

**STEPHENVILLE INDEPENDENT SCHOOL DISTRICT  
EMPLOYEE PERFORMANCE INCENTIVE PLAN  
ADMINISTRATIVE REGULATIONS**

1. **PURPOSE:** To provide all staff a monetary reward for district performance based on student performance reported in the Texas Assessment Performance Report (TAPR).
2. **ELIGIBILITY:** All staff who were employed on September 15<sup>th</sup> of the same calendar year, and the date on which payment of the performance incentive distribution is made, are eligible to participate.
3. **PERFORMANCE YEAR:** A school year as established by the annual calendar adopted by the Board of Trustees.
4. **ALLOCATION:** After receiving a recommendation from the Superintendent, the Board of Trustees may allocate a dollar amount per child on an annual basis to determine the maximum annual amount allocated for performance incentive distributions. The source of funds for the performance incentive distributions will be based upon availability of district funds for payroll purposes. An additional allocation will be included equal to the amount of funds not expended in the substitute budget in the previous year. The Board of Trustees may reduce the allocation per child or eliminate any allocation from one year to the next depending on what may be in the best interests of the school district from one year to the next. Any Board action reducing or eliminating the allocation for a subsequent performance year will be taken prior to the penalty-free resignation date for contract employees. The payment of a performance incentive distribution to an employee does not create any property interest in any future payment of a performance incentive distribution and the Board can determine that no future payment or a reduced payment will be made from one year to the next.

**EXAMPLE:** 3700 student ADA x \$100.00 + \$36,450 =  
\$406,450.00

5. **STUDENT PERFORMANCE CRITERIA:** The basis for determination of the amount of individual performance incentive distribution will be the percent of student performance indicators at the Exemplary level, as well as any additional indicator(s) approved by the Board. A worksheet is attached showing how the percentage may be calculated. Additional indicator(s) may be added from one performance year to the next as determined by the Board. Student performance indicators are reported during the summer after the performance year.
  
6. **CALCULATION OF INDIVIDUAL PERFORMANCE INCENTIVE DISTRIBUTION:** During the Fall of the year following the performance year in which a performance incentive distribution is to be made, the percentage determined under the student performance criteria will be applied to the maximum amount allocated by the Board to determine an individual performance incentive distribution for the previous performance year. A list of those employees who meet the eligibility requirements set out above will then be determined.

EXAMPLE:  $\frac{13 \text{ (indicators meeting expectation)}}{20 \text{ (total criteria)}} = 65\%$

$$\$406,450 \times 65\% = \$264,192.50$$

$$\frac{\$264,192.50}{450 \text{ (# of employees meeting criteria)}} = \$587.09$$

Each eligible employee would receive \$570.00 less all non-voluntary deductions.

7. **PAYMENT OF PERFORMANCE INCENTIVE DISTRIBUTION:** For each performance year that a performance incentive distribution is to be made, each eligible employee will receive a lump sum separate check for the individual distribution amount, less all non-voluntary deductions, in December following the performance year. All excess funds allocated but not paid will be available for other purposes and there is no requirement that such excess funds remain allocated for future performance years.
  
8. **IMPACT ON EMPLOYEE CONTRACTS:** The Performance Incentive Plan is not part of any employee contract and there is no

right to distributions under the Plan pursuant to any employee contract. Receipt by a contract employee of a Performance Incentive Plan distribution does not create any future right to distributions nor does it impact the employee's professional capacity for purposes of Chapter 21 of the Texas Education Code.