IEERB 2026 Compensation Plan FAQs

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 returning,[1] full-time bargaining unit members, **not including** increases or ISTRF contributions for the current contract period. A clear statement of the salary range must be included in the compensation plan.
Effective July 1, 2025, the compensation plan must clearly demonstrate that all full-time classroom teachers are earning at least $45,000.

Example: The salary range is $43,000 - $80,000 prior to any increases for the current contract period. After salary increases have been awarded through the compensation plan, the salary range for full-time teachers is $45,000 to $82,000.

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

There are five factors on which a salary increase may be based:

a. Number of years of experience (“experience”)
b. Possession of an additional content area degree or credit hours beyond the requirements for employment (“education”)
c. The results of an evaluation (“evaluation rating”)
d. Assignment of instructional leadership roles (“instructional leadership”)
e. Academic needs of students in the corporation (“academic needs”) which may, but is not required to be, defined as the need to retain teachers employed in a high need area as identified by the school employer.

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

No. If an increase is bargained, you must use at least two of the five factors – one of which must be the academic needs factor. The increase attributable to the academic needs factor must account for at least 10% of the total base salary calculation.

4. Are there any additional requirements or restrictions on using the factors?

Yes. In addition to the 10% academic needs requirement identified in #3 above, the combination of “experience” and “education” (including academic needs, evaluation, and instructional leadership factor increases based on teachers’ education or experience) cannot account for more than one-half (50%) of the total possible salary increase. If the compensation plan uses a salary increase to reduce the gap or includes a teacher retention catch-up increase, that particular increase is not included in the education/experience portion of the 50% cap calculation. (See the 2026 CBA Compliance Rubric for more information.) In addition, salary increases for education must be limited to additional content area[2] degrees or credit hours beyond those required for employment.

[1] “Returning” bargaining unit member means a teacher not newly hired for the current school year; a teacher who was employed by the corporation in the prior school year who has returned as full-time for the current school year.

[2] “Content area” means the subject matter an applicant is licensed to teach; or administrative or service function an applicant is licensed to provide. 511 IAC 10.1-1-1(9)

5. **Can we create our own factors?**
No. However, the parties have some flexibility in defining the factors, consistent with statutory requirements. Parties have the greatest flexibility in defining the instructional leadership and academic needs factors (see # 6 below).

6. **How are the instructional leadership and academic needs factors defined?**
The statute does not specifically define either of these factors. To the extent that these factors are used in the compensation plan, the parties bargain the definitions. However, if the definition of either factor includes experience and/or possession of an additional content area degree or credit hours as criteria within the factor or as the manner for distributing or differentiating factor increases, it will be included in the calculation of the 50% cap unless an exception applies (see # 4 above).

7. **Can a teacher rated ineffective or improvement necessary receive a salary increase?**
Yes. The statutory eligibility requirement was repealed, effective July 1, 2025. Parties may bargain to include an evaluation rating-based eligibility statement, or other eligibility criteria, but are no longer required to do so.

8. **Are stipends subject to the same requirements as salary increases?**
No. Stipends do not have to comply with IC 20-28-9-1.5 requirements (factors, 50% cap, etc.), although most stipends must still be bargained. All bargained stipends must be included in the CBA, and those issued to a majority of teachers should be included in the compensation plan. Stipends should be clearly identified to prevent them from being mistaken for a salary increase.

9. **Are we required to differentiate salary for teachers who possess a literacy endorsement?**
Yes. Parties are required to differentiate the base salaries of **all** teachers who possess the literacy endorsement.

10. **What is the difference between base salary differentiation for possessing the literacy endorsement and salary increase or increment for possessing the literacy endorsement?**

HEA 1266 (2026) changed the statutory language from "shall differentiate the amount of salary increases or increments" to "shall differentiate the amount of salary." This legislative change simply requires the overall base salary of teachers who possess the literacy endorsement to be differentiated. Specifically, the base salary of a teacher who possesses a literacy endorsement must be different from the base salary of a teacher who otherwise has the same credentials but does not possess a literacy endorsement.

Unlike a salary increase or increment, the statutory factor requirements described in IC 20-28-9-1.5(b) do not apply to base salary differentiation. Therefore, base salary differentiation for teachers who possess the literacy endorsement is not attributed to a factor.

11. **Where do we describe base salary differentiation for literacy endorsement possession?**
Because this differentiation is not a salary increase or increment and is not attributable to a factor, parties must identify and describe base salary differentiation (including the amount of the differential) for literacy endorsement possession in a separate section of the compensation plan. For an example of where to include this differentiation, see the 2026 Recommended CBA Format or 2026 Model Compensation Plans.

12. **Should the base salary differentiation for literacy endorsement possession be included when calculating the total increase available under the compensation plan?**
No. Because this base salary differentiation is <u>not</u> an increase or increment, parties must not include this salary differentiation when calculating:

- the total salary increase or increment,
- the percent of increase attributable to academic needs, or
- the percent of increase attributable to education and experience.

13. **If we are not giving any salary increases, do we still have to differentiate the base salaries of teachers who have newly attained a literacy endorsement?**
Yes. Regardless of whether the parties bargain an increase or increment for teachers in the current contract period, the base salary of all teachers who possess a literacy endorsement must be differentiated to reflect this possession. The base salary of a teacher who possesses a literacy endorsement must be different from the base salary of a teacher who otherwise has the same credentials but does not possess a literacy endorsement. See Model Compensation Plan 2.

14. **What else must we include in the CBA if we are not giving any salary increases?**
In addition to a description of the base salary differentiation for literacy endorsement possession, the CBA must also include a salary range and a clear statement that you have bargained no salary increases for the current contract period. See Model Compensation Plan 2.

If a two-year CBA includes salary increases for only one of the two years in the biennium, the compensation plan must include a clear statement to that effect, specifying the school year for which there will be no base salary increase or increment. If you bargain that there will be no increases but include other components of the compensation plan (factors, distribution etc.) no findings of noncompliance will be made regarding the suspended language.

15. **Can we still bargain a “catch-up” to bring teachers up to the new minimum salary?**
Yes. Parties may bargain a “catch-up” increase using a salary increase differential. However, if the parties use a salary increase differential based on educational attainment or experience without specifically identifying it as either a salary increase to reduce the gap or a teacher retention catch up increase, the salary increase is subject to the 50% limitation (i.e., the requirement that the combination of education and experience cannot account for more than 50% of the maximum available increase). See #4 above and the 2026 CBA Compliance Rubric for additional information regarding salary increases to reduce the gap, teacher retention catch up increases, and the exemption from the 50% limitation.

16. **Where can we get additional information on compensation plans?**

- Compensation Plan section in the 2026 CBA Compliance Rubric
- Guide to CBA Compliance
- 2026 Model Compensation Plans
- Indiana Code § 20-28-9-1.5
- Compensation plans in past and current CBAs available on Gateway.