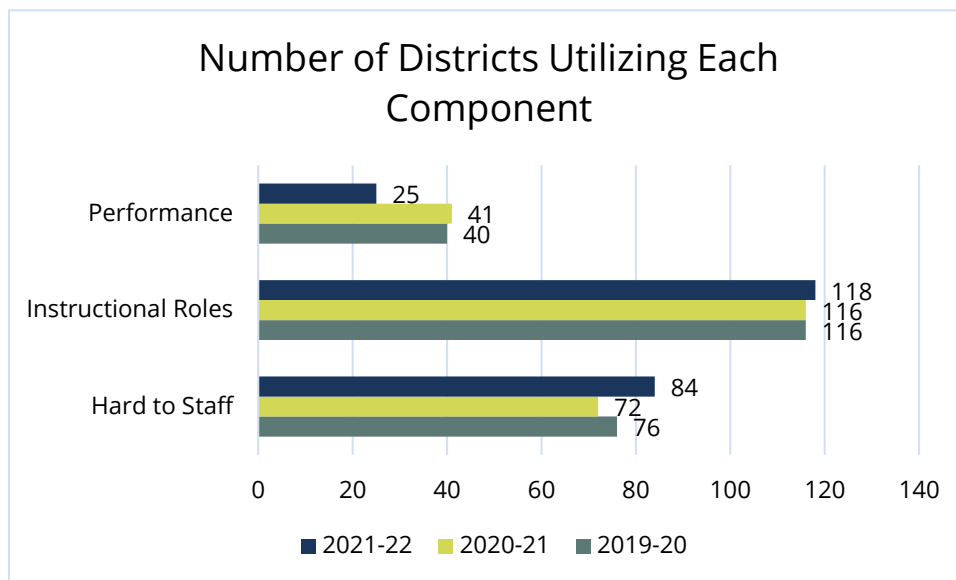# Differentiated Pay Plan Guidance

Overview

T.C.A. § 49-3-306 requires local education agencies (LEAs) to adopt and implement differentiated pay plans to aid in staffing hard-to-staff subject areas and schools and hiring and retaining highly qualified teachers. Additionally, State Board of Education Rule 0520-01-02-.02(07) requires LEAs to develop, adopt, and implement a differentiated pay plan under guidelines established by the State Board of Education (state board) and subject to approval by the Tennessee Department of Education (department) to aid hard-to-staff subject areas and schools and in hiring and retaining effective teachers. T.C.A. § 49-3-306 and State Board Rule 0520-01-02-.02 provide districts the flexibility to propose their own alternative salary schedule to the commissioner and state board for approval.

State Board Policy 5.600 outlines the three components of the plan, hard to staff (both schools and subject areas), instructional roles, and performance. Each plan shall include compensation for educators based on at minimum one of the three components.

Comparison of Components

Number of Districts Utilizing Each Component

Component	2021-22	2020-21	2019-20
Performance	25	41	40
Instructional Roles	118	116	116
Hard to Staff	84	72	76

Hard to Staff Component

Hard to Staff Schools

Hard to staff (HTS) schools are schools with:

- Significant populations of historically disadvantaged students (low income, special education, racial/ethnic subgroups),
- Significant populations of Below Basic/Basic (or Below/Approaching) students,
- Low teacher retention rates or high teacher turnover, and
- Equity gaps/effective teaching gaps.

Metrics, annual or trend, that could be used to determine hard to staff schools could include:

- TCAP data,
- TVAAS growth data,
- retention rate of teachers,
- percentage of teachers teaching courses outside of licensure area,
- percentage of teachers earning below average LOEs, or
- individual growth scores.

Hard to Staff Subject Areas

Hard to staff subject areas:

- are content or grade level positions for which districts struggle to recruit and retain effective educators,
- are not limited to reading/language arts and math, and
- can be any area that a district determines is hard to staff based on data.

Metrics, annual or trend, that could be used to determine hard to staff subject areas could include a number of applicants for:

- specific subjects,
- specific grade levels, or
- other licensed roles such as speech language pathologist or school psychologist.

Compensation can be:

- Signing bonuses, retention bonuses, or base pay increases.
- Both new hires and current staff can be eligible for this compensation.

Leveraging the Hard to Staff Component

The Hard to Staff component may be effectively used:

- to attract applicants when there when there are limited number of qualified applicants for a role.
- to encourage highly effective teachers to transfer to or remain teaching in a low-performing school (retention or signing bonus).
- to compensate an educator for coursework or assessments required to become licensed in an identified hard to staff position.
- to compensate for additional teaching assignments such as teaching an additional section of a hard to staff position.

Instructional Roles and/or Responsibilities Component

Instructional roles and responsibilities are:

- duties assigned in addition to classroom responsibilities that allow educators to build leadership capacity and increase effective educator practice across schools and the district.
- roles that support increasing educator effectiveness at the grade, school, or district level.
- roles in which educators are enhancing district capacity to support populations with unique needs, **if** these roles clearly build the leadership capacity of eligible educators.
- roles that enhance district capacity to support specific populations with unique needs are eligible if they focus on building leadership of educators supporting the specific population. Examples include:
    - Roles that coordinate support services for specific populations such as students with IEPs, 504 plans, English learners.
    - Roles that support the coordination of credit-bearing courses such as dual enrollment coordinator.

Leveraging the Instructional Roles Component

The instructional roles and responsibilities component may be used to compensate roles such as:

- Mentors for new and lower performing teachers
- Instructional Coaches
- PLC Leaders
- Content Lead Teachers (technology, grade level, subject level, curriculum, professional development)
- RTI² Managers/Specialists
- Dual Enrollment Coordinators
- Support Service Coordinators

Performance Component

The performance component is based on data that reflects the desired level of performance at the district, school, or teacher level.   The performance component can be defined by data such as:

- Teacher Level of Overall Effectiveness (LOE)
- District Level TVAAS Composite
- School Level TVAAS Composite
- Teacher Level TVAAS Composite

The performance component may also be based upon data such as:

- TCAP Success Rates
- Annual Measurable Objectives (AMO)
- TVAAS (school or district level)
- *Ready Graduate* Rates
- Chronic Absenteeism Rates
- English Language Proficiency Rates

Districts may elect to include attendance requirements as a component of eligibility.

Leveraging the Performance Component

The Performance component may be used to compensate educators based on the desired level of performance using data sources such as:

- District/School Level TVAAS
- Teacher Overall Level of Effectiveness
- ACT Composite
- Individual Teacher TVAAS

Differentiated Pay Plan Submission Process

- Districts submit their differentiated pay plan by June of each year.
  - o Districts can make updates to the approved plan at any time.
  - o Updates must be submitted for approval.
- Districts submit an approved salary schedule that meets the minimum State Board approved salary schedule by September of each year.
- Districts submit implementation data from the prior year's plan by November of each year. That includes:
  - o the total amount paid out for each component and
  - o the number of employees paid for each component.
- Submit vacancy data by [insert date] each year.

Best Practices

- In addition to offering a Hard to Staff incentive, develop a detailed recruitment and marketing plan for vacancies.
- Utilizing instruction roles to enhance student outcomes by supporting effective instruction and building teacher effectiveness.
- Using the differentiated pay plan to support other district plans and goals.
- Ensure that all components of the plan have eligible teachers and that all components will be able to pay based on the criteria.
- Utilizing teacher feedback to develop the plan.