



MEMORANDUM

TO: State Board of Education

FROM: Sarah Pies, Educator Effectiveness Specialist

DATE: January 24, 2014

RE: 2013-2014 Compensation Model Review

IC 20-28-9 states each school corporation shall submit its local salary schedule to the department. The department shall publish the local salary schedules on the department's Internet web site. The department shall report any noncompliance with this section to the state board and the state board shall take appropriate action to ensure compliance with this section.

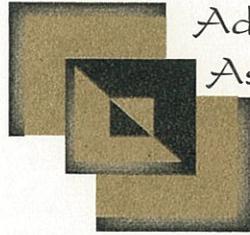
This year the department contracted with Administrator Assistance to thoroughly review almost 200 compensation models submitted to the department and Indiana Education Employment Relations Board (IEERB). Administrator Assistance have nearly 300 years of combined experience in education with a majority of the years working with teacher contracts and compensation as principals, superintendents, and business managers. They are familiar with the compensation law and have developed successful and compliant compensations plans during their careers in public schools. Their expertise is critical to this work being done promptly, efficiently, and effectively.

Attached is the preliminary report from Administrator Assistance regarding the 185 compensation models reviewed to date. . A final report will be submitted at the March Board meeting and will include specific recommendations to improve communication with school corporations concerning the statutory requirements for compensation models. When all the reviews are complete, each school corporation will receive an individual rating sheet with comments on each required component of IC 20-28-9 from the Office of Educator Effectiveness and Licensing. The final report to the State Board will include greatest areas of concern and recommendations on how the board and the department might address them.

Indiana Department of Education

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Administrator

Assistance

Steve Wittenauer

To: State Board of Education

From: Steven R. Wittenauer, Administrator Assistance

Date: January 21, 2014

RE: 2013-2014 Compensation Analysis – First Report

Administrator Assistance is in the process of reviewing compensation models submitted to us by the Department of Education. Our team is made up of former superintendents who have had over 200 years in school administration and who have bargained many collective bargaining agreements. We would have welcomed the flexibility that Indiana code 20-28-9-1.5 would have given us in relationship to compensation for our employees.

This is the first of two reports we plan to submit. We have used the checklist provided by the Department of Education and have included the checklist with totals in each category. We have reviewed 185 to date. There are 10 school corporations or public education entities that have many question marks and are not a part of this first summary. We will include them and others that will be submitted to us before our final report is submitted.

The team has met four times so far to discuss the compensation models. We have found the models vary from those who really tried hard to follow their interpretation of the law to those who tried to still do it the old way with no regard to the law.

This first report contains the responses and percentages to each question in the seven categories.

As we reviewed these compensation models, it is apparent that they do not stand alone. They are tied to the overall contract and its language. It is also apparent that there are being many different interpretations of the law and the terms in the law. In our final report we will identify areas of our greatest concern and offer suggestions on how some of these concerns might be addressed. We will submit the final report and hope to be able to explain some of our suggestions in person at the March board meeting.

Following is the preliminary numbers and percentages:

Factors			
	Yes?	No?	Comments
1. A local salary scale must include a combination of two or more factors to determine stipends or salary increments, increases, or raises. Select which of the following four factors your corporation selected to include in your salary schedule:			
a. Experience and/or evaluation results	159 — 90.8%	16 — 9.2%	
b. Performance evaluation results	160 — 91.4%	15 — 8.6%	
c. Assignment of instructional leadership roles	66 — 37.7%	109 — 62.3%	
d. The academic needs of students in the school corporation	59 — 33.7%	116 — 66.3%	
2. A local salary plan must address how new and newly hired teachers are treated on the salary schedule	148 — 84.5%	27 — 15.5%	

Experience and/or Education				
	Yes?	No?	N/A	Comments
1. A teacher's experience, education, or combination of the two may account for <u>no more than 33%</u> of the <u>calculation used to determine</u> a stipend or salary increase, increment, or raise.	123 — 70.2%	31 — 17.7%	21 — 12.1%	
2. If education is included, only degrees and/or credit hours attained beyond the requirements for employment <u>in the teacher's content area</u> may be recognized.	41 — 23.4%	89 — 50.9%	45 — 25.7%	
3. A local salary plan must address how new and newly hired teachers are treated on the salary schedule	28 — 16%	90 — 51.4%	57 — 32.6%	

Assignment of instructional leadership roles				
	Yes?	No?	N/A	Comments
1. Local salary scales must <u>include a definition</u> for "assignment of instructional leadership roles".	52 — 29.7%	6 — 3.5%	117 — 66.8%	

The academic needs of students in the school corporation				
	Yes?	No?	N/A	Comments
1. Local salary scales must <u>include a definition</u> for the "academic needs of students in the school corporation".	42 — 24%	15 — 8.6%	118 — 67.4%	

Performance evaluation results				
	Yes?	No?	N/A	Comments
1. Teacher performance evaluation results used to inform local salary scales must be conducted under IC 20-28-11.5.	158 — 90.3%	10 — 5.7%	7 — 4%	

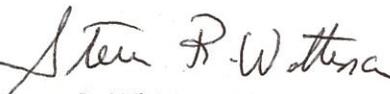
Performance Evaluation Results			
	Yes?	No?	Comments
1. <u>Cannot allocate any stipend or salary raise, increment or increase in the following year to teachers rated ineffective or improvement necessary</u> by an evaluation conducted under IC 20-28-11.5.	151 — 86.3%	24 — 13.7%	
2. <u>Must allocate dollar amounts otherwise allocated to stipends or salary increases, increments or raises of teachers rated as ineffective or improvement necessary to the compensation of all teachers rated effective and highly effective</u> under IC 20-28-11.5.	93 — 53.1%	82 — 46.9%	

Pay			
	Yes?	No?	Comments
1. <u>Cannot decrease a salary of any teacher below the salary the teacher was earning on or before July 1, 2012, if that decrease would be made solely to conform to the new salary scale.</u>	152 — 86.8%	23 — 13.2%	
2. Must continue compensation attributable to additional <u>degrees or graduate credits earned before July 1, 2011.</u>	152 — 86.8%	23 — 13.2%	
3. Must allow compensation attributable to additional degrees for which a teacher has <u>started course work prior to July 1, 2011 and completed before September 2, 2014</u> to be allocated per the local salary scale in place on June 30, 2011.	100 — 57.2%	75 — 42.8%	
4. The starting salary schedule on which your compensation model is based is included.	146 — 83.4%	29 — 16.6%	
5. The amount of dollars is identified from which compensation increases are funded.	75 — 42.8%	100 — 57.2%	

We plan to identify models that we think do the best job of complying with the law and will also include each worksheet (checklist) for all the corporations who have submitted models. There will be comments on those worksheets that will explain some of our decisions on how the item was marked.

As mentioned earlier our final report will have specific recommendations for the State Board to consider. We welcome your questions and suggestions as we complete this report.

Respectfully submitted,


Steven R. Wittenauer