

Sample Memo Assignment

The North Carolina Taxpayers' Association published a report stating that the average salary of North Carolina's public school teachers increased from \$9,500 in 1976 to \$20,000 in 1986, an increase of 111 percent. The Association's report is part of an effort to stop proposed tax increases, part of which would be used to increase teachers' salaries.

You are an analyst working for the North Carolina Superintendent for Public Instruction (the chief state school officer in the state). The Superintendent believes that teacher salary increases are necessary to improve the quality of public education in the state. He has asked you to write a brief memo (no longer than 425 words) explaining why the Taxpayers' Association figures may be somewhat misleading.

One of the first things you do is to collect information on starting salaries (for teachers with a B.A. and no experience) and maximum salaries (for teachers with an M.A. and at least 15 years of experience) in each of the state's 140 districts. The following table provides the average starting salary and the average maximum salary in each year (these are nominal dollar earnings).

Year	Average Starting Salary (\$)	Average Maximum Salary (\$)
1976	8,312	11,757
1977	8,954	12,540
1978	9,525	13,343
1979	10,091	14,131
1980	10,592	14,847
1981	12,616	16,553
1982	13,227	18,207
1983	13,219	18,396
1984	13,881	18,401
1985	15,930	20,065
1986	15,936	21,992

One of the several points that you should address in your memo is how it is possible for the average salary teachers were paid to increase by 111 percent over the decade, while starting salaries only increased by 92 percent and maximum salaries increased by 87 percent.