.

As noted previously certain teaching fields such as mathematics, music, world languages and special education have recruitment difficulties. Though still concentrated in the isolated and Indian districts the difficulties in these fields extended to larger schools as well with Missoula reporting no applicants for a family and consumer science teacher and Butte for a special education teacher. Several AA districts reported a shortage of applicants for special education, world languages, family and consumer science and music.

Accreditation and recruitment

Difficulty or inability to recruit teachers appears to be related to districts' ability to maintain accreditation. Accreditation reports for the 2003-04 school year list 39 of 165 high school districts with schools accredited with "deficiency" or "advice". In 30 of these districts problems relating to hiring the appropriate teaching staffs are cited (non certified teacher, misassigned teacher, or failure to offer basic program). When these reports were compared to the recruitment and retention reports similarities in districts were observed. Minority and small isolated districts were overrepresented in the districts with "deficiency" or "advice" accreditations.

State programs to address teacher recruitment and retention

States have used a wide variety of methods to recruit and retain teachers. Because difficulty in recruiting teachers is concentrated in selected fields, locations, or schools with special characteristics States have developed targeted approaches to the problem. Some common approaches include:

- Getting more individuals into the teaching profession
    - scholarships
    - enabling retired teachers to come back w/o loss of retirement benefits
    - expediting the process for earning teaching credentials through alternative routes to licensure
    - stimulating early interest in teaching through secondary school and community college cadet programs
    - implementing "grow your own" programs to target paraprofessionals and classroom aides already working in local schools
- Attracting qualified teachers to teach in state or target areas of state or target fields
    - student loan forgiveness
    - signing bonuses
    - moving/relocation expenses
    - state teacher stipends for shortage areas
    - increased beginning salaries
    - provide differentiated compensation for teachers in high demand fields

- housing subsidies

The effectiveness of these approaches depends much on the situation and for many programs the effectiveness has not been proven. Teacher support and induction programs have proven successful while financial incentives such as bonuses seem to be most effective in the short term. Programs with proven long term effectiveness for isolated and minority schools are rare.[6] Whatever strategies are attempted it has been suggested states need to evaluate their programs, examining the number of teachers recruited under the plans, retention rates, and the academic performance of schools and students where these teachers were hired.

The following table shows the number of states using various common techniques for teacher recruitment[7].

Type of Assistance	Offer Assistance	Target to subject-area shortages	Target to high-need schools
Loans, scholarships, fee waivers	24	18	7
Signing bonuses for new teachers	5	2	2
Retention bonuses for veteran teachers	35	4	5

District strategies

In addition to state policies school districts have developed strategies to recruit and retain teachers. In a survey of districts in the Midwest the most successful recruitment strategy by a wide margin was placing high-demand teachers above entry on the salary scale with 59% of districts reporting it as very successful[8]. Other successful strategies include:

Recruitment policies:
Aggressively recruiting from teacher-preparation institutions
Retraining current staff
Offering support to beginning teachers
Providing salary schedule credit for higher education experience
Providing salary schedule credit for nonteaching experience

Retention Policies:
Restructuring schools to make them smaller
Involving teachers in decision making
Recruiting from and training in the community
Implementing common planning time

Providing a general increase in teacher salaries

An often proposed solution to teacher recruitment problems in Montana as well as other states is to provide funding for a general increase in teacher salaries. Several states have enacted general teacher salary increases. The Montana School Boards Association has

suggested raising teacher salaries to the level of 25th ranked state in the nation. The Augenblick & Myers study suggested setting salaries at the average of the bordering states plus Washington[9]. Others have suggested raising salaries to the national average. A proposal somewhat similar to a general increase in salaries is contained in HB124 which would increase state funding for each teacher by $2400 directed toward health insurance.

While general increases may encourage more individuals to enter the teaching profession and may also retain some that would otherwise change careers they are costly. The following table based on figures reported by the National Education Association shows increased costs of these proposals including benefits would be as high as $122 million per year[10].

Estimated Cost of General Teacher Salary Increases

	Neighbors	A&M	25th	US Avg
N Dakota	$ 35,441	$ 35,441		
S Dakota	$ 33,236	$ 33,236		
Wyoming	$ 39,130	$ 39,130		
Idaho	$ 41,080	$ 41,080		
Washington	$ -	$ 45,429		
Avg	$ 37,222	$ 38,863	$ 42,881	$ 46,826
Montana	$ 36,689	$ 36,689	$ 36,689	$ 36,689
$Increase	$ 533	$ 2,174	$ 6,192	$ 10,137
%Increase	1.5%	5.9%	16.9%	27.6%
Annual Cost w/benefits	$ 6,432,318	$ 26,250,861	$ 74,760,984	$ 122,392,135

It is questionable if a general raise would solve recruitment problems for isolated and minority districts since they would be no better off relative to competing districts in the state. Additionally the experience of other states indicates higher salary levels do not eliminate shortages in specific teaching fields. There are indications that non-salary items also play a significant role in teachers' decisions about where to teach. An examination of teacher attitudes conducted by Public Agenda, for example, found that teachers prefer working in schools with better behaved students, supportive parents, highly motivated teachers, and supportive administrators rather than working in schools that pay significantly more but do not have the positive environment[11]. Non-salary considerations may work against teaching in isolated rural districts in spite of the presence of well behaved students and supportive parents.

Options for Montana

Since the major portion of the recruitment problem is experienced by small high schools one approach would be to increase the high school basic entitlement which will put more funds in the hands of small schools without increasing the competition from the larger districts. An increase in the high school basic entitlement of $35,000 would increase spending approximately $8 million (state cost $5 million) yet allow the average Class C

high school nearly $5,000 per teacher. It has been reported that the average salary of Class C schools is approximately $7,000 below the statewide average.

Increasing teacher salaries to the level suggested in the Augenblick and Myers study to the average of the surrounding states and Washington would address regional competitiveness issues. Currently teacher salaries relative to per capita income in Montana are near the middle of states in the western United States[12]. Because of Montana's lower per capita income such a raise would place Montana teacher salaries higher relative to the state's per capita income than the average of these states.

Committing large amounts to a higher general increase in teacher salaries when issues raised by Sherlock have not yet been addressed may not be practical. Careful targeting of funds on the recruitment and retention problems identified will maximize the effectiveness of this additional investment in public schools. Issues raised in Sherlock yet to be addressed such as: adequacy of special education funding, at- risk programs, the appropriate state share of school funding and others may strain the state's ability to fund.

A 2001 study of teacher shortage issues in Montana included among others the following recommendations[13]:

- Implement a state funded mentoring and induction program
- Create targeted scholarship and loan repayment plans for teachers in high demand fields or positions
- Award state-funded professional stipends to National Board Certified teachers
- Institute a state tax credit for teachers who lose income from relocations
- Encourage local school districts to enhance teacher access to district and community resources
- Support local districts in efforts to increase non-salary professional incentives, opportunities, and options

The proposal for National Board Certified teachers was implemented.

Districts are responsible for assuring that appropriate teachers are present in the classroom. It would be counter productive to tie the hands of district managers by restricting or tying funding specifically to teacher salaries or health insurance. Many districts have shown the ability to manage funds effectively making the decisions for example to spend additional funds on helping a current teacher get an additional endorsement to cover a hard to fill field, or opening an online class to meet certain curricular needs, or adding an aide to a classroom or increasing teaching salaries. The district is in the best position to deal with its own problem.

Concluding remarks

Montana's experience recruiting and retaining teachers is similar to that of other states and nationally. Teachers are committed to their jobs and turnover is relatively low. Recruitment problems are found in rural, isolated and heavy minority districts.

Recruitment is difficult for selected teaching specialties such as world languages, family and consumer science, special education, mathematics and music.

Practical, cost effective, solutions would also follow the targeted approaches found most useful by other states. While a general increase in teacher salaries may be of some benefit it is unlikely to cure the acute problems mentioned in this report. Targeted state and district programs offer the prospect of efficiently addressing recruitment and retention problems.

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[2] Montana Office of Public Instruction, *Personnel Recruitment and Retention Report (various years)*. February 2005.
[3] National Conference of State Legislatures, *Teacher Recruitment: Staffing Classrooms with Quality Teachers*, February 2001.
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[5] 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)
[6] Education Commission of the States, *Recruitment and Retention, Pros and Cons, What does the Evidence Say* (ECS website).
[7] Education Week, *Quality Counts 2003*, January 2003.
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[10] National Education Association, *Rankings & Estimates: Ranking of the states 2003 and Estimates of School Statistics 2004*, May 2004
[11] Farkas, S., Johnson, J. & Foleno, T., *A Sense of Calling: Who Teaches and Why,* Public Agenda, 2000
[12] Montana Taxpayer, *Regional and Historical Perspectives on School Funding in Montana*, October 2004.
[13] Governors Task Force on Teacher Shortage/Teacher Salaries, *Final Report,* September 2001.