

The Pinnacle's Compensation Policy

The Pinnacle Charter School is an at-will, pay-for-performance organization.

All Individuals working at the School are provided an annual performance evaluation and scores derived from these evaluations determine annual merit increases.

Depending upon both the academic and financial success of the School, employees may receive additional annual bonuses or other increases as determined by the Superintendent.

Both employee pay ranges and merit increase percentages are benchmarked annually against the market and adjusted accordingly and as budget permits. A more detailed description is listed below:

1. Each position at The Pinnacle resides in a **salary band** consisting of an entry (or minimum) salary, midpoint salary, and maximum salary:

Example	Minimum	Midpoint	Maximum
Job 1	\$5,000	\$7,500	\$10,000
Job 2	\$11,000	\$14,000	\$17,000

2. Each year, The Pinnacle completes a competitive market analysis of salaries at geographically relevant schools:

Example	School 1	School 2	School 3	School 4	Average
Job 1	3K - 9K	6K - 11K	5K - 10K	7K - 12K	5K - 11K
Job 2	12K - 18K	11K - 16K	13K - 19K	11K - 17K	12K - 18K

3. Based upon this analysis, **salary bands** are adjusted to be competitive with the market as budget allows:

Example	Minimum	Midpoint	Maximum
Job 1	\$5,000	\$7,750	\$10,500
Job 2	\$11,500	\$14,625	\$17,750

4. Employees are hired into a **salary band** based upon a number of factors: years of experience, types of degrees and / or certifications, special skills, bilingual abilities, previous salary, the level of demand for the position in the market place, and available budget.
5. As a pay-for-performance or merit based employer, The Pinnacle provides all employees with an **annual performance evaluation** that measures the employee's success in completing goals related to their job at the school, e.g., improved student performance.
6. Scores from the annual performance evaluation are used to determine the employees annual salary increase.

7. To offset pay compression and to help employees reach the midpoint of their salary band, The Pinnacle uses a salary matrix system to provide employees in the minimum of their salary band with a higher percentage increase than those in the midpoint and maximum level of pay:

<i>Example</i>	Minimum	Midpoint	Maximum	Evaluation Score
Exceeds	5.00%	3.00%	2.00%	3.00 - 2.67
Meets	4.00%	2.50%	1.80%	2.66 - 1.67
Improvement Needed	1.25%	1.00%	0.00%	< 1.67

- a) An employee working **Job 1** who earns \$11,000 and scores 2.8 will receive a 2% increase.
- b) An employee working **Job 2** who earns \$10,000 and scores 2.5 will receive a 4% increase.
- c) An employee working **Job 1** who earns \$9,000 and scores 2.3 will receive a 2.5% increase.