2026
Model Compensation Plans

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Model Compensation Plans

IC 20-28-9-2.5(i) provides that IEERB "shall publish a model compensation plan with a model salary range that school corporations may adopt."

- 2 new model compensation plans (MCPs) for 2026
- Each new plan incorporates all current legislative requirements
- Table of contents identifies plans by feature / function
- MCPs from prior years DO NOT comply with all current statutory requirements.

CAUTION DO NOT USE prior years' versions of MCPs.

Model Compensation Plans: Base Salary Differentiation for Possession of Literacy Endorsement

2026 legislative changes include amendment of IC 20-28-9-1.5(e). Specifically, the former reference to "increase or increments" was removed, and the statute now provides:

> "A school corporation shall differentiate the amount of salary for teachers who possess a literacy endorsement described in IC 20-28-5-19.7."

How does this change impact the compensation plan?

- This differentiation is not an increase or increment and is not attributed to a factor.
- Parties must identify and describe the base salary differentiation for possession of a literacy endorsement in a separate section of the compensation plan.
- The compensation plan must clearly describe the differential amount for possession of a literacy endorsement.

Model Compensation Plans: Base Salary Differentiation for Possession of Literacy Endorsement

Because the base salary differentiation for possession of the literacy endorsement is NOT an increase or increment, parties must NOT include this base salary differentiation when calculating:

- the total base salary increase available under the compensation plan;
- the percent of increase attributable to academic needs (must be at least 10%); or
- the percent of increase attributable to education and experience (must not exceed 50%).

Model Compensation Plans:
Use of an Optional Increase Eligibility Statement

Reminder: Effective July 1, 2025, the former evaluation-based eligibility requirement was repealed.

- There is no longer a requirement to include any eligibility statement.

Q: Can we still include an eligibility statement in the compensation plan?

A: Yes, you may include an optional increase eligibility statement to limit the receipt of <u>salary increases or increments</u> to only those teachers who meet the bargained criteria which limit; however, **the inclusion of an optional increase eligibility statement must not preclude the differentiation of salaries for teachers who possess a literacy endorsement.**

Model Compensation Plans:
Use of an Optional Increase Eligibility Statement

If you continue to include an increase eligibility statement, make sure it is compliant.

<u>Compliant</u>: Teachers rated ineffective or improvement necessary in the prior year are not eligible for a salary increase in the current year.

NOTE: The language in the following "not compliant" example was included in previous years' Rubrics as a "compliant" example! Check your CBA!

<u>Not compliant</u>: Teachers rated ineffective or improvement necessary in the prior year are not eligible for a salary increase in the current year and remain at their prior year salary.

Why this is no longer compliant: While a teacher who recently attained a literacy endorsement but was rated improvement necessary is not eligible for a salary increase, the base salary of this teacher must still be differentiated for possession of the literacy endorsement. As a result of this differentiation, the salary of such a teacher must not remain the same.

MCP #1

Key Features

- Distinguishes base salary differentiation for possession of literacy endorsement (Section B) from base salary increases attributed to factors (Section C)
- Section B identifies the bargained amount of the literacy endorsement base salary differential
- 2-factor increase distribution descriptions and summary in Section C demonstrate compliance with 10% academic needs requirement and 50% cap on education/experience
- New Hire Salaries description (Section D) includes differentiation for literacy endorsement possession

2026 MODEL COMPENSATION PLAN #1

A. Salary Range[1]

$45,000 to $85,000 not including current year increases or TRF contributions.

B. Literacy Endorsement Base Salary Differentiation[2]

Prior to receipt of increases described in Section C, the base salary of teachers who possess a literacy endorsement will be adjusted, as needed, to reflect a $1,000 differential (in comparison to the base salary of teachers who otherwise have the same credentials but do not possess the literacy endorsement).

C. Base Salary Increases

1. Factors and Definitions
   a. Evaluation: teachers received a highly effective or effective evaluation in the prior school year.
   b. Academic needs: the need to retain teachers currently assigned to teach dual credit courses or special education.
2. Distribution
   a. Evaluation = Highly Effective $1,000; Effective $500
   b. Academic needs = $1,000
3. Itemized Compensation Requirements

   Calculation of Total Possible Base Salary Increases Available to Teachers Under the Compensation Plan = $2,000[3]

   a. Increase attributable to education and experience:
      - Increase attributable to education = $0
      - Increase attributable to experience = $0
      - The combined increase for education and experience is $0, which is 0% of total possible increase

   b. Increase attributable to academic needs = $1,000, which is 50% of total possible increase

D. New Hire Salaries

1. The salary for newly hired teachers with no experience or additional educational attainment is $45,000.
2. The salary for new hires with no experience who possess a literacy endorsement is $46,000.
3. The salary for new hires with verified teaching experience or additional educational attainment will be determined by the Superintendent within the salary range identified in Section A, above.

MCP #2 – No Increase or Increment

<u>Key Features</u>

- Section B describes base salary differentiation for possession of literacy endorsement
- Section B identifies the bargained amount of the literacy endorsement base salary differential
- Section C includes a clear statement indicating the parties bargained no increase or increment for the current contract period

2026 MODEL COMPENSATION PLAN #2

No Increase or Increment in Current Contract Period

A. Salary Range[1]

$45,000 to $85,000 not including current year increases or TRF contributions.

B. Literacy Endorsement Base Salary Differentiation[2]

The base salary of teachers who possess a literacy endorsement will be adjusted, as needed, to reflect a $1,200 differential (in comparison to the base salary of teachers who otherwise have the same credentials but do not possess the literacy endorsement).

C. Base Salary Increases

The parties have bargained <u>no increase or increment</u> for the 2026-2027 contract period.

D. New Hire Salaries

1. The salary for newly hired teachers with no experience or additional educational attainment is $45,000.
2. The salary for new hires with no experience who possess a literacy endorsement is $46,200.
3. The salary for new hires with verified teaching experience or additional educational attainment will be determined by the Superintendent within the salary range identified in Section A, above.

Regardless of whether the parties bargain an increase or increment for teachers in the current contract period, the base salary of all teachers who possess a literacy endorsement must be differentiated to reflect this possession.

Have Questions?
Interested in Technical Assistance?

Email questions@ieerb.in.gov

Thank You!