

IDEA PUBLIC SCHOOLS  
IDEA PUBLIC SCHOOLS  
BOARD POLICY MANUAL  
POLICY GROUP 5 – FISCAL MANAGEMENT

**PG-5.420: COMPENSATION SETTING**

**Sec. 1. PURPOSE OF POLICY.**

Through this policy, the Board of Directors (hereafter, the “Board”) of IDEA PUBLIC SCHOOLS doing business as IDEA PUBLIC SCHOOLS (hereafter, IDEA) shall address the legal requirements, as applicable, promulgated at:

- (a) Texas Business Organizations Code (“Tex. Bus. Org. Code”), Sections 3.101, 22.201, 22.221 and 22.235;
- (b) Texas Education Code (“Tex. Ed. Code”), Sections 12.107, 12.115, 12.1162, 12.121 and 12.128;
- (c) Texas Labor Code, Chapter 61;
- (d) Texas Administrative Code, Title 19 (“19 TAC”), Sections 100.1022, 100.1033 and 100.1101;
- (e) Texas Administrative Code, Title 40, Chapter 821; and
- (f) Code of Federal Regulations, Title 2 (“2 CFR”), Sections 200.302, 200.303, 200.403, 200.404, 200.430, and 200.431.

Additionally, through this policy, the Board shall address best practices adopted by public schools.

**Sec. 2. AUTHORITY OVER FISCAL MATTERS.**

Sec. 2.1. In accordance with state law, the Board has primary and ultimate authority over fiscal matters. If a matter or decision-making process is not addressed in this or other duly adopted policies of the Board, authority rests with the Board. In the event of a conflict between this policy and any other Board policy, such conflict shall be brought to the Board for resolution. Refer to the Board’s Policy relating to its Authority Over Fiscal Matters (the “Controlling Policy”) for requirements applicable to this policy.

Sec. 2.2. The Delegate, as defined in Sec. 3.2 of the Controlling Policy, shall report to the Board any business arrangement or transaction with an individual that is an officer, as defined in Sec. 5 of the Controlling Policy, and any conflicted,<sup>1</sup> interested<sup>2</sup> or related<sup>3</sup> party, as defined in other Board policy or applicable law. IDEA and its officers may not enter into a business arrangement or conduct a transaction in such a manner so as to circumvent this requirement.

Sec. 2.3. As established in Sec. 4 of the Controlling Policy, where the Delegate is authorized to confer authority to a designee (as denoted by the phrase “or designee”), the Delegate may confer such authority to a designee.

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<sup>1</sup> Tex. Ed. Code § 12.1054; 19 TAC §§ 100.1131 through 100.1135

<sup>2</sup> 19 TAC § 100.1047(f)

<sup>3</sup> Tex. Ed. Code § 12.1166

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**Sec. 3. PURPOSE.**

The Board is committed to fostering a working environment that provides all employees an equal opportunity for compensation commensurate with their knowledge, skills and abilities and the demands of their employment at IDEA. Accordingly, IDEA will recruit, hire, promote, transfer, and train personnel consistent with their individual qualifications and contributions.

**Sec. 4. ACCURATE PAY.**

The Delegate or designee will adopt and implement administrative procedures to ensure that employees are accurately, fully and timely paid for their time and effort and the application of their talents in a manner consistent with applicable law.

**Sec. 5. COMPENSATION SCHEDULE.**

In conjunction with the preparation of the Proposed Budget under Sec. 3 of Authorization of the Obligation and Expenditures of Funds (AOEF) Board Policy, the Delegate or designee must prepare a compensation schedule that identifies the salary or wage range, including the extra-duty or supplemental pay, stipends and other unique compensation provided, for each position into which an individual may be employed. In establishing the compensation schedule, the Delegate or designee may take into consideration the special qualifications for each position, such as specific certifications, degree or experience requirements. The Delegate or designee must present the compensation schedule, along with the Proposed Budget, to the Board for its consideration and approval. See Sec. 3.4 of AOEF.

**Sec. 6. PROHIBITED CONDUCT.**

Individual Board members and IDEA officers and employees, without exception, are prohibited from communicating or extending an offer for employment, promotion, transfer, compensation, or benefits that is contrary to Board policy.

**Sec. 7. COMPENSATION SETTING PRINCIPLES.**

When determining compensation, the Delegate or designee must consider the following guidelines:

- (a) The classification level and compensation range of the position.
- (b) The employee's knowledge, skills and abilities.
- (c) The talent and time requirements of the position.
- (d) The compensation of other employees in the same or equivalent position within the same organizational unit and across IDEA.
- (e) Prevailing employment market conditions for the same or equivalent work.
- (f) Geographical location requirements of the position.

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**Sec. 8. COMPENSATION OFFERS.**

Sec. 8.1. In general, the Delegate or designee must offer at least the minimum of the compensation range to an applicant<sup>4</sup> who meets the minimum qualifications for a position. The Delegate or designee may offer an applicant an amount above the minimum of the compensation range, and up to the midpoint of said range, commensurate with the applicant's knowledge, skills and abilities and to the degree that Delegate or designee has documented that the applicant has demonstrated that their qualifications are above the minimum qualifications for the position.

Sec. 8.2. Generally, the Delegate or designee may only offer an applicant an amount above the midpoint of the compensation range for a position if the applicant has demonstrated their qualifications are exceptionally above the minimum qualifications for the position. The Delegate or designee must document their determination.

Sec. 8.3. The Delegate or designee may consider years of service at other IDEA-affiliated or mission-aligned entities as equivalent to IDEA TX experience when determining relevant qualifications and eligibility within board-approved compensation structures.

Sec. 8.4. The Delegate or designee may not offer an applicant compensation above the maximum of the compensation range established for the position.

Sec. 8.5. If the applicant is a current employee who accepted a promotion or transfer within twelve (12) months, the Delegate or designee may offer the applicant compensation at the same level as their current compensation.

**Sec. 9. TRAINING AND UPDATES.**<sup>5</sup>

The Delegate or designee shall properly train officers and employees on the requirements of this policy and any administrative procedure(s) adopted to implement this policy. Additionally, the Delegate or designee shall keep officers and employees informed of any changes to this policy and related requirements.

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<sup>4</sup> An applicant may be an individual who has no prior work experience with IDEA or a current or former IDEA employee.

<sup>5</sup> 2 CFR § 200.303(a), U.S. Government Accountability Office *Standards for Internal Control in the Federal Government*, 4.02 and 4.05.

<sup>6</sup> Tex. Ed. Code §12.115(a)(2); FASRG Module 2; 2 CFR §200.303. Consistent with 19 TAC § 100.1033(b)(14)(C)(iv), the Board has the final authority to adopt policies governing charter school operations, including authorizing the Delegate or designee to adopt an administrative procedure to implement this policy. Moreover, as set forth in School's Articles of Incorporation and Bylaws and in accordance with Tex. Bus. Org. Code §§ 3.101 and 22.201, the Board is School's governing authority and, as such, manages and directs School's business and affairs through Board actions, resolutions and policy.

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**Sec. 10. ADMINISTRATIVE PROCEDURES.<sup>6</sup>**

The Delegate shall formally adopt administrative procedures as reasonably necessary to properly administer this policy and to adhere to applicable law and rule. In doing so, the Delegate shall not adopt, and is prohibited from adopting, an administrative procedure that conflicts with applicable law or this policy. Accordingly, the Delegate shall confer with the Board or legal counsel before deviating from the requirements set forth in this policy. In the event that a deviation from this policy becomes necessary, the Delegate shall either recommend an amendment to this policy or the Board’s approval of a specific deviation, including the purpose, scope and duration of the requested deviation.

**Sec. 11. DATE ADOPTED AND EFFECTIVE.**

As set forth in the pertinent minutes to the meeting of the Board, the Board adopted this policy on November 18, 2025, and became effective on November 18, 2025.

**Sec. 12. RETENTION.<sup>7</sup>**

This policy shall be retained until superseded, expired, or discontinued and for five (5) years thereafter.

**SEC. 11. CERTIFICATION.**

The Undersigned, being the Secretary of the Corporation, hereby certifies that the foregoing represents a true copy of the Board Policy relating to Compensation Setting Policy, as originally adopted by the Board on November 18, 2025, which Policy, as amended, is in full force and effect and has not been revoked or amended.

Board Secretary

  
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11/23/2025

Date Certified

<sup>7</sup> Tex. Ed. Code §12.1052; 19 TAC §100.1203; See Record Number GR1000-38 and GR1025-25 in Local Schedule GR: Records Common to All Local Governments, Revised 5th Edition (Effective April 17, 2016) adopted by the Texas State Library and Archives Commission at Texas Administrative Code, Title 13, §7.125(a)(1)