

Appendix B: Proposed Alternative Pay Plan

Note that these examples are for purposes of explaining HOW TO complete each of the table criteria. These examples are NOT intended to be recommendations or endorsements for specific differentiated pay elements. Districts are required to differentiate pay for at least one element in addition to education and experience. Because plans may include a combination of several elements, please add rows or repeat differentiated elements as needed. Please feel free to delete from the table any differentiated elements that will not be used in the district's plan.

Differentiated Element	Description	Compensation Type and Size	Reach	Estimated Cost	Salary Expenditures
	<i>Describe how the district will differentiate for this element.</i> <i>Include the criteria for receiving the award.</i>	<i>Will the compensation be given as a bonus, stipend, or a base pay increase?</i> <i>How much will qualifying teachers receive?</i>	<i>Eligibility: How many teachers are eligible for this type of compensation?</i> <i>Forecasted participation: How many teachers do you estimate will receive the award?</i>	<i>How much does the district estimate it will payout for this differentiated pay element?</i>	<i>What percentage of salary expenditures (excluding benefit costs) does this element cover?</i>
Hard-to-Staff (School, Subject, or Placement)	The district will reimburse teachers for course work and praxis in hard-to-staff subject areas with prior approval.	Reimbursement only. Salary can be negotiated for new teachers in hard-to-staff subjects.	Estimated this will affect 2 teachers per year.	Praxis \$140 -\$250 course work estimated at \$4000 Currently funded	.0005%
Performance	The district will incorporate a new salary schedule that will use the scores from TEAM to determine base pay change. It will be based on growth or achievement whichever is higher. Principals will receive bonuses based on school performance. (Yearly) *See attached addendum	Teachers will receive the following pay increases: Level 1&2 = \$0 Level 3 = \$250 Level 4 = \$500 Level 5 = \$750 Principals: Level 1&2 = \$0 Level 3 = \$1000 Bonus Level 4 = \$1500 Bonus Level 5 = \$2000 Bonus Assistant Principals will receive 50% of the principal's increase.	All teachers (154) are eligible to receive a base pay change. All principals are eligible *See attached copy of eligibility rules based on the last two years of evaluation data, the district anticipates between 70-80% of teachers will receive a base pay change.	The district anticipates the total cost for teachers to be \$64,844.00. One time transition cost \$17,000. Principal & Asst. Principal bonuses to be \$9,000. Maximum onetime cost. The district will sustain this cost by removing base pay	.010% minus one time cost equals .009%

				increases for level 1 & 2 teachers and by utilizing all of or a portion of state salary increases, plus local increases. Historically the district expends approximately \$95,000 + a year for step increases on experiences and degrees.	.001%
Additional Instructional Roles or Responsibilities	The district will further its implementation of PLC's through the creation of a leadership role. Highly effective teachers will receive a stipend to lead and facilitate the monthly meetings. District also plans to implement school-wide subject area leadership positions as funding is available.	A \$1,000 stipend will be given yearly for PLC leaders and a \$500 stipend for school subject area chairman.	Any teacher who receives a 4 or 5 would be eligible to apply for the position. District and school leaders will then screen for additional qualities like leadership and facilitator skills. There will be a total of 13 PLC leaders and a total of 12 school wide subject area facilitators. There will be a total of 25 positions within the district.	The estimated cost of these awards is \$19,000. PLC currently funded	.003%
Education	The district will grandfather all degrees for eligible base pay compensation as shown in the attached 2014-15 salary schedule. After July 1, 2014, all new teachers can be paid on all advanced degrees provided that it is in their area of teaching and must have prior approval of Superintendent and board chairman. National Board Certified teachers will receive a yearly stipend.	Those teachers currently enrolled in programs prior to July 1, 2014 will be eligible for base pay increases on the previous year's schedule, provided those programs are completed by June 30, 2017. NBCT will receive \$1,000 a year as long as they remain certified by the National Board.	The district currently has 58% of its teachers above a bachelor degree. The district will reimburse the cost of National Board Certification Testing.	The estimated cost of this element is approximately \$12,000 per year NBCT = \$1,000 NBCT = \$1,250 Currently funded	.002%

Experience	The district will not award compensation for years of experience.	N/A	N/A	N/A	N/A

IV. Alternative Salary Schedule

a. Salary Schedule

Copy of proposed salary schedule (Attachment A)

1. How will base pay changes be determined?

Under the proposed salary schedule, changes in base pay will be determined each year by one of two methods: *Growth* on state testing which means the students' own progress from one year to the next and *Achievement* on state testing which means the students' performance of proficient and advanced. We are a small rural county and teachers and administrators have personal contact outside of school, as well as, professional contact for this reason we decided to take administrators out of the equation by not using the composite score.

- (i) Teachers with TVAAS data will utilize either SAT 10, TCAP, or EOC. Teachers will receive either achievement or growth scores whichever is highest:

Growth Levels		Achievement Levels
Level 1-2	\$0 increase	0-39.99
Level 3	\$250 increase	40-59.99
Level 4	\$500 increase	60-79.99
Level 5	\$750 increase	80-100

- (ii) Teachers without individual TVAAS data. Teachers and special populations whose salaries are identical to the Alternative Pay Plan and have contact with students will choose between the following:

- School-wide Composite
- School-wide Literacy
- School-wide Numeracy

This criterion will be a measure aligned as closely as possible to the educator's primary responsibility.

Example:

A librarian may choose either School-wide Composite or School-wide Literacy.

A music teacher may choose School-wide Composite or School-wide Numeracy.

- (iii) All steps earned by teachers on the salary scale are permanent.
- (2) Will existing employees have an opt-out provision for the alternative salary schedule?: No
- (3) How will the following groups be placed on the alternative salary schedule?:

(i) Existing district employees?

All teachers will be placed on the Alternative pay plan at a corresponding step that will meet or exceed current base salary.

(ii) Educators new to teaching with zero years of experience?

New teachers will commence at the first step.

(iii) Educators new to the district but with prior experience?

Experienced teachers transferring from another district would be placed on the alternative pay plan utilizing the experience factor of the current pay scale. The current pay scale will be kept in place for principals since principals are paid the same base pay as teachers plus extra days beyond the 200 day contract. If they are Tennessee teachers then we would also consider their TEAM level status which would be incorporated into their base salary. Teachers outside the State of Tennessee would be treated the same except for TEAM level status. In any case all base salaries could be negotiable based on hard-to-staff positions.

Example: Three years from now we employ a teacher from another Tennessee school system with 10 years of experience and a Master's Degree. The last three years the teacher was a level 3, level 4, and a level 5. Teacher would receive a salary based on ten years (Principal pay scale) and a Master's Degree plus \$1,500 dollars in step increases and would be entered onto our alternative pay scale at the appropriate base salary step. Out-of-state teachers would receive experience but any additional base salary improvements would have to be negotiated.

b. Eligibility Criteria (See section IV.)

c. Feasibility Criteria (See attachment B)

Included is a historical analysis of the funding required to sustain step increases for the last 5 years. Projected 2014-15 fund balance will be 1.25 million, 6.5 million in reserves, and an undesignated revenue stream of 1.1 million. This undesignated revenue stream would fund 12 years of this alternative plan without a state or local raise if all of our teachers were level 4 (\$500 x 154 teachers = \$77,000). This scenario of no state or local revenue for salaries is highly unlikely, however if funding was not available at some point in the future, we would simply freeze all salaries.

d. Stakeholder Engagement

The Sequatchie County School District is comprised of 3 schools located on one campus totaling approximately 2300 students. This close proximity allows closer communication between educational personnel. The Superintendent and the Data Coordinating Supervisor met with all teachers at their individual schools to explain and answer questions regarding the new proposed alternative pay plan. We also allowed for a follow-up session for those teachers who missed the first session or had additional questions. At a later date teachers voted by secret ballot to accept or reject the new pay plan. The new alternative pay plan passed by 60%. Grades 3-12 were more favorably inclined toward the plan and K-2 were less favorable. The K-2 vote was understandable since these teachers were not accustomed to TCAP being a part of their evaluations. The TEA representative for this area was also not opposed to this alternative pay plan. Although we did not conduct a formal survey of the community, the general consensus of individual citizens was positive. The alternative pay plan was approved by the Sequatchie County Board of Education in their 2014 February meeting.

V. Financial Analysis of current salary schedule and alternative plan (see attachment)

Concerns were raised by representatives of the state department of education regarding the cumulative effect of overall compensation based on thirty years. It is true that the current salary schedule will yield more compensation than the alternative plan over a period of thirty years, however this is assuming that the district would never increase the base salary. We recognize this disparity and the district plans to raise base salary for teachers by 1% per year until this difference is eliminated.

VI. Compensation and Appeals Board (CAB)

The Sequatchie County Board has also enacted into policy a "Compensation and Appeals Board" CAB. This board consists of seven members composed of 3 teachers, 3 administrators, and 1 community business person. Teachers are selected by the local teachers association and the administrators and business person are appointed by the Director of Schools. Teachers must have a 3 year average of Level 3 or above. Members will serve 2 year staggered terms. CAB will serve in an advisory capacity only and will make recommendations to the local board concerning issues involving all aspects of the alternative pay plan. Any changes that would necessitate state board approval would be forwarded to the proper personnel in a timely manner.

ATTACHMENT 1

SEQUATCHIE COUNTY ALTERNATIVE PAY PLAN

STEPS	BACHELORS	MASTERS	MASTERS + 30	EDS	DOCOTORATE
1	35333	37840	40172	40942	43367
2	35583	38090	40422	41192	43617
3	35833	38340	40672	41442	43867
4	36083	38590	40922	41692	44117
5	36333	38840	41172	41942	44367
6	36583	39090	41422	42192	44617
7	36833	39340	41672	42442	44867
8	37083	39590	41922	42692	45117
9	37333	39840	42172	42942	45367
10	37583	40090	42422	43192	45617
11	37833	40340	42672	43442	45867
12	38083	40590	42922	43692	46117
13	38333	40840	43172	43942	46367
14	38583	41090	43422	44192	46617
15	38833	41340	43672	44442	46867
16	39083	41590	43922	44692	47117
17	39333	41840	44172	44942	47367
18	39583	42090	44422	45192	47617
19	39833	42340	44672	45442	47867
20	40083	42590	44922	45692	48117
21	40333	42840	45172	45942	48367
22	40583	43090	45422	46192	48617
23	40833	43340	45672	46442	48867
24	41083	43590	45922	46692	49117
25	41333	43840	46172	46942	49367
26	41583	44090	46422	47192	49617
27	41833	44340	46672	47442	49867
28	42083	44590	46922	47692	50117
29	42333	44840	47172	47942	50367
30	42583	45090	47422	48192	50617
31	42833	45340	47672	48442	50867
32	43083	45590	47922	48692	51117
33	43333	45840	48172	48942	51367
34	43583	46090	48422	49192	51617
35	43833	46340	48672	49442	51867
36	44083	46590	48922	49692	52117
37	44333	46840	49172	49942	52367
38	44583	47090	49422	50192	52617
39	44833	47340	49672	50442	52867
40	45083	47590	49922	50692	53117
41	45333	47840	50172	50942	53367
42	45583	48090	50422	51192	53617
43	45833	48340	50672	51442	53867
44	46083	48590	50922	51692	54117
45	46333	48840	51172	51942	54367
46	46583	49090	51422	52192	54617
47	46833	49340	51672	52442	54867
48	47083	49590	51922	52692	55117
49	47333	49840	52172	52942	55367
50	47583	50090	52422	53192	55617
51	47833	50340	52672	53442	55867
52	48083	50590	52922	53692	56117
53	48333	50840	53172	53942	56367
54	48583	51090	53422	54192	56617
55	48833	51340	53672	54442	56867
56	49083	51590	53922	54692	57117
57	49333	51840	54172	54942	57367
58	49583	52090	54422	55192	57617
59	49833	52340	54672	55442	57867
60	50083	52590	54922	55692	58117
61	50333	52840	55172	55942	58367
62	50583	53090	55422	56192	58617
63	50833	53340	55672	56442	58867
64	51083	53590	55922	56692	59117
65	51333	53840	56172	56942	59367
66	51583	54090	56422	57192	59617
67	51833	54340	56672	57442	59867
68	52083	54590	56922	57692	60117
69	52333	54840	57172	57942	60367
70	52583	55090	57422	58192	60617
71	52833	55340	57672	58442	60867
72	53083	55590	57922	58692	61117
73	53333	55840	58172	58942	61367
74	53583	56090	58422	59192	61617
75	53833	56340	58672	59442	61867

Level 1 & 2	\$0	
Level 3	\$250	1 STEP
Level 4	\$500	2 STEP
Level 5	\$750	3 STEP

Pay scale is based on funding availability each budget year.

PRINCIPALS INCENTIVE BONUS

LEVEL 5	\$2,000
LEVEL 4	\$1,500
LEVEL 3	\$1,000
LEVEL 2	\$0
LEVEL 1	\$0

ASST. PRINCIPALS WILL RECEIVE 50% OF PRINCIPAL INCENTIVE BONUS