

**SUBJECT:**                    **PROFESSIONAL STAFF/ADMINISTRATIVE MERIT  
SYSTEM (Incentive Pay)**

**Supersedes:**                GCBAA, adopted 6/10/80

**Effective:**                    March 12, 2009

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**Approved by:**             Detroit Board of Education

**1.0 Policy**

If financially feasible by the District, an incentive pay system for all executive positions, including executive director School administrators, and up to and including General Superintendent, may be established. The system will provide a means of identifying those top level executives who demonstrate superior performance in the discharge of their administrative responsibilities, and of systematically rewarding their superior performance.

The incentive pay system is designed to:

1. Create an environment in which the key administrative staff will be motivated to attain a higher performance level, both as a group, and individually, and
2. Provide meaningful encouragement to top level executives to maintain high levels of performance in the discharge of their administrative responsibilities.

If determined by the Board, the incentive pay, which fits in with the executive performance review system, reflects the leading edge of executive compensation and organizational management technology and in concept is straight-forward:

1. There will no longer be regular yearly salary increases.
2. Executives performing at “on-target” and “over-target” levels will be compensated based on historical executive salary raises, current economic factors, the budgetary ability of the Board of Education to pay, the individual’s performance score, and, in the case of over-target performance only, the overall performance of the school system.
3. Executives who perform exceptionally well will be compensated for their efforts, and

4. Executives who do not meet their performance standards will be directed toward appropriate training, and other support services, and will not receive an increase in salary.

*Note: Details on the executive performance review and incentive pay systems are available in a separate document.*

**Attachments to Policy 7.21:** None

**Legal References:** None

**Labor Contract References:** None