



**MILWAUKEE  
PUBLIC SCHOOLS**

# Milwaukee Public Schools (MPS)

## Compensation Analysis: Preliminary Findings

Gallagher Human Resources & Compensation Consulting  
August 22, 2023



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# Study Scope & Sources

## Objectives of the Compensation study:

- Collect market salary data to represent the local K-12 industry and labor market.
- Compare current pay and salary ranges of Milwaukee Public Schools (MPS) to the market data and provide recommendations and next steps for MPS consideration.
- Assess current Administrators & Supervisors Council (ASC) salary structure and provide considerations for adjustments and placements of benchmark jobs.
- Determine short and long term recommendations.
- Provide administrative guidelines for the ongoing maintenance of the system.



# Study Scope & Sources

Gallagher and the MPS identified 82 benchmark jobs:

- 78 of these benchmark jobs have incumbents
- Market data identified for 67 of these benchmark jobs
- Represents approximately 65% of employees in the scope of the study, Administrator and classified positions
- 46 of the benchmark jobs represent the ASC salary structure, supporting the broader assessment of this specific salary structure.



# What is Market Data

*Market data is a valuable benchmarking tool used to make informed decisions about the organization's compensation programs and pay practices compared to those offered by peers. Market data helps: Determine how pay for benchmark positions compares to peers you compete with for talent.*

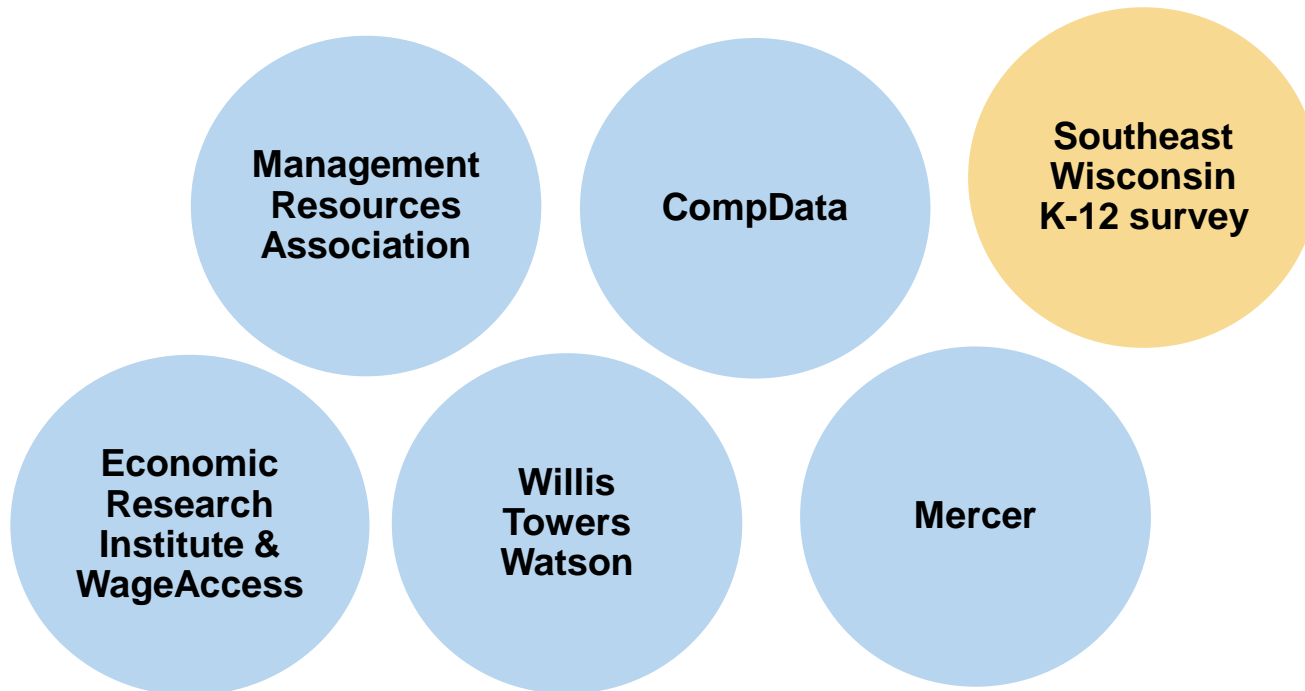
## Considerations:

- Market data is incomplete – does not represent the full market, as not all organizations participate in surveys, does not exist for all jobs
- Market data is dated – per legal requirements, market data is a minimum of 3 months old
- Base Pay only – the market data is base pay only, does not include the broader benefits or the concept of Total Rewards



# Study Scope & Sources

## Market data was from survey sources





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# Compensation Study - Methodology



## Data Review:

Review job matches based on descriptions, perform statistical outlier analysis.



## Data Aging:

Data collected will be adjusted to **July 1, 2023** based on the *WorldatWork* budget trend report.



## Geographic Adjustments:

All data will be adjusted geographically to reflect the “cost of labor” for the **South Eastern Wisconsin** area as calculated by the Economic Research Institute (ERI).



# Compensation Study - Methodology



## **Salary Representation:**

All data was transferred to Hourly rates.



## **Individual Position Comparisons:**

**Base Salaries**– 25<sup>th</sup>, 50<sup>th</sup> (Median), and 75<sup>th</sup> Percentiles

**Salary Ranges** – Average Minimum, Midpoint, and Maximum



## **Aggregate Comparisons:**

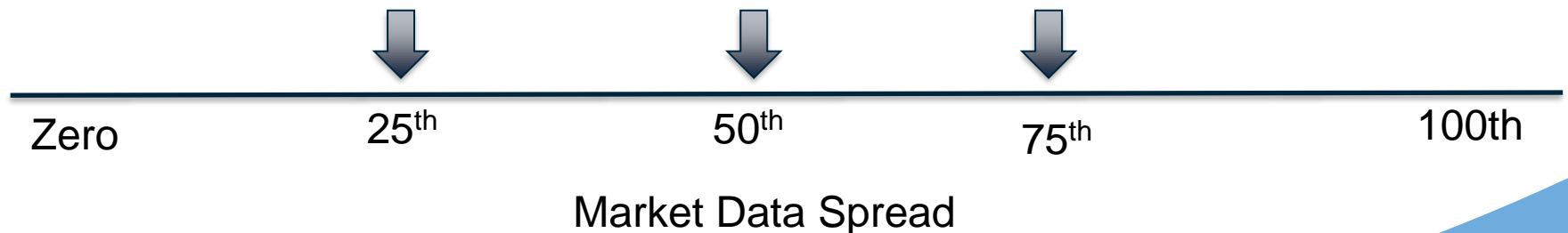
Aggregate comparisons covering benchmark jobs will be calculated to assess the overall competitiveness.





# Compensation Study - Methodology

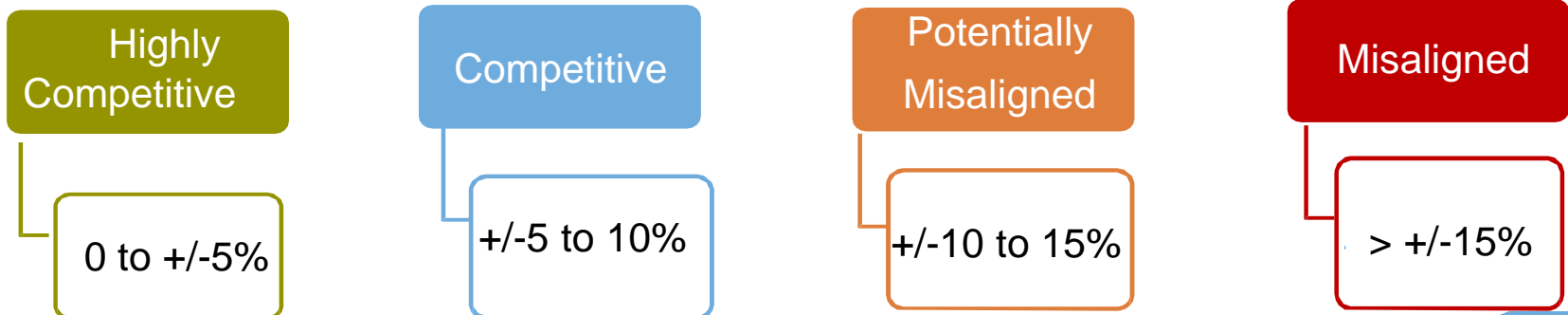
- We collected base pay data of comparator organizations and analyzed the data at the 25th, 50th, and 75th percentile of actual pay and pay ranges.
- Percentiles were calculated using average actual pay:
  - Market 25th percentile is the point where 25% of data falls below and 75% of data falls above.
  - Market 50th percentile (median) is the point where 50% of data falls below and 50% of data falls above.
  - Market 75th percentile is the point where 75% of data falls below and 25% of data falls above.





# Compensation Study – Comparisons

- For the overall comparison to the market, the percentage difference was calculated between the MPS's actual salary and salary structure with the market:
  - Positive (+) figures indicate that the school district pays above the market
  - Negative (-) figures indicate that the school district pays below the market
- The figures on the following page are aggregate differences to show the overall comparison to the market and do not reflect recommended changes
- The following guidelines are used when determining the competitive nature of current actual compensation:





# Compensation Study - Comparisons

- We calculated the overall difference between MPS benchmark jobs and the market 50<sup>th</sup> percentile for comparison.
  - The 50<sup>th</sup> percentile represents the competitive market, or the middle of the market, and the target pay level for a majority of organizations.
  - Individual jobs may have a greater variance from the market. Comparisons by position have been provided under separate cover.
  - Factors such as performance and time in position impact actual salaries and have an impact on the differences between the MPS and the market actual salaries for individual jobs.
- Market Comparisons for the salary structure focused on the ASC salary structure due to the existence of a formal salary structure, not just individual rates or ranges per job titles.
- We looked at other positions that are outside of the ASC structure. Some of those positions were paraprofessionals, secretaries and safety assistants.



# Compensation Review

On an overall basis of all jobs combined, the percentage that the MPS is above or below the market is shown in the table below (based on FY23 Salary data):

Summary Comparison						
	Market 25th	Market 50th	Market 75th	Range Minimum	Range Midpoint	Range Maximum
Benchmark Summary - Custom	3.5%	-5.6%	-13.0%	n/a	n/a	n/a
Benchmark Summary - Published	12.1%	-2.7%	-13.5%	-2.6%	-8.9%	-9.4%
Benchmark Summary - Full Market*	10.2%	-3.4%	-12.6%	-2.6%	-8.9%	-9.4%

Summary Comparison - ASC Salary Structure						
	Market 25th	Market 50th	Market 75th	Range Minimum	Range Midpoint	Range Maximum
Benchmark Summary - Custom	6.7%	-1.1%	-8.8%	n/a	n/a	n/a
Benchmark Summary - Published	6.5%	-8.6%	-18.1%	-2.0%	-9.2%	-13.9%
Benchmark Summary - Full Market*	5.1%	-9.1%	-20.0%	-2.0%	-9.2%	-13.9%



# Compensation Review – with 8%

MPS has implemented an 8% adjustment to the structures and actual pay of employees, the table below shows the impact of the update. These tables also include updates to the census, revisions of job matches, and updates of assigned salary ranges:

## Summary Comparison

	Market 25th	Market 50th	Market 75th	Range Minimum	Range Midpoint	Range Maximum
Benchmark Summary - Custom	11.8%	1.9%	-6.1%	n/a	n/a	n/a
Benchmark Summary - Published	21.0%	5.1%	-6.6%	5.2%	-1.6%	-2.2%
Benchmark Summary - Full Market*	19.0%	4.3%	-5.6%	5.2%	-1.6%	-2.2%

## Summary Comparison - ASC Salary Structure

	Market 25th	Market 50th	Market 75th	Range Minimum	Range Midpoint	Range Maximum
Benchmark Summary - Custom	15.2%	6.8%	-1.6%	n/a	n/a	n/a
Benchmark Summary - Published	15.0%	-1.3%	-11.5%	5.8%	-1.9%	-7.0%
Benchmark Summary - Full Market*	13.5%	-1.8%	-13.6%	5.8%	-1.9%	-7.0%

**Overall the update has moved MPS into a highly competitive position with all market data cuts.**



# Analysis, Recommendations & Next Steps

## Review MPS Salary & Structure Data compared to Market data

**For each benchmark job with market data, comparisons were made below, and the following slides provide examples of comparisons.**

- **Actual Pay comments-** Comparison of salaries compared to market 50<sup>th</sup> percentile ( Highly competitive, Competitive, Possibly Misaligned, leading market and/or below market).
- **Salary Structure comments-** Comparison of salary structure compared to market 50<sup>th</sup> percentile (Highly competitive, Competitive, Possibly Misaligned, leading market and/or below market).
- **Next Steps** - Possible job structure adjustments, reviewing data matches and appropriateness of current job/salary placements



# Example - Individual Market Comparisons

## Accountant II

	FY 23 Pay	Increase 8%
<b>Actual Pay</b>	Misaligned, below market	Possible misaligned, below market
<b>Salary Structure</b>	MINIMUM - competitive, below MIDPOINT - possible misaligned, below MAXIMUM - misaligned, below	MINIMUM - highly competitive, below MIDPOINT - competitive, below MAXIMUM - possible misalignment, below
<b>Possible Solution</b>	Consider salary grade change based on market and internal equity, market data aligns with grade 05A, current placement is 04A.	Potential increase moves the salary range into a more competitive level without changing internal equity.
<b>MPS Next Steps</b>	Confirm job matches, review internal equity of jobs in O4A and O5A to determine appropriate placement. Consideration of the Accountant III and IV, connects to long term recommendations.	Confirm job matches, review internal equity of jobs.



# Salary Structure Assessment

## CURRENT ASC Salary Structure

- Includes 18 pay grades (additional ranges adjusted for contract days)
- Typical salary range spread is 44%, three first ranges are 25% to 39%, and top (Chief) range is 20%)
  - Current salary range spreads and presence of different spreads is competitive and in alignment with current practices
- Typical midpoint to midpoint differential is 4.8%, with few significant differences:
  - Grade 05A to 06A is a 12.3% increase
  - Grade 16A to 18A is a 26.8% increase
  - The 4.8% midpoint differential is lower than the typical practice in the market best practice of 10-15%. Smaller midpoint differential may create salary compression.





## Recommendations – Short Term

### **Pay and Salary Structure Adjustment:**

- Based on FY23 comparison an overall salary structure adjustment of up to 9% is warranted.
- MPS has already adjusted salary structure by 8% resulting in a highly competitive relationship with the market at an aggregate level
- MPS to review individual jobs based on summary of comparison to determine if pay grade placement is appropriate or should be adjusted – consider market data and internal equity
- With these 8% increases this places most of the classified in a highly competitive or competitive positions. In some circumstances these classified positions will be leading the market.



# Recommendations – Long Term

Based on the market data, discussions with MPS Project Team, and assessment of the market comparisons, internal equity, classification and salary structure assessment, there are two tiers of long-term options:

Long Term Options	Summary of Approach	Benefit	Potential Drawback
<p>Tier 1: Refinement Approach (10-15 months)</p>	<p>Compensation-Using market data, develop new ASC salary structure with consistent range spread and midpoint differential based on market data. Assign jobs to pay range by combination or market data and internal equity.</p>	<ul style="list-style-type: none"> <li>▪ Shorter time-line</li> <li>▪ Direct connection to market</li> <li>▪ Limited MPS involvement (HR and Leadership only)</li> <li>▪ Lower cost for project work</li> </ul>	<ul style="list-style-type: none"> <li>▪ Does not address all internal equity concerns</li> <li>▪ Market data not present for all job titles</li> <li>▪ Does not address employee allocation to appropriate classification</li> </ul>
<p>Tier 2: Overall Update (12-18 months)</p>	<p>Classification-Refine classification (job family) structure to redefine bodies and levels of work from content provided by employee questionnaires (and potential interviews), combine with market data to develop new salary structure balancing internal equity and market competitiveness.</p>	<ul style="list-style-type: none"> <li>▪ Addresses classification, internal equity, and market</li> <li>▪ Includes employee input</li> <li>▪ Longer sustainability</li> <li>▪ Clean up classification descriptions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Employee input requires review (Management and HR), and potential disconnect</li> <li>▪ High level of effort from MPS (HR, Leadership)</li> </ul>



# Recommendations - Summary

## Short Term

Step 1: Increased current pay structure by 8%

- Ensure all employees at new minimum of increased pay structure – improves MPS alignment with market

Step 2: Placement in Range

- Examine the current time in position for each employee to estimate placement in updated range. Explore modifications to hiring practices related to salary placement.

## Long Term

Review and update the current Classification (Job Family) Structure for the positions in the ASC Salary Structure. Recommend a Full Classification & Compensation study to:

- Ensure appropriate internal equity (leveled accurately to reflect scope, decision-making, responsibilities, etc.)
- Accurate allocation of individual employees to the classification, resulting in appropriate pay grade placement based on job content.
- Develop and update
- Completed through a 'Classification Study' that collects job information from employees within an identified employee group (eg. ASC salary structure)



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# Appendix - Supporting Materials

# Administrators & Supervisor Salary (ASC-FY24)



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**Schedule:** This group includes positions ranging from administrative assistants through cabinet level and can be either classified or certificated. Salaries range from 200 to 260 days as indicated by Grade:

Grade	Job Titles	Min	Mid	Max
00A	Assistant	\$ 41,845	\$ 47,037	\$ 52,231
01A	Assistant I	\$ 51,949	\$ 60,758	\$ 69,568
02A	Assistant II, Paralegal	\$ 53,897	\$ 64,330	\$ 74,762
02C	Assistant II	\$ 46,642	\$ 55,638	\$ 64,636
03A	Assistant III, Associate I, Technician I, Accountant I	\$ 55,993	\$ 68,184	\$ 80,376
04A	Associate II, Technician II, Accountant II, Performance Auditor I	\$ 60,209	\$ 73,340	\$ 86,470
05A	Associate III, Analyst I, Accountant III	\$ 64,676	\$ 78,866	\$ 93,057
05D	Associate III, Analyst I, Accountant III	\$ 53,128	\$ 68,748	\$ 84,368
06A	Coordinator I, Analyst II, Accountant IV, Performance Auditor II	\$ 72,584	\$ 88,563	\$ 104,543
06C	Coordinator I, Analyst II, Accountant IV, Performance Auditor II	\$ 62,669	\$ 76,405	\$ 90,141
07A	Coordinator II, Analyst III	\$ 76,038	\$ 92,801	\$ 109,565
07C	Coordinator II, Analyst III	\$ 65,626	\$ 80,033	\$ 94,441
08A	Coordinator III, Specialist I	\$ 79,679	\$ 97,269	\$ 114,859
08C	Coordinator III, Specialist I	\$ 68,761	\$ 83,871	\$ 98,981
09A	Supervisor I, Specialist II	\$ 83,557	\$ 101,976	\$ 120,395
09C	Supervisor I, Specialist II	\$ 72,023	\$ 87,872	\$ 103,723
10A	Supervisor II, Specialist III	\$ 87,497	\$ 106,851	\$ 126,204
10C	AP I - Elem, Supervisor II, Specialist III	\$ 75,448	\$ 92,070	\$ 108,692
11A	Manager I, Specialist IV	\$ 91,693	\$ 111,998	\$ 132,303
11C	AP II - MS, Manager I, Specialist IV	\$ 79,043	\$ 96,481	\$ 113,917
12A	Manager II	\$ 96,106	\$ 117,408	\$ 138,712
12C	Manager II, AP III - HS	\$ 82,787	\$ 101,075	\$ 119,364
13A	Manager III	\$ 100,732	\$ 123,084	\$ 145,437
13T	Principal I - K-6, Principal I - K-8	\$ 95,424	\$ 116,562	\$ 137,698
14A	Director I, Principal I - 9-12, Principal I - K-12	\$ 105,597	\$ 129,048	\$ 152,500
14T	Principal I - 6-8, Principal II - K-8	\$ 99,312	\$ 121,830	\$ 144,347
15A	Director II, Comptroller, Principal II - 9-12, Principal II - K-12	\$ 110,695	\$ 135,304	\$ 159,913
16A	Sr. Director, Regional Superintendent	\$ 116,056	\$ 141,878	\$ 167,698
18A	Chief	\$ 163,807	\$ 179,895	\$ 195,983



# Local School Districts

Local K-12 Organizations (62 in total)		
Arrowhead Union	Hamilton	Menomonee Falls
Brown Deer	Hartford Jt1	Mequon-Thiensville
Cedarburg	Hartford Union HS	Merton Community Schools
Cudahy	Hartland-Lakeside	Messmer
Elmbrook	Indian Community School	Milwaukee
Fox Point	Kenosha	Mukwonago
Franklin	Kettle Moraine	Muskego-Norway
Germantown	Kewaskum	New Berlin
Glendale-River Hills	Lake Country	Nicolet
Grafton	LUMIN Schools	North Lake School
Greendale	Maple Dale-Indian Hill	Oak Creek-Franklin
Greenfield	Marquette High	



# Local School Districts

Local K-12 Organizations (62 in total)		
Pewaukee	Swallow	Waterford
Port Washington-Saukville	University School	HHASD
Racine Unified	Waterford	
Richmond	Watertown	
Seton	Waukesha	
Sheboygan	Wauwatosa	
Shorewood	West Allis	
Slinger	West Bend	
South Milwaukee	Whitefish Bay	
St. Anthony	Whitnall	
St. Francis	Holy Hill Area	
Stone Bank	Northern Ozaukee	

# Benchmark Job Titles



ACCOUNTANT II	FIN PLAN & BUDGET COORD III	PRINCIPAL I	SR DIR - FAC & MAINT SERV
ACCOUNTING ASSISTANT II	FOOD SERV ASST-IN CHG	PRINCIPAL II	SR PROGRAMMER ANALYST I
ADMIN ASST III	FOOD SERVICE ASSISTANT	PROCUREMENT ASSOCIATE III	STUDENT ENROLLMENT ASST I
ASSESSMENT SPECIALIST III	GROUNDSKEEPERS	REC DISTRICT COORDINATOR II	SUP I - BUILDING OPERATIONS
ASST PRIN I ELEM - TRAD (10C)	HEAD START PROGRAM CORDNATR II	REC SUPERVISING ASSOCIATE II	SUPERVISOR I, SCHOOL NURSING
ASST PRIN II - MS ES (11C)	HUMAN RESOURCES SVCS ASST	REGIONAL SUPERINTENDENT	SYSTEMS ADMINISTRATOR
ASST PRIN III - HS IB (12C)	INFORMATION SPECIALIST	RESTORATIVE PRAC CO	TALENT MNGMNT SPECIALIST I
AUTO MECHANIC	INTERPR-DHH	SCH NURSING ASSOC	TECH SUPPORT SUPERVISOR I
BENEFITS ASSOCIATE I	INVENTORY CLERK	SCH SAFETY ASST	EXECUTIVE ASSISTANT TO THE SUPERINTENDENT
BLDG SERV HLPR I	IT SERVICE TECHNICIAN	SCH SECRETARY I-	COMPROLLER
BOILER ATTENDANT	LIBRARY MEDIA SPECIALIST	SCHOOL BOOKKEEPER - 12 MONTH	SR. DIRECTOR, TECHNOLOGY
CHIEF ACADEMIC OFFICER	MGR I - PROCUREMENT	SCHOOL ENGINEER I	SR. DIRECTOR, SCHOOL & COMMUNITY RECREATION
CHIEF FINANCIAL OFFICER	MGR II - EARLY CHILDHOOD LRNG	SCHOOL KITCHEN MGR I	CERTIFIED PHYSICAL THERAPIST CERTIFIED
CHIEF HUMAN RESOURCES OFFICER	MGR III - MAINT & REPAIR SERV	SCHOOL NURSE	SR. DIRECTOR, STUDENT SERVICES
CHIEF SCHOOL ADMIN OFFICER	NUTRITION ASSOCIATE III	SCHOOL PSYCH	PRINCIPAL III
CHILDREN'S HEALTH ASSISTANT	PARA ED ASST	SCHOOL SOCIAL WORKER	PROFESSIONAL DEVELOPMENT SPECIALIST
CURRICULUM SPECIALIST IV	PARA-PARENT INVOLVEMENT	SOCIAL WORK AIDE II	MANAGER II, OPERTIONS (SCHOOL NUTRITION)
DEAN OF STUDENTS	PAYROLL ASSISTANT II	SPEC ED PROG SUPVR I	OCCUPATIONAL THERAPIST
DIETITIAN SPECIALIST I	PEOPLESFT ADMINISTRATOR	SPEC SERV REGIONAL MGR II	PAYROLL MANAGER
EMPLOYMENT REL SPECIALIST III	PLANNING ASSISTANT II	SPEECH PATHOLOGIST	
SECRETARY II	SUPERVISOR I, NETWORK ADMIISTRATION	TECHNOLOGY SUPPORT TECHNICIAN	