

Louisiana Believes

ACT 1 COMPENSATION REQUIREMENTS

Frequently Asked Questions

Below are answers to frequently asked questions about educator compensation requirements in Act 1. If you have additional questions or need assistance in developing your new compensation system, please contact act1@la.gov.

- 1. Act 1 requires that compensation for teachers and other certified school personnel be based on effectiveness, demand, and experience, and that no one criterion should account for more than 50% of the formula used to compute salaries. What does this mean for an individual teacher's salary?**

This requirement applies to the development of the formula that will be used to calculate the salary schedule. School districts will determine the percentage of each of these factors in developing their compensation structure. For example, one school district may choose to weigh all of these factors equally, while another school district may base half their formula on effectiveness and one-quarter, each, on demand and experience.

Salary increases for individual teachers do not have to meet the 50% requirement. Salary increases for individual teachers will be determined based on what criterion applies that individual teacher. For example, a teacher who meets two of the three criterion will have a different ratio for their salary increase than a teacher who meets all three of the criterion. The amount of the salary increase for each criterion will impact the percentage as well.

- 2. How is "effectiveness" defined by Act 1?**

Under Act 1, teacher effectiveness is determined by Compass, which is Louisiana's statewide educator evaluation system.

Under Compass, every teacher earns a rating based on an annual evaluation. The ratings are Highly Effective, Effective: Proficient, Effective: Emerging and Ineffective. Half of a teacher's annual evaluation is based on student learning and the other half is based on classroom observations by his or her principal, other teachers or educators designated by the school district.

In subjects that are tested by a state standardized assessment, test scores are used to determine student learning. In subjects that don't have a state standardized test, targets established by teachers are used to determine student learning.

- 3. How does a rating of Ineffective impact a teacher's salary?**

Under Act 1, teachers who earn an Ineffective rating are not eligible for a salary increase for the year following that evaluation. Teachers who earn a rating of Effective: Emerging, Effective: Proficient and Highly Effective are all eligible for salary increases.

- 4. Can a school district reward teachers based on the performance of their school or school district?**

Act 1 requires teachers to be compensated based on their individual annual evaluation and not based on the performance of their school or school district.

5. Are districts able to provide salary increases to teachers based on their advanced degrees?

Act 1 does not prohibit salary increases based on advanced degrees. Under Act 1, school districts may include advanced degrees as part of their demand criterion. For example, a school district may provide salary increases to teachers who have advanced degrees in hard-to-staff subject areas.

Districts also have the flexibility to acknowledge teachers who are already pursuing an advanced education degree given that they would have been eligible for a salary increase under the previous compensation system. If a district chooses to pursue this option, the district may define the parameters for this criterion, such as dates of enrollment and completion of an eligible advanced degree program.

6. How does Act 1 define experience?

Under Act 1, districts have the flexibility to define this criterion based on each district's unique priorities. Examples include, but are not limited, to:

- An additional year of experience in the classroom;
- Previous years of effective teaching;
- Relevant non-educational professional experience related to the teacher's content area (this may be one way to attract mid-career professionals with industry experience to teach in the district).

7. Districts have sometimes used local tax revenues to increase teacher pay across the district. Is this permissible under Act 1?

Districts may use any revenue source to pay for salary increases. However, under the law, teachers and administrators who earn an Ineffective rating are not eligible for a salary increase regardless of the source of funding.

8. Can districts use base salary increases or one-time stipends to reward teachers for effectiveness, demand, and experience under our new compensation plan?

As long as all three criteria are used to determine the formula for determining compensation, districts have the flexibility to determine when to reward teachers with a raise that provides a permanent increase to base pay and when to reward teachers with a one-time stipend.

9. Can a teacher's salary be reduced in a new compensation system under Act 1? Must stipends be maintained each year?

Under Act 1, teacher salaries cannot be reduced from the previous year. Stipends are one-time payments and do not need to be maintained from year to year.

10. Are districts required to make Teachers Retirement System of Louisiana contributions on teacher stipends given as part of Act 1?

Yes, districts are required to make contributions on stipends to the Teachers Retirement System of Louisiana.

11. What implications does Act 1 have for teachers who are new to the district?

Act 1 does not provide any guidelines for establishing starting salaries for new teachers. Act 1 only applies to salary increases.

12. How will school districts calculate starting salaries for teachers to ensure compliance with the new compensation plan?

Districts continue to have the flexibility to set starting salaries for teachers. Districts may consider the following when determining teachers' starting salaries:

- For existing teachers within the district, the district may consider using a teacher's current salary as their starting salary under the new compensation model. Districts also have the flexibility to transition teachers into a new compensation model and grant salary increases.
- For teachers new to the district with zero years of previous experience, districts have the flexibility to maintain, lower, or increase the starting salary they had under their previous compensation system based on local priorities and district funding.
- For teachers new to the district with previous experience, the district may consider offering a salary above the starting salary for teachers with zero years of previous experience. There is not a formula for this determination.
 - The district may choose to use a teacher's previous salary, evidence of the teacher's effectiveness (e.g., evaluations, value-added data, or other student outcomes), and competing districts' salaries to determine starting salaries. This is a market-based approach that allows the district to compete for talent while recognizing past experience.

13. What information should be used in the budget tab in the sample compensation models provided by the Department?

The budget tab in the sample compensation models provided by the Department should be populated with the amount of funds allocated specifically for teacher salaries for the next three to five years. These budget numbers should only include the funding available for teacher compensation (including base salaries and stipends) for each year and should not include the cost of benefits. The sample models are designed so that any unspent funds roll over into the following year's teacher compensation budget.

14. How should our district generate teacher ratings for the teacher information tab in the sample compensation models provided by the Department?

The sample models are populated with sample data; districts should remove the sample data and input their district's available data. Compass summative teacher effectiveness ratings for 2012-13 will not yet be available when the district designs the compensation plan and budget for the 2013-2014 school year, so districts may choose to use past performance data (including pilot Compass data and value-added performance data) and mid-year Compass data from existing evaluation systems, along with the district's student performance data, to inform expectations for 2012-2013 Compass ratings. Districts may input actual Compass summative performance data as it becomes available.

15. What if sustainability testing reveals that the district cannot afford the proposed model?

School districts should allocate their existing funding to reward the best teachers. If sustainability testing reveals that a new compensation system exceeds the district's current funding, the district should consider adjusting salary increases based on your district's priorities to make the model sustainable. Districts may also consider repurposing existing revenue for other programs to fund salary increases for teachers.

Possible changes to the compensation model to reduce the total cost include but are not limited to:

- Reducing annual increases.
- Adjusting the model's progression criteria (e.g., how teachers receive compensation increases over time).
- Lowering base salary caps for teachers.

16. When will the new compensation system be used to start paying teachers?

Act 1 requires school district to establish and publish salary schedules by January 1, 2013, and shall become effective for all employees by the beginning of the 2013-2014 school year. This means that, starting in the 2013-2014 school year (at the latest) all employees will be paid under the new salary schedule.