
Strategic Compensation Policy 5.600

Background:

Pursuant to T.C.A. § 49-3-306 and State Board rule 0520-01-02-.02, each LEA must adopt and implement a differentiated pay plan to aid in staffing hard-to-staff subject areas and schools and attracting and retaining effective teachers. Strategic Compensation Policy 5.600 outlines the criteria for the approval of differentiated pay plans by the Tennessee Department of Education. According to the policy, districts are required to submit vacancy data as an addendum to their plans.

This item seeks to add clarification to the language around differentiated pay plans and the timeline by which vacancy data must be submitted to ensure the data collected are accurate and useful for both the Department and districts. Specifically, it is important to identify vacancies that exist after the school year is underway and are, therefore, detrimental to student outcomes.

Additional changes include further explanation in the component criteria section to ensure expectations for district implementation are clear. Differentiated pay plans must include at least one component from the following:

- Hard-to-staff roles and schools
- Instructional roles/responsibilities
- Performance

Should the district-selected component for implementation result in no payout for two (2) consecutive years, the Department will require the addition of a second eligible component until a payout occurs. This revision ensures districts meet the requirements of T.C.A. § 49-3-306.

Revisions also include several clerical changes for consistent terminology throughout the policy.

Between first and final reading, additional language has been added to increase clarity around the requirements for adding a second eligible component to ensure every district has an eligible differentiated pay plan.

The Fiscal Analysis Impact:

T.C.A. § 49-1-212 requires that the Department prepare a fiscal analysis of any policy, rule, or regulation proposed to the State Board of Education. This item has no financial impact on an LEA beyond the requirements in T.C.A. § 49-3-306.

Policy Justification:

T.C.A. § 4-5-230 requires that justification for adopting an item as a policy instead of a rule be submitted to the chair of the Government Operations Committee. This item is proposed to be adopted as a policy because it defines or explains the meaning of a statute or rule and/or concerns only the internal management of state government that does not affect private rights or privileges.

The Recommendation:

The Department of Education recommends approval of this item on final reading. The SBE staff concurs with this recommendation.