Hello All,

I hope you are all enjoying the new pay structure, or at least just the pay, as the structure itself is a bit convoluted. For the past couple of pay periods since going to the new system, Karin has been trying to provide the info you want without over complicated the process. She has had a few questions, which I thought were worth sharing with everyone.

There are three figures that go into calculating the pay for a given class, as follows:

1. **Tier rate for number of students in the class** (I will use tier two as an example)

|  |  |
| --- | --- |
| **Students** | **Tier 2 Instructor** |
| 16 | 18.5% |
| 15 | 19.5% |
| 14 | 20.5% |
| 13 | 21.5% |
| 12 | 22.5% |
| 11 | 23.5% |
| 10 | 24.5% |
| 9 | 25.5% |
| 8 | 26.5% |
| 7 | 27.5% |
| 6 | 27.5% |
| 5 | 28.5% |
| 4 | 29.5% |
| 3 | 18.5% |
| 2 | 19.5% |
| 1 | 20.5% |

1. **Percentage of the class the instructor worked**

|  |  |
| --- | --- |
| Classroom Only  | 20% |
| Range Only (i.e. traditional C2) | 40% |
| Classroom & Range (i.e. traditional C1) | 60% |
| 2 Instructor Class & Range (i.e. STEP & ARC) | 50% |

1. **Student Tuition (I will use a 2-day class as an example)**

|  |  |
| --- | --- |
| Student 1 – Under 18 (student pays $100, $110 subsidy) | $210 |
| Student 2 – Out of state license (no subsidy) | $299 |
| Student 3 - Repeat Student ($50 off, $110 subsidy) | $359 |
| Student 4 – Zoom Covid Holdover ($125 + $110 subsidy | $235 |
| Student 5 – Regular Tuition ($299 + $110 subsidy) | $409 |
| Student 6 – Regular Tuition | $409 |
| Student 7 – Regular Tuition | $409 |
| Student 8 – Regular Tuition | $409 |
| Student 9 – Regular Tuition | $409 |
| Student 10 – Regular Tuition | $409 |
| Student 11 – Regular Tuition | $409 |
| Student 12 – Regular Tuition | $409 |
| **Total** (average is $365 per student) | **$4,375** |

1. So the math for example above would be: $4,375 X 60% X 22.5% = **$590.63**
2. C2 math would be: $4,375 X 40% X 22.5% = **$393.75**

The math for testing works the same way, but it is a flat 35% for the instructor (split evenly if multiple instructors):

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Instructor** | **Per**  |
| **Testing** | **Tuition** | **%** | **Student** |
| **Permit Knowledge** | $45 | 35% | $15.75 |
| **Endorsement Knowledge** | $50 | 35% | $17.50 |
| **Permit Skills** | $55 | 35% | $19.25 |
| **Endorsement Skills** | $60 | 35% | $21.00 |
| **Warm-up Skills** | $75 | 35% | $26.25 |

The holdover Zoom students and not having correct license numbers for a few students that don’t know what WDL stands for have been a couple of the wrinkles with the new system that wasn’t necessarily anticipated when we rolled it out. However, overall the new pricing and the two class format for permit and endorsement are working! We are seeing a good class fill rates and are capturing a significant number of return students. As a result, instructor pay has increased dramatically (I know, this is not why you do it, but it is a nice fringe benefit for your hard work!).

We will be watching demand closely as the weather changes to see if it will require a change in tuition rates. We anticipate having to adjust at least some of the seat prices as it gets wet & cold, which will flow down to instructor pay. The hope is we will be able to at least maintain pay at least 2019 levels, but it will depend on class load (which is something you can help with by getting permit students back into endorsement classes).

Though this system introduces more variability, it allows us to match pay with demand so we can get more money in the instructors’ pockets. The flip side is variability, which I get most people don’t like, as well as classes in the dead of winter that might not pay as well as a lovely summer day. At the end of the day, this should help support the goal of maintaining the best instructors in the state, invest in new equipment and explore opportunities for additional training.

As always, don’t hesitate to let me know if you have any questions or comments. My hope is we can continue to dial this system in so it works best for all parties involved; students, instructors and stakeholders. Thank you for your continued commitment and support!

Best Regards,

Kevin Giboney