

DESIGNING & IMPLEMENTING PAY PLANS

Rural Districts

What is Strategic Compensation?



**The strategic alignment of
desired organizational goals
and compensation**

Principles Defined by TDOE

- No current employed teacher will earn less under new salary plans.
- Districts may reward teachers for performance based on state board approved evaluation criteria.
- Districts may reward teachers who teach in high needs school or high needs subject areas.

Principles continued...

- Districts may choose to give additional compensation to teachers who take on additional instructional responsibilities (i.e. teacher mentors, instructional coaches).
- Districts may choose to adopt alternative salary schedules in order to meet requirements of the differentiated pay policy.

Important

Distributing all new revenue solely for training and experience does not meet the requirements of differentiated pay.

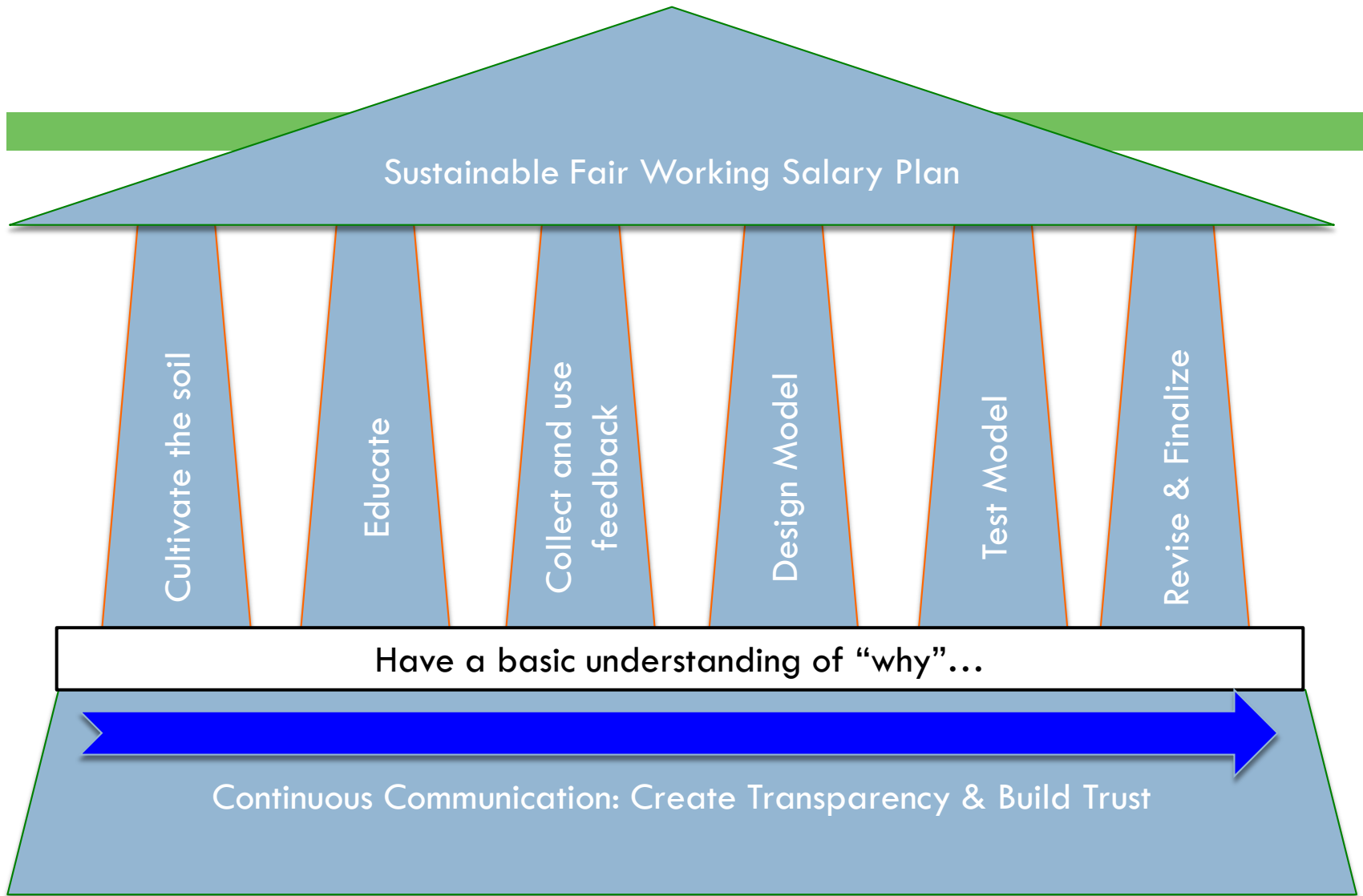
Questions and Concerns?

10 Lessons Learned by BFK

1. Strategy is key.
2. Strategic compensation is NOT the “fix-all” solution: Must be integrated solution.
3. There is no one best model.
4. A plan imposed, is a plan opposed.
5. If you had only asked...

10 Lessons Learned by BFK

6. Think sustainability
7. Use Multiple measures: Evaluation process
8. Learn from the past.
9. Be fair
10. Constant, open communications.



Points to Consider for Sustainability



If no additional funding is to be used.



Design Considerations

What stakeholders do you want to involve in the design?



How much time is available for stakeholders?



Can district level design plan and then be reviewed by stakeholders?



Do you want to keep existing salary schedule intact?

Design Considerations

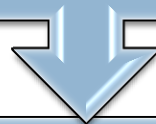
Do you want to limit the type of advanced degrees?



Do you want to revisit existing instructional duties to strategically align with district plan?



Will your board support not giving some teachers a step increase?
Level I & II



Can we extend our salary schedule to include more options for growth without increase current limits?

Johnson County, Tennessee

Background:

- Small Appalachian Rural School District (2400 students) in Mountain City, TN
- New to Strategic Compensation, received a TIF grant
- Built by a collaborative team led by the teacher association (facilitated by BFK)

$$\text{Evaluation Index Score} = 50\% (\text{Observation}) + 35\% (\text{TVAAS}) + 15\% (\text{Other Measures})$$



1

Starting Pay

- Current Staff: Opt In/Opt Out
- Opt In Staff: Current Pay
- Opt Out Staff: Step & Level
- New Staff: All participating (No Opt-in/Opt-out decision)

2

Base Increase Chart

Evaluation Score	% Increase
From 5.00 to 4.74	2.75
From 4.73 to 4.48	2.61
From 4.47 to 4.21	2.46
From 4.20 to 3.95	2.32
From 3.94 to 3.68	2.18
From 3.67 to 3.41	2.04
From 3.40 to 3.15	1.89
From 3.14 to 2.88	1.75

Johnson County, Tennessee

Who is eligible? All employees who “opt-in” and their job title/function puts them into a position category below.

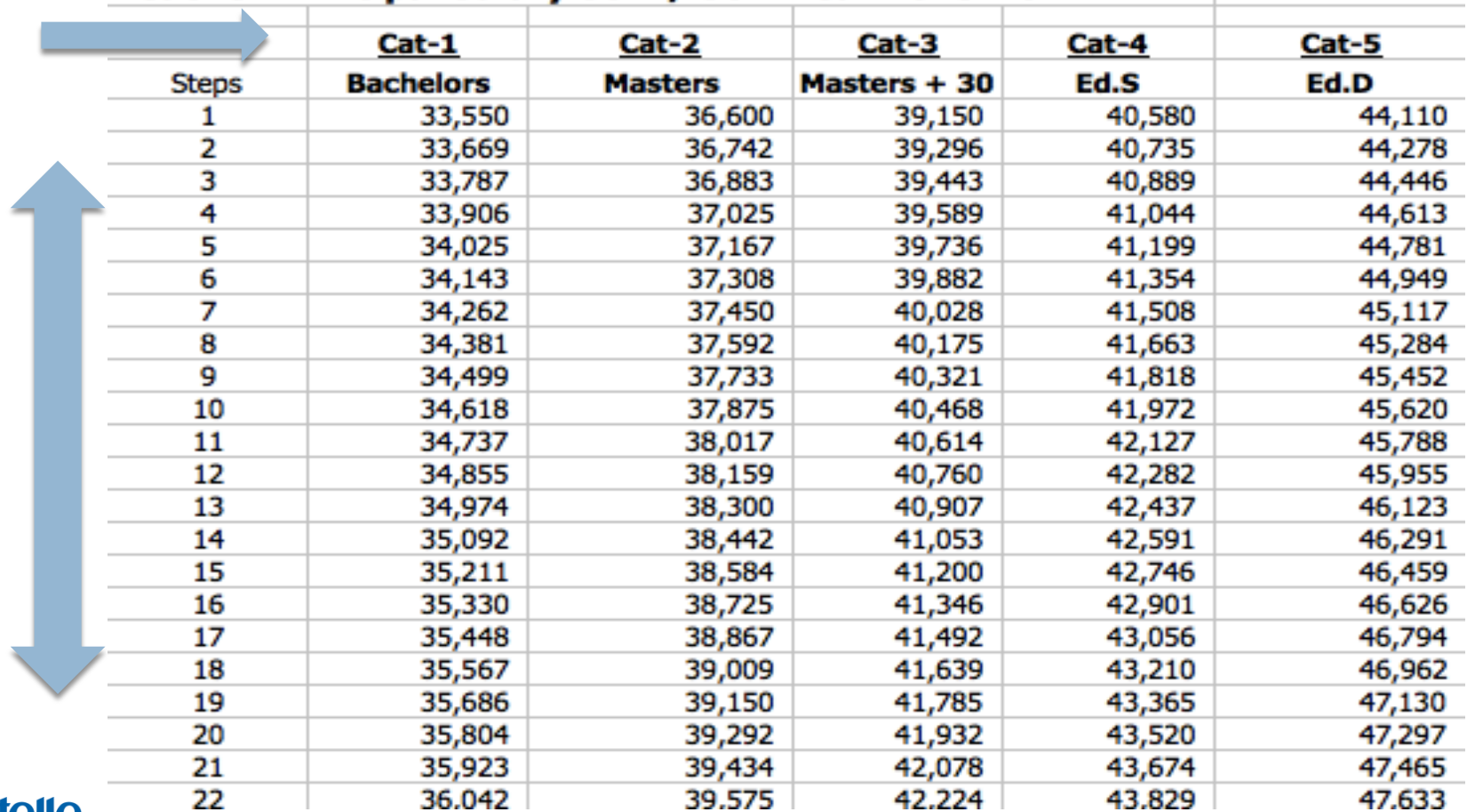
3	Position	School Effect Level 4	School Effect Level 5
	Principal	\$1000	\$2000
Assistant Principal	\$750	\$1500	
Position	Teacher Effect L 4	Teacher Effect L 5	
TCAP Teacher with Value-Added	\$500	\$1000	
EOC/AYP or EOC Teacher with Value-Added	\$500	\$1000	

EXAMPLE BASE INCREASES

NAME	Starting Base Pay	Year 1 Eval Score	Year 1 % increase	Year 2 Base Pay	Year 2 Eval Score	Year 2 % Increase	Year 3 Base Pay	Year 3 Eval Score	Year 3 % increase	Year 4 Base Pay
Bob	\$38,000	3.2	1.89%	\$38,718	2.86	0%	\$38,718	3.2	1.89%	\$39,450
Tyrell	\$38,000	3.01	1.75%	\$38,665	3.13	1.75%	\$39,342	3.11	1.75%	\$40,031
Jolie	\$38,000	4.99	2.75%	\$39,045	4.96	2.75%	\$40,119	5	2.75%	\$41,223
Heather	\$38,000	2.3	0%	\$38,000	2.1	0%	\$38,000	1.8	0%	\$38,000

Sample Extended Salary Schedule:


Teacher-Principal Salary Sch. / Sch. Year 2013-2014



Steps	Cat-1 Bachelors	Cat-2 Masters	Cat-3 Masters + 30	Cat-4 Ed.S	Cat-5 Ed.D
1	33,550	36,600	39,150	40,580	44,110
2	33,669	36,742	39,296	40,735	44,278
3	33,787	36,883	39,443	40,889	44,446
4	33,906	37,025	39,589	41,044	44,613
5	34,025	37,167	39,736	41,199	44,781
6	34,143	37,308	39,882	41,354	44,949
7	34,262	37,450	40,028	41,508	45,117
8	34,381	37,592	40,175	41,663	45,284
9	34,499	37,733	40,321	41,818	45,452
10	34,618	37,875	40,468	41,972	45,620
11	34,737	38,017	40,614	42,127	45,788
12	34,855	38,159	40,760	42,282	45,955
13	34,974	38,300	40,907	42,437	46,123
14	35,092	38,442	41,053	42,591	46,291
15	35,211	38,584	41,200	42,746	46,459
16	35,330	38,725	41,346	42,901	46,626
17	35,448	38,867	41,492	43,056	46,794
18	35,567	39,009	41,639	43,210	46,962
19	35,686	39,150	41,785	43,365	47,130
20	35,804	39,292	41,932	43,520	47,297
21	35,923	39,434	42,078	43,674	47,465
22	36,042	39,575	42,224	43,829	47,633

How fast will teachers move each year?

Level 1 and 2 Teachers	No Step Increase
Level 3 Teachers	2 Steps
Level 4 Teachers	3 Steps
Level 5 Teachers	4 Steps

Steps	I/BS	II/MEd	III/M+	IV/EdS	V/EdD
9		37,733			
10		37,875			
11		38,017			
12		38,159			

Teacher begins year at step 9 with Master's: 37,733.00

They end the year Level 4 Teacher

3 Step increase:

38,159.00

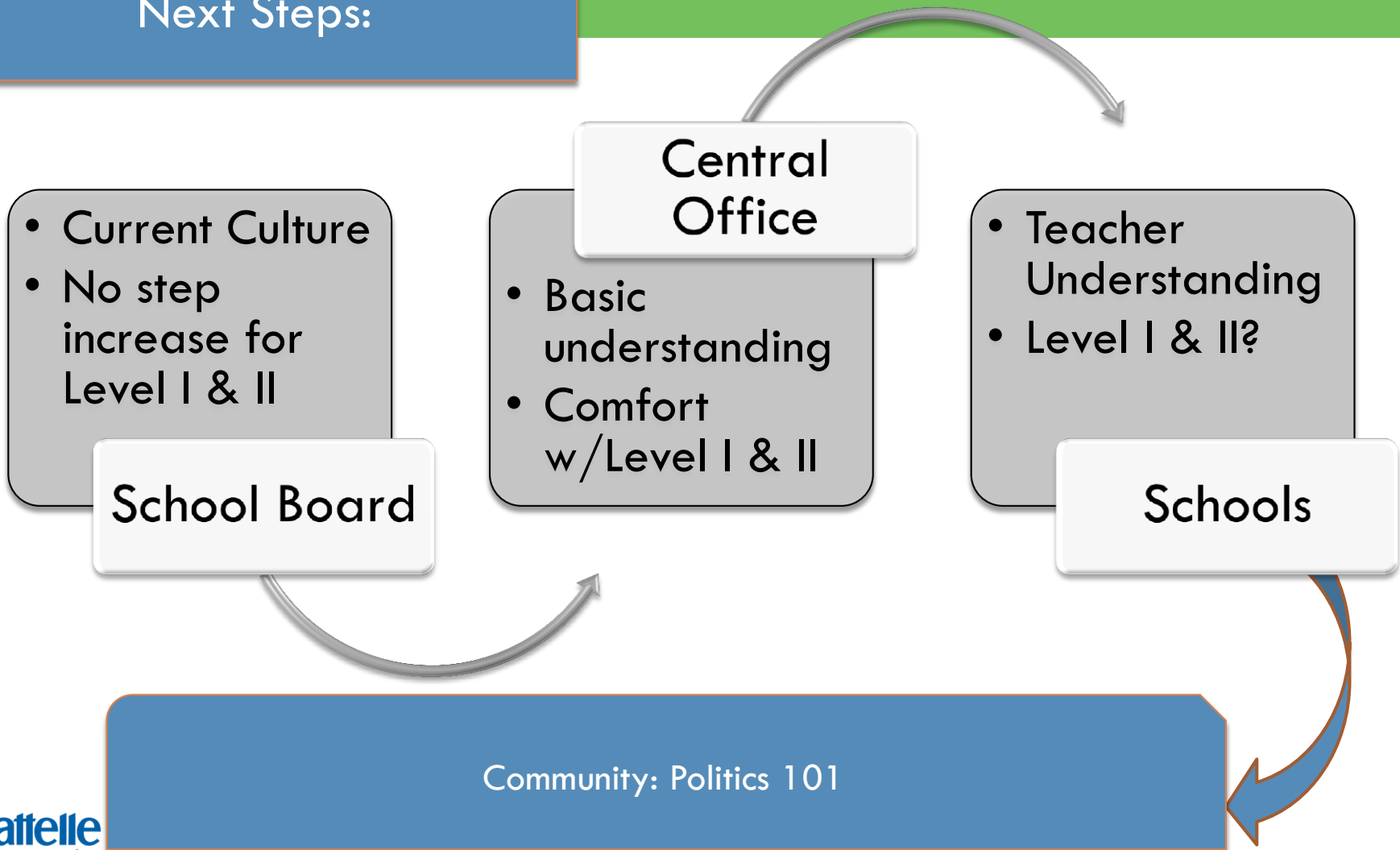
426.00 Raise

Other Factors

- Directors can adjust categories from degree level to categories listed as 1-5.
- Districts have the ability to begin to develop menus for each category as well as leave degrees if desired.

Bachelors	Masters	Masters + 30	Educational Specialist	Educational Doctorate
(Category) I	II	III	IV	V

Next Steps:



Additional thoughts:

- The extended schedule could be used along with additional roles and responsibilities.
- Rough financial estimates:
 - Total number of each performance level from TEAM composite score.
 - Compare those estimated increases with the current step increases
- Compensation limits could developed over time increments to ensure sustainability.

Timeline	Action
August-December 2013	Phase 1 Cohort : Accelerated planning cohort sessions
August-September 2013	Regional sessions: Communications and awareness/engagement sessions
October 2013	Phase 2 Cohort : Statewide planning support session 1
November 2013	Phase 2 Cohort: Statewide planning support session 2 Share accelerated cohort planning documents and resources
December 2013/January 2014	Phase 2 Cohort: Statewide planning support session 3
February 2014	Phase 2 Cohort: Statewide planning support session 4
February 28, 2014	Differentiated pay plans submitted
March-April 2014	Differentiated pay plans approval notification
Ongoing	Implementation support