

Proposed Amendment to the 2016- 2017 301 Pay For Performance Plan

Reconvenend 301 Committee 2016-2017 Plan

301 Committee Members

Jason Freed, TEA President

August Merz, Middle School Teacher

Margaret Chaney, High School Teacher

Dan Ireland, Middle School Teacher

Tim Batten, High School Teacher

Tamara Christopherson, Elementary Principal

Brian Lambert, K8 Principal

Dr. Daniel Schulter, Middle School Principal

Roberto Estrella, High Schools

Richard Foster, Facilitator

Karla Soto, Finance

Purpose for the amendment

The purpose of this amendment is to address the current surplus balance in Fund 12 of the Classroom Site Fund as of the 2016-2017 fiscal year, which is approximately \$9.5 million dollars, and which has accrued over time. Remaining funds in Fund 12 represent new funds received for the 2016-17 budget year for the 301 Pay for Performance Plan.

Spring 2016

- District and TEA 301 Joint Committee identified the surplus.
- Surplus was taken into consideration when developing the 2016-2017 301 Pay for Performance Plan
- The 2016-2017 Plan amount was increased from \$1500 (2015-2016) to \$3000 (2016-2017).
- If this approach is used by future Joint Committees, the surplus would gradually be paid down through the life of 301 (2020-2021).
- 2016-2017 was ratified with 81.8 % approval and Governing Board approved the plan on June 14, 2016

Fall 2016

- Discussion resurfaced during monthly finance presentation at Governing Board meetings (September and October)
- The District and TEA developed a plan of action

TUSD CSF Performance Pay History

Classroom Site Fund 012 - Performance

Year	Beg Bal	Revenue	Expenditures	End Fund Bal	Individual Performance Pay paid in next FY	Adjusted Fund Balance	Fund Bal PY Difference	Fund Bal % Diff	% Paid of Revenue	Elig Pmt Amt	Per Pupil Amt	PPA PY Diff
FY01-02	\$0	\$7,336,182	\$3,894,898	\$3,441,284				n/a	53%		\$272.42	
FY02-03	\$3,441,283	\$6,762,782	\$6,879,237	\$3,324,828			(\$116,456)	-3%	102%		\$239.47	-12%
FY03-04	\$3,324,828	\$6,464,742	\$6,103,176	\$3,686,394			\$361,566	11%	94%		\$230.00	-4%
FY04-05	\$3,686,395	\$6,744,868	\$4,321,691	\$6,109,572			\$2,423,178	66%	64%	\$1,930	\$242.00	5%
FY05-06	\$4,321,690	\$8,908,020	\$7,969,879	\$5,259,831			(\$849,741)	-14%	89%	\$1,982	\$353.00	46%
FY06-07	\$5,259,831	\$9,753,550	\$8,042,145	\$6,971,236			\$1,711,405	33%	82%	\$2,165	\$333.00	-6%
FY07-08	\$6,971,236	\$11,546,649	\$8,702,889	\$9,814,996			\$2,843,760	41%	75%	\$2,330	\$401.00	20%
FY08-09	\$9,814,997	\$7,290,347	\$10,888,440	\$6,216,904			(\$3,598,092)	-37%	149%	\$2,609	\$390.00	-3%
FY09-10	\$6,216,904	\$5,694,361	\$7,692,906	\$4,218,359			(\$1,998,545)	-32%	135%	\$2,708	\$244.00	-37%
FY10-11	\$4,218,357	\$5,553,113	\$5,869,071	\$3,902,399			(\$315,960)	-7%	106%	\$1,450	\$120.00	-51%
FY11-12	\$3,902,399	\$5,062,304	\$6,336,388	\$2,628,315			(\$1,274,084)	-33%	125%	\$1,800	\$120.00	0%
FY12-13	\$2,628,312	\$6,542,495	\$2,878,429	\$6,292,378			\$3,664,063	139%	44%	\$1,200	\$227.00	89%
FY13-14	\$6,292,379	\$7,343,743	\$3,854,064	\$9,782,058			\$3,489,680	55%	52%	\$1,200	\$310.00	37%
FY14-15	\$9,782,058	\$6,797,518	\$3,860,435	\$12,719,141			\$2,937,083	30%	57%	\$1,200	\$295.00	-5%
FY15-16	\$12,719,140	\$7,415,098	\$5,165,043	\$14,969,195	\$2,272,500	\$12,696,695	\$2,250,054	18%	70%	\$1,500	\$327.00	11%
FY16-17	\$14,605,228	\$7,354,787	\$8,874,420	\$13,085,595	\$3,588,000	\$9,497,595	(\$1,883,608)	-13%	121%	\$3,000	\$332.00	2%
FY17-18	\$13,085,595	\$7,354,787	\$9,721,920	\$10,718,462	\$3,588,000	\$7,130,462	(\$2,367,133)	-18%	132%	\$3,000	\$332.00	0%
FY18-19	\$10,718,462	\$7,354,787	\$9,721,920	\$8,351,329	\$3,588,000	\$4,763,329	(\$2,367,133)	-22%	132%	\$3,000	\$332.00	0%
FY19-20	\$8,351,329	\$7,354,787	\$9,721,920	\$5,984,196	\$3,588,000	\$2,396,196	(\$2,367,133)	-28%	132%	\$3,000	\$332.00	0%
FY20-21	\$5,984,196	\$7,354,787	\$9,721,920	\$3,617,063	\$3,588,000	\$29,063	(\$2,367,133)	-40%	132%	\$3,000	\$332.00	0%

Fund Balance accumulation in years Performance pay was reduced to \$1,200

\$10,090,826

Estimates

Calculated from District submitted Annual Financial Report Data

Fall 2016

- TEA held forums to gather feedback from the employees on options to address the surplus.
 - November 2 –Catalina HS
 - November 5 – Rincon HS
 - November 7 Palo Verde HS
- The 301 District and TEA Joint Task Force reconvened to address the surplus. (November 17)
- The District presented 301 information to Superintendent's Focus Group: Finance, Joint Committee Process, current plan, and Legal. (November 17)
- The 301 District and TEA Joint Task Force sent a survey with information and three options to current 301 eligible employees to gather more feedback on which option should be reviewed by the joint task force. Respondents were asked to rank three options in order of their preference. (November 23-29)

Fall 2016

- Survey results were reviewed by the joint task force and the proposed amendment was drafted to the current 301 Pay for Performance Plan. (December 1)
- The proposed amendment was sent out to current 301 eligible employees for 70% ratification per state statute 15-977. (December 6-10)
- The Amendment along with ratification results are being presented to TUSD Governing Board for approval. (December 13)

Survey Results

	1 st Choice Ranking	2 nd Choice Ranking	3 rd Choice Ranking
OPTION 1: Keep the plan as is to pay the surplus forward at approx. \$3,000 per year through SY 2020-2021.	464	320	545
OPTION 2: Amend the plan to pay in arrears the eligible employees who worked for TUSD during the affected school years and are currently employed by TUSD. This would deplete the fund this school year.	651	366	340
OPTION 3: Evenly divide the estimated \$9.5 million between all current 301 eligible employees. This would deplete the fund this school year.	251	642	435

Option #2

Year	Amount available	*Payroll Related Expenses	Compensation available for distribution when Payroll Related Expenses are deducted	**Estimated Eligible FTE / Current Active	**Estimated payment amount
FY12-13	\$3,357,859	\$559,643	\$2,798,216	1850	\$1,513
FY13-14	\$3,198,049	\$533,008	\$2,665,041	1900	\$1,403
FY14-15	\$2,691,632	\$448,605	\$2,243,027	2100	\$1,068
FY15-16	\$250,055	\$41,676	\$208,379	2200	\$95
	\$9,497,595	\$1,582,932	\$7,914,663		

Proposed Amendment

- The eligibility criteria outlined in the current 2016-17 301 Pay for Performance Plan will remain in effect for the identified Fund 12 surplus for the 2016-17 school year. In addition, eligibility for receipt of identified Fund 12 surplus requires acknowledgement of and agreement to this new plan for the Fund 12 surplus. Only current 301 eligible employees will be considered as eligible for the surplus funds under the terms of Option 2.
 - Possess a current teaching certificate
 - Paid on a TUSD certified salary schedule for the year the plan is in place. (a leased employee (ESI) is not eligible, per state statute).
 - Contract time will include any time during which a teacher performed his/her duties pursuant to a letter of intent to hire or contract if that teacher is subsequently assigned to a position eligible for pay for performance.
 - Participate fully in PLC
 - Assigned to a specific site or sites (not serving a central office function).
 - Paid on teacher contract for more than one semester.

Proposed Amendment

- (g): Notwithstanding paragraph (f) above, persons who worked for the District in school years 2012-2013, 2013-2014, 2014-2015 or 2015-2016 and who were eligible for a Fund 12 payment under the applicable 301 Pay for Performance Plan during any one of those school years may apply to be hired and placed into a classroom teacher position, subject to District hiring policies and procedures, in order to be eligible to participate in the 2016-2017 301 Pay for Performance Plan. Any person hired as a classroom teacher under this provision must be hired and placed into the position on or before January 17, 2017 and must timely complete the eligibility criteria outlined in the 2016-2017 301 Pay for Performance Plan or have received written permission from the Chief Human Resource Officer before February 22, 2017 to extend the deadline for satisfaction of the eligibility criteria to a date no later than March 15, 2017.

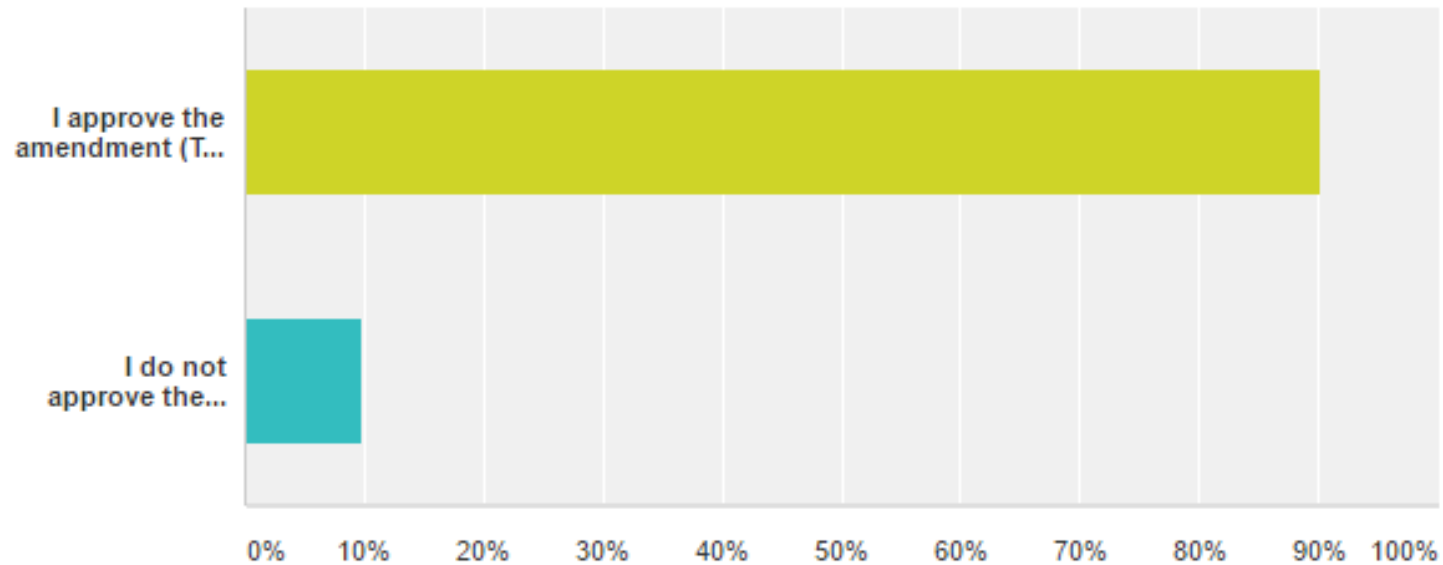
Payment Schedule

The proposed amendment is attached to the 2016-2017 Pay for Performance Plan.

- May 2017
- July 2017 for individuals who meet eligibility under section “g”.

Please vote to approve or not approve the Amendment to 2016-2017 301 Pay for Performance Plan

Answered: 2,183 Skipped: 0



Answer Choices	Responses
▼ I approve the amendment (This will allow the surplus to be distributed during school year 2016-2017 as outlined in Option 2 in the amendment)	90.29% 1,971
▼ I do not approve the amendment (This will require the Joint Task Force to reconvene to propose a new plan to address the surplus. This also will delay the timeline for addressing the surplus.)	9.71% 212
Total	2,183

Ratification

- December 6-10, 2016 via Survey Monkey

Eligible employees	2676
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Votes needed for ratification (70%)	1874
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Yes Vote	1971
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No Vote	212
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No Response	493
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Approval of the performance based compensation system based on an affirmative vote of at least seventy per cent of the teachers eligible to participate in the performance based compensation system.

Percentage	73.6%
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(Yes Vote / Eligible)

1971 / 2676