



HIRING INCENTIVES

MICHIGAN SCHOOL BUSINESS OFFICIALS

81ST ANNUAL CONFERENCE

Amway Grand Hotel
Grand Rapids, MI
Thursday, May 2nd, 2019
1:15 – 1:45 p.m.

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AGENDA

- Current employment environment.
- Types of incentives today, all industries.
- Typical educational organization employment pain points.
- Survey results for schools and ISD's.
- Loan forgiveness plans.

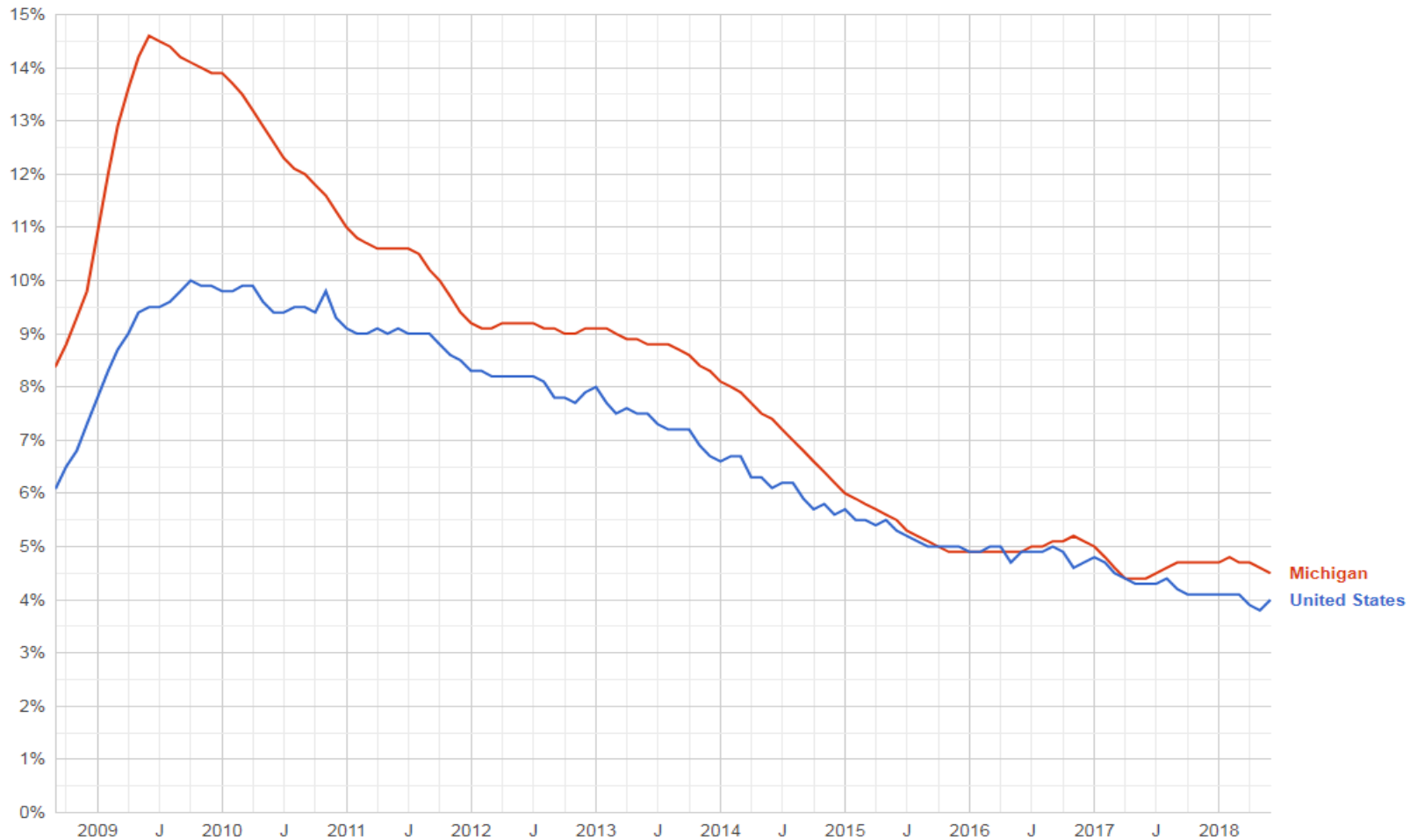
BACKGROUND

- Unemployment is lowest in 18 years nationally.
- As of April 2019, 6.7 million job openings/6.3 million job seekers.
- Use of non traditional hiring practices (social media) growing.
- Jobs are being altered or created to fit the skillsets available.
- Increased pressure to automate processes.
- Increased use of offshore talent.
- Remote workforce use increasing.

MICHIGAN LABOR MARKET

○ Unemployment Statistics as of February, 2019:

- United States (3.8%)
- State of Michigan (4.0%)



SALARY INCREASES IN MICHIGAN

	Actual 2017		Projected 2018		Actual 2018		Projected 2019	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
National	3.0%	3.0%	3.1%	3.0%	3.1%	3.0%	3.2%	3.0%
Michigan	3.0%	3.0%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%

WorldatWork 2018-2019



SOME CREATIVE SOLUTIONS

- Union Pacific offering up to \$25,000 sign-on bonuses to entice workers to train as crewmen, diesel mechanics, and electricians.
- In Baltimore new residents can get \$5,000 toward the purchase of a new home, New Haven, Conn., is providing \$80,000 in incentives for new homeowners (\$10,000 interest free, \$30,000 toward renovating a home and \$40,000 for college tuition).
- In Marne, Iowa, city officials are giving people land to build homes on, while new arrivals in Harmony, Minn., can receive up to \$12,000 to build homes.

- Some 77 counties in Kansas will help residents pay off up to \$15,000 in student loan debt and waive the state income tax for up to five years in what it calls "rural opportunity zones."
- In Vermont, new residents are eligible for up to \$10,000 in moving expenses and other costs.
- A severe truck driver shortage has prompted lawmakers to propose lowering the age limit for interstate commercial truck drivers to 18 from 21.

DOES YOUR DISTRICT HAVE ANY PROBLEMS FINDING TALENT?

Bus Drivers?

Teachers?

Administrators?

Others?

WHAT IS THE ROOT OF THE PROBLEM?

- Healthy economy
- Rising wages in the private sector
- Jobs everywhere
- Lack of students entering teacher education programs
- Limitations established in master agreements
- Drug testing/criminal background checks

WHAT ARE SCHOOLS DOING TO ATTRACT TALENT?

Recruiting teachers in Michigan: Vacancies lead to wining and dining, incentives. (From Detroit Free Press)



DETROIT PUBLIC SCHOOLS (FROM DETROIT FREE PRESS)

TEACH 313

- Quicken Loans-\$1,000 toward closing costs, \$500 cash back after purchase
- GM-hundreds or thousands off price of new lease or purchase
- Building Detroit website-50% off purchase price of a house

MICHIGAN TEACHERS CASH IN ON HOUSING INCENTIVES.

(FROM AP NEWS)

Battle Creek Public Schools

- \$1.5 M grant from W.K. Kellogg foundation, \$750K to strengthen neighborhoods
- Up to \$10,000 for home purchase
- For existing homeowners, up to \$10K matching for improvements

WHAT ARE OTHERS DOING?

MASA SURVEY-33 RESPONSES

Three Questions

- Does your ISD offer incentives for hiring support staff?
- Does your ISD offer incentives for hiring teachers?
- Does your district offer any incentives for hiring administrators?

SUPPORT STAFF

- 29 offered no incentives
- 2 districts offered free CDL and paid for fingerprints
- 3 mentioned flexibility or giving credit for experience in placement on the salary/wage scale

BUS DRIVERS-LIVINGSTON ESA

BUS DRIVERS-LIVINGSTON ESA

- Referral Incentive-\$750
- Signing Bonus-\$300
- Increased Hourly Pay-\$1.00 Hour
- All Training Costs Paid

1 Year No Bonus

2-5 Years 1% of Gross Wages

Longevity Bonus

LIVINGSTON ESA

➤ Longevity Bonus

Qualifying Bonus Years of Service Earned as of June 30th of Each Year:	Bonus Payment
1	No bonus
2-5 Years	1.0% of gross wages earned during the year
6-10 Years	1.5% of gross wages earned during the year
11-15 Years	2.0% of gross wages earned during the year
16-20 Years	2.5% of gross wages earned during the year
21+ years	3.0% of gross wages earned during the year

*Bonus payment available for substitutes as well (\$1.40 day)

WHAT ARE OTHERS DOING?

DEAN TRANSPORTATION

- CDL Fees Waived
- Free Training
- Advancement Opportunities
- Guaranteed Minimum Hours

OTHERS

- Guarantee of Full Time Employment by combining Bus Driving with other positions (Para, Food Service, Maintenance/Custodial)

TEACHERS

- 16 responded “no” or “none”
- 1 responded with \$5,000 signing bonus for hard to fill positions (speech path., school psych.)
- 1 covered cost for additional credential
- 1 responded -80% to 100% tuition reimbursement
- 5 responded with flexibility regarding placement on salary scale
- 1 paid moving expenses under certain conditions
- 3 identified this or similar contract language; *“Hiring and retention incentives may be awarded at the Superintendent’s discretion to candidates for positions in areas of occupational shortage.”*

TEACHERS

BONUSES FOR HARD TO FILL POSITION

- \$500 for signing first contract, \$500 for first contract renewal
- \$5,000 for ASD
- Tuition reimbursement (100% for general education teachers willing to pursue ASD endorsement)

ADMINISTRATORS

- 26 responded "no" or "none"
- 1 referenced same flexibility as when hiring teachers
- 1 used a "grid" outlining all benefits, not just salary
- 1 identified moving expenses
- 1 identified up to \$5,000; \$2,500 signing bonus and \$2,500 at end of specified time period

ADMINISTRATIVE

- Moving costs for living in district
- Paying for advanced degree
- Paying student loan debt

STUDENT LOAN DEBT



STUDENT LOAN DEBT

Do you offer student loan benefits?

Help paying off student debt is the number one employee request, over retirement savings and health insurance.

Oliver Wyman survey, 2017

USDE SPONSORED PROGRAMS

**1. Public Service Loan Forgiveness (PSLF) Program-
Forgives the remaining balance on your Federal Direct
Loans after 120 qualifying payments (10 years).**

View complete program details
at [StudentAid.gov/publicservice](https://studentaid.gov/publicservice).

2. Teacher Loan Forgiveness

**Forgives up to \$17,500 of your Direct or FFEL Subsidized
or Unsubsidized Loans after 5 complete and consecutive
years of teaching at a qualifying school.**

View complete program details at [StudentAid.gov/teach-](https://studentaid.gov/teach-)

USDE SPONSORED PROGRAMS

3. Perkins Loan Cancellation for Teachers

Forgives up to 100% of your Federal Perkins Loan Program if you teach full-time at a low-income school, or if you teach certain subjects.

View complete program details at StudentAid.gov/teach-forgive.

THANK YOU FOR YOUR ATTENTION!

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