

# Memo

**To:** Acton-Boxborough Regional Committee, Acton Public School Committee  
**From:** John Petersen  
**CC:** Steve Mills, Marie Altieri, Don Aicardi  
**Date:** June 7, 2012  
**Subject:** Recommendation - Superintendent Compensation FY13

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## Executive Summary

The compensation for the Superintendent of the Acton and Acton-Boxborough Schools should be set both to provide external equity (appropriate compensation relative to peer superintendents adjusted for responsibilities, experience and district wealth) and on a pay for performance basis. Last year the School Committees significantly increased Steve Mills' compensation in response to external equity issues. I believe that Dr. Mills' compensation is equitable on an external basis and his increase this year should be based on his performance. On the basis of his summative evaluation rating of proficient, I recommend that his salary be increased by 2%.

## Background

Steve Mills current salary is \$185,000 per year (salary history shown in Table 1). As shown in the table, Dr. Mills salary was not increased from FY10 to FY11. School salaries were generally constant from FY10 to FY11 due to the poor national economy and reduction in state support for education.\* The tables in the Appendix suggest that on an external equity basis Dr. Mills' salary is in the correct range.

\*Steps and lanes increased Acton, Acton-Boxborough teacher salaries from FY10 to FY11

**Table 1. Superintendent Steve Mills' Acton, Acton-Boxborough Salary History**

Period	Salary	% Increase
8/1/09-6/30/10	\$170,000 (annualized)	N/A
7/1/10-6/30/11	\$170,000	0.0%
7/1/11-6/30/12	\$185,000	8.8%

Historically almost all school staff compensation has been tied to experience/longevity not to performance. The school committees have discussed the need to tie compensation to performance. I believe that a performance based compensation system should be established for the superintendent and should be applied to the determination of his FY13 salary.

## Recommendation

The FY13 approved school budget provides an aggregate increase for administrator salaries of 3.0%. There are four potential summative ratings for administrators: Unsatisfactory, Needs Improvement, Proficient or Exemplary. Assigning a 3% salary increase to exemplary performance and no increase to unsatisfactory performance leads to the proposed performance-based salary increases shown in Table 2.

**Table 2. Proposed Performance Based Compensation**

<b>Performance Rating</b>	<b>Salary Increase %</b>
Unsatisfactory	0
Needs Improvement	1
Proficient	2
Exemplary	3

The collective school committee summative evaluation for Steve Mills is proficient and, on this basis, I recommend that the school committee consider increasing his salary by 2% for FY13.

Additionally, I recommend that school committee discuss with Dr. Mills establishing a similar performance based compensation scheme for all administrators if he has not already done so.

Once performance based compensation systems are in place, the school salary budget target should be set to reflect the expectation that most ratings will fall in the proficient category.

Appendix A: National Perspective on Superintendent Compensation – Annual Salary FY11

<b>Superintendents</b>					
In general, school chiefs get paid more in larger districts, given enrollment and community type, but if they only consider per-pupil expenditure, they would be better off in districts with per-pupil expenditures between \$8,000 and \$8,999. This chart shows the mean of maximum scheduled salaries and daily rates in the 2010-2011 school year.					
<b>SALARIES BY ENROLLMENT</b>					
	25,000 or more	10,000-24,999	2,500-9,999	300-2,499	
<b>Mean of maximum scheduled salaries</b>	\$226,651	\$178,404	\$154,874	\$119,613	
<b>Mean of average daily rates</b>	\$954.46	\$756.79	\$642.40	\$498.61	
<b>SALARIES BY PER-PUPIL EXPENDITURE LEVELS</b>					
	\$11,000 or more	\$10,000-\$10,999	\$9,000-\$9,999	\$8,000-\$8,999	Less than \$8,000
<b>Mean of maximum scheduled salaries</b>	\$159,531	\$158,877	\$157,139	\$170,896	\$163,520
<b>Mean of average daily rates</b>	\$656.15	\$662.98	\$660.44	\$723.62	\$700.43
<b>SALARIES BY COMMUNITY TYPE</b>					
	Large urban	Medium urban	Suburban	Small town	Rural
<b>Mean of maximum scheduled salaries</b>	\$227,690	\$183,955	\$185,346	\$135,145	\$104,708
<b>Mean of average daily rates</b>	\$957.23	\$772.82	\$777.96	\$564.14	\$438.61
<p><i>Large urban:</i> metropolitan area with a population greater than 400,000; <i>medium urban:</i> metropolitan area with a population less than 400,000; <i>suburban:</i> residential area or community outlying a city; <i>small town:</i> population center not within a metropolitan area; <i>rural:</i> farming or agricultural area with less than 2,500 people.</p> <p>Data reflect the mean of average salaries paid by public school systems in Educational Research Service's 38th national survey of salaries and wages in public schools. "Salaries and Wages Paid Professional and Support Personnel in Public Schools, 2010-2011." Copyright © by Educational Research Service. All rights reserved. Used with permission.</p>					

<http://www.districtadministration.com/article/11th-annual-salary-survey-they-work-hard-money>

Appendix B: National Perspective on School Administrator Compensation – Rate of Salary Increase

		<b>Percentage of Change in Average Salaries and Wages Paid</b>									
		The percentage increase in average salaries for school administrators has varied over the past 10 years with changes in the economy, but top administrators have seen a 30 percent or higher increase in salary since the 2000-2001 school year.									
	2001-02 over 2000-2001	2002-03 over 2001-02	2003-04 over 2002-03	2004-05 over 2003-04	2005-06 over 2004-05	2006-07 over 2005-06	2007-08 over 2006-07	2008-09 over 2007-08	2009-10 over 2008-09	2010-11 over 2009-10	2010-11 over 2000-01
<b>Superintendents</b>	2.8%	3.7%	-0.5%	2.5%	4.4%	5.0%	5.1%	4.9%	2.6%	1.5%	36.7%
<b>Deputy/Associate Superintendents</b>	3.3%	4.3%	1.5%	2.1%	5.1%	5.1%	4.6%	1.9%	1.9%	-1.0%	32.7%
<b>Assistant Superintendents</b>	2.6%	2.1%	2.2%	2.4%	3.2%	5.1%	4.3%	2.5%	3.1%	-1.0%	30.0%
<b>Directors/Supervisors of Instructional Services</b>	-0.4%	2.7%	0.3%	4.8%	2.4%	4.3%	5.0%	2.6%	1.6%	-0.9%	24.5%
<b>Directors/Supervisors of Finance/Business</b>	3.0%	1.6%	1.0%	1.7%	3.2%	6.2%	5.2%	2.2%	1.7%	1.0%	30.3%
<b>Directors/Supervisors of Technology</b>	No Data	1.3%	3.0%	0.2%	2.5%	4.5%	5.2%	2.1%	3.0%	0.4%	No Data
<b>Elementary Principals</b>	0.7%	3.0%	-0.2%	1.4%	4.4%	3.7%	4.2%	2.5%	1.8%	-0.1%	23.4%
<b>Jr. High/Middle Principals</b>	1.0%	3.2%	-0.8%	1.8%	3.9%	3.8%	3.9%	2.3%	1.6%	0.4%	23.3%
<b>Sr. High Principals</b>	0.7%	3.0%	-0.3%	0.9%	3.8%	3.0%	4.9%	1.9%	3.0%	-0.2%	22.6%
<b>Guidance Counselors</b>	0.0%	3.4%	1.2%	0.4%	2.4%	4.1%	3.0%	2.0%	2.3%	0.1%	20.4%
<b>Library/Media Specialists</b>	-0.5%	1.8%	1.6%	0.6%	5.1%	2.9%	3.7%	1.8%	2.6%	-0.7%	20.6%

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