IEERB Guide to CBA Compliance

The Indiana Education Employment Relations Board (IEERB) is a neutral agency that oversees the labor relations between public school teachers and the schools they serve. In 2015, the Indiana General Assembly passed legislation requiring IEERB to review all collective bargaining agreements (CBA) between school corporations and their exclusive representatives for compliance with Indiana Code 20-29-6 and Indiana Code 20-28-9-1.5.

This Guide is designed to assist school employers and exclusive representatives in developing and ratifying a compliant CBA. It is intended solely as guidance and does not constitute legal advice and may not reflect subsequent agency or court decisions. The Guide supersedes prior IEERB guidance on CBA compliance. IEERB may, from time to time, issue updates to this guidance. Please check IEERB’s website (www.in.gov/ieerb) for applicable laws, rules, current bargaining timelines, and additional guidance. You may also register for free IEERB updates through the IEERB Bulletin.
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Overview of the Guide

The purpose of this Guide is to assist parties in negotiating and ratifying a compliant CBA. This Guide supersedes prior IEERB guidance on CBA compliance and may be updated from time to time.\(^1\)

The Guide covers the items/terms that must be included in a CBA, as well as the mandatory subjects of bargaining, permissible items/terms that may be included, and Memorandums of Understanding (MOU). Because IEERB is unable to review or offer legal advice on compliance of any tentative or proposed CBAs,\(^2\) parties are encouraged to use this Guide, the 2017 IEERB Compliance Rubric, the Compliance Checklist, and their most recent Compliance Report (and any Addendum thereto) to ensure that their CBA is compliant.

Compliance Review Process

CBAs

Once ratified, the school employer must upload the CBA to Gateway (https://gateway.ifionline.org) and post the CBA on the school’s website. The uploaded CBA must include the compensation plan, as well as all attachments and appendices referenced in the CBA. Any MOUs to the CBA must also be included. The exclusive representative may email the ratified CBA to IEERB (ratifiedcontract@ieerb.in.gov). The CBA must be posted on the school’s website within 14 business days of ratification and must be identical to the CBA uploaded to Gateway.

After the CBA is uploaded, IEERB will appoint a compliance officer to review the CBA. The compliance officer will review the CBA for compliance with various requirements\(^3\) and may contact the school employer, the exclusive representative, or both, if necessary to clarify or request additional information.

The compliance review does not include an evaluation of deficit financing or whether the health insurance plan complies with Indiana Code Chapter 20-29-17. Nor does it include an exhaustive review of all rights and benefits established under state and federal law to determine compliance with Indiana Code § 20-29-6-2(1).

When the review is completed, the compliance officer will issue a Compliance Report and Recommendation. The Report will be emailed to the superintendent and the exclusive representative president no later than May 30 of the year in which the CBA expires. The Report will identify any findings of noncompliance, may include general comments, and will include a recommended penalty if there are any findings of noncompliance. The school employer and the exclusive representative may appeal the compliance officer’s recommended findings and/or penalty to the Board.

All correspondence for CBA (and MOU) compliance reviews, including approval or denial of approval to ratify as described in the Procedures for Prior Approval section on page 9 shall be via email. As a result,

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\(^1\) Please check IEERB’s website at www.in.gov/ieerb for applicable laws, rules, current bargaining timelines and reminders, and additional guidance.

\(^2\) Although IEERB cannot review tentative CBAs prior to ratification, upon request IEERB will review tentative MOUs prior to ratification. For more information on IEERB’s review of tentative/proposed MOUs, contact Sarah Cudahy at scudahy@ieerb.in.gov.

\(^3\) See the 2017 Compliance Rubric.
it is very important that school employers and exclusive representatives ensure that IEERB has the correct emails for the superintendent and exclusive representative president.

**MOUs**

If the parties negotiate a Memorandum of Understanding (MOU), they must submit the MOU to IEERB within two business days of ratification, along with written explanation of the need for the MOU. They must also upload the MOU to Gateway. IEERB will appoint a compliance officer to review the MOU. The compliance officer will review the MOU and issue a written *Addendum* to the Compliance Report. Like the original *Report*, the *Addendum* will include any findings of noncompliance, may include General Comments, and will include a recommended penalty if there are any findings of noncompliance. The *Addendum* will be emailed to the superintendent and the exclusive representative president. Either party may appeal the *Addendum’s* recommended findings or penalty.

**Appealing Findings of Noncompliance or a Recommended Penalty**

The school employer and/or the exclusive representative may appeal the compliance officer’s findings of noncompliance and/or the recommended penalty within 15 days of the date the *Report* or *Addendum* was emailed to the parties. The appeal must be in writing, state the basis of the appeal with reasonable particularity and be submitted to IEERB via email at ratifiedcontract@ieerb.in.gov. If no appeal is received by IEERB within 15 days, the *Report* or *Addendum* shall become the report of the Board. For more information, see 560 IAC 2-6-8.

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4 Because general comments are merely observations about the CBA or MOU, the comments are not appealable.
CBA Contents
There are certain terms or provisions that **must** be included in a CBA, as well as terms or provisions that are not bargainable and, therefore **cannot** be included in a CBA. There are also terms or provisions that the parties may choose to include in the CBA.

The Board has approved an annotated Compliance Rubric (see Appendix A) for use in determining compliance. IEERB has also developed a Compliance Checklist for the parties to use and include when uploading their ratified CBA (see Appendix B). Both are extremely useful tools to ensure that a CBA is compliant.

I. Required items or terms
There are four items or terms that are basic to the agreement that **must** be included in a CBA:
- The names of the school employer and the exclusive representative;
- A description of the bargaining unit that matches the most recent IEERB order;
- Beginning and ending dates of the CBA – the ending date can be no later than June 30, 2019; and
- The date the CBA was ratified – cannot be prior to September 15.5

II. Mandatory Subjects of Bargaining
The parties are required to bargain salary, wages, and salary and wage related fringe benefits. Ind. Code § 20-29-6-4. All agreements on these subjects must be included in the CBA.

A. Salaries and Salary Increases
If the parties bargain a salary increase, the increase must be included in the compensation plan. If the parties have agreed to no salary increases for the current contract period, they do not need to include a compensation plan in their CBA. However, they must include in their CBA: (1) a statement that there are no increases or increments for the current contract and (2) a statement of the salary range (see below).6

Compensation Plan Requirements7

1. Salary range
   A clear statement of the salary range of the lowest and highest salaries of all full-time bargaining unit members. This salary range cannot include any increases or ISTRF contributions for the current contract period.8

2. Eligibility
   A clear statement that teachers rated ineffective or improvement necessary in the prior year are not eligible for any salary increase. However, parties may bargain that teachers in their first two full school years of instructing students who received an evaluation rating of

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5 The beginning date of a CBA may be prior to September 15, but the CBA may not be **ratified** until on or after September 15.
6 If parties bargain no increases, but include a compensation plan, the compliance officer will review the plan, but make no findings of noncompliance regarding the plan. Any issues with the plan will be noted in General Comments.
7 Model Compensation Plans are included in Appendix C.
8 The parties may include additional salary ranges (e.g., salary range including ISTRF), but at a minimum **must** include the basic salary range without any increases or ISTRF contributions.
ineffective or improvement necessary are exempt from this restriction and are eligible for a salary increase. If parties bargain this exemption for new teachers, they should ensure that the compensation plan complies with the statutory regarding the exemption (e.g. use “teachers in their first two full school years of instructing students” not “new teachers” or “teachers who have taught at the school for less than two years.”).

3. **Salary increases**
   a. **All** (bargainable) salary increases to be awarded in the current contract period must be included in the compensation plan.¹
   
   b. The compensation plan must describe either the amount of the salary increase (e.g., A teacher will receive $1000 for satisfying the factors. A teacher will receive a 2% increase for satisfying the factors, etc.) or the method by which the amount of increase will be determined (e.g., Teachers earn a certain number of points for each factor, and the $200,000 available for increases will be divided by the total number of points. The resulting dollar value per point will be multiplied by the number of points the teacher earned.)

   c. Increases must be based on at least two of the five factors:
      i. Number of years of experience (“experience”)
      ii. **Possession**¹⁰ of an additional content area degree or credit hours beyond the requirements for employment (“education”)
      iii. Evaluation rating
      iv. Assignment of instructional leadership roles (“leadership”)
      v. Academic needs of students in the corporation (“academic needs”)

   d. If the parties use “experience,” “leadership,” or “academic needs” as a factor for a salary increase, they must define the factor with some measurable specificity (e.g., “Experience” means being employed by the school corporation at least 120 days in the prior school year. “Academic needs” means that a teacher must complete one of the following activities: (1) teach an AP or dual credit course, (2) volunteer ten hours per semester to tutor students after school, or (3) participate in a minimum of six hours of professional development on improving student outcomes).

   e. If “education” is a factor for a salary increase, it must clearly be limited to “content area” degrees or credit hours beyond those required for employment.

   f. The amount of increase based on “experience” and “education” cannot be more than 33.33%¹¹ of the total available increase. (The 33.33% does not apply to an individual teacher’s increase, but the total available increase)

   g. If a compensation plan provides for both a salary increase and a stipend, the salary increase itself must be based on at least two factors. A compensation plan that uses two

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¹ Increases to be awarded after the current contract expires should not be included in the current CBA, but should be included in the appropriate future CBA.

¹⁰ “Attainment” was changed to “possession” effective July 1, 2017.

¹¹ “33%” was changed to 33.33% (one-third) effective July 1, 2017.
factors, but bases the salary increase on one factor and the stipend on the other factor is not compliant.

NEW -- IMPORTANT -- SALARY INCREASE DIFFERENTIAL

Salary increases must be based on a combination of the statutory factors. Increases based on the same set of weighted factors or sub-factors must be the same percentage, dollar amount, number of points, or dollar amount per point.

A salary differential occurs when a salary increase is based on the same set of weighted factors but the amount or percentage of increase is not the same. It means that the dollar amount or percentage amount that one teacher receives is different than another teacher who satisfies the same factors. If a compensation plan includes a salary increase differential, the differential must be based on one or more of the statutory factors and otherwise comply with Indiana Code § 20-28-9-1.5.

Examples

Compliant: A teacher who receives a rating of effective or highly effective will move down a row. Both of the following are compliant because all teachers who advance a row receive either the same amount or percentage of increase. There is no differential in the amount of salary increase.

<table>
<thead>
<tr>
<th>Row</th>
<th>Salary</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$ 37,000</td>
<td>N/A</td>
</tr>
<tr>
<td>B</td>
<td>$ 38,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>C</td>
<td>$ 39,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>D</td>
<td>$ 40,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>E</td>
<td>$ 41,000</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

Not compliant: A teacher who receives a rating of effective or highly effective will move down a row. Neither of the following is compliant because, although each teacher advances a row, the teachers do not receive either the same amount or percentage of increase. The difference in amount or percentage of increase is not due to any other factors. This is an impermissible differential.

<table>
<thead>
<tr>
<th>Row</th>
<th>Salary</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$ 37,000</td>
<td>N/A</td>
</tr>
<tr>
<td>B</td>
<td>$ 38,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>C</td>
<td>$ 39,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>D</td>
<td>$ 40,000</td>
<td>$  500</td>
</tr>
<tr>
<td>E</td>
<td>$ 42,000</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

Transition year for salary increase differential adjustment

The Board has determined that 2017-2018 will be a transition year for the salary increase differential to allow parties to adjust their compensation plans so that they can comply with the salary increase differential requirement in 2018-2019. As was done in the 2016-2017 compliance review, if the 2017-2018 compensation plan results in a noncompliant salary increase differential,
the Compliance Report will not include a formal finding of noncompliance, but it will include a General Comment describing the noncompliance.

Compensation plans for 2018-2019 must comply with the salary increase differential requirements. Two-year CBAs must include a compensation plan for 2018-2019 that is compliant with the salary increase differential. Formal findings of noncompliance will be issued for salary increase differentials for 2018-2019 CBAs.

See the Compensation Plan FAQ for additional information on the salary increase differential.

4. Redistribution plan

Compensation plans must provide for the redistribution of any money for salary increases that would otherwise have gone to teacher rated ineffective or improvement necessary.

a. A redistribution plan is required when a compensation plan:
   i. does not provide for distribution of all funds in an identified pool of money;
   ii. provides for a set amount per teacher, factor, or point (e.g., $1,000 if teacher satisfies all factors, $500 for effective rating, $100 per point, etc.); or
   iii. provides for movement within a salary schedule.

b. A redistribution plan is not required when the compensation plan utilizes a pool of money that is entirely distributed under the plan (e.g., “$100,000 will be divided by the total number of teacher points. The resulting dollar value per point will be multiplied by the number of points the teacher earned, and the entire $100,000 will be distributed to eligible teachers. Therefore, a redistribution plan is not required.”)

c. When a redistribution plan is required, it must be specific as to how and to whom the redistribution will be made. The redistribution plan cannot be a mere statement that the parties will redistribute any remaining funds in accordance with the statute. Nor can it be a statement that the parties will negotiate or agree on redistribution at a later date.

d. If the compensation plan does not clearly demonstrate that a redistribution plan is not necessary, the parties must either include a redistribution plan or a statement explaining why a plan is not necessary.

Stipends: A stipend is not an increase to the base salary and is a non-recurring payment.\textsuperscript{12} It is not subject to any of the requirements listed above. Although not required, the Board recommends that stipends be listed in the compensation plan. Stipends must be clearly labeled as stipends. If the compensation is not identified as a stipend, it may be assumed to be a salary increase and may be found to be noncompliant.

Starting salaries for new teachers: New teacher salaries must be bargained. The parties may bargain specific amounts for new teachers, a range of starting salaries, or a method by which starting salaries will be calculated.

If the parties bargain that the Superintendent has the authority to set the starting salary of a new teacher, they must also bargain the parameters or range for that discretion (e.g., “The Superintendent has authority to increase the teacher’s starting salary by $1,000 if the teacher is

\textsuperscript{12} A recurring stipend will be evaluated as a salary base increase.
hired for a ‘hard-to-fill’ position’). The parties may not bargain salary authority outside the salary range.

B. Wages
Parties may bargain wages for duties outside of normal teaching duties that are performed during or outside of the regular teacher work day. Generally these include ancillary duties and extracurricular or co-curricular duties. Wage payments may be in the form of an hourly wage or a set amount per activity or duty. Parties may also bargain additional release or compensatory time in lieu of financial compensation for these extra duties.

1. Ancillary duties
   Parties may bargain only the compensation (monetary or release time) for an ancillary duty. Parties should clearly identify the compensation, whether monetary or release time, as compensation for a particular ancillary duty or duties. Parties cannot bargain which activities constitute ancillary duties or any conditions under which a teacher may be assigned an ancillary duty. The school employer determines what constitutes an ancillary duty and how such duties will be assigned.

2. Extracurricular or co-curricular duties
   Parties may bargain only the compensation for an extracurricular or co-curricular activity. They cannot bargain the number or type of ECA/CCA positions or any restrictions on how or who the school employer selects to fill a position.

   If the parties do not bargain, but want to include, the number of staff for one or more ECA positions, they must include a statement in the CBA that the number of positions was not bargained but was included solely for informational purposes. If parties include the number of positions, but do not include the “information only” statement, the compliance officer will assume that the number of positions has impermissibly been bargained and a finding of noncompliance will be issued.

C. Salary and wage related fringe benefits
A salary and wage related fringe benefit is defined as a benefit, other than direct salary or compensation, received by the school employee from the school employer. Such benefits include, but are not limited to:
- Accident
- Sickness
- Health
- Dental
- Vision
- Life
- Disability
- Retirement benefits
- Paid time off (as permitted to be bargained under Indiana Code § 20-28-9-11)
- Unpaid leave
- Wellness plans
- Section 125 plans
III. Other permissible items that may be included in the CBA

The parties may bargain and include the following items or provisions in their CBA:

- **Grievance procedure**
  - If the parties include binding arbitration as part of the grievance procedure, the grievance procedure must be limited to alleged violations within the scope of bargaining.
  - If the parties include advisory arbitration or no arbitration in the grievance procedure, the scope of the procedure may be beyond the scope of bargaining such as alleged violations of board policy.
- **General definitions applicable to the CBA (e.g., “teacher”, “day”, “Board”, etc.)**
- **Contract interpretation provisions such as a savings clause, scope of agreement, supremacy clause, etc.**
- **Other permissible non-subject provisions.**

IV. Impermissible subjects, terms and provisions

The list of terms, provisions, and subjects that cannot be bargained is lengthy. Indeed, parties may not bargain ANY subjects other than salary, wages, and fringe benefits. Indiana Code §§ 20-29-6-4 and 20-29-6-4.5 provide that the following cannot be bargained:

- **School calendar**
- **Teacher dismissal procedures and criteria**
- **Restructuring options**
- **The school’s ability to work with educational entities regarding postsecondary or dual credits**
- **Teacher evaluation procedures and criteria**
- **Any subject not required to be bargained**
- **Any matter that another statute specifies is not a subject of bargaining (e.g., supplemental payments for Master’s degree pursuant to Indiana Code § 20-28-9-1.5(a); any performance stipend or base salary increase base on a performance stipend to an individual teacher under Indiana Code § 20-43-10-3, etc.).**

In addition, parties may not bargain or include in a CBA any provisions that conflict with any right or benefit established by federal or state law or with school employee or school employer rights set forth in Indiana Code §§ 20-29-4-1 and 2 and Indiana Code § 20-29-4-3 respectively.

See the IEERB 2017 Compliance Rubric for additional information and examples.

V. MOUs

A Memorandum of Understanding (MOU) may be used by the parties to change or supplement their CBA. The MOU is considered part of the CBA and must be submitted to IEERB for compliance review.
Bargaining is generally not permitted outside of the formal bargaining timeframe (September 15 through November 14), and an MOU bargained outside of this timeframe is generally considered not compliant. However, there are two exceptions:

1. If the MOU is necessary due to newly discovered information or an unanticipated event that was not known or available at the time the parties ratified the original CBA; or
2. If, due to unanticipated circumstances impacting multiple school employers and exclusive representatives, IEERB issues a nonrule policy document that allows parties to bargain and ratify a limited MOU outside of the bargaining time period. The nonrule policy document will provide guidance and parameters for the limited MOU.

The terms of the MOU are subject to the same bargaining requirements and restrictions as the CBA described above.

The parties must submit the MOU to IEERB within two business days of ratification and must include a written explanation of why the MOU was necessary.

NEW -- At the parties’ request, IEERB will review a tentative/proposed MOU and advise the parties if the MOU satisfies either of the two exceptions and if it complies with all other bargaining requirements and restrictions.

**Procedure for Prior Approval to Ratify a CBA**

If the final order of the Board requires the parties to obtain written prior approval from the compliance officer prior to ratifying any subsequent CBA, the Board will appoint a compliance officer and notify the parties by August 1.

Parties must submit their tentative agreement (TA) to the compliance officer for review and cannot ratify the CBA until they receive written approval. Parties are strongly encouraged to use the 2017 CBA Compliance Rubric and Checklist to ensure their CBA is compliant.

Because the review process and potential revisions may take some time, the parties should submit their TA to the compliance officer as soon as possible in the bargaining time period. If parties wait until early November to submit their TA for review, they risk not receiving timely approval and a potential notice of impasse being issued.

The compliance officer will review the TA and notify the parties in writing whether it’s compliant. If the TA is not compliant and prior approval is denied, the notice will identify the terms of the CBA that are not compliant. The parties then have two options:

1. work with the compliance officer to resolve the noncompliance and submit a revised TA; or
2. appeal the denial to the Board.

Once the parties receive written approval, they may ratify the CBA. The CBA must then be uploaded to Gateway as described on page 1.

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13 For information on the procedure and timelines for appealing a denial of prior approval, see 560 IAC 2-8-8.
Resources

There are a variety of resources available through IEERB’s website:

Recent Announcements  http://www.in.gov/ieerb/2331.htm
Collective Bargaining   http://www.in.gov/ieerb/2402.htm
Collective Bargaining Compliance  http://www.in.gov/ieerb/2411.htm
Laws, Rules and Documents  http://www.in.gov/ieerb/2334.htm
IEERB Search  http://www.in.gov/ieerb/2406.htm

NEW – Parties may email questions to IEERB via questions@ieerb.in.gov
APPENDICES

Appendix A  IEERB 2017 CBA Compliance Rubric

Appendix B  CBA Compliance Checklist

Appendix C  Model Compensation Plan #1
            Model Compensation Plan #2
            Model Compensation Plan #3

Appendix D  Compensation Plan FAQ
APPENDIX A

IEERB 2017 CBA Compliance Rubric

Introduction

IEERB is responsible for conducting compliance reviews of teacher collective bargaining agreements (CBA) and determining the penalty for any noncompliance. Pursuant to 560 IAC 2-8-1, the Board is required to develop a compliance rubric that must be reviewed and updated annually. The updated Rubric is published on IEERB’s website by July 1 each year. Substantive changes or additions from the 2016 Rubric are denoted in purple text.

Using the Rubric

The Rubric is designed to assist parties in developing a compliant CBA. The 2017 Rubric has been updated and revised to include additional explanations, tips, and examples of compliant and noncompliant provisions. It also includes sections on MOUs and a section that provides an explanation of the two possible penalties for noncompliance.

Each section of the Rubric explains a required or permitted item, subject, or provision. Because compensation plans are frequently the basis for findings of noncompliance, the Board encourages the parties to pay particular attention to the Compensation Plan section that begins on page 3. This section provides numerous examples and tips for ensuring a compliant compensation plan. The section on Impermissible Items, Provisions, and Subjects has also been expanded to provide examples of noncompliance from previous compliance reports in an effort to assist parties in avoiding common issues of noncompliance.

The Board strongly encourages the parties to utilize the Rubric, as well as their most recent Compliance Report, to ensure that their 2017 CBA is compliant. Unfortunately, time and staffing constraints prevent IEERB staff from being able to provide an informal review of a tentative agreement or proposed CBA (except for those CBAs that are subject to the prior approval penalty from the previous year).

There are additional resources on IEERB’s website (www.in.gov/ieerb), including all applicable statutes and rules, as well as the IEERB Guide to CBA Compliance and a compliance checklist. Parties may wish to have a third party read and review their tentative agreement or proposed CBA, prior to ratification, to ensure that the terms of the CBA (including the compensation plan) are clear and easy to understand.
IEERB 2017 COMPLIANCE RUBRIC
REQUIRED PROVISIONS

All of these items must be included in the CBA and must comply with the requirements. Substantive changes or additions from the 2016 Rubric are denoted in purple text.

<table>
<thead>
<tr>
<th>Required item</th>
<th>Description – Examples¹ – Tips</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parties to CBA</td>
<td>• The names of the school employer and exclusive representative must be identified in the CBA.</td>
</tr>
<tr>
<td>Description of bargaining unit</td>
<td>• The description of the bargaining must match the description in the “Order Affirming Bargaining Unit” issued by IEERB in June 2016, unless the parties have complied with 560 IAC 2-2 to change the unit.</td>
</tr>
<tr>
<td></td>
<td>• If parties have gone through the process to change the unit, the description of the unit in the CBA must match the most recently issued IEERB order affirming the unit.</td>
</tr>
<tr>
<td></td>
<td>TIP: IEERB has several guidance documents online to assist parties in making a change to the bargaining unit, and the Board encourages parties to read and contact IEERB prior to making a change. (See “Representation” section on IEERB’s website)</td>
</tr>
<tr>
<td>Term of the CBA cannot extend beyond the state biennium</td>
<td>• The CBA must include specific beginning and ending dates.</td>
</tr>
<tr>
<td></td>
<td>• The ending date cannot extend beyond June 30, 2019.</td>
</tr>
<tr>
<td></td>
<td>Examples:</td>
</tr>
<tr>
<td></td>
<td>▪ Compliant: “The term of the CBA is from September 15, 2017 through July 31, 2018.”²</td>
</tr>
<tr>
<td></td>
<td>▪ Compliant: “This Agreement is effective from July 1, 2017 through June 30, 2019.”</td>
</tr>
<tr>
<td></td>
<td>▪ Not Compliant: “The CBA is effective for the 2017-18 and 2018-19 school years.”</td>
</tr>
<tr>
<td></td>
<td>▪ Not Complaint: “The term of the CBA is from September 15, 2017 through July 31, 2019.”</td>
</tr>
<tr>
<td>Ratified and signed by the parties</td>
<td>• The CBA must be ratified on or after September 15 (no longer August 1).</td>
</tr>
<tr>
<td></td>
<td>• At least one agent of each party must sign the CBA. Ratification date must be included.</td>
</tr>
<tr>
<td></td>
<td>Examples:</td>
</tr>
<tr>
<td></td>
<td>▪ Compliant: “The CBA was ratified by both parties on September 20, 2017. Signed: John Smith Signed: Alice Jones”</td>
</tr>
<tr>
<td></td>
<td>▪ Compliant: “Signed: John Smith Date: 09/20/17 Signed: Alice Jones Date: 09/18/17”</td>
</tr>
<tr>
<td>TIP: Sign and date the CBA at the time of ratification.</td>
<td></td>
</tr>
</tbody>
</table>

¹The examples included throughout this document are illustrative only and are intended to promote a better understanding of the particular requirement.

²In the first year of the biennium, a one-year CBA may end on a date other than June 30. However, in the second year of the biennium, the term of the CBA must end on or before June 30.
### PERMISSIBLE PROVISIONS

These items may be included in the CBA, and if included, the item must comply with the requirements.

<table>
<thead>
<tr>
<th>Permissible item</th>
<th>Description – Examples – Tips</th>
</tr>
</thead>
</table>
| **Grievance procedure**                  | • If arbitration is part of the grievance procedure, CBA must state whether it is advisory or binding arbitration.  
• If it is binding arbitration, the procedure must be limited to grievances about alleged violations of things within the scope of bargaining. It cannot include grievances for alleged violations of school board policy or other laws.  
• If it is advisory arbitration, grievances may include alleged violations of board policy, etc. |
| **General definitions of CBA terms**     | • Definitions of general terms that apply throughout the CBA. Examples:  
  ▪ “Days means calendar days unless otherwise specified.”  
  ▪ “Teacher, when used in this contract, means each and every member of the bargaining unit as described.” |
| **Contract interpretation provisions**   | Examples  
  ▪ Supremacy clause: “This contract supersedes and cancels all previous agreements whether verbal or written between the school corporation and the association.”  
  ▪ Severability or Savings clause: “If any article or section of this contract shall be held invalid by operation of law or by any tribunal of competent jurisdiction, the remainder of this contract shall not be affected.” |
| **Other permissible non-subject provisions** | • The parties cannot create a non-bargainable right or a right that is contrary to law (e.g., union gets a bulletin board in the teachers’ lounge; superintendent unilaterally sets all teacher salaries and may decrease salaries to an amount below the teacher’s July 1, 2015 salary, solely to conform to compensation plan).  
**TIP:** Teacher rights’ provisions should not be confused with union rights and cannot conflict with school employer rights, such as rights set forth in Indiana Code § 20-29-4-2. Teacher rights’ provisions that are limited to the text of Indiana Code § 20-29-4-1 are compliant. |
REQUIRED SUBJECTS

The parties are required to bargain salary, wages, and salary/wage related fringe benefits. All agreements on these subjects must be included in the CBA. All increases to base salary must be included in a compensation plan that complies with Indiana Code § 20-28-9-1.5.

<table>
<thead>
<tr>
<th>COMPENSATION PLAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required Item</td>
</tr>
<tr>
<td>-------------------</td>
</tr>
</tbody>
</table>
| Must include salary range statement | - The compensation plan must include a clear statement of the salary range of the lowest and highest salaries of all full-time bargaining unit members.  
- The required salary range cannot include any increases or ISTRF contributions for the current contract period. The range must reflect the range of salaries being paid at the beginning of the school year without ISTRF contributions and prior to any salary increases for the current contract period.  
Examples:  
  ▪ Compliant: “The salary range is $35,000 to $70,000.”  
  ▪ Not compliant: “The salary range may be found on the school corporation’s website.”  
  ▪ Not compliant: “The salary range is $35,000 to $70,000 and includes the school’s ISTRF contribution for the teachers.”  
TIP: The lack of a salary range statement will result in a finding of noncompliance, even if the salary range can be determined by reviewing other sections of the CBA (e.g., reviewing a salary schedule).  
TIP: The parties may include more than one salary range in the CBA (e.g. salary range that includes ISTRF contributions), but at a minimum, must include the salary range as described above. |
| Must include a statement if no increases are bargained or if it is a transition year for the CBA | - If the parties bargain that there will be no increases for the current contract period, they must include a statement to that effect.  
- If this is a transition year for the CBA (i.e., the first year the parties have bargained a contract or MOU since the 2011 changes to the collective bargaining requirements), the compensation plan must include a statement to that effect.  
Examples:  
  ▪ “2017-2018 is a transition year because it is the first year the parties have bargained a contract or MOU since the 2011 changes to collective bargaining requirements.”  
  ▪ “The parties have bargained that there will be no salary increase for the 2017-2018 school year.”  
NOTE: If the parties include a compensation plan, even though it is a transition year or there are no salary increases, the plan will be reviewed for compliance, but no findings of noncompliance on the compensation plan will be made. Any issues of noncompliance will be noted in the General Comments section. |
| Must include a clear statement of eligibility for a salary increase | - The plan must clearly state that teachers rated ineffective or improvement necessary in the prior school year are not eligible for any salary increase in the current year. |
- If the parties agree that the evaluation eligibility requirement does not apply to teachers in their first two full school years of instructing students, they must include a statement to that effect.

- Any other eligibility criteria bargained by the parties must be included in the plan. Example:
  - “To be eligible for a salary increase, a teacher must have been employed by the school for at least 90 days in the prior school year.”

**TIP:** The parties should make it clear that teachers rated ineffective or improvement necessary in the prior year remain at their prior year salary, are not placed on to a new salary schedule, and do not advance on the current salary schedule.

**TIP:** If exempting teachers in their first two full years of instructing students from the evaluation rating requirement, be sure to use language that is consistent with the statutory requirement. See Indiana Code § 20-28-9-1.5(d)

Examples:
- Compliant: “Teachers in their first two full years of instructing students are exempt from the evaluation rating eligibility requirement and are eligible for a salary increase regardless of their evaluation rating in the prior school year.”
- Not compliant: “Teachers who have taught at the school for one or two years are eligible for a salary increase regardless of their evaluation rating in the prior school year.”

**TIP:** Eligibility criteria are not the same thing as the factors on which a salary increase is based. Although they may be similar, eligibility criteria are threshold criteria – the criteria a teacher must satisfy in order to be considered for a salary increase. Factors are the criteria that a teacher must satisfy in order to actually receive the salary increase. It is possible that a teacher may be eligible for a salary increase, but not satisfy the factors to actually receive the increase. (See Factors Must Be Defined section below.) Parties can define eligibility and factors the same way, but that must be clear from the face of the compensation plan. Also, factors with 0% will be considered an eligibility requirement rather than a factor.

| Salary increase must be for the current contract period | • The plan must describe the salary increases to be awarded to teachers during the current contract term (or must state that the parties bargained no increases for the current contract).

• Increases effective at a date after the current contract expires should not be included in the current contract, but should be included in the appropriate future contract.

**TIP:** The date the salary increase becomes effective should be clearly stated to ensure compliance.

**TIP:** If the 2016-17 CBA included a method for determining salary increases to be awarded in 2017-18, the compensation plan in the 2017-18 CBA must include those increases. Failing to include the previously described increases in the current contract may result in a finding of noncompliance.

| Method for determining salary | • All salary increases must be included in the compensation plan. |
Increases described in other sections of the CBA, but not in the Compensation Plan, will result in a finding of noncompliance.

The plan must describe either the amount of the salary increase or the method by which increase will be calculated.

Examples:
- “Teachers who satisfy all of the criteria will receive a $1,000 increase to their base salary.”
- “Teachers who satisfy all of the criteria will receive a 2% increase to their base salary.”
- “The amount of increase will be determined by the number of points the teacher earns multiplied by $300.”
- “The $100,000 available for salary increases will be divided by the total number of teacher points. The resulting dollar value per point will be multiplied by the number of points the teacher earned.”
- “Teachers who satisfy factors A and B will advance a row in their current column. Teachers who satisfy factors B and C will advance one column to the right, but remain in their current row.”

If the compensation plan provides that the prior year’s stipends will be added to the base salary for the current year, the resulting salary increase in the current year must comply with eligibility and other requirements of Indiana Code § 20-28-9-1.5.

If this is a transition year contract, the parties must include a method for determining any salary increases, but the method is not subject to the restrictions of Indiana Code § 20-28-9-1.5 UNLESS the parties used an evaluation plan compliant with Indiana Code § 20-28-11.5. If the parties used a compliant evaluation plan, they may not give increases to teachers rated ineffective or improvement necessary in the prior year, with the limited exception for teachers in their first two full years of instructing students. (See Eligibility section above)

**TIP:** Clearly identify the Compensation Plan section in the CBA and make sure that all of the salary increases are described within that section.

**IMPORTANT: NOTE ON SALARY INCREASE DIFFERENTIAL:**

Salary increases must be based on a combination of the statutory factors. To be compliant, increases based on the same set of weighted factors must be the same percentage, dollar amount, number of points, or dollar amount per point. A compensation plan that provides increases that do not have either the same amounts or percentages based on the same set of weighted factors must include a compliant basis for the differentiation.

Compensation plans that failed to satisfy this requirement in 2016-2017 were provided notice of the issue in a General Comment, but were not issued a compliance finding. To assist parties in ensuring compliance with this requirement, **the Board has determined that 2017-2018 will be a transition year.** Therefore, as in 2016-2017, salary increase differentials that do not comply with these requirements will not result in a formal finding of noncompliance, but will be noted in a General Comment. Additionally, IEERB will not make compliance findings for increases based solely on attempts to conform to a new compliant compensation plan.
Formal findings of noncompliance will be issued for salary increase differentials for 2018-2019 CBAs.

**NOTE:** Two-year CBAs must include a compensation plan for 2018-2019 that is compliant with the salary increase differential.

**TIP:** See Model Compensation Plans for examples of compliant plans.

**TIP:** See Compliance Handbook for more information.

**TIP:** Check “catch-up” provisions carefully to ensure compliance.

**Examples:**

- **Compliant:** All eligible teachers who receive an effective or highly effective evaluation for the 2016-17 school year will receive $1,000.³
- **Compliant:** All eligible teachers who receive an effective or highly effective evaluation for the 2016-17 school year will move down a row (where all row movements are the same, either as a flat dollar amount (e.g., $1,000) or same percentage (e.g., 2%)).⁴

<table>
<thead>
<tr>
<th>Row</th>
<th>Salary</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$37,000</td>
<td>N/A</td>
</tr>
<tr>
<td>B</td>
<td>$38,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>C</td>
<td>$39,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>D</td>
<td>$40,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>E</td>
<td>$41,000</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

- **Not compliant:** All eligible teachers who receive an effective or highly effective evaluation for the 2016-17 school year (where row movements are not the same amount or percentage).⁵

<table>
<thead>
<tr>
<th>Row</th>
<th>Salary</th>
<th>Differential</th>
<th>Differential %</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$37,000</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>B</td>
<td>$37,500</td>
<td>$500</td>
<td>1.4%</td>
</tr>
<tr>
<td>C</td>
<td>$37,750</td>
<td>$250</td>
<td>.7%</td>
</tr>
<tr>
<td>D</td>
<td>$38,750</td>
<td>$1,000</td>
<td>2.6%</td>
</tr>
<tr>
<td>E</td>
<td>$41,000</td>
<td>$2,250</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

The foregoing example is non-compliant because, despite meeting the same statutory factors, teachers receive different monetary and percentage-based increases. No justification is provided for the difference.

**Must use a combination of statutory factors**

- Salary increases must be based on at least two of the following **five** factors:
  - Year of experience

---

³ Other factor, resulting in an additional potential increase, not shown here.

⁴ Other factor, resulting in a column change, not shown here.

⁵ Other factor, resulting in a column change, not shown here.

⁶ Previous guidance described “education and experience” as a single factor. Although the “experience” and “education” factors are considered together in calculating compliance with the 33.33% restriction, they are separate and distinct factors.
- Possession of an additional content area degree or credit hours beyond the requirements for employment. *(This is a change for 2017 – “possession of” replaced “attainment of.”)*
- Evaluation results
- Assignment of instructional leadership roles
- Academic needs of students in the corporation

**Example:**
- The compensation plan provides for both a salary increase and a stipend and uses three factors: evaluation rating, year of experience, and possession of a content area Master’s degree.
  - **Compliant:** “The amounts for evaluation rating and possession of a content area Master’s degree are added to the base salary, and the amount for year of experience is paid as a stipend.” This is compliant because the salary increase is based on at least two factors.
  - **Not compliant:** “The amount for evaluation rating is added to the base salary, and the amounts for year of experience and possession of a Master’s degree are paid as a stipend.” This is not compliant because the salary increase is based on only one factor.

- A provision giving the Superintendent the discretion or authority to set veteran teacher salaries is permitted, but the increase must be compliant with compensation plan restrictions.

**Examples:**
- **Compliant:** “The parties agree that the Superintendent shall have the discretion to increase an eligible teacher’s salary by an additional $1,000 for meeting academic needs of students. Meeting academic needs of students is defined as teaching a dual-credit or AP course.”
- **Not compliant:** “The parties agree that the Superintendent shall have the discretion to increase an eligible teacher’s salary by $1,000 if necessary to retain the teacher in the school corporation.”

**TIP:** Avoid using “education/experience” or “experience/degree” as a single factor on which a salary increase is based. If a compensation plan provides that the salary increase is based on “education/experience,” “experience/degree,” or something similar, the plan must define both of the factors and indicate how much each of the two factors contributes to the salary increase.

| Factors must be defined | Parties have **some** flexibility in defining the “assignment of instructional leadership roles” and “academic needs of students” factors, but if either is defined to include experience or possession of an additional content area degree or credit hours, the factors will be included in the calculation of the 33.33% cap on “education and experience.”

**TIP:** If using “assignment of instructional leadership roles” or “academic needs of students” as factors, failing to define those factors will result in two findings of noncompliance: (1) a finding of noncompliance for failing to define the factors and (2) a finding of noncompliance on the 33.33% requirement. *(See the section on the 33.33% requirement below)* |
• “Academic needs of students” and “assignment of instructional leadership roles” (if either is used as a factor) must be defined with some measurable specificity.

  Examples:
  ▪ Compliant: “To satisfy the assignment of instructional leadership roles factor, a teacher must complete one of the following: (1) Teach a dual credit course; (2) Participate in a minimum of six hours of professional development related to improving student outcomes; (3) provide volunteer tutoring or after school hours assistance to students at least 10 hours per semester; or (4) serve as a trainer in a professional development activity that has been pre-approved by the superintendent.”
  ▪ Compliant: “A teacher satisfies the academic needs of students factor by participating in all corporation-wide professional development.”
  ▪ Not compliant: “A teacher satisfies the assignment of instructional leadership roles factor by engaging in activities in one of the five tiers of leadership.”
  ▪ Not compliant: “Academic needs of students is defined as the need to attract and retain quality teachers to provide continuity within the educational environment.”

• “Year of experience” (if used as a factor) must be defined with some measurable specificity.

  Examples:
  ▪ Compliant: “Year of experience is defined as having been employed by the school for at least 120 days in the prior school year.”
  ▪ Not compliant: “Year of experience means an additional year of teaching.”

TIP: An eligibility requirement that a teacher has to have been employed a certain number of days in order to be eligible for a salary increase is not the same thing as the experience factor on which the salary increase is based. The experience factor must be separately defined or clear on its face that it is the same requirement). The eligibility requirement will not suffice for the factor definition. (See “Must include a clear statement of eligibility for a salary increase” item above.)

• “Possession of an additional degree or credit hours” must be defined to show that the degree and/or credit hours are limited to content area and are in addition to what is required for employment.

  Examples:
  ▪ Compliant: “Eligible teachers will receive a $1,000 increase to their base salaries for possession of an eligible content area Master’s degree that is not otherwise required for employment. Eligible content areas mean any content area, as defined by IDOE, in which the teacher currently teaches or any other content area approved by the superintendent.”
  ▪ Not compliant: “Eligible teachers will receive a $1,000 increase to their base salaries for having a Master’s degree.”
  ▪ Not compliant: “Eligible teachers will receive a $1,000 increase to their base salaries for having a Master’s degree in an area approved by the superintendent.”

Education ("possession of an additional content area degree or credit hours") and

• The percentage has changed from 33% to 33.33% (one-third).

• The 33.33% calculation is based on the total increase available, not the actual increase for an individual teacher.
| Experience cannot account for more than 33.33% of the increase | • If the parties use education and/or experience as factors and fail to indicate the “weight” of each factor used as the basis of the salary increase, the factors will be equitably weighted. For example, if the increase is based on evaluation rating and experience, but no percentage or weight is attached, each factor is considered to be 50% of the increase, and therefore not compliant with the 33.33% requirement.

• Any salary increase outside the compensation plan that is based on education and/or experience will be included in the 33.33% calculation (and an increase outside of the plan will result in a finding of noncompliance).

• If the definition of “instructional leadership” or “academic needs of students” includes experience and/or possession of an additional content area degree or credit hours as criteria within the factor, the factor will be included in the calculation of the 33.33%.

**TIP:** If the parties use, but fail to define, “academic needs of students” or “instructional leadership” factors, the Compliance Officer may be unable to confirm compliance with the 33.33% cap because they can’t tell if education and/or experience are criteria in these factors. Not being able to confirm compliance with the requirement results in a finding of noncompliance.

| Any money for increases that would otherwise have gone to teachers rated ineffective or improvement necessary must be redistributed to eligible teachers | • A redistribution plan is **required** when a compensation plan:
  - Does not provide for distribution of all funds in an identified pot of money
  - Provides for a set amount per teacher, factor, or point (e.g., $1,000 if teacher satisfies all factors, $500 for effective rating, $100 per point, etc.)
  - Provides for movement within a salary schedule

• A redistribution plan is **not** required when the compensation plan utilizes a pot of money that is entirely distributed under the plan

  Example:
  - “$100,000 will be divided by the total number of teacher points. The resulting dollar value per point will be multiplied by the number of points the teacher earned, and the entire $100,000 will be distributed to eligible teachers. Therefore, a redistribution plan is not required.”

• Redistribution of funds must occur in the current contract year.

**TIP:** If the compensation plan does not clearly demonstrate that a redistribution plan is not necessary, the parties must either include a redistribution plan or explain why a plan is not necessary.

  Example:
  - “Based on anticipated evaluation results, the parties believe that all funds will be distributed and that no redistribution will be necessary. However, in the event that there are funds that were otherwise allocated for teachers rated ineffective or improvement necessary, those funds will be redistributed to all eligible teachers in the form of a stipend.”

**TIP:** Where applicable, the contract must include a redistribution plan, including specificity as to how and to whom the redistribution shall be made. Mere recitation of the statute or a statement that redistribution will occur are insufficient and will result...
in a finding of noncompliance. Moreover, the parties are reminded that they may not bargain outside the bargaining year so an agreement to agree on a plan also is non-compliant.

<table>
<thead>
<tr>
<th>Salaries for newly hired teachers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Starting salaries for new hires do not have to be specific numbers, but may include a range or a method of calculating.</td>
</tr>
<tr>
<td>• The parties may bargain that the superintendent has the authority to set new hire salaries within certain bargained parameters or ranges.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stipends (OPTIONAL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• A stipend is not an increase to the base salary and is a non-recurring payment.</td>
</tr>
<tr>
<td>• Stipends are not subject to the requirements of Indiana Code § 20-28-9-1.5. This means stipends do not have to be part of the compensation plan, are not limited to teachers with effective or highly effective evaluation ratings, are not required to be based on a combination of factors, are not subject to the 33.33% restriction, and are not subject to the redistribution requirement.</td>
</tr>
<tr>
<td>• Stipends must be clearly labeled as such. If not identified as a stipend, it may be assumed to be a salary increase and found to be noncompliant. Example:</td>
</tr>
<tr>
<td>▪ Not subject to compensation plan requirements: “A teacher will receive a $3,000 stipend for teaching a dual credit course. The stipend will be paid at the end of the school year.”</td>
</tr>
<tr>
<td>▪ Subject to compensation plan requirements: “A teacher will receive an additional $3000 for teaching a dual credit course.”</td>
</tr>
</tbody>
</table>

**TIP:** Although not required, the Board recommends that stipends be listed in the compensation plan.

<table>
<thead>
<tr>
<th>WAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ancillary duties – wages and other compensation</strong></td>
</tr>
<tr>
<td>• The parties may bargain only the compensation for an ancillary duty.</td>
</tr>
<tr>
<td>• The parties <strong>cannot</strong> bargain what constitutes an ancillary duty or any parameters, restrictions, or limitations on the school’s assignment of an ancillary duty. The school determines what constitutes an ancillary duty and how such duties will be assigned. However, duties and assignments are topics of discussion between the school employer and the exclusive representative.</td>
</tr>
<tr>
<td>• The compensation for an ancillary duty may be monetary or in the form of additional release or compensatory time.</td>
</tr>
<tr>
<td>• An ancillary duty may occur during or outside of the regular teacher work day. Examples:</td>
</tr>
<tr>
<td>▪ Compliant: “Teachers will receive $25 per hour when assigned the ancillary duty of covering a class period for another teacher.”</td>
</tr>
<tr>
<td>▪ Compliant: “Ancillary duty – covering a class period for another teacher: A teacher will be granted 1.5 hours of release/comp time for each hour the teacher covers a class period for another teacher.”</td>
</tr>
<tr>
<td>Extracurricular or co-curricular duties - wages</td>
</tr>
<tr>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>• The parties may bargain only the compensation for an extracurricular or a co-curricular duty and only for unit members (e.g., they cannot bargain compensation for “lay” or “non-certified” staff who are hired for an ECA or CCA position).</td>
</tr>
<tr>
<td>• The parties cannot bargain a specific extracurricular or co-curricular position, or any parameters, restrictions, or limitations on the number of positions or who is selected for the position.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other permissible wage/salary items</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Wage payments may be in the form of an hourly wage or a set amount per activity or duty.</td>
</tr>
<tr>
<td>• Parties must include all bargained and agreed to items relating to salary and wages.</td>
</tr>
<tr>
<td>Examples:</td>
</tr>
<tr>
<td>• Wage payment agreements</td>
</tr>
<tr>
<td>• Dues deductions</td>
</tr>
<tr>
<td>• Salary for extended contracts</td>
</tr>
<tr>
<td>• Salary for supplemental service contracts</td>
</tr>
<tr>
<td>• General payroll deductions</td>
</tr>
<tr>
<td>• Wage payment agreements are agreements pursuant to Indiana Code § 20-26-5-32.2 between the parties regarding the frequency of salary payments where the frequency will be different than that required under Indiana wage payment laws.</td>
</tr>
</tbody>
</table>

**SALARY AND WAGE RELATED FRINGE BENEFITS**

<table>
<thead>
<tr>
<th>Any benefit, other than direct salary or compensation, received by the school employee from the school employer must be bargained</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Statutory examples of salary and wage related fringe benefits:</td>
</tr>
<tr>
<td>• Accident</td>
</tr>
<tr>
<td>• Sickness</td>
</tr>
<tr>
<td>• Health</td>
</tr>
<tr>
<td>• Dental</td>
</tr>
<tr>
<td>• Vision</td>
</tr>
<tr>
<td>• Life</td>
</tr>
<tr>
<td>• Disability</td>
</tr>
<tr>
<td>• Retirement benefits</td>
</tr>
<tr>
<td>• Paid time off as permitted to be bargained under Indiana Code § 20-28-9-11</td>
</tr>
</tbody>
</table>

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7 Indiana Code § 20-28-6-7(d) provides that the superintendent shall determine the salary for a supplemental service (including summer school) contract. However, the superintendent may determine that the supplemental service salary will be bargained.
- Other examples include, but are not limited to:
  - Unpaid leave
  - Wellness plans
  - Section 125 plans
  - Travel allowance
  - Severance pay
  - **Expanded criminal history background checks**

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8 Beginning July 1, 2017, “A school corporation, charter school, or nonpublic school may agree to pay the costs associated with obtaining an expended criminal history background check for an employee.” Ind. Code § 20-26-5-10(i) as added by P.L. 185-2017.
**IMPERMISSIBLE ITEMS, PROVISIONS, AND SUBJECTS**

Bargaining is limited to salaries, wages, and salary and wage related fringe benefits. The list of items, provisions, and subjects that cannot be bargained is lengthy. The following list of non-bargainable items, provisions, and subjects is not exhaustive and is derived from prior compliance reports. Including any of these items, provisions, or subjects in the CBA will generally result in a finding of noncompliance.

<table>
<thead>
<tr>
<th>Item/provision/subject</th>
<th>Description – Examples - Tips</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rights or provisions for non-unit members</td>
<td>• The exclusive representative does not have authority to bargain any rights or provisions on behalf of individuals who are not bargaining unit members.</td>
</tr>
</tbody>
</table>
| Rights of the exclusive representative president, designee, or members | • The parties may bargain leave time for the association president, designee, or members, but **cannot** bargain things like: the right to visit schools, access to buildings, use of school email, access to mailboxes, etc. Bargaining is limited to leave time and other salary/wage related fringe benefits.  
  • The parties **cannot** bargain preferences for unit members (e.g., right of first refusal for an ECA position). |
| Number of ECA/CCA positions | • The parties cannot bargain the number of or any limit on the number of ECA or CCA positions. See extracurricular/co-curricular duties in Wages section above.  
  **TIP:** If the parties do not bargain but wish to include the number of or limits on the number of ECA/CCA positions solely for informational or reference purposes, they must include a statement that the number of positions was not bargained, but is included for informational purposes only. Failure to include this statement will result in a finding of noncompliance. |
| Limits on school corporation’s ability to rehire retired teachers | • The parties cannot bargain any restrictions on the school corporation’s ability to “rehire” a retired teacher (e.g., school can rehire a retired teacher only for shortage areas, only if no other candidates, only for one year, etc.).  
  • The parties may only bargain salary, wages, and salary and wage related fringe benefits for rehired retired teachers. |
| What constitutes an ancillary duty and limits on when the school may assign an ancillary duty | See ancillary duties in Wages section above |
| The number of teacher contract or extended contract days or the use of contract days | • The parties cannot bargain:  
  ▪ the number of regular teacher contract days  
  ▪ the number of extended contract days  
  ▪ which teachers will receive extended contracts  
  ▪ how contract days will be used  
  **TIP:** If the parties do not bargain but wish to include the number of regular or extended contract days solely for informational or reference purposes, they must include a statement that the number of days was not bargained, but is included for informational purposes only. Failure to include this statement will result in a finding of noncompliance. |
| Miscellaneous provisions that resulted in a finding of noncompliance. These | • Restrictions on conversations between prospective retirees and school corporation officials regarding potential post-retirement employment |
| types of provisions are not bargainable. | • Criteria on which additional periods will be assigned or a limitation on the number of additional periods per semester  
• Restrictions or limitations on the school employer’s ability to assign job sharing positions or other assignments  
• Terms related to scheduling faculty meetings or professional development  
• Provision of a certified substitute as a full-time aide to be assigned to the association president  
• Teacher participation in parent-teacher conferences  
• Terms related to how department chairs will be appointed  
• Required attendance at professional development (can bargain compensation for attendance, but can’t bargain that attendance is required)  
• Preparation or planning time  
• The number of members on a committee or when the committees will meet  
• Distribution of the state performance grant award  
• Any component of the teacher evaluation plan or process  
• Supplemental payments pursuant to IC 20-28-9-1.5(a)⁹ |
|---|---|
| MOU bargained outside the timeline unless pursuant to a Board order or falls within one of the exceptions | • Any MOU ratified by the parties outside the bargaining timeline is noncompliant unless one of the following exceptions applies:  
(1) Newly discovered information or an unanticipated event that was not known or available at the time the parties ratified the original CBA. This exception will be decided on a case-by-case basis by the compliance officer.  
(2) Nonrule policy guidance issued by the board addressing unanticipated circumstances impacting multiple bargaining parties and allowing parties to bargain and ratify a limited MOU outside of the bargaining timelines. |
| Provisions not permitted per Indiana Code § 20-29-6-2 | Any provisions that conflict with:  
• any right or benefit established by federal or state law  
• school employee rights as set forth in I.C. §§ 20-29-4-1, 20-29-4-2  
• school employer rights set forth in I.C. § 20-29-4-3  
• restructuring options available as described in I.C. § 20-29-6-2(a)(4)  
• the school employer’s ability to work with an education entity as provided in I.C. § 20-29-6-2(a)(5) |

⁹ The supplemental payments under IC 20-28-9-1.5(a) are the discretionary payments the school corporation may make to a teacher who teaches an advanced placement course or earned a Master’s degree in a content are directly related to a dual credit or other course or an elementary school teacher who earns a Master’s degree in math or reading and literacy. This is not the same as the compensation for a supplemental service contract pursuant to IC 20-28-6-7(d).
**MOUs**

An MOU is an agreement ratified by the school employer and the exclusive representative, subsequent to a ratified CBA, that changes or modifies the CBA. Any MOU that changes or modifies the CBA must be submitted for compliance review. In addition to the items listed below, the items, provisions, and subjects of an MOU are subject to the same requirements as the items, provisions, and subjects in a CBA as described above.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description – Examples - Tips</th>
</tr>
</thead>
</table>
| MOU must be ratified, signed, and dated.                           | • At least one agent of each party must sign the MOU.  
Examples:  
  ▪ Compliant: “The MOU was ratified by both parties on February 5, 2018. Signed: **John Smith** Signed: **Alice Jones**“  
  ▪ Compliant: “Signed: **John Smith** Date: **02/05/18** Signed: **Alice Jones** Date: **02/06/18**”  
  **TIP:** Sign and date the MOU at the time of ratification. |
| MOU must be submitted within two (2) business days after ratification | • Failing to submit the MOU within the timeline may result in a finding of noncompliance and a potential penalty of prior approval for subsequent CBAs or MOUs.  
  **TIP:** Submit the MOU immediately after last signature obtained. |
| Written statement of need for MOU                                  | • When submitting an MOU, the parties must include a written explanation of the need for the MOU.  
  • Because an MOU is not compliant unless it satisfies one of the exceptions (see section below), it is essential that the parties provide the information to IEERB, explaining why the MOU is necessary. |
| If MOU is ratified outside of the bargaining timelines, it must satisfy one of the exceptions for compliance | • An MOU ratified outside the bargaining timelines is not compliant **UNLESS** either of the following is applicable:  
  ▪ Newly discovered information or an unanticipated event that was not known or available at the time the parties ratified the original CBA; or  
  ▪ Nonrule policy guidance issued by the board addressing unanticipated circumstances impacting multiple bargaining parties allowed the parties to bargain and ratified a limited MOU outside the bargaining timelines.  
  **TIP:** At the parties’ request, IEERB will review and “pre-approve” a proposed MOU. |
## PENALTY FOR NONCOMPLIANCE

Indiana Code § 20-29-6-6.1(f) provides that, if the Board finds that a collective bargaining agreement, including a compensation plan, is not compliant, it must issue an order that may require the parties to “cease and desist from all identified areas of noncompliance” or that prevents parties “from ratifying any subsequent collective bargaining agreements until the parties receive written approval from the board or the board’s agent.”

<table>
<thead>
<tr>
<th>Penalty</th>
<th>When the penalty is ordered and what it means</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cease and desist</strong></td>
<td>• Will be ordered if there are any findings of noncompliance.</td>
</tr>
<tr>
<td></td>
<td>• “Cease and desist” means that, for any finding of noncompliance, the parties must fix it in the next CBA – i.e., add a provision, remove a provision or change a provision to make it compliant.</td>
</tr>
<tr>
<td></td>
<td><strong>TIP:</strong> Failure to correct a previous finding of noncompliance is a factor in the determination of prior approval.</td>
</tr>
<tr>
<td><strong>Prior approval</strong></td>
<td>• An order of prior approval is based on the nature and seriousness of the noncompliance.</td>
</tr>
<tr>
<td></td>
<td>• The Board looks at:</td>
</tr>
<tr>
<td></td>
<td>▪ the number of findings of noncompliance;</td>
</tr>
<tr>
<td></td>
<td>▪ the gravity or substance of the noncompliance; and</td>
</tr>
<tr>
<td></td>
<td>▪ the number of repeat findings of noncompliance.</td>
</tr>
<tr>
<td></td>
<td>• Multiple repeat findings of noncompliance are more likely to result in a penalty of prior approval because the parties have been given a year to correct the noncompliance, but failed to do so.</td>
</tr>
<tr>
<td></td>
<td>• “Prior approval” means that the parties must submit their tentative/proposed agreement to the compliance officer to review and approve before they can ratify the agreement.</td>
</tr>
<tr>
<td></td>
<td>• Before the parties can ratify their tentative/proposed agreement, they must have received written approval from the compliance officer.</td>
</tr>
<tr>
<td></td>
<td><strong>TIP:</strong> If parties receive a prior approval penalty on their previous CBA, they are encouraged to submit their subsequent tentative/proposed agreement for the compliance officer’s review as early as possible. If the review requires the parties to make any changes before written approval is given, early submission allows the parties to make those changes and receive approval within the bargaining timelines.</td>
</tr>
</tbody>
</table>
# APPENDIX B

## CBA COMPLIANCE CHECKLIST

*Submit with your ratified CBA on Gateway*

<table>
<thead>
<tr>
<th>Required Items</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>School employer and exclusive representative identified</td>
<td></td>
</tr>
<tr>
<td>Bargaining unit description (must be consistent with most recent IEERB Order)</td>
<td></td>
</tr>
<tr>
<td>Beginning and ending date of CBA (must end on or before June 30, 2019)</td>
<td></td>
</tr>
<tr>
<td>Ratification date (must be on or after September 15, 2017)</td>
<td></td>
</tr>
<tr>
<td>Signature of at least one agent of both parties</td>
<td></td>
</tr>
</tbody>
</table>

| Permitted Items                                                                 |          |
| General definitions (definitions that apply to the whole CBA)                   |          |
| Grievance procedure (if arbitration used, must indicate if advisory or binding)|          |
| Contract interpretation provisions (e.g., severability, supremacy, savings clauses) |          |

| Salaries and salary increases                                                 |          |
| Salary for newly hired teacher (amount, schedule, or method of calculation)   |          |

| Compensation plan                                                              |          |
| If there are no salary increases, CBA includes a statement to that effect      |          |
| If it is a transition year, CBA includes statement to that effect              |          |
| Salary range for all teachers (don’t include current year increases or ISTRF ) |          |
| Salary increases                                                               |          |
| Statement that teachers rated ineffective/improvement necessary are not eligible (except, if applicable, teachers in their first two school years of instructing students) |          |
| Based on at least two of the five statutory factors                            |          |
| Definitions of factors (e.g. experience, academic needs, instructional leadership) |          |
| How much each factor contributes to increase (points, percentage, amount, etc.)|          |
| Amount of increase (flat amount, % amount) or method for calculating amount    |          |
| Redistribution provision or a statement explaining why redistribution not necessary |          |

| Stipends (if applicable)                                                       |          |

| Wages                                                                         |          |
| Wages/compensation for ancillary duties                                       |          |
| Wages/compensation for extracurricular duties                                 |          |
| Compensation for extended contracts                                           |          |

---

1. IEERB encourages parties to number the pages of their CBA. If there are no page numbers, parties should identify the Article or Section number of the particular item (e.g., Art. I Sec B; Sec IV #2, etc.).
Compliance Checklist

PROHIBITED ITEMS – TERMS THAT ARE NOT BARGAINABLE (this list is not exhaustive)

1. Number of extended contract days.
2. Number of or limit on the number of ECA positions.
3. Right of exclusive representative or any of its members to visit schools, access member mailboxes, use of school mail, etc. (The parties may bargain leave time and other salary/wage related fringe benefits.)
4. What constitutes an ancillary duty or the conditions under which an ancillary duty may be assigned.
5. The number of contract days.
6. Any component or process of the teacher evaluation plan.
7. Any limitations on the school’s ability to rehire a retired teacher (The parties bargain the salary and benefits for a rehired retired teacher, but cannot limit the circumstances or place any conditions on the school’s ability to hire the retired teacher).

REMINDERS:

1. Clearly identify the Compensation Plan.
2. Make sure all (bargainable) salary increases are included in the compensation plan.
3. If using experience, academic needs, or instructional leadership factors, be sure they are clearly defined.
4. If an eligibility criterion is also a factor (e.g., experience), clearly label as such.
5. If using possession of an advanced degree or credit hours as a factor, be sure it is limited to content area degrees or credit hours.
APPENDIX C

MODEL COMPENSATION PLANS
MODEL COMPENSATION PLAN #1

I. Salary Range
$35,000 to $67,000, not including current year increases or TRF contributions.

II. Base Salary Increases
A. Amount available for base salary increases: $200,000

B. General Eligibility
1. Except as provided in #2 below, a teacher who received an evaluation rating of ineffective or improvement necessary in the prior school year is not eligible for any salary increase and remains at their prior year salary.
2. A teacher who is in the first two full school years of instructing students who receives an evaluation rating of improvement necessary is eligible for a salary increase.

C. Factors and definitions
1. Evaluation rating – The teacher received a highly effective or effective evaluation rating for the prior year.
2. Year of experience – The teacher was employed in the corporation for at least 120 days in the prior year.
3. Possess a content area Master’s degree – The teacher has a Master’s degree in a content area as defined by the Indiana Department of Education.
4. Assignment of an instructional leadership role – The teacher accepted an assignment or volunteered to chair a school improvement committee.

D. Distribution – amounts to be added to a teacher’s base salary
1. 67% of the amount available will be equally distributed to all teachers who satisfy the evaluation factor.
2. 15% of the amount available will be equally distributed to all teachers who satisfy the experience factor.
3. 15% of the amount available will be equally distributed to all teachers who satisfy the Master’s degree factor.
4. 3% of the amount available will be equally distributed to all teachers who satisfy the leadership factor.

E. Redistribution
Because all available funds will be distributed to eligible teachers, there will be no funds remaining to redistribute.

III. Stipends
A. Amount of stipend: $2,000

B. General Eligibility
Only teachers who receive an evaluation rating of highly effective or effective are eligible for a stipend.

C. Factors and definitions
The teacher meets the academic needs of students in the corporation by one of the following:
1. Teaching a dual credit or AP class during the current school year, or
2. Completing National Board certification during the current school year. (Teachers who previously completed National Board certification are not eligible for this stipend.)

D. Distribution
The one-time stipend will be paid with the last payroll for the current school year.
MODEL COMPENSATION PLAN #2

I. Salary Range
$35,000 to $67,000, not including current year increases or TRF contributions.

II. Base Salary Increases
A. General Eligibility
   1. Except as provided in #2 below, a teacher who received an evaluation rating of ineffective or improvement necessary in the prior school year is not eligible for any salary increase and remains at their prior year salary.
   2. A teacher who is in the first two full school years of instructing students who receives an evaluation rating of improvement necessary is eligible for a salary increase.

B. Factors and definitions
   1. Evaluation rating – The teacher received a highly effective or effective evaluation rating for the prior year.
   2. Year of experience – The teacher was employed in the corporation for at least 120 days in the prior year.
   3. Possess a content area Master’s degree – The teacher has a Master’s degree in a content area as defined by the Indiana Department of Education.

C. Distribution – amounts to be added to a teacher’s base salary
   1. Evaluation rating of effective = $900
      Evaluation rating of highly effective = $1,000
   2. Year of experience = $100
   3. Possess a content area Master’s degree = $350

D. Redistribution
Any funds otherwise allocated for teachers who were rated ineffective or improvement necessary will be equally redistributed to all teachers rated effective or highly effective. The redistribution will be in the form of a stipend that will be paid at the end of the school year.
MODEL COMPENSATION PLAN #3

I. Salary Range
$35,000 to $67,000, not including current year increases or TRF contributions.

II. Base Salary Increases
A. General Eligibility
   1. Except as provided in #2 below, a teacher who received an evaluation rating of ineffective or improvement necessary in the prior school year is not eligible for any salary increase and remains at their prior year salary.
   2. A teacher who is in the first two full school years of instructing students who receives an evaluation rating of improvement necessary is eligible for a salary increase.

B. Factors and definitions
   1. Evaluation rating – The teacher received a highly effective or effective evaluation rating for the prior year.
   2. Possess a content area Master’s degree – The teacher has a Master’s degree in a content area as defined by the Indiana Department of Education.

C. Distribution (See Salary Schedule attached as Appendix A)
   1. A teacher in the Bachelor’s column who satisfies the evaluation rating factor, but does not possess a content area Master’s degree, will advance a row in the Bachelor’s column.
   2. A teacher in the Master’s column who satisfies the evaluation rating factor will advance a row in the Master’s column.
   3. A teacher in the Bachelor’s column who satisfies the evaluation rating factor and is in the first year of possessing a content area Master’s degree (completed after January 1, 2017) will advance to the Master’s column, but remain in the same row.
   4. A teacher who is at the top end of the schedule will not receive an increase to their base salary, but will receive a stipend in the amount of $1500.

The increase for advancing a row in either column is $1500.

The increase for advancing a column (but staying in the same row) is $2000. $1500 is for evaluation rating, and $500 is for the first year of possessing a content area Master’s degree. (Education =25% of the increase)

D. Redistribution
Any funds otherwise allocated for teachers who were rated ineffective or improvement necessary will be equally redistributed to all teachers rated effective or highly effective. The redistribution will be in the form of a stipend that will be paid at the end of the school year.
## Salary Schedule

<table>
<thead>
<tr>
<th>Row</th>
<th>BA/BS</th>
<th>MA/MS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$35,000</td>
<td>$37,000</td>
</tr>
<tr>
<td>2</td>
<td>$36,500</td>
<td>$38,500</td>
</tr>
<tr>
<td>3</td>
<td>$38,000</td>
<td>$40,000</td>
</tr>
<tr>
<td>4</td>
<td>$39,500</td>
<td>$41,500</td>
</tr>
<tr>
<td>5</td>
<td>$41,000</td>
<td>$43,000</td>
</tr>
<tr>
<td>6</td>
<td>$42,500</td>
<td>$44,500</td>
</tr>
<tr>
<td>7</td>
<td>$44,000</td>
<td>$46,000</td>
</tr>
<tr>
<td>8</td>
<td>$45,500</td>
<td>$47,500</td>
</tr>
<tr>
<td>9</td>
<td>$47,000</td>
<td>$49,000</td>
</tr>
<tr>
<td>10</td>
<td>$48,500</td>
<td>$50,500</td>
</tr>
<tr>
<td>11</td>
<td>$50,000</td>
<td>$52,000</td>
</tr>
<tr>
<td>12</td>
<td>$51,500</td>
<td>$53,500</td>
</tr>
<tr>
<td>13</td>
<td>$53,000</td>
<td>$55,000</td>
</tr>
<tr>
<td>14</td>
<td>$54,500</td>
<td>$56,500</td>
</tr>
<tr>
<td>15</td>
<td>$56,000</td>
<td>$58,000</td>
</tr>
<tr>
<td>16</td>
<td></td>
<td>$59,500</td>
</tr>
<tr>
<td>17</td>
<td></td>
<td>$61,000</td>
</tr>
<tr>
<td>18</td>
<td></td>
<td>$62,500</td>
</tr>
<tr>
<td>19</td>
<td></td>
<td>$64,000</td>
</tr>
<tr>
<td>20</td>
<td></td>
<td>$65,500</td>
</tr>
<tr>
<td>20+</td>
<td></td>
<td>$67,000</td>
</tr>
</tbody>
</table>

$1500 for advancing a row in either column: $1500 for evaluation rating.

$2000 for advancing a column in same row: $1500 for evaluation rating, and $500 for first year of possessing a content area Master’s degree. (Education = 25% of the increase)
1. **What is a salary range and is it part of the compensation plan?**

   A salary range includes the lowest and highest salaries of all full-time bargaining unit members, **not including** increases or ISTRF contributions for the current contract period. *Example:* The salary range is $40,000 - $80,000 prior to any increases for the current contract period. A clear statement of the salary range must be included in the compensation plan.

2. **How many factors are there and what are they?**

   There are five factors:
   a. Number of years of experience ("experience")
   b. Possession of an additional content area degrees or degrees and credit hours beyond the requirements for employment ("education")
   c. Evaluation rating
   d. Assignment of instructional leadership roles
   e. Academic needs of students in the corporation

3. **Do we have to use all five factors in our compensation plan?**

   No, but you must use at least two of the five factors.

4. **Are there any restrictions on using the factors?**

   Yes. The combination of "experience" and "education" can’t account for more than one-third (33.33%) of the total salary increase.

5. **Can we create our own factors?**

   No. However, the parties define the factors, and the Leadership and Academic Needs factors provide the greatest flexibility (see #6 below).

6. **How are the Assignment of Instructional Leadership Roles and Academic Needs of Students factors defined?**

   The statute does not define either of these factors. If the parties bargain that these factors are used in the compensation plan, they also bargain the definitions. However, if either factor includes experience or possession of an additional content area degree or credit hours in the definition, it will be included in the calculation of the 33.33% cap (see #4 above).

7. **If a teacher is rated ineffective or improvement necessary, can the teacher receive a salary increase?**

   No, except for teachers in their first two full school years of instructing students. The parties may bargain that these new teachers are eligible for an increase even if the teacher received an evaluation rating of ineffective or improvement necessary in the prior school year.
8. Are stipends subject to the same requirements as salary increases?
No. Stipends do not have to comply with Ind. Code § 20-28-9-1.5 (eligibility, factors, 33.33% cap, redistribution, etc.). Stipends do not have to be part of a compensation plan, although the Board recommends that they be included in the plan.

9. What is a redistribution plan, and do we need to have one in our compensation plan?
A redistribution plan describes how funds that would have otherwise gone to salary increases for teachers rated ineffective or improvement necessary will be redistributed to eligible teachers. Whether or not you need a redistribution plan depends on your compensation plan and how salary increases are made. For example – if your compensation plan: (1) does not provide for distribution of all funds in an identified pot of money, (2) provides for advancing on a salary schedule, or (3) provides a set amount per teacher, then you’ll need a redistribution plan. See the Rubric for additional guidance on redistribution plans.

10. Do we have to have a compensation plan if we’re not giving any salary increases?
No. However, your CBA must include a salary range and a statement that you have bargained no salary increases for the current contract period. If you bargain that there will be no increases, but include a compensation plan, the plan will be reviewed for compliance, but no findings of noncompliance will be made.

11. Can I do a catch-up provision to bring teachers’ salaries up to the new minimum salary?
Yes. But to be compliant, such a provision must be based on the factors and otherwise comply with Indiana Code § 20-28-9-1.5. Because the salaries of teachers who are eligible for a catch-up provision may vary, the actual amount of increase may differ. This may result in a salary increase differential problem. However, because 2017-2018 is a transition year for salary increase differentials, no formal finding of noncompliance will be made for the differential problem. As a result, such catch-up provisions will likely be noncompliant if included in compensation plans after 2017-2018. (See below)

12. What is the salary increase differential?
Salary increases must be based on a combination of the statutory factors. Increases based on the same set of weighted factors or sub-factors must be the same percentage, dollar amount, number of points, or dollar amount per point.

A salary differential occurs when a salary increase is based on the same set of weighted factors or sub-factors, but the amount or percentage of increase is not the same. It means that the dollar amount or percentage amount that one teacher receives is different than another teacher who satisfies the same factors. If a compensation plan includes a salary increase differential, the differential must be based on one or more of the statutory factors and otherwise comply with Indiana Code § 20-28-9-1.5.
Examples

Compliant – no salary increase differential: A teacher who receives a rating of effective or highly effective will move down a row. Both of the following are compliant because all teachers who advance a row receive either the same amount or percentage of increase. There is no differential in the amount of salary increase.

<table>
<thead>
<tr>
<th>Row</th>
<th>Salary</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$37,000</td>
<td>N/A</td>
</tr>
<tr>
<td>B</td>
<td>$38,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>C</td>
<td>$39,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>D</td>
<td>$40,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>E</td>
<td>$41,000</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Row</th>
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<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$37,000</td>
<td>N/A</td>
</tr>
<tr>
<td>B</td>
<td>$38,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>C</td>
<td>$38,110</td>
<td>3%</td>
</tr>
<tr>
<td>D</td>
<td>$39,650</td>
<td>3%</td>
</tr>
<tr>
<td>E</td>
<td>$40,443</td>
<td>3%</td>
</tr>
</tbody>
</table>

Not compliant due to salary increase differential: A teacher who receives a rating of effective or highly effective will move down a row. Neither of the following is compliant because, although each teacher advances a row, the teachers do not receive either the same amount or percentage of increase. The difference in amount or percentage of increase is not due to any other factors. This is an impermissible differential.

<table>
<thead>
<tr>
<th>Row</th>
<th>Salary</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$37,000</td>
<td>N/A</td>
</tr>
<tr>
<td>B</td>
<td>$38,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>C</td>
<td>$39,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>D</td>
<td>$40,000</td>
<td>$500</td>
</tr>
<tr>
<td>E</td>
<td>$42,000</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Row</th>
<th>Salary</th>
<th>Differential</th>
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<td>$38,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>C</td>
<td>$39,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>D</td>
<td>$40,000</td>
<td>$500</td>
</tr>
<tr>
<td>E</td>
<td>$42,000</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

13. Does this mean I can’t give different amounts of increases?
No. Parties can bargain different amounts of increases as long as any differences in increases are based on the factors and otherwise comply with Indiana Code § 20-28-9-1.5.

Example
Salary increases are based on years of experience and evaluation rating.
- Highly effective = $2,000
- Effective = $1,500
- 2-10 years of experience = $250
- 11-15 years of experience = $500
- 16-20+ years of experience = $750

A highly effective teacher with three years of experience receives an increase of $2,250, while a highly effective teacher with 16 years of experience receives an increase of $2,750. The difference in the increase is based on the difference in the number of years of experience.

A highly effective teacher with three years of experience receives an increase of $2,250, while an effective teacher with three years of experience receives an increase of $1,750. The difference in the increase is based on the difference in evaluation ratings.

14. What is the transition year for the salary increase differential?
The Board has determined that **2017-2018 will be a transition year** to allow parties to adjust their compensation plans so that they can comply with the salary increase differential requirement in 2018-
2019. As was done with the 2016-2017 compliance review, if the 2017-2018 compensation plan results in a noncompliant salary increase differential (see #11 and #12 above), the Compliance Report will not include a formal finding of noncompliance, but it will include a General Comment describing the noncompliance.

Compensation plans for 2018-2019 must comply with the salary increase differential requirements. Formal findings of noncompliance will be issued for salary increase differentials for 2018-2019 CBAs. Therefore, 2-year CBAs MUST have compensation plans with compliant differentials.

15. How do we know if there is a salary differential problem in our compensation plan?
If there was a salary increase differential problem in the 2016-2017 compensation plan, your 2016-2017 Compliance Report included a General Comment to that effect. Also, if the CBA calls for different payments for the same actions, you must determine if the different is based on a permissible factor.

16. Where can I get additional information on compensation plans?
- Compensation Plan section in the 2017 Compliance Rubric http://www.in.gov/ieerb/2411.htm
- Guide to CBA Compliance http://www.in.gov/ieerb/2411.htm
- Indiana Code § 20-28-9-1.5 http://www.in.gov/ieerb/2334.htm
- Model Compensation Plans http://www.in.gov/ieerb/2411.htm
- Current and former compensation plans available through IEERB Search http://www.in.gov/ieerb/2406.htm