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**Local Education Agency (LEA) Alternative Salary Schedule**

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**The Background:**

T.C.A. § 49-3-306 permits Local Education Agencies (LEAs) to submit an alternative salary schedule for approval by the State Board of Education. This item presents an alternative salary schedule proposed by Shelby County Schools.

Shelby County Schools is proposing an alternative salary schedule which uses performance as a criteria for salary increases. The proposed single lane salary schedule for new hires recognizes up to 10 years of experience. Base pay increases will be based on an educator's level of overall effectiveness (LOE) using the TEM model: LOE of 3 earns \$750, LOE of 4 earns \$1,000, and LOE of 5 earns \$1,500. The salary schedule maxes out at \$73,000. Educators are eligible to be compensated for advanced degrees that are job-related, pending highly effective (TEM Level 4 or 5) performance. Payment for advanced degrees is a stipend of \$1,250 each year for a maximum of four years.

All staff will participate in the alternative salary schedule beginning in the 2017-18 school year. Shelby County will continue to offer hard-to-staff incentives. The accompanying attachments include an overview of Shelby County's proposed alternative salary schedule for State Board of Education approval.

**The Fiscal Analysis Impact:**

T.C.A. § 49-1-212 requires that the Department of Education prepare a fiscal analysis of any policy, rule, or regulation proposed to the State Board of Education. This item sets the alternative salary schedule for Shelby County Schools.

**The Recommendation:**

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