



Management Consulting to Independent  
and International Schools Worldwide

**LITTLEFORD & ASSOCIATES**  
— GLOBAL ISSUES | LOCAL SOLUTIONS —

Board Governance | Head Compensation | Mentoring Heads | Faculty Compensation & Evaluation | Fundraising | Leadership Transitions  
Safe Harbors Compliance | Executive Searches | Financial Management | School Climate & Morale Issues | Marketing | Strategic Planning

## THE WHOLE PACKAGE

*Posted on December 4, 2019*

Most teachers, in our experience, when asked the value of their total compensation package, focus on the cash portion of their compensation. What do they leave out? They often neglect to mention any or some of the following unless prompted: medical insurance, standard term life insurance, LTD and STD, flexible benefits, stipends, summer program income, coaching and similar extracurricular pay, housing, utilities etc., (for boarding schools), tuition remission, financial planning support, professional development, free lunches and it goes on and on. They almost never mention outside tutoring and reduced workload unless probed.

What is the point? Schools need to be much clearer to teachers about the value of their benefit package not just the social security contribution, (which some resent seeing) but about all of the other components. These add up to some major incentives to come to your school and remain there.

A recent Client is a case in point. This boarding School provides a matching 5% retirement contribution to TIAA from day one with no vesting requirements, and the School's contribution rises to 7.5% after 3 years and 10% after 5 years, with no additional match required from the teachers. One teacher with 35 years of experience and his wife both work at the School and have had four children educated there with 100% tuition remission. There is no limit to that tuition remission benefit at the School. As a result of their ability to save due to these benefits, this couple was able to buy and pay for a nearby vacation waterfront home.

There are new and refurbished lovely dorm apartments and 8 standalone houses on campus free of charge in exchange for one duty night a week and every third weekend. If one lives in a dorm apartment one pays no utilities.

While two extracurricular assignments are required at no extra pay, the School pays \$6,000 for an extra class over four and \$2500 to \$3500 for the third extracurricular assignment. It also pays all but \$250 a month for family medical coverage which costs the School \$1750 a month; summer program salaries for mornings only over 5 weeks for \$4,000 to \$6000; and a generous amount towards a Master's degree. Of course, there are a number of stipends also.

One of the unusual benefits that this School offers is long-term care coverage, fully paid by the



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School after 15 years of service for all employees. The infirmary is staffed 24/7 for students, staff and their children. All faculty and their children may use the tennis courts, pools, fitness room, gyms etc. at no charge.

There are 12 married couples on campus where both spouses work at the School and whose combined annual family income averages \$150,000. The pretax package value averages well over \$200,000 for each of the 12 married couples on campus and a good portion of that is tax free.

So while not all schools are boarding schools, and not all married couples work at the same boarding school, and not all faculty have school age children, the point is that many teachers often earn substantial stipends (or extra pay associated with titles/ positions of responsibility), extracurricular pay and major tax free benefits to earn advanced degrees, summer trips and long-term career enhancing PD. They may not even be aware of all of the components of their package or may take some for granted. For example, teachers never mention to this Consultant that they receive a free lunch.

The teachers are not ungrateful. Simply put, they are not thinking about the entire pay package that enhances their quality of life. This could be called “the enhancement factor”, i.e., all those elements beyond a cash base that make for a life cocooned from inflation, local housing costs (in the case of boarding schools) and some taxes.

The enhancement factor needs to be examined, planned for, sold effectively and periodically benchmarked against other good and competing schools. Often an objective outsider is the best person to conduct these analyses and facilitate internal discussions about them.

Littleford & Associates has a 35-year history of working with over 3000 schools worldwide on salary, benefit and evaluation/professional growth systems. Our Firm works with schools to enhance the quality of faculty compensation and benefits delivery and to ensure that they are mission congruent and within the resources of the school. We do this through both surveys and onsite work that helps to build powerfully positive relationships among boards/administrations/and teaching faculties through a dialogue that allows people to walk in each other’s shoes and value the other person’s perspective.

One recent satisfied client School on this topic stated: “John is clearly an expert with vast experience working with independent schools around the world, yet he always seems to know exactly when to share expertise and best practice and when to allow us to go in a different direction that is unique and mission appropriate to our School and our culture. Another of John’s promises was that we would develop a compensation system based on an articulated philosophy grounded in our mission. Again, John delivered on this promise, and I know with certainty that the



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new compensation system we developed is both mission driven and mission enhancing.”