Rethinking Teacher Compensation to Drive Student Performance

Tennessee Accelerated Planning Districts

November 20-22, 2013
Progress!

Session 1

- high need schools ➔ differentiate
- high performing teachers ➔ "
- job sharing/part-time opportunities

Session 2
You’ve taken it to this step...

<table>
<thead>
<tr>
<th>VISIONING TEMPLATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUMMARY</td>
</tr>
</tbody>
</table>

**Purpose:**
This is a *visioning* document for designing your differentiated pay plan. The template guides you through key compensation design elements, presenting an array of options as well as a template for articulating your ideas. This template works hand-in-hand with the *Quick Cost Checker*, which is designed to preliminarily estimate the cost of the new system.

This template is *not* an exhaustive inventory—in many cases, decision options have been simplified to allow you to draft plans relatively quickly. Please use the customizing options if you feel that the options provided do not resonate well in your districts. In Session 3, you will be provided a more flexible modeling tool to fully customize your differentiated pay plan, obtain more precise cost estimates, and consider long-term costs.

**Instructions:**
1. Complete each section of the *Visioning Template* in the order presented.
2. After completing each *Visioning Template* section, turn to the corresponding section of the *Quick Cost Checker* to obtain cost estimates. Feel free to toggle between these two documents as the information presented will continually inform your decisions.
3. After completing all sections of the *Visioning Template* and the *Quick Cost Checker*, see the last page of the *Quick Cost Checker* to calculate the total cost of the redesigned system.
4. If you already offer differentiated teacher roles, effectiveness pay, district priority incentives and/or bonuses, rewards & recognition, calculate your current investments using the methods outlined throughout the template.
   - Consider which investments you will maintain or repurpose, and use those values to inform the true net cost or cost reduction for your entire differentiated pay plan.
## Project Overview: Session 3

<table>
<thead>
<tr>
<th>Session</th>
<th>Topic</th>
<th>Type</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Compensation as a Part of Human Capital Strategy</td>
<td>Whole Group</td>
<td>Sep 5</td>
</tr>
<tr>
<td>2</td>
<td>Human Capital System Choices and Impacts</td>
<td>Regional</td>
<td>Oct 16 - 18</td>
</tr>
<tr>
<td>3</td>
<td>Fiscal Considerations and Trade-Offs</td>
<td>Regional</td>
<td>TODAY</td>
</tr>
<tr>
<td>4</td>
<td>Building Support and Communication</td>
<td>Whole Group</td>
<td>Dec 11</td>
</tr>
</tbody>
</table>
Today’s Objectives

- Learn from peer districts as they share their draft plan and the planning process
- Learn to use the ERS compensation design model to finalize the design decisions for your district
- Engage in a group exercise to think strategically about how to fund your district’s compensation investments in the context of your total budget
Today we will work with two tools that will help you finalize the design of your new pay plan.

**Homework 1**
- **High Level Costing**
  - Understand the breakdown of my district’s compensation spending and how much is available for new investments.

**Session 2**
- **District X**
  - Envision the “Ideal System”.

**Homework 2**
- **Visioning & Costing**
  - Start the preliminary draft of the differentiated pay plan.

**Session 3**
- **Budget Hold’em**
  - Look beyond compensation dollars to the entire district budget and evaluate necessary tradeoffs.

**Session 3/Homework 3**
- **Long-Term Modeling**
  - Create the final plan for my district.
Today’s Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:00am</td>
<td>Project Overview</td>
</tr>
<tr>
<td>9:15am</td>
<td>District Share Out</td>
</tr>
<tr>
<td>9:45am</td>
<td>Interactive Compensation Modeling Session</td>
</tr>
<tr>
<td>10:30am</td>
<td><strong>Break</strong></td>
</tr>
<tr>
<td>10:45am</td>
<td>Interactive Compensation Modeling Session Continued</td>
</tr>
<tr>
<td>11:30pm</td>
<td>Model Your Own Scenarios</td>
</tr>
<tr>
<td>12:00pm</td>
<td><strong>Lunch</strong></td>
</tr>
<tr>
<td>1:00pm</td>
<td>Budget Hold’em</td>
</tr>
<tr>
<td>2:00pm</td>
<td>Gallery Walk</td>
</tr>
<tr>
<td>2:15pm</td>
<td><strong>Break</strong></td>
</tr>
<tr>
<td>2:30pm</td>
<td>Whole Group Debrief</td>
</tr>
<tr>
<td>2:45pm</td>
<td>Next Steps + Homework Instructions (15 min)</td>
</tr>
</tbody>
</table>
Using the Differentiated Pay Plan Design Model
Agenda

- Design Model Overview (30 min)
- Activity 1: Design a scenario (30 min)
- Activity 2: Compare scenarios (30 min)
- Model your own scenarios (30 min)

Facilitators will be available at each table to provide support.
Open the model using Microsoft Excel. A bar will display with a note that macros are disabled.

- If you are using Excel 2007
  - Click “Options…” button
  - In the pop-up menu select “enable this content”
  - Press OK

- If you are using Excel 2010
  - Click “Enable this content”
Some key design factors when creating a Differentiated Pay Plan:

- District-Specific Situation
- Fiscal Sustainability
- Impact on Student Learning
- Impact on District-wide Teacher Effectiveness
- Internal HR Capacity
- Stakeholder Buy-in
- District’s Current Value Proposition
- District’s Competitive Position
The Differentiated Pay Plan Design Model allows you to:

- Measure the effect of a differentiated design plan in your district-specific context over time

- Compare new plans against the existing (baseline) plan

- Compare multiple design plans across:
  - Fiscal Sustainability
  - Impact on Student Learning
  - Impact on District-wide Teacher Effectiveness
There are a variety of fiscal sustainability tools available to districts at different stages of the compensation design process.
Overview of each page in the model

Inputs
- Roles, DPI & Bonuses
- Effectiveness Steps & Bands
- Base Salary Adjustments
- Other Human Capital Decisions
- Run Model

Single Scenario: Output & Charts

Scenario Comparison: Output & Charts

Inputs + Series of Design Decisions

Model Calculations

District-specific data

Vision for pay plan

Pay plan output over time

Multiple pay plans – Side by side comparison for a given year
The model calculates predicted costs and teacher behavior based on district-specific inputs.

- Input data is used to understand each district’s:
  - Size & expected growth rate
  - Salary schedule
  - Teacher demographics
  - Flow of teachers into, out of, and through the system
  - Distribution of teacher effectiveness
In order to populate district-specific data, you will need to...

- **Step 1:** Select your District – *(Cell C15)*
- **Step 2:** Load District Data – Inputs page data will populate automatically

**Step 3:** Review the data that populated for your district

**Consider:** Are there fields that are confusing? Values that are surprising? You will have time to update these values later in the exercise

- You can **edit yellow cells** in the model
- On the Inputs page, you can update the data in yellow cells to reflect your district data if needed
Step 4: Populate Model with Teacher Data – Prepares the model to run. Click this button if:
- It’s the first time you are loading district data
- If the input values change

Step 5: Set Baseline for Comparison – Runs the model without a differentiated pay plan.

Depending on the size of your district the model can take anywhere from 1 to 10 minutes to run.
## Cost Structure

<table>
<thead>
<tr>
<th></th>
<th>Year 0</th>
<th>Year 1</th>
<th>Year 3</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Cost</strong> (Salaries, Stipends, &amp; Recruiting)</td>
<td>$13.4</td>
<td>$13.4</td>
<td>$13.6</td>
<td>$13.6</td>
</tr>
<tr>
<td>% Budget Gap from Baseline</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Total Budget Gap from Baseline</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Year 0</th>
<th>Year 1</th>
<th>Year 3</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Base Salary Pay</strong></td>
<td>$13.4</td>
<td>$13.4</td>
<td>$13.6</td>
<td>$13.6</td>
</tr>
<tr>
<td>District Starting</td>
<td>$10.6</td>
<td>$10.6</td>
<td>$10.6</td>
<td>$10.6</td>
</tr>
<tr>
<td>Total Experience Pay</td>
<td>$2.1</td>
<td>$2.1</td>
<td>$2.2</td>
<td>$2.2</td>
</tr>
<tr>
<td>Total Education Pay</td>
<td>$0.7</td>
<td>$0.8</td>
<td>$0.8</td>
<td>$0.8</td>
</tr>
<tr>
<td><strong>Total Bonuses</strong></td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
<tr>
<td><strong>Total Stipends</strong></td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
</tbody>
</table>

| Total Local Supplement   | $1.8   | $1.8   | $1.9   | $1.9   |

## Student Impact

<table>
<thead>
<tr>
<th>% Students with Level 5 Teacher</th>
<th>Year 0</th>
<th>Year 1</th>
<th>Year 3</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>46%</td>
<td>46%</td>
<td>46%</td>
<td>46%</td>
</tr>
<tr>
<td>% Students with Level 1 or 2 Teacher</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
<td>8%</td>
</tr>
</tbody>
</table>

## Teacher Impact

<table>
<thead>
<tr>
<th>% Novice</th>
<th>Year 0</th>
<th>Year 1</th>
<th>Year 3</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18%</td>
<td>16%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>Average YRs Teacher Experience</td>
<td>12</td>
<td>13</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Average Teacher Salary ($K)</td>
<td>$43.0</td>
<td>$43.2</td>
<td>$43.6</td>
<td>$43.6</td>
</tr>
<tr>
<td>% of teachers paid more than baseline - Pay above original system</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
Why run a baseline scenario?

- Represents projected teacher compensation spending given the current compensation system
  - Cost neutral means it matches the cost of the baseline
- The cost of teacher compensation in the baseline scenario may increase or decrease over time
- This means that the cost of teacher compensation of a cost neutral differentiated pay plan may increase or decrease to match the baseline scenario

Note: These dollars are given in “real” terms. COLA is assumed to match actual cost of living and excluded from the model.
Use the first chart on the Scenario Comparison Chart tab to see a visual representation of the budget gap.

**Positive Budget Gap or Savings**

- Differentiated Pay Plan
- Baseline

**Negative Budget Gap or Investment**

- Differentiated Pay Plan
- Baseline
The next step is to engage with a series of design decisions over the next 4 tabs...

- Tabs are aligned to the decisions in the Visioning Template
- If you are not going to implement anything in a particular tab, that tab can be skipped
- Comments in the model are used to give key considerations of a given cell

The “Run Model” button is only active in the “Other Human Capital Decisions” tab
Roles, DPI, & Bonuses tab: Districts can engage with...

- Decision options:
  - Roles & Incentives
  - Extended Reach Roles
  - Bonuses, Rewards & Recognition
  - Coaching, Mentoring, & PD

- Decision 1: District Priority Incentives (DPIs)
- Decision 2: School Roles
- Decision 3: Bonuses, Rewards, and Recognition
Before leaving this page, districts can also see a cost estimate for these Roles, DPI, & Bonuses.

You can use this table to view costs of the designed Roles, DPI, & Bonuses:

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>$0</td>
</tr>
<tr>
<td>Year 3</td>
<td>$53,468</td>
</tr>
<tr>
<td>Year 5</td>
<td>$75,931</td>
</tr>
<tr>
<td>Year 10</td>
<td>$176,252</td>
</tr>
</tbody>
</table>

In order to fully understand the impacts on attrition & retention, these roles are run through the model.
Districts are provided an opportunity to outline a potential system, including details on:

- How new hires will be placed in the system
- % or $ basis for steps
- Size of pay change

**Decision 4:**

Effectiveness Pay

- Steps
- Bands
- Both
Quick estimates: Increasing starting salary

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$63,184</td>
</tr>
<tr>
<td>3</td>
<td>$181,654</td>
</tr>
<tr>
<td>5</td>
<td>$300,124</td>
</tr>
<tr>
<td>10</td>
<td>$596,299</td>
</tr>
</tbody>
</table>

Decision trees: Education & Experience Pay

Base Salary
- Decision 5: Starting Salary
- Decision 6: Education Pay
- Decision 7: Experience Pay
Other Human Capital Decisions tab

- Changes to Recruiting Process
- Managing Out Low Performers

Note: The “Run Model” button is only active in the “Other Human Capital Decisions” tab
Review the Differentiated Pay Plan Design Tabs with your facilitator
Break
Test the Model: Activity 1

Take 5 minutes to use the “Roles, DPI, and Bonuses” tab to add 1 Role/Incentive and 1 Extended Reach Role.

<table>
<thead>
<tr>
<th>District Priority Incentive</th>
<th>Extended Reach Teacher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard-to-staff positions</td>
<td>Add 1 extra class</td>
</tr>
<tr>
<td>$4000</td>
<td>$4000</td>
</tr>
<tr>
<td>No additional prep period</td>
<td>Level 5 teachers only</td>
</tr>
<tr>
<td>Level 4 or Level 5</td>
<td>Start in Year 1 of the reform</td>
</tr>
<tr>
<td>No minimum years of experience</td>
<td>Not reducing total FTE</td>
</tr>
<tr>
<td>Start in Year 1 of the reform</td>
<td></td>
</tr>
</tbody>
</table>

Select a number of FTE to award the role that makes sense for your district.

When you are ready, press the “Run the Model” button.

Note: Test activities are designed to demonstrate functionality not suggest policy decisions.
4 Output Tabs

Note: 5% differences across scenarios can be considered within the margin of error.
When your model finishes running, you will see the Single Scenario Output tab. This tab allows you to:

- Select a scenario to review
- Save a scenario for future review
- Review the baseline scenario
- Review data at years 0, 1, 3, 5, 10, and 20
  - Expenditure data
  - Teacher data
  - Student data
Review the Single Scenario Output with your facilitator
Test the Model: Activity 2

**Keep** your Activity 1 Roles

“Roles, DPI, and Bonuses”
tab: Add 1 bonus

<table>
<thead>
<tr>
<th>Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>$6,000 per teacher</td>
</tr>
<tr>
<td>Level 5 teachers</td>
</tr>
<tr>
<td>Start in Year 5</td>
</tr>
<tr>
<td>No End Year (Select Year 20)</td>
</tr>
</tbody>
</table>

“Base Salary Adjustments”
tab: Consolidate your schedule to two lanes

When you are ready press the “Run the Model” button

**Note:** Test activities are designed to demonstrate functionality **not** suggest policy decisions
The model will notify you if it projects that you will need to follow the Alternate Salary Process

- If base salary raises are linked to effectiveness

- If base salaries are projected to be lower than state minimums
After the second scenario has completed running, you can start using the Scenario Comparison page. This tab allows you to:

- Select a year of reform to review
- Save a scenario for future review
- Compare the results from multiple scenarios
  - Baseline scenario
  - Current scenario
  - Up to 7 additional saved scenarios
- Data is displayed one year at a time, across multiple scenarios
  - Underlying data is the same as the data you saw on the Single Scenario tab
Review the Scenario Comparison Output with your facilitator
Load the model you designed using your draft plan and/or visioning template into the model.

Your facilitator will be able to answer any questions you have.

Feel free to run the model multiple times and compare scenarios.

If you save over a scenario, you will need to re-run it. There is no “undo” for the “Save” button.

Your feedback is very important to us.

Please let your facilitator know any feedback you have: Metrics, Design, Output, etc.
Lunch
Budget Hold’em
We are about to invest in a new compensation plan…

For many districts it will require additional resources ....

And in most cases even the baseline budget will continue to rise
Typical responses to budget gaps are to preserve current structures and attempt to do less with less.

- Furlough days
- Across the board cuts
- Frozen salaries
- Incremental staffing ratio adjustments
School Budget Hold’em is a tool to help district leaders rethink their budgeting process

- Removes us from the traditional budget process of fighting for resources within silos
- Focuses on investing in district priorities by freeing resources from low value-added “historic” uses
- Builds understanding of relative size of different options
Agenda

- Instructions on how to play (15 min)
- Play Budget Hold’em (45 min)
- Gallery Walk (15 min)
The Object of the Exercise

Create a “hand” of cards that allows you to achieve a target budget reduction to fund your investment plans in teacher compensation.
The cards are organized into 7 categories

- Teaching
- Buildings & Land
- Class Size
- Leadership
- Special Ed
- Partners
- Efficiency
What is on a Hold’em card?

**Class Size**

- 1.4%

**Increase average Secondary School class size by 2**

Benefits from reducing class sizes have only been demonstrated in classes with fewer than 17 students in core academic subjects and early/transitional grades. Outside of those parameters, increasing class sizes, even by a few students, can free up resources without negatively impacting student outcomes.

**FYI**

Increasing average class size across the district will likely result in larger increases in some schools and classes than others, depending on the distribution of current class sizes. School leaders need to carefully consider the composition of student needs in each class and how this matches teacher expertise. As class sizes rise, you may wish to invest in expert teachers for small group instruction for core subjects and certain student groups.

**Savings as % of budget**

There are also **Wildcards** so you can add more savings options.

**Implications for compensation investments (If any)**

Does this align with your other human capital investments?
How to play:

**Step 1** Assign Roles and Review Process (2 min):
- Score Keeper
- Task Master
- Scribe
- Card Reader
How to play:

Step 2  Write:  The net investment on the investment card + poster (5 min)
Step 2: Set target budget reduction

If Net Investments in Compensation > Current compensation budget

If Net Investments in Compensation < Current compensation budget

Then set the budget reduction target to meet your savings goals or your total budget gap
What is the net investment amount for your Differentiated Pay Plan?

<table>
<thead>
<tr>
<th>Future Compensation Elements</th>
<th>Total Investments</th>
<th>Total Cost Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROLES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enter the total cost in the box provided. (bottom of pg. X)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>DISTRICT PRIORITY INCENTIVES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enter the total cost in the box provided. (bottom of pg. X)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>BONUSES, REWARDS &amp; RECOGNITION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enter the total cost in the box provided. (bottom of pg. X)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>EFFECTIVENESS PAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enter the total cost in the box provided. (bottom of pg. X)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>STARTING SALARY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(leave blank if no changes made)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If you are increasing starting salary, enter the total cost in the red box. (pg. X)</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>If you are decreasing starting salary, enter the total savings in the green box. (pg. X)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>EDUCATION PAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(leave blank if no changes made)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If you are reducing or eliminating current education pay enter the total savings from in the green box. (Reduction- pg. X, Elimination- pg. X).</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>If you are offering tuition reimbursements, enter the total cost in the red box. (pg. X)</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>EXPERIENCE PAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(leave blank if no changes made)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If you are reducing or eliminating experience pay enter the total savings from in the box provided. (Reduction- pg. X, Elimination- pg. X).</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>TOTAL REDESIGN COST/SAVINGS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enter the sum of all of the red boxes above in the red box below, and the sum of all of the green boxes above into the green box below.</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Subtract the savings from the costs to calculate the net cost of your new system. Compare the net cost to the total cost of your current compensation system (not including benefits).</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

Refer to the Net Cost in your Total Cost Checker
What is the net investment amount for your Differentiated Pay Plan?

Or the percent of compensation budget gap shown on your compensation design model

<table>
<thead>
<tr>
<th>Current Scenario</th>
<th>Year 0</th>
<th>Year 1</th>
<th>Year 3</th>
<th>Year 5</th>
<th>Year 10</th>
<th>Year 20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost Structure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cost (Salaries, Stipends, &amp; Recruiting)</td>
<td>$10.2</td>
<td>$10.2</td>
<td>$10.1</td>
<td>$10.0</td>
<td>$10.0</td>
<td>$10.0</td>
</tr>
<tr>
<td>Change from baseline scenario in selected year</td>
<td>0.0%</td>
<td>-1.0%</td>
<td>-1.0%</td>
<td>-1.5%</td>
<td>-1.5%</td>
<td>-1.5%</td>
</tr>
<tr>
<td>Total Base Salary Pay</td>
<td>$9.4</td>
<td>$9.4</td>
<td>$9.3</td>
<td>$9.2</td>
<td>$9.2</td>
<td>$9.2</td>
</tr>
<tr>
<td>District Starting</td>
<td>$6.9</td>
<td>$6.9</td>
<td>$6.9</td>
<td>$6.9</td>
<td>$6.9</td>
<td>$6.9</td>
</tr>
<tr>
<td>Total Experience Pay</td>
<td>$1.6</td>
<td>$1.6</td>
<td>$1.5</td>
<td>$1.4</td>
<td>$1.3</td>
<td>$1.3</td>
</tr>
<tr>
<td>Total Education Pay</td>
<td>$0.9</td>
<td>$0.9</td>
<td>$0.9</td>
<td>$0.9</td>
<td>$1.0</td>
<td>$1.0</td>
</tr>
</tbody>
</table>
How to play:

**Step 2**

40 min

**Write:** The net investment on the investment card + poster (2 min)

**Discuss + Write:** Quickly talk over your district’s overarching priorities and write the top three priorities on the poster (10 min)
Step 2: Write down your district priorities on the poster

District Name: __________

OVERALL DISTRICT PRIORITIES

• ___________________________________________________________________
• ___________________________________________________________________
• ___________________________________________________________________
• ___________________________________________________________________

Net Compensation Investment:
(or budget reduction goal)

%
Step 2: Discuss how your district’s compensation-related priorities fit within the overarching goals for your district

Example - Priorities

Support continuous improvement of effective teachers – recognize, support and reward great teaching.

Organize time and staffing to provide individual support to match student needs in high priority areas, focusing on early intervention for at-risk students.

Ensure school leadership has information, knowledge, and resources to build strategic school designs that maximize student growth potential.

Consider adding time to the school day or school year for some or all students.
How to play:

**Step 2**

40 min

**Write:** The net investment on the investment card + poster (5 min)

**Discuss + Write:** Quickly talk over your district’s overarching priorities and write the top 3 on the poster (10 min)

**Read:** Carefully read through the sample deck and create piles for “yes,” “no,” or “maybe” based on your district priorities (25 min)
How to play:

**Step 3**

**Finalize your hand + Write on poster:** Pick your final savings cards, add up the total savings as % of budget and write it on the second poster (5 min)

**Take time to use Wild Cards, if needed** (5 min)

**Pick 3 most actionable ideas + Tape on the poster:** Pick the 3 ideas that your district is most likely to implement and tape them on the second poster (5 min)

**Tape the two posters to the wall**
Step 3: Tape your final card options to the poster

Total Potential Savings: %
(add up your selected cards)

3 MOST ACTIONABLE IDEAS:

ACTION IDEA #1
(place Budget Hold’em card here)

ACTION IDEA #2
(place Budget Hold’em card here)

ACTION IDEA #3
(place Budget Hold’em card here)
How to play:

<table>
<thead>
<tr>
<th>Step</th>
<th>Activity</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td>Assign Roles (Score Keeper, Task Master &amp; Scribe) and Review Process</td>
<td>5 min</td>
</tr>
<tr>
<td>Step 2</td>
<td>Write: The net investment in the investment card + poster (5 min)</td>
<td>40 min</td>
</tr>
<tr>
<td></td>
<td>Write: Quickly talk over your district’s overarching priorities and write the top 3 priorities on the poster (10 min)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Read: Carefully read through the sample deck and create piles for “yes,” “no,” or “maybe” based on your district priorities. (25 min)</td>
<td></td>
</tr>
<tr>
<td>Step 3</td>
<td>Finalize your hand + Write on poster: Pick your final savings cards, Add up the total savings as % of budget and write it on the second poster. Take time to use Wild Cards if needed. (10 min)</td>
<td>15 min</td>
</tr>
<tr>
<td></td>
<td>Pick 3 most actionable ideas + Tape on the poster: Pick the 3 ideas that your district is most likely to implement and tape them on the second poster (5 min)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tape the two posters on the wall</td>
<td></td>
</tr>
</tbody>
</table>
Gallery Walk
(15 minutes)
Break
1. What were the biggest insights and/or surprises regarding opportunities for savings?

2. What particular savings would be feasible or challenging in your district?

3. Are there places where your chosen options complement or contradict one another?

4. Were Wild Cards used? If so, how?
Next Steps
Next Steps

- Please fill out the **Session 3 Evaluation** before you leave

- Fill out and turn in your reimbursement form

Contact Information:

- Laura Encalade, [Laura.Encalade@tn.gov](mailto:Laura.Encalade@tn.gov) or (615) 854-4064
- Fiscal consultants
Appendix
## Customized Hold’em Data Sources

<table>
<thead>
<tr>
<th>Data</th>
<th>Data Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Staff salaries (teacher &amp; teacher aids)</td>
<td>TN DOE 2012-2013 records (teachers) Bureau of Labor Statistics 2012 wage estimates for TN (teacher aides)</td>
</tr>
<tr>
<td>• District spending (total K12 operating budget, transportation, facility &amp; maintenance, non-instructional staff, employee benefits, etc.)</td>
<td>National Center for Education Statistics, FY10</td>
</tr>
<tr>
<td>• Teacher working days/hours</td>
<td>Current teacher contracts for Nashville &amp; Shelby Statewide TELL Survey of TN Teachers, 2011</td>
</tr>
<tr>
<td>• Teacher Professional Development days/hours</td>
<td></td>
</tr>
<tr>
<td>• Student enrollment by grade</td>
<td>National Center for Education Statistics, fall 2010 enrollment data by district and school</td>
</tr>
<tr>
<td>• Percentage of students with disabilities</td>
<td></td>
</tr>
<tr>
<td>• Pupil-teacher ratios</td>
<td></td>
</tr>
<tr>
<td>• School sizes</td>
<td></td>
</tr>
<tr>
<td>• Class sizes</td>
<td>National Center for Education Statistics state average class size, 2008</td>
</tr>
</tbody>
</table>
### Original Hold’em Data Sources

<table>
<thead>
<tr>
<th>Data</th>
<th>Data Sources</th>
</tr>
</thead>
</table>
| • Average small school premium  
• Percentage of district costs on Central Office | Averages of multiple ERS district clients |
| • School closing costs and savings | ERS analysis for Boston Public School closings, 2009-2010 |
| • Some cost savings (external activity partners, etc.)  
• Management and training costs for new programs | Estimates based on past ERS work, rates quoted in news articles, etc. |
| • Classroom fill rates  
• Percent time on core subjects | Averages of multiple ERS district clients |
| • School vacancy rates and empty seats | Estimates based on past ERS work |