

February 23, 2011

**CHIEF EXECUTIVE OFFICER'S REPORT OF INCENTIVE COMPENSATION PLAN
FOR PRINCIPALS ASSIGNED TO CERTAIN SCHOOLS DESIGNATED
AS TURNAROUND OR TRANSFORMATION SCHOOLS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING ACTION:

Pursuant to the authority delegated to the Chief Executive Officer under Board Rule 4-1 (a)(3), the Chief

Executive Officer has established an incentive compensation plan for principals assigned to certain

CHICAGO PUBLIC SCHOOLS
2010-11 INCENTIVE COMPENSATION PLAN
FOR PRINCIPALS ASSIGNED TO TURNAROUND OR TRANSFORMATION SCHOOLS

DESCRIPTION:

To help improve some of the most struggling schools in Chicago Public Schools (CPS), the Board has designated some schools as "turnaround" with a sub-set of these schools being managed by the CPS

Consortium on Chicago School Research, the CPS Turnaround comprehensive school reform model systematically overhauls the school, providing resources, supports, coaching, technical assistance, and

~~Revision of Incentive Plan. The Long-Term Plan shall be effective for the 2010-11, 2011-12 and 2012-13~~

school years and may be renewed in subsequent school years by the CEO. The CEO may amend the
~~Incentive Plan as follows: Payment of the performance bonus is subject to the review and~~

ELEMENTARY PRINCIPAL PERFORMANCE MEASURES

Performance Measure Descriptions

1) **Annual Performance Evaluation:** Principal is rated as meeting or exceeding the standards for all principals set forth in the Chief Executive Officer's annual principal evaluation conducted by the School Improvement Officer (turnaround) or Chief Area Officer (transformation).

2) **ISAT Composite Rate of Meet/Exceed State Standards:** Meet the aggressive annual ISAT

student performance goal (% meet/exceed), showing a dramatic improvement in the percentage of students who meet/exceed state standards over the previous year, which goal

- 4) **% of Graduating Students Enrolled in College:** The school increases the % of Graduating Students Enrolled in College to 90%, or there is at least a five percentage point (5%) increase in % of Graduating Students Enrolled in College at the assigned school compared to the prior

year's rate.

- 5) **PSAE Composite Rate of Meet/Exceed State Standards:** Meet the progressive annual

FOR ELEMENTARY SCHOOL PRINCIPALS:

| Performance Measure | Bonus Amount Eligibility |
|-----------------------------|------------------------------|
| 1 and 2 met | 100% of Maximum Bonus Amount |
| 1, 3, 4 met | 80% of Maximum Bonus Amount |
| 1 met and either 3 or 4 met | 50% of Maximum Bonus Amount |
| 4, 5, 6 or 7 met | 20% of Maximum Bonus Amount |

| | |
|--|----------|
| 1 not met (but 2, 3, 4, 5, 6 and/or 7 are met) | No Bonus |
|--|----------|

FOR HIGH SCHOOL PRINCIPALS:

| Performance Measure | Bonus Amount Eligibility |
|--------------------------|------------------------------|
| 1, 7 and six others met | 100% of Maximum Bonus Amount |
| 4, 7 and five others met | 80% of Maximum Bonus Amount |

Summary:

| Bonus Type | Eligibility | Pro Rate? | Timing |
|---|--|--|--|
| <p>Assignment (One time \$10,000 bonus)</p> | <p>One time \$10,000 non-pensionable bonus (Limited to one bonus every 24 months) Signed commitment to remain additional school year Remain CPS principal at "turnaround" or "transformation" school</p> | <p>No</p> | <p>Payable at the end of a completed full school year</p> |
| <p>Retention (Available every 3 years for \$15,000)</p> | <p>Every 3 years, eligible for \$15,000 non-pensionable bonus Successful completion of three (3) years at same school (Limited to two bonuses at the same school) Remain CPS employee</p> | <p>Yes</p> | <p>Payable at the end of three full school years at same "turnaround" or "transformation" school</p> |
| <p>Annual Performance (If criteria met, eligible for \$5,000 to \$12,000 based on 90th percentile)</p> | <p>Performance measure fulfillment Remain CPS employee Between \$5,000 to \$12,000</p> | <p>Yes – if joined school at least 2 months before state testing If joined with less than 2 months</p> | <p>Payable when all data is received by the District to determine performance</p> |