

**MEMORANDUM**

**TO:** Superintendents, Principals and Directors of Interlocal Cooperations.

**FROM:** Indiana Department of Education

**DATE:** August 25, 2017

**RE:** Teacher Appreciation Grants (formerly the “Annual Performance Grant to Teachers”) for interlocal cooperations, special education cooperative, joint services, or career and technical education center teachers.

During the 2017 legislative session, the Indiana General Assembly created the “Teacher Appreciation Grant” program to replace the Annual Performance Grant. The Teacher Appreciation Grant will provide funding to schools to pay stipends to teachers who are rated as highly effective and effective in their annual evaluations. Both school corporations and charter schools are eligible to receive the Teacher Appreciation Grant, as well as entities operating as an interlocal cooperation. The purpose of this guidance is to explain the steps schools must take in order to qualify for the grant and to provide further guidance on the eligibility of interlocal cooperation, special education cooperative, joint services and career and technical education center teachers.

**Teacher Appreciation Grant Eligibility Requirements.**

The Teacher Appreciation Grant will provide schools a grant in the amount of \$30.00 multiplied by the number of students reflected on the school’s fall ADM count. In order to qualify for the grant, schools must (1) adopt an annual policy concerning the distribution of the Teacher Appreciation Grant and (2) submit the policy to the Department for approval. IC 20-43-10-3.5(c). Once the Department has reviewed and approved the submitted policy, the school will be eligible to receive the grant.

Schools must adopt and submit to the Department their annual policy concerning the distribution of the Teacher Appreciation Grant no later than **September 15, 2017** in order to qualify for the Grant. The following describes the requirement and optional components as well as the method for submitting the Teacher Appreciation Grant policies:

- a. Differentiation required between highly effective and effective teachers.

The annual policy adopted by a school corporation regarding the distribution of the Teacher Appreciation Grant must differentiate between a teacher rated as a highly effective teacher and a teacher rated as an effective teacher. Specifically, the policy must provide that the stipend amount for a teacher rated as highly effective must be at least twenty-five percent (25%) more than the amount of a stipend awarded to a teacher rated as effective.

If a school submits a policy that does not provide for this differentiation, the Department will reject the policy and the school will have **thirty (30) days** in which to modify the policy and bring it into compliance with the law. If the policy is not corrected and timely resubmitted to the Department, the school will not be able to receive the grant award for the current school year.

b. Optional policy components.

Although schools are required to differentiate the amounts between teachers related as highly effective and effective, schools are free to differentiate the stipend amount between school buildings within the school district. In addition, an individual teacher's stipend is not subject to collective bargaining—but is discussable—and the stipend is in addition to the minimum salary or increases in salary set under IC 20-28-9-1.5. The governing body may provide that an amount not exceeding fifty percent (50%) of the amount of a stipend to an individual teacher in a particular state fiscal year becomes a permanent part of and increases the base salary of the teacher receiving the stipend for school years beginning after the state fiscal year in which the stipend is received. The addition to the base salary is not subject to collective bargaining, but is discussable.

c. How to submit school policies:

1. School corporations and interlocal cooperations will submit the Teacher Appreciation Grant policy along with the staff performance evaluation plan together as a single document to the DOE Online by **September 15, 2017**.
2. Charter schools will submit their Teacher Appreciation Grant policies by sending a PDF copy of the policy to [charterTAG@doe.in.gov](mailto:charterTAG@doe.in.gov) by **September 15, 2017**.

**Interlocal Cooperation (Ind. Code 36-1-7-1 et seq.)**

Interlocal cooperations are separate legal entities that are formed by written agreement by two or more school corporations that delegate to the interlocal cooperation certain powers and duties such as the authority to provide inter-district special education service. Teachers who work for an interlocal cooperation are employees of the interlocal cooperation, not the school corporations for whom the interlocal services. Teachers employed by the interlocal cooperation are eligible to receive the stipend under the Teacher Appreciation Grant.

In the past, the Department distributed annual performance funds—attributable to teachers employed by an interlocal—directly to the interlocal cooperatives. However, based on changes in the manner in which the grant is calculated, the Department will distribute the grant award to the school districts that are members of the interlocal cooperation. This is because the Department will not be able to accurately determine which students are attributable to the teachers employed by the interlocal. Based on this change, the governing bodies of interlocal cooperations are highly encouraged to begin discussions immediately with their school corporation member districts to determine the manner and amount of the grant that will be distributed to the interlocal cooperation. The governing body of an interlocal cooperation must

then, in turn, distribute the funds in accordance with the procedures outlined in Indiana Code 20-43-10-3.5 and this guidance document. This means that interlocal cooperations, like school corporations, must adopt a policy as outlined in this guidance document.

### **Joint services and cooperative programs**

Under Indiana Code 20-26-10 and IC 20-37 *et seq.*, school corporations may enter into agreements to provide joint or cooperative services such as special education and career and technical education. These cooperative and joint services are managed by one corporation acting as the lead corporation and the other school corporations acting as participating corporations. Agreements between the lead and participating corporations include provisions for the transfer of state funds from the participating to the lead corporation for the service provided.

Because teachers working within the cooperative or joint service program are employed by the lead corporation, the lead corporation will be required to include those effective and highly effective teachers in the distribution of the Teacher Appreciation Grant. Unfortunately, there is no way for the Department to determine in which corporation and in which building any individual teacher provides services. Many cooperative and joint service teachers work in multiple districts and in multiple buildings throughout the school year.

It is advised that the school corporation that administers and supervises the joint or cooperative programs collaborate with each participating school in order to determine how funds will be paid fairly to those effective and highly effective teachers employed by the lead corporation and providing services to participating school corporations' students. Joint service and cooperative agreements may need to be amended in order to fairly distribute the Teacher Appreciation Grant award received by each lead and participating school corporation to the qualifying teachers employed by the lead corporation.

If you have questions, please contact the Department at the email addresses below:

School corporations & Interlocal Cooperations: [TAG@doe.in.gov](mailto:TAG@doe.in.gov)

Charter Schools: [charterTAG@doe.in.gov](mailto:charterTAG@doe.in.gov)