



ISTOCKPHOTO/CORBIS

Partnering for Compensation Reform

Collaborations between Union and District Leadership
in Four School Systems

Meg Sommerfeld June 2011



Partnering for Compensation Reform

Collaborations between Union and District Leadership
in Four School Systems

Meg Sommerfeld June 2011

Contents

- 1 Introduction and summary**
- 6 Toledo Public Schools, Ohio**
- 16 Weld County School District Re-8, Colorado**
- 24 Pittsburgh Public Schools, Pennsylvania**
- 31 Prince George's County Schools, Maryland**
- 40 Lessons for district and union collaboration**
- 48 Districts allow for flexibility in program design**
- 50 Conclusion**
- 51 References**
- 54 Endnotes**
- 55 About the author and acknowledgments**

Introduction and summary

If it hasn't been made clear by the recent protests played out in the state capitols of Ohio and Wisconsin, teacher pay is a hot-button issue.

Even at a time when labor unions are under fire in some states, in many areas teachers' unions and school-district officials are coming together collaboratively to explore new ways of compensating teachers. Indeed, a growing number of American school systems are experimenting with innovative and varied methods of tying educators' salaries more closely to their work through differential pay.

Differential pay means paying teachers differently based on their performance, their responsibilities, and/or their teaching assignments. For instance, it can mean increasing pay for teachers who are highly effective, take on the role of master or mentor teachers, or teach in a high-needs school. In some systems teachers' unions are working collaboratively with school districts to develop differential pay programs.

For this paper, I examined four school districts that have successfully partnered with their local teachers' unions to create differential pay programs, in an effort to better understand how these collaborations have evolved and what they are accomplishing. The common elements of these collaborations provide helpful guidance for districts and unions embarking on new reforms of teacher-related policies and programs.

Teacher compensation reform has bipartisan support and President Barack Obama has made it a central component of his administration's education-reform strategy. "We've got to do a better job of rewarding outstanding teachers," he asserted in a November 2009 speech.¹ Indeed, President Obama and Secretary of Education Arne Duncan have repeatedly urged the nation's schools to take a fresh look at how they compensate teachers as one part of a broader policy effort to ensure all children have a highly effective teacher. "We know that from the moment our kids enter a school, the most important factor in their success—other than their parents—is the person standing in front of the classroom, the teacher," President Obama observed in the 2009 speech.²

The concept of rewarding excellent teachers with extra pay is not a new one. During the 1980s and 1990s, American education leaders began focusing more attention on what was then called “merit pay.” They sought to develop alternatives to the conventional teacher salary schedule, which typically tied pay raises to years of service and college course credits accrued.

The notion of rewarding the most talented teachers with financial incentives has gained more traction in recent years. And more districts and states are not just debating the idea but are actually creating a variety of different programs and putting them into practice. The concept itself has also largely evolved beyond simple bonuses tied solely to achievement test results. Instead, today’s compensation-reform programs are often one component of larger, more comprehensive initiatives that are revamping entire systems of how teachers are recruited, trained, developed, and evaluated. Like a jigsaw puzzle, each piece must fit together with the others to form a complete solution.

New federal dollars that underwrite these ideas have certainly also encouraged the expansion of the concept. Most recently, in September 2010, the Education Department awarded \$442 million in Teacher Incentive Fund grants. The fund is a five-year, \$1.2 billion federal program administered by the U.S. Department of Education aimed at encouraging school systems, state education departments, and nonprofit organizations in 27 states to implement performance-based teacher and principal compensation systems and other efforts to build teacher capacity, especially in high-need and hard-to-staff areas.

Improving teacher and principal effectiveness based on performance is also one of four cornerstones in the Obama administration’s \$4.53 billion Race to the Top grant competition, along with higher academic standards, using data to improve student achievement, and turning around low-performing schools. And one of the strategies within that cornerstone is providing effective educators the opportunity to earn additional pay and take on additional responsibilities.

Meanwhile, private philanthropies such as the Bill & Melinda Gates Foundation, the Eli and Edythe Broad Foundation, and the Milken Family Foundation, among others, are increasingly using their grant dollars to encourage schools to find innovative ways to improve the quality of their teaching force, including the adoption of performance pay.

At the same time, teachers' unions have taken notice of these developments. A growing number have begun working with district leaders to develop new systems for rewarding excellent teachers that both labor and management can agree on. We examined four districts that are successfully collaborating with teachers' unions:

- Prince George's County Schools, Maryland
- Pittsburgh Public Schools, Pennsylvania
- Toledo Public Schools, Ohio
- Weld County School District Re-8, Colorado (abbreviated as Weld Re-8)

Each of these four districts is among the first cohort of 34 school districts and other organizations that received grants from the Teacher Incentive Fund in 2007. The Education Department has awarded these TIF grants to districts with performance-based compensation efforts it has determined are “rewarding excellence, attracting teachers and principals to high-need and hard-to-staff areas, and providing all teachers and principals with the feedback and support they need to succeed.”³

Through our four case studies of these TIF grantees, the author has identified six common elements at work in these performance-pay partnerships between districts and unions:

- There is a history of trust—the belief that the other party genuinely wants what is best for you—between teachers' unions and school district leaders.
- Leaders identify key challenges together and focus on joint problem solving and learning.
- Teacher input is encouraged and valued in the design of pay programs.
- Pay programs embrace a comprehensive approach focused on building teacher capacity, including a focus on new professional development systems and teacher evaluation systems.
- Teacher participation in pay programs is voluntary.
- Districts allow for flexibility in program design.

Some critics have raised questions about whether performance pay in particular has an impact on student achievement. A study released in the fall of 2010 by researchers at Vanderbilt University raised questions about the effectiveness of one performance-pay program involving 300 middle-school math teachers in Nashville, TN, suggesting it had little impact on student performance.⁴ Notably, however, the Vanderbilt program was narrow in scope, limited largely to a bonus tied solely to test scores, and lacking additional program components or supports

for teachers. Unlike the programs we studied, however, the Nashville program did not take a comprehensive approach that tied performance pay to improvements in professional development or to changes in how teachers are evaluated.

More comprehensive and collaborative approaches, such as the partnerships we examined in the four districts receiving TIF funds, are more likely to be successful. There is little reason to expect that a simple bonus by itself can have a profound impact if it is not paired with substantive changes in professional development, teacher evaluation, teacher working conditions, and a significant role for teacher leadership and input in schoolwide reform efforts, among other elements.⁵ Many of these more comprehensive approaches are just beginning to be put into practice, so little evidence exists yet of their relative effectiveness on student achievement. More research in this area will be helpful in determining the impact of these reforms over the long term.

In the future we can expect the federal government to focus more attention on school district-union collaborations, especially those aimed at improving teacher quality. One sign of this growing interest: In February Secretary of Education Arne Duncan and the leaders of the nation's two largest teachers' unions, Randi Weingarten of the American Federation of Teachers and Dennis Van Roekel of the National Education Association, came together in Denver to lead a national conference focused on labor-management collaboration. Conference sponsors also included the National School Boards Association, the American Association of School Administrators, the Council of Great City Schools, and the Federal Mediation and Conciliation Service, and the Ford Foundation provided funding for the gathering.

The meeting highlighted partnerships such as those in this study, which are aimed at finding common ground in how school districts can work effectively with teachers' unions to improve teacher quality and school performance. To be eligible to participate, school districts had to pledge to send their school board president, superintendent, and teachers' union or association leader to the meeting as a group and to work together collaboratively afterward on policymaking. The U.S. Education Department selected 150 school districts to participate, including three of the four districts profiled in this report case—Prince George's County, MD; Toledo, OH; and, Weld County School District Re-8, CO.

Meanwhile, state legislators in Oklahoma, Nebraska, Ohio, and Indiana, among others, have passed new laws to encourage school districts in their states to adopt performance pay and engage in various forms of compensation reform. Spurred by the tenets of the “Race to the Top” funding competition, some states have also altered existing laws that had previously barred or made it difficult for districts to tie salaries to performance criteria. At least 19 states currently have some type of performance-pay law on the books, according to one estimate published by the journal *Education Next* last fall.⁶

An analysis of Race to the Top applications from 36 states, conducted by the Education Commission of the States, found that the states fell into three categories:

- State-led: 18 states were developing pilot pay-for-performance initiatives that could serve as models for other districts in the state.
- Pilot programs: Nine states had state-led programs that would use Race to the Top funding to “identify and compensate high-performing teachers” either by the state making awards directly to teachers, giving funds directly to participating local districts, or some combination of both methods.
- Local educational agency: Nine other states asserted that local districts could determine for themselves whether to implement performance-pay programs.⁷

At the local level a growing number of districts are piloting new compensation structures. During the 2009-2010 school year, approximately one-third of the more than 100 large districts in a National Council for Teacher Quality database reported having a performance-pay plan in place.⁸

As politicians at the federal, state, and local levels are all honing in on the critical issue of compensation reform and attempting to encourage more union-district collaboration, we expect a growing number of educators to be seeking guidance on these topics. In this report we examine four union-district collaborations in detail. We believe these case studies will help shed light on the experience of four districts already working hand in hand on these issues and the lessons they have learned from their collaborative ventures on performance pay. These case studies are followed by an in-depth discussion of the elements that help them succeed.

Toledo Public Schools, Ohio

If you ask union and district leaders in the Toledo Public Schools—“what was the most important element in your successful collaboration on performance-pay issues?”—they will independently give the same response: the fact that they already had a constructive relationship, one deeply rooted in mutual respect and trust.

Union and management leaders both emphasize that their partnership did not develop overnight, and even today they occasionally still diverge on some issues. But they agree it was vital to have a solid foundation of trust in place before setting out to design a performance-pay program, an issue they knew was both complex and potentially controversial. Simply put, “without collaboration, there would be no performance-pay program,” says Joan Kuchcinski, coordinator of TRACS, the Toledo Public Schools performance-pay program.

Collaboration evolved out of earlier partnership on peer-review issues

Francine Lawrence, president of the Toledo Federation of Teachers, the local union affiliate, traces the roots of their strong working relationship to the earlier success of the Toledo Plan. The Toledo Plan is a peer-review program the district and union launched jointly in 1981. When they created this program, their goal was to establish first-rate performance standards for classroom teaching practice and for the union to play a larger role in both developing and enforcing these standards.

Furthermore, in many districts teaching is still regarded as an occupation, not a profession, Lawrence asserts. “Peer review sets standards for excellence in performance and fosters the professionalization of teachers,” she continues. “As in law or medicine, the practitioner takes responsibility for the standards by which professionals are governed and holds their peers accountable.”

Under the Toledo Plan, all new teachers start out as “interns” and the district matches them with an experienced teacher known as an “intern consultant,” who mentors them and evaluates their performance. Each intern consultant advises 12-15 first-year teachers, observing them in the classroom and holding regular conferences with them to establish goals and discuss their progress. In addition, the consultants may assist one or two veteran teachers who are struggling in the classroom and need additional training or support. The intern consultants are selected through a rigorous process and receive an additional \$6,850 per year in compensation. They serve in this role full time for a three-year period, after which they return to their regular classroom. This year, about 300 novice teachers participated in the program, working with 13 intern consultant teachers.

To persuade teachers that the Toledo Plan peer-review system would help rather than harm them, Lawrence says the union and the district emphasized it could actually give teachers more control over what happens in schools. “We did not start by saying, ‘Do you want to be evaluated by other teachers?’”, she observes. “We started early on with our vision of the professionalization of teaching, asking our colleagues, ‘Do you want to be part of a profession that is respected by high standards and excellence?’”

Under the peer-review system, teachers now have a more meaningful seat at the decision-making table than is typically the case in most school districts, she said. With this greater voice in decision making comes additional tasks and commitments for teachers, however. “We assumed responsibility for developing and enforcing high standards for teaching practice, for decisions about curriculum and instruction, and for professional development,” Lawrence notes.

When it is time for the district to select a new Algebra 2 textbook, for example, teachers, rather than administrators, oversee this process. Similarly, department chairmen are now chosen by a committee of teachers rather than being appointed by a district official. The role of the union’s elected building representatives has also evolved. In the past the building representative’s primary responsibility was to monitor working conditions and contract enforcement for the union. While they continue to perform this role, the building representative also serves as the in-house “teacher leader” for all school-improvement initiatives working in close partnership with the school principal. If a principal plans to launch any new schoolwide initiative or program, it is understood that the building representative must co-sign the proposal as a full partner in the venture.

Changing views about the roles of teachers

Over time, all of these changes have led to an evolution in culture of schools, most notably in the attitudes about the role of teachers—both in how teachers view themselves as well as in how administrators now envision teachers' roles. Teachers feel responsible for the overall performance of the school and not just their own classroom. “We see ourselves differently,” says Lawrence. “When teachers have a sense of ownership, they become leaders in implementation. If you don't feel ownership, if it is imposed by people who don't teach, the implementation is less than full-bodied.” At the same time, she says, administrators now regard teachers as playing a leading role in determining their working and professional conditions. “It is not an environment where decisions are imposed but rather matters are jointly debated, discussed, and decisions reached collaboratively,” she adds.

Since the Toledo Plan was introduced, other school districts in Ohio, including Cleveland, Columbus, and Cincinnati, have adopted similar peer-review programs, and it has served as a model for other districts across the country. In 2001 the program was recognized with an “Innovations in Government” award from the Kennedy School of Government at Harvard University. The success of the union-district collaboration on the Toledo Plan helped in turn to lay the groundwork on both sides for new ventures, most notably the new performance-pay program. With teachers and administrators viewing themselves and each other differently in a more collaborative working environment, the climate in Toledo was now more conducive to introducing alternative forms of compensation beyond the traditional salary schedule, compensation that would recognize their additional contributions in a variety of areas inside and outside the classroom.

How the Toledo performance-pay program works

The district's pay-for-performance program is known as the Toledo Review and Alternative Compensation System, or TRACS. It was developed over the course of the 2001-02 school year and put into practice in the 2002-03 school year. The program, which is voluntary, allows teachers the option to receive additional pay for taking on assignments in struggling schools, for teaching in subject areas in which there are teacher shortages, and for working in teams tackling important districtwide reform efforts, such as aligning Toledo curriculum standards with state assessments. To qualify, teachers must first meet certain requirements set by the district aimed at ensuring the best teachers are chosen for these assignments.

There are several components to the performance-pay program: TRACS B and TRACS C, which includes TRACS 1, TRACS 2, and TRACS 3. Of the district's approximately 1,930 contract teachers, about 125 participate in the TRACS 1, 2, or 3 programs, representing roughly 6.5 percent of the teaching force. "We wanted to make sure that the teachers who make it into our TRACS program are the best, that they have the respect of their peers, and that they are outstanding classroom teachers," says Kuchcinski.

Under TRACS B, schoolwide bonuses are paid to all teaching staff, principals, and paraprofessionals in schools that meet certain student-achievement goals. In the most recent year for which data are available, 1,062 teachers received bonuses through this program, representing about 55 percent of the teaching force. In addition, 101 principals and 117 paraprofessionals also received bonuses.

The programs are supported with federal TIF dollars. Toledo Public Schools has received \$6.4 million over four years as a part of a larger federal TIF grant to the Ohio State Department of Education.

TRACS 1: Teachers conduct research aimed at school needs

All core academic and special-education teachers can choose to apply to participate in TRACS 1. To be accepted, each teacher must undergo a rigorous qualification process that begins with obtaining and submitting peer ratings from a team of five educators from the teacher's school: the principal, the union building representative, the department chair, and two teachers. Those who successfully complete this initial process are asked to submit a standards-based portfolio. They must also complete an impromptu writing sample, which they cannot study or otherwise prepare for.

In addition, two trained observers make unannounced visits to their classroom at least four times to evaluate their teaching skills. Lawrence says the criteria for TRACS 1 participation were set so the bar was regarded as high, but still attainable. "People said if everyone gets in, the criteria are too easy ... and if no one gets in, then people will put [the idea] on the shelf and there is no credibility."

Once admitted into the TRACS 1 program, participating teachers' primary new responsibility is to complete a research project that helps address the needs of their particular school. They must select one aspect of student or school performance, study the data on current performance in that area, suggest and imple-

ment intervention strategies, measure progress, and report back to a district committee. In one case, for example, a group of TRACS teachers analyzed math test data to identify specific mathematics curriculum indicators students were having trouble understanding.

Next they developed math lessons designed to teach these pinpointed indicators more effectively. The teachers then videotaped themselves teaching these model lessons in their own classrooms. Finally, they presented video lessons to their fellow teachers in professional development sessions, walking them through how to best present the math techniques to their students.

“Our TRACS teachers love it,” says Kuchcinski. “It gives them an opportunity to work with other teachers in their district that they might otherwise never know.” Teachers report that they enjoy working in teams and interacting with a variety of colleagues on a professional level, one aimed at solving problems and testing out new ideas. The district currently has 57 TRACS 1 teachers who earn an annual stipend equal to 5 percent of their current salary. This year 13 new teachers applied for TRACS 1, eight of whom were selected. Teachers who are accepted tend to remain in the program. Over the program’s seven-year history, only two out of a total of 59 participants have dropped out.

TRACS 2: Teachers work on district-level reforms

In this program, teachers work in teams to tackle districtwide improvement initiatives. The number of teachers participating in this program in a typical year has ranged from 4 to 20 teachers. In order to participate in TRACS 2, teachers must meet at least one of the following requirements:

- Be accepted into TRACS 1
- Be a veteran intern consultant from the peer-review program who has returned to the classroom
- Obtain certification from the National Board for Professional Teaching Standards
- Have qualified through the screening process for the district’s previous career ladder program

A total of about 125 teachers in the districts are currently eligible under these guidelines, 57 of whom are TRACS 1 teachers, and an additional 65 who meet at least one of the other three requirements. TRACS 2 teachers typically serve

in the role for one to two years and earn a 10 percent increase in annual pay. (Those who are National Board-certified teachers also receive an additional \$2,900 a year in supplemental pay.)

Among examples of recent projects, teams of TRACS 2 teachers have developed alignment pacing guides for all core academic subjects in grades K-12, which match the district's curricula to state standards and assessments. "In quarter 1, if you are teaching English 1 in a high school, there are certain areas that teachers should be covering, that will be the same no matter what high school a student attends," Kuchcinski explains. The new pacing guides "give some continuity; it helps with our transient population of children who are constantly moving from one school to another back and forth so they don't miss out on important educational information that they need."

For another assignment, a team of TRACS 2 teachers developed new standards-based elementary report cards, which were similarly aligned to the state curriculum standards and to state tests. "Those are huge assignments that take a long time to complete, and they affect the entire district," says Kuchcinski.

TRACS 3: Top teachers take new assignments at struggling schools

Participating teachers agree to take assignments in low-performing schools or to teach in subject areas experiencing teacher shortages, such as math and science, for at least three years. Teachers must meet one of the same four requirements in TRACS 2 to accept a TRACS 3 assignment. (Be a TRACS 1, National Board-certified, past intern consultant, or past career ladder teacher.)

Union and management representatives work together to identify these special teaching assignments. Teachers who participate in TRACS 3 receive a 15 percent increase in additional annual pay. In addition, on a short-term basis, they have been eligible to receive an additional 5 percent pay increase, during the period while the district is still receiving the federal TIF grant, adding up to a total pay increase of 20 percent. (The payments come from any TIF funds left over once the schoolwide bonuses are paid.)

"This 5 percent is the frosting on the cake," says Lawrence, the union president. Kuchcinski adds that the union and the district leaders "wanted to attract and reward our accomplished teachers who were willing to go the extra mile" by

assuming additional curriculum or instruction responsibilities, who were willing to go to high-needs and or hard-to-staff subject areas, and would agree to give up their seniority in their regular building.

TRACS B: Schoolwide bonus program

In addition to the TRACS 1, 2, and 3 options, TIF funding is being used to support schoolwide bonuses tied to increases in school achievement. Teachers can receive additional compensation through TRACS B when schools meet goals for improving student academic achievement. To qualify, each school must write a Goal Achievement Plan that addresses how the school will meet objectives in three key areas. The first two objectives address meeting performance goals on Ohio state assessments in reading and math. The third goal is typically an attendance goal but also can be another objective selected by the local school. All Toledo schools are eligible to participate. While there are two Toledo public schools that do not meet the minimum poverty levels under the TIF grant requirements, the district has agreed to pay out the bonuses if those schools meet their goals.

If, at the end of the school year, a school meets all three goals, all teachers in the school receive a \$2,000 bonus. If the school achieves two out of the three goals, teachers receive a \$1,000 bonus.

The district hopes to keep bonuses at this level, but as the district is currently facing a deficit of up to \$44 million, it may need to reduce the amounts each teacher receives, depending on the future budget situation.

Over time, the number of schools participating in the schoolwide student achievement program has grown. There are a total of 55 public schools in Toledo. In the first year of the TRACS B program, four schools met their goals, receiving a collective total of a bit less than \$100,000 in teacher bonuses. In the second year 23 schools met their goals and received a total of \$1.1 million in bonuses. By the third year of the program, 28 schools met their goals and were awarded a collective \$1.9 million. In 2009-10, the fourth year of the program, 26 schools met their goals and received bonuses totaling \$2 million.

“The goals have to be very clear, measurable, and transparent, and certainly a collaborative and agreed-upon effort,” says Diane Irving, the district’s assistant superintendent for elementary education, about the TRACS B bonus program.

“It has to be mutual consent and working together with shared responsibilities as well as leadership.”

Since the district began the TRACS B program, the district has improved its ratings on the Ohio state report card rankings, moving up from a status of “Academic Watch” to a status of “Continuous Improvement.” There is no doubt, says Lawrence, that the additional TIF funding for the TRACS program contributed to the district’s ability to improve its standings.

How the agreement came about

The TRACS alternative compensation system was negotiated in 2001 and replaced an existing career ladder pay agreement. Interestingly, most of the details of the program are not specifically spelled out in the language of the teachers’ union contract. While both the Toledo Plan (the peer-review program) and TRACS (the performance-pay program) are referenced generally in the contract, the actual mechanics of how it works are spelled out in detail elsewhere. “We agreed to a two-page outline of what an alternative compensation system would look like, what some of the key elements were,” says Lawrence.

Some of those elements include language stating the purpose of the program and that participation is voluntary. “But we did not try to begin to design the system at the table. You just can’t negotiate the details at the table.” Once Lawrence and then-Chief Academic Officer Craig Cotner, the lead negotiator for the district, agreed to this outline of basic principles, Lawrence took it back to her membership to seek their support. “I had overwhelming, wholehearted support from the teacher membership,” she recalls.

Over the course of the following school year, she and Cotner spent hours working out the details of the plan with others who would be overseeing it with them. They created a separate document describing the mechanics of the TRACS system. Since the program was first introduced, it has been overseen by the district’s Professional Assignment and Compensation Committee, which has five members—three teachers appointed by the union president and two administrators appointed by the superintendent.

In addition, the union president and the district’s chief academic officer serve in a nonvoting advisory role. The committee meets quarterly and is charged with

reviewing the peer ratings of teachers seeking to participate in the program and selecting the participants. The committee also spends two to three days each May hearing all of the TRACS teachers present project reports. The committee listens to the reports and engages in a back-and-forth dialogue with the presenting teachers.

Looking toward the future

Earlier this year, Toledo's performance-pay program was recognized with a \$200,000 Innovations Award from the American Federation of Teachers in recognition of its pioneering status. The district plans to use the award money to create a pilot performance-pay program for a grade-level team of teachers in the same subject area starting with fourth-through-eighth-grade math teachers. The district hopes to eventually expand this pilot program into other grade levels and academic subjects. In a letter of support submitted when the Toledo affiliate applied for the AFT award, Ohio State Superintendent Deborah Delisle called the Toledo union "a leader of innovation and change." She wrote that she views the Toledo union's efforts "as an opportunity to improve student achievement in Toledo Public Schools by continuing to propel the knowledge and skills of teachers and teacher teams to high levels of effectiveness."

The district's assistant superintendent says the goal was "to keep our good teachers teaching." Irving notes that the normal salary schedule rewards everyone the same based on years or seniority. "It is difficult when you are paying a graduate maybe \$32,000 a year to start, but in the business world or some other job, they might be able to make \$50,000 or \$60,000 to start."

Lawrence agrees "that is what is wrong with the traditional structure of American education; the incentive is financial, so people leave the classroom to earn more money and to gain what some view as status and respect." She says in Toledo the union has "done everything we can to negotiate incentives to keep talent in the classroom. Now great teachers don't have to leave their classroom to gain respect and to earn additional compensation."

The performance-pay program also opens up new opportunities for learning and personal and professional development. Lawrence says the TRACS process allows for the discovery of untapped talent. "Then we give the talent opportunities. ... as a union president, it is one of the most exciting aspects of what we do, because it places responsibility on and gives opportunity to those at the heart of teaching—the teachers."

Update from Ohio

At publication time, both the Toledo Plan and TRACS programs are facing an uncertain future. With the district facing millions in budget cuts, in early March 2011 Superintendent Jerome Pecko proposed cutting both programs. The timing of the cuts occurred in a contentious policy climate. The Ohio General Assembly had recently passed a bill limiting some collective bargaining rights of public employees at the same time that efforts were underway in several other states to curtail collective bargaining rights.

In response, longtime Toledo Federation of Teachers President Francine Lawrence, who recently announced her plans to retire at the end of the school year, raised questions about whether the absence of the programs would disqualify the district from receiving its nearly \$11 million in Race to the Top funding, given the district would no longer be complying with its agreements to work collaboratively with the union to reform how teachers are trained, evaluated, and paid. On March 15, 2011, she notified the Department of Education that the union was withdrawing from the Race to the Top program.

Over the course of several weeks, district administrators and union officials participated in mediation sessions with state agency officials. On April 11, 2011, both parties notified the Ohio Department of Education that they resolved their differences over Race to the Top but have not yet determined the future of the Toledo Plan and TRACS programs.

Weld County School District Re-8, Colorado

While union and district leaders in Toledo, OH, cite a long-term trust relationship as a pivotal ingredient in their success, efforts in the Weld Re-8 district in Fort Lupton, CO, schools got off to a rockier start. Initially, teachers' union officials were not included in planning meetings when district officials applied for a federal Teacher Incentive Fund grant to fund its new performance-pay programs. In fact, local union president Roberta Chacon-Caciari went so far as to file a Freedom of Information Act request to obtain a copy of the TIF grant application.

"I had been hearing things via the rumor mill. I had been doing everything I could to keep apprised of what was going on, but I was not allowed any information," recalls Chacon-Caciari, president of the Fort Lupton Education Association, noting how the union felt excluded from the planning process. "It was a real frustration. I knew we had submitted a grant application, so why were we being left out?" She believed a new initiative such as the performance-pay program was more likely to succeed if teachers had a greater voice in how it was designed. "I don't want an adversarial relationship," she says. "I believe communicating and working together gets us so much further along ... [and] this was an opportunity to see what we could do when we were all working together."

From a rough start to a successful partnership

Despite an initially shaky beginning, the district and the union were ultimately able to come together to work as partners on the performance-pay initiative. The district changed its stance and made a greater effort to reach out to the union. After the district won a \$3.06 million TIF grant in 2006, it hired Carol Ruckel to coordinate the program. One of the first things Ruckel did on the job was reach out to Chacon-Caciari and make sure she had a copy of the grant proposal, rather than make the union wait for its FOIA request to be processed.

Indeed, Chacon-Caciari says the gesture made a big difference. She says once she had an opportunity to read through the details of the plan, she began to feel much more optimistic about what the performance-pay program could mean for teachers in Fort Lupton. “This is something I really believe we can work hand in hand with, and we can really make it a positive thing,” Chacon-Caciari says she told district officials at the time. She also was impressed by Ruckel’s professional background and viewed her as someone she could rely on and respect.

Similarly, Ruckel was eager to work with Chacon-Caciari. “She and I both started working hard on building a relationship and made some personal commitments to each other about being open and honest about things, and always upfront, and that is the way we have been.” She says she was struck by the way Chacon-Caciari approached her role as an advocate for educators’ rights. “She has done an amazing job of dealing with the issues quickly and forthrightly when they come up,” says Ruckel. “As a result of her work, we don’t have grievances in this district. It’s much less adversarial here on just about everything.”

Challenges of poverty and teacher turnover

Both Chacon-Caciari and Ruckel describe Fort Lupton as a semirural community about 30 miles northeast of Denver. The Weld Re-8 district is small with 2,400 students and just four schools (two elementary, one middle, and one high school) and a K-8 magnet program. Ruckel describes the district as “a pocket of poverty surrounded by districts that are a little more affluent than we are.” More than half of its students come from low-income families: This year, 68 percent of its students are eligible for free and reduced-price lunch.

Both Ruckel and Chacon-Caciari agree one of the district’s greatest challenges was that its salaries lagged considerably behind teacher pay in surrounding communities. “There was a huge salary schedule discrepancy, and therefore we had huge turnover and difficulty recruiting teachers,” explains Ruckel. Compounding the problem was the lack of affordable, appealing housing that would attract recent college grads pursuing careers in teaching, such as apartment complexes with swimming pools. “We are a small town, we don’t have amenities; we don’t even have a movie theater,” she notes.

As a result, many teachers lived outside the district and were more likely to quit their jobs when positions opened up closer to home that not only paid better but would also shorten their commutes. Prior to the TIF grant award, teacher turnover had been as high as 34 percent—or about one in three teachers leaving their jobs each year. Challenging conditions such as these made the union more open to considering less-conventional solutions, such as performance pay. “As an association that was something we had been really working hard on, about what we could do to make a change in teacher pay,” says Chacon-Caciari. “Given how hard it was to get a wage even in keeping with cost-of-living adjustments, I thought this could be a good opportunity to get money into the pockets of teachers.”

Designing the initiative as a team

The district created a steering committee to design and oversee the new performance-pay initiative. The committee of 17 is broadly representative and includes central office administrators, principals and assistant principals, a school board member, a teachers’ union representative, and four to five teachers—some who belong to the union and some who do not. (Not all teachers in the district are union members; about 60 percent of district teachers opt to join the local union and 40 percent do not.) The steering committee also includes four to five community members, including some who are parents and others who reside in the area but do not have children in the school system.

Once the committee agreed on the design of the program, it was incorporated into a document that spells out policy on teacher pay as agreed upon by the union and the district. Although the Fort Lupton Education Association does not have a formal teacher’s contract, it does operate under a legally binding written “trust agreement” with the district. It primarily addresses issues related to teacher pay but not working conditions. The existing trust agreement was modified to include language about the new performance-pay program and other aspects of the TIF grant.

The performance-pay structure created by the steering committee had two primary components. Teachers could earn additional pay through either or both of the two methods:

- Student Achievement Measures awards, in which all teaching staff in a school would receive monetary bonuses if student achievement improved

- Voluntary Incentive Paths, a voluntary program in which teachers would be rewarded for setting and meeting goals in one of three “paths” working on an “action research” project aimed at solving a problem or answering a question; meeting a student test performance goal; or meeting another important objective spelled out in school or district improvement plans

Student Achievement Measures: Bonuses for improving student outcomes

For the Student Achievement Measures awards, all teaching staff in a school receive a performance-pay stipend if students in their school demonstrated improvements in academic achievement. In the first year of the program, the district measured student achievement using a complex formula rooted in how schools fared in a local school accreditation process. Beginning in the second year, however, the district halted this approach and instead decided to measure student achievement through a new state “growth model.”

This model measured how the district’s students fared on state tests in reading, writing, and math, as compared to their academic peers statewide. Academic peers are defined as a group of children with the same score history on state tests for the previous one to three years. “You are looking at a kid as to how they compare with other kids at their level, and then how they compare to other kids statewide,” explains Ruckel. “And you are also looking at gains, not just whether you are at the sixth-grade level as a sixth-grader.” Under the growth model, school teaching staff receive bonuses if their median growth percentile exceeds the state growth average in all three tested subjects of reading, writing, and math.

Over the past few years, these annual Student Achievement Measures schoolwide payouts have ranged from as little as zero dollars to as high as \$2,210 per teacher. Award amounts varied by school but within each qualifying school all teachers received the same amount. The amount of the annual award has varied from year to year based on students’ test performance but the maximum award has typically been in the neighborhood of \$2,000 to \$2,200 per teacher.

On the low end, last year two schools received nothing. “They were not really happy,” acknowledges Ruckel. “But here was the difference: They felt [it was fair because] the scores came from the state. We worked very hard to help people understand how the growth model works, so they understood where the scores came from.” Using scores on a state test was perceived by teachers as being a neutral and fair yardstick.

In addition, the district also sought outside validation of how the awards were calculated. Each year, they have experts at the Center for Education Compensation Reform at the University of Wisconsin review how the awards were calculated. “It provides verifications for us that this is genuine and this is real stuff,” explains Ruckel. “We got a letter from them verifying the calculations, and that is posted on our website when we post the [amount of the] awards.”

Voluntary Incentive Paths: Teachers set goals to solve problems, address challenges

In addition to the achievement-related awards, teachers can also earn additional pay through the district’s Voluntary Incentive Paths program, in which participants can pursue one of three options:

- Path 1: “Action Research”: Conduct an “action research” project, which has a practical focus and is designed to solve a specific problem or challenge (as opposed to research that might be interesting, but exists in a vacuum, lacking any relationship to the district’s actual needs). Classroom teachers conduct their own research and incorporate their findings into their day-to-day teaching practices. Their classroom is, in essence, their laboratory.
- Path 2: “Student Achievement Goal”: Develop a project aimed at meeting a specific student achievement goal as measured by a district-adopted assessment or state tests.
- Path 3: “Other”: Develop a project aimed at meeting a specific goal in their school improvement plan or the district’s improvement plan.

Teachers participating in any of the three Voluntary Incentive Paths programs can work individually or as part of a team. The maximum size of a team is six teachers but most projects are conducted either by individuals or small groups of two to four teachers.

A special monthly professional development class provides training, support, and technical assistance to the teams throughout the year as they work on their projects and prepare their final research reports. In these professional development sessions, the teams learn about techniques specifically aimed at helping

them complete their projects, such as data collection and data analysis. The class is led by a district instructional leader who provides support and guidance. The leader also establishes timelines to keep the teams on track with the projects throughout the school year.

Each team initially identifies a specific issue or challenge to explore and familiarizes themselves with the relevant educational literature. They then collect and analyze data, reflect on what they have learned with other teachers, and refine their question or clarify their focus if needed. After this process they formulate an action plan for how to take what they have learned and put it into practice in their classroom. Toward the end of the school year, they write a report summarizing all of their findings and results and present it to the steering committee.

The professional development class is primarily geared at those teachers conducting action research projects but it is open to teachers in the other two paths, and some do attend, particularly when it gets near the time to prepare their reports or presentations. In the other paths, “those teachers who took Path 2, ‘Student Achievement Goal,’ simply set a goal—which I published on our website—and reported on their results. They had no other responsibilities,” explains Ruckel. “The Path 3 ‘other’ folks had a variety of things, but again had no process requirements like Action Research.”

Teachers receive \$250 for completing their research and an additional \$750 if they meet their goal. During the first year 29 teachers worked on a total of 15 projects and the district paid out \$21,250 to 11 of the teams. This year 44 teachers are working on 23 projects. “It was pretty dang amazing; it was pretty impressive,” says Chacon-Caciari of the various research projects her colleagues have undertaken. “I was pleased for them because it was something they decided to take on, and it is not for a whole lot of money.”

Recent projects have focused on issues ranging from reading skills to physical fitness to bullying prevention. For one project entitled “Fabulous Five,” a high school band teacher identified five talented student musicians at risk of not graduating and developed and implemented strategies aimed at keeping them in school and earning their diploma. At the end of the year, all five students graduated from high school. Four out of the five students are currently pursuing postsecondary education.

Whatever the focus was of each teacher or team’s research, “every project has to have a measurable goal related to student achievement where possible,” emphasizes Ruckel. “We are seeing this year’s projects are much more focused on data, and an understanding on the part of the teachers about what their data is telling them and what they need to do with their kids as a result.”

Positive impacts beginning to be seen

In the three years since the district received its TIF grant and implemented the performance-pay program, teacher turnover has dropped dramatically. Although it has some minor fluctuations, the general trend has been downward, dropping from a high of 34 percent five years ago to 13 percent last year, its lowest level in six years. While Ruckel cautions that the decline in teacher turnover is not entirely attributable to the new performance-pay program, she believes it is one of a number of important factors. Other possible causes include the fact that the district is providing better support for new teachers, and more attention is being paid to teacher mentoring—both of which have also been supported by the TIF grant.

Also having an impact is the current overall state of the economy. Layoffs in surrounding districts mean it is harder for teachers to find jobs elsewhere, compared to the past, so more may be staying put for this reason. In addition, increased property tax revenues resulting from a 2006 mill levy override also enabled the district to increase teacher salaries by 10 percent across the board at that time.

“We *do* use the grant as a recruiting tool, and younger teachers are interested in districts that offer differentiated pay,” says Ruckel. “We also, outside of the grant program, will give teachers in hard-to-fill positions five extra years on the salary schedule, and keep them there, which is a good recruitment, retention tool.”

Chacon-Caciari admits to being a skeptic to begin with, but “there have been some phenomenal things that have come from this grant.” As union president, she embraces the additional pay for her members but she also thinks the money itself is not always the most important part. While she does believe it is a motivating factor that draws teachers in, she also has found that the professional development support that accompanies the additional pay is just as valued by them.

She cites, as examples of the most meaningful professional-development sessions, training in areas such as data-driven instruction, English as a Second Language

learning strategies, and effective use of Promethean interactive whiteboards. She also notes that she personally appreciated training in AVID, a program aimed at helping underperforming students get the tools they need to be successful in school, including instruction in study skills, mentoring, tutoring, and other supports that put the student more firmly on the pathway to college.

“In the long run, even with the \$1,200 [award] recipient, that is great and that is cool,” she says. “But the biggest, most positive and wonderful thing that has come out of the entire TIF program has been the amount of training. It is just amazing, research-based training. There have been mentors and coaching that have been paid for to oversee professional development, but also going one-on-one to help people who are struggling. They are helping teachers get the resources they need to be successful and to implement best practices.”

Pittsburgh Public Schools, Pennsylvania

For Pittsburgh Public Schools Superintendent Mark Roosevelt and Pittsburgh Federation of Teachers President John Tarka, performance pay emerged as a new reform strategy largely because of the challenges faced by the Pittsburgh Public Schools—challenges so daunting they propelled the two leaders to work together more closely. “What catalyzed this is here is a district that, until recently, was pretty down on its luck,” says Roosevelt. “It had a bad reputation, bad board-superintendent relationships, and low morale.” The district was also grappling with a significant achievement gap. And in 2006 declining enrollment led to the closure of 22 schools, about a quarter of the district’s schools.

But Pittsburgh also had several developments working in its favor, says Roosevelt: It had successfully worked through several difficult contract negotiations with the union and reached resolution. And the district had just received an infusion of new resources—two massive financial commitments from private foundations to support reform efforts:

- In 2007 the University of Pittsburgh Medical Center pledged \$100 million to the “Pittsburgh Promise” to provide scholarships for Pittsburgh public school graduates with a minimum 2.5 GPA and 90 percent attendance record to pursue college or other postsecondary education. The grant was awarded as a challenge grant aimed at raising \$250 million in scholarship funds from the greater Pittsburgh community.
- In 2009 the Bill & Melinda Gates Foundation awarded the district \$40 million through its Intensive Partnerships for Effective Teaching program. Sometimes nicknamed the “deep dive” grant program, it has awarded \$290 million in grants to three districts (including the \$40 million to Pittsburgh) and one alliance of charter schools in Los Angeles.⁹ It is part of a larger five-year, \$500 million effort by the Bill & Melinda Gates Foundation aimed at improving how schools identify, develop, evaluate, and reward highly effective teachers.

“People thought, ‘Wow, we have this opportunity to access these dollars, but also to emerge as a national player,’” notes Roosevelt. “So everyone wanted to succeed.” Or as Tarka put it more simply, “It sure as hell made sense to take advantage of it.”

Pay issue gains momentum during in-depth conversations about school reform

At least initially, performance pay for teachers was not one of the major issues commanding attention from either the superintendent or the union president. In 2007 the district won a three-year, \$4.6 million TIF grant for a new program to award incentive pay to Pittsburgh principals who produce student achievement gains. But it had not yet moved in the direction of expanding these performance-pay efforts to include teachers.

The issue, however, began to receive more serious consideration during an intensive series of meetings held in the spring of 2009 when union and district officials were meeting to map out their joint reform strategy for the Bill & Melinda Gates Foundation grant. “We were not at work at creating any kind of performance-pay scheme; it mainly came out of those discussions,” explains Roosevelt. Eight district leaders and six union officials gathered for hundreds of hours of meetings over about three months. During this time period they mapped out a complex, 60-page roadmap for school reform called “Empowering Effective Teachers in the Pittsburgh Public Schools.” The ambitious document’s central strategy focused on how to ensure more highly effective teachers were educating the students with the greatest needs.

“It was a marathon; a huge, massive process,” recalls Roosevelt of the spring brainstorming sessions. “When you are thinking about replicability (sic), it is important to emphasize that this took significant time. ... it was exhausting and exhaustive.”

At the outset, the reform discussions actually began in a more confrontational mode, with each side assuming their traditional roles, Roosevelt notes. “We started relating to each other like old-style collective bargaining, meaning that ... it is adversarial by nature. One group says, ‘We want this,’ and the other group would say, ‘How ridiculous,’” he recalls. “[But] the three-month process was when we stopped behaving that way. We agreed to not posture, which is classically what collective bargaining is composed of. We also said ‘no lawyers’—no lawyers were a part of the process. I think these processes are broken, and you have to get rid of

all of this. Our major responsibilities are to pursue a collective bargaining agreement that puts into place practices that will advance the interests of students.”

Tarka agrees that holding meetings without attorneys present helped advance the discussions. “Attorneys can be very valuable. But if you can do something without them, it adds weight and value to what you end up with in the negotiations process.”

Instead, the team of educators took a different approach, Roosevelt says. They sat together in a room writing up different problems on a whiteboard such as “improving high school achievement” or “declining enrollment.” As they stepped away from their traditional roles and began to problem solve together, they began to discuss “honest ideas” about what they could do to address each issue. And it really worked. He said it was during those conversations that the question first arose “whether everyone should be compensated exactly the same.”

Roosevelt admits there were times when individuals did revert back to old behaviors and acted poorly. “People were allowed to do that and then a few minutes would pass and someone would look up very mildly and say, ‘I thought we weren’t going to do that.’”

Union focused on teacher capacity, work environment, and evaluation standards

As the educators began to discuss innovations in teacher compensation, and more specifically performance pay, it became important to explore related issues, such as how to build teacher capacity and improving the quality of the working environment for teachers and the learning environment for students, recalls Tarka. He went on to say that it also became important to consider how teachers could be trained more effectively before they even take their first step into a classroom. He remembers his first experience as a classroom teacher in Pittsburgh being considerably different than what he learned in his education classes. “We want our teachers to be better prepared to work in an urban district.”

Tarka also feels that if student achievement is going to be used to judge teachers, the methods used to define and measure student achievement need to be transparent, clearly defined, and comprehensive in nature—and not just limited to test scores. “Whenever we talk about student achievement, we have to look beyond standardized tests,” he emphasizes. “We have to look at student-learning outcomes

and other growth areas to determine effectiveness.” In some cases it is difficult to measure the impact of some teachers, especially those who teach in subject areas or grades without standardized tests. Indeed, Tarka points out that only about 27 percent of Pittsburgh teachers have students who take statewide tests, which raises the question of how you evaluate the impact of the remaining 63 percent of teachers.

Tarka observes that at one school where he taught, one of the most effective teachers was the gym teacher. “What he taught in gym was only partially important. What he really did is he helped young people develop character and determination, something you don’t see the results of on a standardized test. ... parents know that ... but we have to make sure we formalize it.”

Goals of Empowering Effective Teachers initiative

Pittsburgh’s Empowering Effective Teachers program has three primary objectives:

- To increase the number of highly effective teachers in Pittsburgh
- To ensure more of the district’s “high-needs” students have a highly effective teacher
- To make the working environment of teachers one that supports and enables them to perform at their best

To achieve these three objectives, the district’s reform strategy includes the following components:

- Performance pay of up to \$8,000 annually will be awarded to teachers for improving student achievement through VIEW, a pilot program that will begin with 75 teachers who volunteer to participate for the 2011-12 school year. If more than 75 teachers seek to participate, they will be selected by lottery. An additional 50 teachers will be added to the pilot program the following school year. The performance pay will be calculated using new measures of student achievement (“value-added measure”) and a new teacher-evaluation system (“Research-Based Inclusive System of Evaluation”), both of which are described below.
- Additional performance-pay measures will include four “professional growth” levels. Teachers will still earn “step” increases in pay but will no longer automatically receive raises for earning a master’s degree. They will instead earn raises as they attain different “professional growth” levels.

- Teachers will also be able to receive \$10,000–\$14,000 in additional pay for taking on additional responsibilities, such as serving as “turnaround teachers” in struggling schools, working with high-needs students, or working longer days. In total, teachers have opportunities to earn annual salaries of more than \$100,000.
- STAR schools (Students and Teachers Achieving Results). Starting in the 2011-12 school year, staff in schools that fall in the top 15 percent of the state’s growth model school rankings will receive a bonus of up to \$6,000 per teacher and up to \$2,000 per paraprofessional and technical-clerical personnel. The district hopes to recognize at least eight schools per year with these awards. If fewer than eight schools are in the top 15 percent, the remaining awards will go to those schools with the next highest growth rankings, as long as they still fall in the top 25 percent of schools statewide.
- A value-added measure will be developed to better assess teacher effectiveness, which will include, but not be limited to, student performance on tests. The model will help the district better measure the impact of each individual teacher on his or her students over time. It will employ a statistical analysis model that tracks and analyzes student learning from one year to the next to show growth in achievement over time. Both the American Federation of Teachers and Mathematica will advise the district on the development of the value-added measures.
- The Research-Based Inclusive System of Evaluation, a new teacher-evaluation system, will be developed jointly by the district and the union. RISE will more clearly define what effective teaching is and provide a more clear and comprehensive method for evaluating teacher performance. It will take into account multiple measures of student performance, including test scores but also oral responses in the classroom, student writing, student performances, and other forms of student work. Teachers will be observed at work in the classroom by principals as well as teachers and others with expertise in their specific subject area. In addition to helping teachers improve their capacity, and to remove ineffective teachers from the classroom where necessary, the district will use the data to improve the quality of professional development. It will tailor staff development sessions to better meet teachers’ needs, taking into account both teachers’ strengths as well as any skill gaps. The new evaluation system was developed by a team of 132 “teacher leaders,” union officials, and district administrators, and will be managed by seven ongoing subcommittees.

- A new Teachers Academy would focus on improving the quality of professional development and offer other new opportunities for both novice and veteran teachers including improving expertise in subject matter and curricula, and data-informed decision making, including how to use different types of assessments to monitor and adapt instruction. It will also focus on classroom management skills and include topics such as how race and race relations impact the classroom. Teachers will receive training in their subject area through intensive five- to six-week summer courses, as well as in-school coaching and other sessions during the regular school year.

'A common determination to make this work'

The details of the ambitious new reform strategy, including the performance-pay component, were incorporated into a new five-year teachers' contract approved earlier this year. It follows a year of negotiations Tarka describes simply as "difficult." But he is also optimistic, buoyed by the level of support teachers have shown for the changes. In June 2010 the union voted 1169-537 to approve the contract, a 69-31 margin Tarka views as a significant in size, as well as a symbolic victory. "For a contract that contains some very innovative proposals, I think it was a very strong vote of confidence," he says. "There is no question that you can feel a level of apprehension when you get into something like this. There is so much at stake ... but there is a common determination to make this work. ... if I didn't trust Mark Roosevelt, I wouldn't have done it, and if Mark Roosevelt didn't feel he could trust me, he wouldn't have done it."

Roosevelt similarly praises the union leader. "John Tarka is an unusual person who was willing to take brave and bold steps." On the district's side, he says they didn't "start out with teacher bashing or with any ideological commitments that limit the depths of conversation."

On occasion, Tarka notes there were some times when they "buted heads." Indeed, he says the union almost went on strike two years ago. But when he had to "sell" the new contract to his union membership, he says he was able to emphasize his trust in and respect for the superintendent and their joint commitments to common goals. He praises the superintendent for taking the high road at critical junctures. "One thing the superintendent did is that he did not come in and blame the woes of the district on the teaching force, or try to make them a scapegoat."

Likewise, in 2006, when the district had to close about 25 percent of its schools due to declining enrollment, the union made a point of *not* attacking the superintendent's decisions. "We knew schools had to be closed, and we knew no one was going to be happy, but we decided not to pontificate and pound our chests and say 'this is the worst thing that is going to happen,'" says Tarka. "Some people feel you have to attack, attack, attack. I know it's very easy to start a fight. But it's a lot harder to work together and get something done." Even though there were strong disagreements, Tarka says neither side "excoriated" the other in public. "I think the main thing is whenever you make a decision, think about the impact it will have a year from now, or two years from now. If you attack each other this year, it will probably make collaboration harder next year."

Although Superintendent Roosevelt resigned his position in the fall of 2010 to become the president of Antioch College, Tarka says he remains "absolutely optimistic" about the future of the collaborative efforts in his city. He says he is encouraged by the selection of Linda Lane as the district's new superintendent. She previously served as the district's deputy superintendent under Roosevelt. "The Pittsburgh Federation of Teachers and I were very pleased that she was named. Dr. Lane was integral in the development of the 'Empowering Effective Teachers' plan [and] she is a fine person and an excellent educator."

Prince George's County Schools, Maryland

In Prince George's County, MD, union president Donald Briscoe felt so supportive of the district's new performance-pay initiative that he took the very public step of endorsing it in a *Washington Post* opinion article. In the 2009 newspaper column, he and co-author Prince George's County Schools Superintendent William Hite jointly praised the district's performance-pay program, encouraged other educators to consider adopting the concept, and called on Congress to set aside more funding for such efforts through the federal Teacher Incentive Fund.

"Our experience in Prince George's County shows that district and union leaders will respond to the challenge of creating innovative solutions that benefit staff and students," they wrote in the *Post* column. "Performance-pay, linked in part to student achievement, is starting to transform traditional teacher compensation systems. It has begun to nudge schools away from a culture of compliance to one that rewards effective teaching and student progress. We hope that Congress will continue to support efforts to connect teacher performance to student achievement. These programs provide the opportunity and resources to attract talented and effective teachers to schools that serve disadvantaged students. It is time to shake up the status quo."¹⁰

In Prince George's County, a large suburban district just outside Washington, D.C., Hite and Briscoe were venturing into new territory with a performance-pay program known as FIRST, or Financial Incentive Rewards for Supervisors and Teachers. FIRST was launched in 2007 with the help of a \$6.43 million TIF grant from the Department of Education. A planning committee of teachers and administrators spent a year studying the concept of performance pay and designing their own program. The FIRST program was formally launched in the 2008-09 school year and is currently in its third year of implementation.

Both district and union officials in Prince George's emphasize that a critical aspect of the FIRST performance-pay program is that it is tied closely to new professional development initiatives and to a related performance-based teacher

evaluation system. In addition, both teachers *and* administrators are eligible to receive various forms of performance pay. At FIRST schools showing across-the-board improvements in student achievement, all teaching staff and administrators receive a bonus. In addition, other forms of performance pay are awarded to individual teachers, based on a “value-added” measurement of the specific impact a particular teacher had on their students’ performance.

Objectives of the FIRST program

The district states that its goals of the program are to:

- Develop a comprehensive teacher and administrator compensation system that rewards improvements in student achievement
- Attract, develop, and retain highly qualified, effective teachers and administrators
- Develop a standards-based, “research-proven” evaluation system for both teachers and administrators
- Conduct evaluations of the program to assess its impact on student achievement

From the outset, district and teacher union leaders agreed the program should be focused on the schools that were struggling the most. They selected schools that had failed to meet state academic targets for at least three years in a row and those that had higher poverty levels, defined as those schools with 30 percent or more of students eligible to receive free and reduced-price meals or as determined by other similar measures used by the state. “Schools that were doing well, they didn’t have the immediate need of the help,” says Briscoe, the union president. “The purpose of this was to help the low-performing schools, and teachers had an opportunity to transfer into those schools if they wanted to.”

The county school system has approximately 127,000 students in 196 schools. In the first year of the program, the district launched the FIRST program in 12 pilot schools. Two of these schools were closed at the end of the school year due to boundary changes. The following year, 10 more schools were added, bringing the total to 20 participating schools by 2009-10.

Currently, there are 32 FIRST schools including 12 elementary, 14 middle, and eight high schools. The district plans to have 42 schools, or a little more than a fifth of its schools participating in the FIRST program by the final year of the TIF grant (the 2012-13 academic year).

How the dollars are distributed

Under the FIRST program, teachers are eligible to receive up to a total of \$10,000 in performance pay each year. Half of the \$10,000 payout, or up to \$5,000, is awarded based on demonstrated improvements in student achievement. Data used to measure student achievement include:

- Math and reading scores in grades 3-8 on the Maryland State Assessment, or MSA.
- The percentage of entering 11th- and entering 12th- graders who have already met a minimum 1602 composite score on four state tests: English 10; algebra; biology; and local, state, and national government. This minimum composite score is required to graduate from high school in Maryland.
- The actual test scores in 10th-grade English and algebra of those who met the composite score requirement.
- Project scores from the Bridge to Academic Valuation program. Students who have not made the minimum composite score requirement on the four state tests can meet this graduation requirement by either retaking the tests or by participating in an alternative program. In the program, they take a special class aimed at helping them complete an independent project, which is scored by an external panel of educators. If the project is accepted, the student receives credit for passing that component of the MSA tests.

This \$5,000 achievement award is split in two parts: between a \$2,500 schoolwide award (given to all teachers in a school and based on schoolwide performance on state tests) and a \$2,500 classroom award (given only to teachers in the tested subject areas, and tied to how their specific students perform).

The first part, a schoolwide award up to \$2,500, includes two components:

- \$750 is awarded to every teacher in the school if the school meets Adequate Yearly Progress requirements.
- An additional amount of up to \$1,750 is awarded based on whether the school meets local growth targets in student achievement, which are set by the county school system. The greater the number of local growth targets that are made, the larger the amount of award.

The second part, a value-added award up to \$2,500, is awarded to individual teachers based on measures of classroom-level performance. The classroom model

examines the “value-added” effect of the teacher on how his or her students perform on state tests. It measures gains in test performance and compares them to how the student would be otherwise predicted to score, taking into account the student’s background characteristics and past test performance. Only teachers who teach in tested subject areas (those who teach reading and math in grades 4-8, 10th grade English, and algebra) are eligible to receive this money.

In addition to the \$5,000 in awards tied to achievement, teachers can also earn up to \$5,000 more in the following ways:

- Teachers can receive a \$1,500 bonus for teaching in “hard-to-staff” subject areas. Teachers must be certified in the subjects in question and currently teaching in those areas. Subjects identified as having critical shortages of certified teachers at both the elementary and secondary level (for special education and English as a Second Language) and at the secondary level only (for mathematics, science—including earth/space science, physical science, chemistry, and physics—Spanish, Latin, dance, technology education, computer science, and health occupations).
- Teachers can receive up to \$2,000 for participating in professional-development initiatives, including \$1,000 for participating in training relating to the implementation of the FIRST program and \$1,000 for completing leadership projects at the building, regional, or county level that “contribute to improving teaching, learning and program improvement.” Teachers are expected to dedicate at least 20-30 hours to their projects over the course of the school year.
- Teachers can receive up to \$1,500 for participating in a more rigorous, standards-based, performance-based professional evaluation system that is based upon New Jersey educational consultant Charlotte Danielson’s *Framework for Teaching*. Danielson’s framework focuses on creating clear, specific, and consistent standards that spell out how teachers will be evaluated. It emphasizes using detailed observations and documentation of teachers’ classroom performance to give teachers better guidance and feedback about what they can do to improve their teaching.

Principals and assistant principals are also eligible for parallel awards in each of the above areas, with the exception of the “hard-to-staff” category, up to a total of \$12,500 per year for principals and up to \$11,000 annually for assistant principals.

The new teacher evaluation system is aimed at helping principals provide better guidance to teachers about what specific actions they can take to improve their teaching, according to FIRST program director Deborah Sullivan. The expectation is that better feedback and support will build teacher capacity and thus improve the quality of teaching in the district, and in turn, better teaching will lead to gains in student achievement.

The new evaluation process includes a self-assessment followed by a diagnostic session with an external consultant. Classroom observations are conducted by principals, including an initial observation conducted by both a principal and an outside consultant, to make sure “we are calibrated and the principals are doing what they are supposed to do,” says Sullivan.

Partners took time to carefully map out details of the pay program

The impetus for the new evaluation system came from the teachers themselves, observes Hite, the superintendent. “We sat with the union and constructed the evaluation tool—it wasn’t something we constructed and presented to them. We constructed it *with* them at every step, with them at the table. They drove the conversation about the need for a teacher evaluation model that provides teachers with feedback.”

The conversation was a deliberative one, says Briscoe, noting it was important that an extensive period of time was taken to think about the program, discuss it, and map out its complex components. “We didn’t just jump into it; we studied it for one whole year. ... it was a long year that year. But we were committed to making this successful.”

The teachers’ union “was there with us through thick and thin,” observes Sullivan. “They are very, very engaged, and very vocal about the different components, of what their perception was of what teachers needed to know, or orientation for teachers about how the program works. They were instrumental in the creation of the program [and] every key person that was going to have to touch this program was a part of the planning.”

A 15-member planning council spent a year together studying performance-pay programs and then designing the major components of the county’s FIRST pro-

gram. The council included teachers, principals, assistant principals, and representatives from both union and central office staff, including representatives from the financial, accountability, data quality, and human resources departments. Once the program was launched, the planning council became known as the FIRST advisory council. It continues to oversee the program today.

Sullivan says the presence of the advisory council has been a great asset to the FIRST program and is particularly helpful in terms of providing a mechanism for addressing new issues or questions that did not come up in the initial planning process. The council has to determine how to interpret policy about who is entitled to receive performance pay and who is not. One such question that arose was, “Should an elementary school teacher who teaches only math in grades 4, 5 and 6 qualify as serving in a ‘hard-to-staff’ area?” While elementary teaching is normally not considered “hard to staff,” the council established that the teacher in question would be qualified only if he or she holds a separate teaching certification in mathematics and not just general certification in elementary education.

Language about the various components of the FIRST program was not incorporated into the existing teacher’s contract. Instead, the union and district adopted a separate memorandum of understanding spelling out the details of their agreement about how the program would operate. While observing that some past reform efforts in the county had failed to gain traction, Briscoe felt the performance-pay program was more likely to succeed, in part because teacher participation in the FIRST program was largely voluntary, making it more appealing and thus easier for him to sell the concept to his union members.

Sullivan agrees, “Nothing was forced down anyone’s throat. ... when you have a volunteer program and you don’t force people into something, that makes a big difference.” Initially, an estimated 5 percent to 10 percent of teachers opted out, but after the first bonus checks were issued, several changed their mind and decided to participate.

In addition, the district’s persistent struggles with low student performance meant that teachers in the county were more open to leaving behind traditional approaches and motivated to take more dramatic action. “The reason we came into dialogue and even came up with trying to do the FIRST program is we were having a problem at the time: Our students’ test scores were very low,” notes Briscoe. “Therefore we knew as a union we had to do something to step outside the box so our students could achieve, which we knew they could and would.”

Moreover, Briscoe says he is optimistic about the prospects for the new performance-pay initiative because of the superintendent's willingness to collaborate with the union on the program's design. "It was actually the first time something came through that teachers and administrators could work on as equal partners." Similarly, Hite feels that in order for any major reform effort to succeed, a robustly collegial relationship needs to exist between the district and union—"a mutual agreement of each doing what you say you are going to do, and both sides being willing to work and compromise." Hite credits his predecessor with forging the district-union collaboration.

The bottom line, says Hite, is simply this: "We want effective teachers, they want effective teachers. We want to have a development process where we are building teachers' capacity and they want the same things, so it really becomes: How do we problem solve around the high-tension areas in order to resolve those high-tension points? We know that we can't resolve that if we don't talk to them—and they know they can't resolve them if they don't talk to us."

Some questions remain for administrators' union

The performance-pay initiative has not been entirely without opposition. While the county teachers' union has been a vigorous supporter, the county administrators' union still has lingering questions about the program. "The teachers' union seems to be really hyped about it; the administrators' union, we are just not seeing it," says Doris Reed, executive director of the Prince George's Association of Supervisory and Administrative School Personnel. "It absolutely is not voluntary for administrators [because] they have to oversee it." She also expressed concern that the new teacher evaluation component will be extremely time burdensome for principals to oversee, particularly relative to the amount of additional pay awarded for the extra work. "They said once you get it under your belt, it is not quite as time consuming, but it is certainly more time consuming than other forms we have done," she says.

For her part Lewis also has concerns, specifically that incentives for the FIRST schools may inadvertently serve as disincentives for non-FIRST schools in the county. "If I'm a principal and I've got a Blue Ribbon school, I get nothing," she notes. "Where is my incentive to get my school revved up and on board and on top when the other schools are getting not just the money but the extra resources, the extra staff? It's like when the teacher spends more time on the bad kids and the good kids are forgotten and pushed off to the side."

Superintendent Hite acknowledges that the FIRST program is less optional for school principals than it is for classroom teachers. “Principals, by signing on as a leader of the building, have roles and responsibilities, and if your role is to evaluate a teacher, you have to use that model. I agree that it is not as voluntary for principals as it is for teachers but we try to select schools where principals are interested and want to participate, because it will not work otherwise.” But he also asserts that the response from principals suggests enthusiasm from the initial set of schools in the program. He notes that of 36 principals and assistant principals invited to participate, 35 of them chose to sign up.

Frequent communication and focus on resolving ‘tension points’

For Briscoe, the decision of his union to support the performance-pay program was made despite the opposition of their own state union affiliate, the Maryland State Education Association.

“They were not forthcoming with help at that particular time,” says Briscoe. “Outright opposition is an understatement. They did not want us to do it. ... but because we thought about our students and our purpose here, we realized we had to step outside of that box.” While Briscoe knew he was taking a risk, he also felt he was not just jumping on a “bandwagon,” because the union had thoroughly researched the issue and was communicating regularly with its membership about it. “If our membership didn’t want it, we would not have gone forward with it,” he points out. “We just kept telling them what we knew and being honest with them.”

Hite emphasizes the importance of the frequency and breadth of communication between the district and union’s top leaders. His predecessor as superintendent met regularly with his union counterpart and Hite sought to expand these joint meetings so today they include the entire leadership team of both the union and the district. “I attend their board meetings, they attend my executive cabinet meetings, and we sit and talk as a group,” he says. “So we can talk directly to individuals in those leadership roles and they can do the same with mine.” Hite estimates that he talks, texts, or meets in person with union representatives at least three to four times a week.

This communication touches every aspect of what they do. By way of example, Hite notes that when federal regulations were issued for the “Race to the Top” competition, members of his cabinet and the leadership of the teachers’ union sat down and went through the guidelines page by page together, talking about

what might pose potential conflicts or “tension points,” and anticipating what they could do to address them. “It required that level of involvement, so they felt they had a voice in how those things would be constructed,” Hite recalls. In other districts “a lot of times the unions and the superintendents, they just do not talk at all. And when they do talk, it is more adversarial, rather than working together.”

“It is critically important to understand it not from the perspective of administration and labor, but that we are coming together to problem solve about what is needed for students, and how we put systems in place to build everyone’s capacity and to change compensation structures to focus on human capital,” says Hite. “The thing we did, and I think they did well, was that they kept bringing [the conversation] back to our students in Prince George’s County. If we have a large number of schools that are in corrective action, if some of those students are not performing at proficiency levels in middle school, then we can’t stand by and have the same conversations that our colleagues in other districts have; we have to do something that is dramatically different.”

Lessons for district and union collaboration

District and union leaders embarking on reforms of teacher policies could learn from the experiences of the four programs examined in this report. Through interviews with education leaders in Pittsburgh, Toledo, Prince George’s County, and Weld Re-8, I have identified six common elements that facilitate successful collaboration between teachers’ unions and school district leaders on the issue of performance pay:

- There is a history of trust between teachers’ union and school district leaders.
- Leaders identify key challenges together and focus on joint problem solving and learning.
- Teacher input is encouraged and valued in the design and oversight of pay programs.
- Pay programs embrace a comprehensive approach focused on building teacher capacity.
- Teacher participation in performance pay is voluntary.
- Districts allow for flexibility in program design.

Let’s review each of these six elements in turn.

There is a history of trust between union and district leaders

Union leaders and superintendents in the four school districts we studied all cautioned educators not to rush into launching a performance-pay program if there was not already a well-established foundation of trust in existence between labor and management. Many said such a relationship grew out of having first collaborated successfully on other issues or projects prior to tackling a more intricate, potentially divisive topic such as performance pay.

In Weld Re-8, for example, district and union leaders worked together to push for passage of a mill levy override in 2006, joining forces after a previous attempt had

been defeated. The new funding generated by the successful campaign enabled the district to raise teacher salaries 10 percent. And it gave union president Chacon-Caciari an example of a direct accomplishment she could use to highlight—both to union members and district leaders—the victories that were possible when they worked together to achieve a common goal. This development likely also prompted teachers to be more open to consider new pay initiatives.

In Toledo, the union and district had previously collaborated on a peer-review evaluation program dating back to 1981, and the district’s TRACS performance-pay program essentially evolved out of that earlier effort. “We have a history of collaboration with the school district around school-improvement matters,” says Lawrence, president of the Toledo Federation of Teachers. “Over time, there are peaks and valleys to that [relationship]. But what we’ve accomplished, the alternative compensation, can only come about when there is labor management collaboration and trust between the parties.”

Toledo educators say their strong trust relationship is rooted in the fact that several key leaders have worked in the district for decades and thus they have had plenty of time to learn how to work and communicate effectively with one another. Diane Irving, the district’s assistant superintendent for elementary education, has worked for the Toledo Public Schools since 1976, while Lawrence has taught in Toledo since 1969 and served as the union’s president since 1997. That longevity and shared experience has brought consistency and stability, as opposed to the turbulence that can result from constant turnover. Knowing their colleagues have staying power is important when they are trying to forge ahead with a joint initiative.

Irving, who describes the union-district relationship as one of mutual respect and reliance, says that “shared leadership is much more productive than a sense of antagonism of one side versus the other. I know that we do have ebbs and flows and we do disagree, but it is not personal, it is professional. As long as you treat people with respect and as professionals, you can agree to disagree, and move forward and have a positive relationship.”

When partners in a common endeavor trust each other, they have a genuine belief that the other person or party wants them to succeed. In the four districts we examined, these beliefs were often shaped by past experience with whether each union and district leader felt they could rely on the word of each other on various issues, both large and small, and that communication between each other was honest, open, straightforward, and frequent.

Leaders identify key challenges together and focus on joint problem solving and learning

In Pittsburgh, Roosevelt notes that the union and district's shared interest in the performance-pay issue grew out of a planning effort in which they identified common problems and discussed how to solve them. In a lengthy series of meetings held to discuss their proposal for a Bill & Melinda Gates Foundation "Deep Dive" grant, the conversations between union and district leaders focused on openly discussing specific challenges, such as declining enrollment, and then working together to map out strategies to address each issue.

Recalling the first several meetings, union president Tarka says they "were almost kind of traditional negotiations. Then we realized, let us look at what the problems are: declining enrollment, high school dropout rates that were totally unacceptable. We had a lot of students who were not getting what they need, and a lot of teachers who were frustrated with the problems." This in turn led to discussion about how to raise student achievement and bring better teachers into the classroom.

Roosevelt adds that the key factor was agreeing that "student achievement measures would be at the heart of judging teacher effectiveness." Once it reached this point, he says the group then began to consider how to connect measures of teacher effectiveness more directly to teacher compensation.

Similarly, in Prince George's County, educators were jointly focused on the issue of how to raise student achievement. Both Briscoe, the union president, and Hite, the superintendent, say they felt extremely driven to make some significant progress in narrowing the achievement gap. Both were thus open to considering a new approach, even one that might be considered "dramatically different."

In Weld Re-8, the catalyst that led educators to consider performance pay was the challenges of low teacher salaries that caused the district to lose teachers to surrounding school systems with higher pay. What helped direct the tone and focus of their discussions was the fact that both teachers and administrators had already participated in training in interest-based bargaining, using facilitators from Community Dynamics, a consulting firm in Loveland, CO. In interest-based bargaining, both sides identify their common interests in different issues. The district had previously used this process during regular salary negotiations and found that it similarly brought a more collaborative, constructive tone to the discussions about performance pay.

“The negotiating team is trained and retrained in it and has used the same facilitator for a number of years,” explains Ruckel, the district’s TIF coordinator. “That also contributes to the positive atmosphere we have here. They start from the standpoint of ‘what is my interest in this issue, and what is yours? And how do we reach consensus about whether this is the way to approach it?’”

Further, Jeanne Beyer, director of communications for the Colorado affiliate of the National Education Association, says she was impressed with the district, noting that it is a local that has gone from having “no collective bargaining agreement to one that is working collaboratively with the district and administration” to get to a place where they now bargain.

In each of the above cases, unions and district leaders found they were successful in developing collaborative solutions when they began to shift their focus onto their underlying common interests and to areas where they could find common ground.

Teacher input is encouraged and valued in the design and oversight of pay programs

In each of the four districts, teachers played a role in helping design the new performance-pay systems. While the degree of their involvement varied from district to district, in most cases teachers served on the planning committees or councils that created, and later oversaw, the new performance-pay systems and helped work out the details once the programs were in practice.

In Toledo, Lawrence suggests that the best way to get started is by engaging teachers throughout the district in discussions about what are considered the most critical issues locally. “The advice I would give is: Lead with ideas. There is a vacuum of ideas many times among leaders, and good ideas don’t need to only come from the management side of the equation. From my perspective some of the most robust ideas about student achievement and school improvement come from those who are teachers and the leadership of their union.”

Lawrence believes that the more teachers are involved in proposing, negotiating, and designing the details of performance-pay programs, the more credibility the proposed plans will have, both with union members as well as with the broader community. Having teachers play a more active role in developing the criteria and structures also helps bring more transparency to the process and thus gives

both teachers and administrators a clearer picture from the outset of how the bonuses will be calculated and awarded.

“It has to be very transparent and clear what the criteria are so individually and collectively teachers understand exactly what has to occur to be eligible or to meet the goal,” continues Lawrence. “There are predetermined points to achieve; it is *not* what some of the old merit pay was. It is not an administrator making personal choices based on arbitrary criteria.”

In Pittsburgh, when the union voted by a 69-31 margin to support a new teacher contract that included performance-pay provisions, it was viewed as the ultimate endorsement of a long planning process that included teachers in the conversation and planning at every level, says Tarka. In contrast, he stressed that “if you try to impose something that is not fully thought out on a group of teachers that are used to one form of compensation, you will get a contract voted down.”

Tarka says that when the district first started examining the concept of performance pay, finding examples of programs that had failed was easier than finding programs that were successful. He attributes this to the fact that some of the earlier programs were implemented too quickly and without adequate teacher input. He emphasizes the importance of taking a significant period of time to solicit teacher input, even if it makes the program design process takes longer. “If something is put together in a hurried fashion, it generally has problems,” he says. In Pittsburgh the long strategy sessions led to a 60-page document that mapped out a complete strategy for how the district planned to improve the overall quality of its teaching force, including recruiting, training, evaluating teachers, and improving the working/learning opportunities for teachers.

Pay programs embrace a comprehensive approach focused on building teacher capacity

In each of the four districts we examined, the performance-pay plans were comprehensive in scope, extending well beyond some earlier concepts of merit pay. Both the union and district leaders we interviewed asserted that to succeed, performance pay must be part of a much larger effort to reexamine the role of teachers and teaching. As Tarka, the union president in Pittsburgh, asserts, “If someone thinks paying teachers a little more without really addressing the conditions in which people work and students learn, then they are absolutely misled at best.”

Rather than simply offering a single bonus tied to whether a test score rose or fell, the four districts we studied offered multiple categories of performance pay tied to student achievement or to other contributions teachers make that help schools function more effectively. Performance pay was increasingly integrated into both professional development and teacher evaluation systems. As a result, performance pay became one element in a more comprehensive feedback loop in which teachers are trained in how to become more effective teachers, districts measure teachers' progress in reaching these objectives, teachers are rewarded for their accomplishments in the classroom as well as other education-related contributions, and districts provide supports to those teachers who need improvement.

While all four districts offer bonuses tied to student achievement, they tend not to rely solely on test scores but rather use multiple measures of student achievement, including classroom work, student projects, and attendance, among other indicators. Often there were multiple ways provided in which teachers could earn bonuses, including awards for schoolwide improvement in student achievement as well as others tied to measures of the impact of individual teachers in their own classrooms. The districts are also exploring how to better measure the impact of those teachers whose students do not take standardized tests. This includes teachers of subjects that are not tested, such as music or gym. It also includes teachers who teach in tested subjects, such as English and math, but who teach grades when the topic is not tested.

In addition to the performance pay that is tied to improved student achievement, all four districts offer various forms of additional pay to teachers who agree to take on additional responsibilities both inside and outside the classroom. Those added responsibilities include: mentoring other teachers (Toledo, Pittsburgh); conducting action research projects or other projects aimed at solving school or district problems (Weld Re-8, Toledo); holding leadership positions such as leading a policymaking or reform committee (Toledo, Pittsburgh); or changing jobs to take a teaching assignment in a struggling school (Prince George's County, Pittsburgh, Toledo).

These pay awards recognize both the additional time and effort required of these roles, as well as the value of the experience teachers gain from serving in these roles. They also take into account how this contributes to improving their own teachers, their peers' teaching, and other aspects of making schools more effective.

Moreover, in each district the new performance-pay plans were tied in various ways to new models of professional development and teacher evaluation. The plans all had a greater focus on using student data and outcomes to build teacher capacity, both by helping teachers improve their skills as well as improving the conditions in which teachers work. As we noted, in Toledo data from assessment results were used to drive both instruction and professional development.

Specifically, TRACS teachers identified when students were not performing well on one particular section of a math assessment. They then sat down together to develop more effective methods of teaching those particular math skills, videotaped themselves teaching these model lessons, and then shared these videos with other teachers in staff-development sessions.

In Prince George's County, Superintendent Hite says he is already seeing anecdotal evidence of improved retention of teachers in FIRST schools. He is also seeing results in the form of the evolution of the kinds of professional conversations teachers are having about their students and about their work as educators. "The new evaluation model actually requires collaborative planning and a review of student work and an analysis of student data," he notes. "It has been through those conversations that many of the teachers indicated that the quality of those conversations they are having with their peers around the science of teaching is more advanced than what they have ever experienced before. That is an interesting and welcome byproduct of the new model."

Such conversations are in turn prompting even broader conversations in the district about how it can better target its resources, financial and otherwise, on the central purpose of improving the quality of teaching. "The TIF grant money has been instrumental in moving that work forward; we could not have started down this path without that influx of funding," Hite acknowledges. But the focus on teacher effectiveness that accompanied the dollars was just as important, he says. "If effective teaching is our core business, and it is, then how do we become more purposeful and intentional about ensuring that a highly effective teacher is in front of all students? ... that requires us to allocate resources differently."

Teacher participation in performance pay is voluntary

In each of the four districts, participation in some or all of the performance pay was voluntary, a fact many union leaders say was key to them being able to sell the concept more easily to their rank-and-file membership.

“When you have a volunteer program and you don’t force people into something, that makes a big difference,” said Donald Briscoe of the Prince George’s Teachers Union. In Prince George’s County, he estimated that 5 percent to 10 percent of teachers in the FIRST schools opted out of participating, but noted that after the first checks were issued during the program’s first year, some changed their mind and decided to enter the program. “Usually what happens is the payout is right around the holiday season, so that was another good incentive.” He also noted there was an option for teachers in schools that were not selected to participate to transfer into schools that were a part of the program. “There were several people who opted to transfer to FIRST schools and they were welcomed there.”

Likewise, in Toledo the fact that the program was voluntary was significant. Joan Kuchcinski, coordinator of the TRACS performance-pay program, says that initially teachers did not all run to the performance-pay program with open arms. “But they came to it with an open mind.” She says the union held numerous informational meetings with the teachers to clearly explain the program and stressing that participation was strictly voluntary. “So we were really not forcing this on the membership. This is not what we did, and it is still not what we do.” Instead, she points out teachers are invited each year to apply for the program. “Every year, if you don’t want to, you can stay in your classroom and do what you have done without any of the stipends or supplements that are associated with TRACS,” Kuchcinski says.

Districts allow for flexibility in program design

A final important ingredient identified by both union and district leaders was the ability to be flexible in the design and implementation of the program allowing for modifications when needed and to responding to feedback from teachers and administrators.

In Weld Re-8, for example, “there have been some glitches,” admits union president Chacon-Caciari. There were questions about the first payout in the performance-pay program owing to one school perceived as being less effective, receiving a higher bonus. “It really brought to light that the method developed was not as clear-cut as being able to plug those scores in the formula that had been created,” she says. “It did not reflect in some areas the kind of gains that had been involved.” The district revisited how the payout was calculated and added a second payout that year to address the concerns that were raised.

The second payout “soothed the ruffled feathers,” recalls Ruckel, the program’s director. The flap and how it was handled had an upside: Participation in the taskforce grew, says Ruckel. “The folks who said, ‘Wait a minute, I don’t think it was right,’ they came to the table and became part of the solution.” In the two years since, the district has adopted a different formula to calculate the awards, replacing the original one based on the district’s local accreditation process with a new method tied largely to state test scores. In addition, the district now asks the Center for Educator Compensation Reform to review and verify how awards are determined, thus providing external validation.

In other districts leaders have acknowledged that some tinkering and adjustments to their performance-pay programs will be needed along the way. Roosevelt, superintendent of Pittsburgh Public Schools, notes that flexibility is paramount with performance pay, especially because it is still a new area in which schools are experimenting and research is still limited. “One of the good things we did is we said, ‘Look, anyone who joins this has to recognize that the public policy is ahead of the research,’” he says. “And that is why we said we are going to be redefining this as we go along. One of the healthy things we did was admit lack of knowledge, and admit that this is a work in progress.”

In Prince George’s County, the district originally started out with separate teachers’ and administrators’ advisory councils to guide the performance-pay program but eventually decided to merge them into a single advisory council. Initially, it made more sense to have the two groups during the planning stages, says Sullivan, the FIRST program’s director, so each constituency could have their own forum to discuss their own unique concerns. But after the planning stages, once the program was actually launched, “it made sense” to bring them together. “It was more efficient and cut down the back and forth. ... then you are all having the same conversation, so teachers know what the administrators are doing and the administrators know what the teachers are doing.”

Administrators in all four districts we studied agreed that being able to be flexible and responsive in the program’s design and implementation was critical. They stressed the importance of ongoing communication, which facilitated their ability to identify any minor or major challenges, flaws, or glitches along the way and make changes as necessary. Moving forward, districts will need to continually monitor and evaluate what is working and what is not, and consider how best to implement changes in response to concerns raised by any stakeholders.

Conclusion

The examples cited in this report demonstrate that with the right mix of ingredients, compensation-reform programs can be implemented with support from unions and district officials—and produce winning results. We believe that districts that focus on the six common elements cited here—a trust relationship between union and district leaders; a joint focus on problem solving and learning together; teacher input in program design and implementation; voluntary participation by teachers; flexibility in program design; and an overall comprehensive approach to the entire effort—are more likely to succeed.

Last fall, at an American Enterprise Institute panel in Washington, D.C., Secretary Duncan urged that teachers not be viewed as “interchangeable widgets,” arguing that great teachers deserve higher salaries and otherwise to be compensated and recognized as professionals. “By far the best strategy for boosting productivity is to leverage transformational change in the educational system to improve outcomes for children,” he said at the meeting. “To do so requires a fundamental rethinking of the structure and delivery of education in the United States. My hope is that ... educators, principals, unions, district leaders, state chiefs, parents, lawmakers, and governors [will] explore productive alternatives to old ways of doing things. Challenging the status quo will take courage. It will take commitment. And it will take collaboration.”

Looking toward the future, we expect the issue of collaboration over compensation reform to continue to gain even more traction. The Center for American Progress hopes that these four partnerships can serve as examples for other districts considering compensation-reform programs as a way to reward teacher effectiveness and boost student achievement.

References

- American Federation of Teachers. 2010. "AFT Innovation Fund Announces New Investments." Press release. July 10.
- Associated Press. 2010. "Incentive Pay for Teachers Gets A Look: Better Scores Could Put Federal Funds in Paychecks." *The Toledo Blade*. April 9.
- Beyer, Jeanne. Interview with author. July 23, 2010. Telephone.
- Blumenfeld, Lucina. 2009. "Weigh In: Does Performance Pay Work?" *Scholastic Administrator*. January.
- Brill, Stephen. 2009. "The Rubber Room: The Battle over New York City's Worst Teachers." *The New Yorker*. August 31 (http://www.newyorker.com/reporting/2009/08/31/090831fa_fact_brill).
- Briscoe, Donald. Interview with author. September 28, 2010. Telephone.
- Center for American Progress. 2009. "Educators Speak Out on Pay for Performance: CAP Interviews Teachers and School Leaders Implementing Compensation Reform." November 12.
- Center on Education Policy. 2010. "School Districts' Perspectives on the Economic Stimulus Package: Teaching Jobs Saved in 2009-2010 But Teacher Layoffs Loom for Next School Year." Washington.
- Chacon-Caciari, Roberta. Interview with author. July 30, 2010. Telephone.
- Chait, Robin. 2010. "Recruit, Train, and Retain: Congressional Appropriations Offer An Opportunity to Improve Access to Great Teachers and Leaders." Washington: Center for American Progress.
- , 2009. "The Teacher Incentive Fund: A Wise Investment in Human Capital Reform." Center for American Progress. September 9.
- , 2010. "From Qualifications to Results: Promoting Teacher Effectiveness Through Federal Policy." Washington: Center for American Progress.
- Chandler, Michael Alison. 2010. "Prince William County Schools Approve Bonus Plan For Instructors at Poor Schools." *The Washington Post*. May 20, p. B6.
- Crosby, Brian. 2010. "Rewarding Good Teachers." *Education Week*. July 2 (<http://www.edweek.org/ew/articles/2010/07/02/36crosby.h29.html>).
- Daly, Timothy. 2010. Memorandum to Francine Lawrence, president of the Toledo Federation of Teachers. February 8.
- Delisle, Deborah. 2010. Letter to the American Federation of Teachers. May 19.
- Democratic Leadership Council. 2008. "Innovating With Competitive Teacher Pay." June 30 (http://www.dlc.org/ndol_ci.cfm?kaid=139&subid=273&contentid=3582).
- , 2008. "Teacher Induction and Retention." June 30 (http://www.dlc.org/ndol_ci.cfm?kaid=139&subid=273&contentid=252604).
- "Differentiated Pay" (<http://www.aft.org/issues/teaching/diffpay/index.cfm>).
- Education Commission of the States. 2010. "Teacher Merit Pay: What Do We Know?" *The Progress of Education Reform* 11 (3) (<http://www.ecs.org/clearing-house/86/40/8640.pdf>).
- "Financial Incentive Rewards for Supervisors & Teachers" (<http://www1.pgcps.org/first/>).
- "Fort Lupton Teacher Incentive Fund" (<http://www.cecr.ed.gov/pdfs/profiles/FortLupton.pdf>).

- Harris, Rebecca. 2010. "Teachers at Chicago's first union-backed charter school reach tentative contract agreement." *Catalyst Notebook*. May 12 (<http://www.catalyst-chicago.org/notebook/index.php/entry/677>).
- Hite, William. Interview with author. September 29, 2010. Telephone.
- Irving, Diane. Interview with author. July 28, 2010. Telephone.
- Jerald, Craig. 2009. "Aligned By Design: How Teacher Compensation Reform Can Support and Reinforce Other Educational Reforms." Washington: Center for American Progress.
- Johnson, Susan Moore. 2010. "Union Leaders and the Generational Divide: Bridging Differences on the Way to Reform." *Education Week*. March 9 (http://www.edweek.org/ew/articles/2010/03/10/24johnson_ep.h29.html).
- Johnson, Susan Moore, and John P. Papay. 2009. *Redesigning Teacher Pay—A System for the Next Generation of Educators*. Washington: Economic Policy Institute.
- , 2010. "Expecting Too Much of Performance Pay." *The School Administrator*. March, pp. 22–27.
- Kuchcinski, Joan. Interview with author. July 20, 2010. Telephone.
- Lawrence, Francine. Interview with author. July 15, 2010.
- McArdle, Elaine. 2010. "Right on the Money." *Ed. magazine*. January 22 (http://www.gse.harvard.edu/blog/news_features_releases/2010/01/right-on-the-money.html).
- Mydo, Joe. 2009. "Can City Teachers be Sold on Merit Pay Plan?" *Pittsburgh Post-Gazette*. December 13 (<http://www.post-gazette.com/pg/09347/1020602-298.stm>).
- Palumbo, Christine. 2007. "Funding Diversified Teacher Compensation Systems." Denver: Education Commission of the States.
- Philips, Vicki. 2008. Prepared Remarks at A Forum on Education in America. Bill & Melinda Gates Foundation. November 11 (<http://www.gatesfoundation.org/speeches-commentary/Pages/vicki-phillips-2008-education-forum-speech.aspx>).
- Pittsburgh Federation of Teachers. 2010. "Essential Questions and Answers about 'Empowering Effective Teachers in the Pittsburgh Public Schools.'" Pittsburgh Federation of Teachers. 2010. "Pittsburgh Teachers Ratify Five Year Agreement; New Contracts for Paraprofessional and Technical-Clerical Employees Also Ratified." Press release. June 14.
- Pittsburgh Federation of Teachers. 2010. Synopsis for the Tentative Agreement for the Paraprofessional Employees Bargaining Unit. June.
- Pittsburgh Federation of Teachers. Collective Bargaining Agreement with the Pittsburgh Board of Education, covering the period July 1, 2010, through June 30, 2015.
- Pittsburgh Public Schools. 2009. "Empowering Effective Teachers in the Pittsburgh Public Schools." July 31.
- Prince George's County Public Schools. 2009. "Children Come First." PowerPoint presentation at Prince George's County Board of Education forum.
- Reed, Doris. Interview with author. July 29, 2010. Telephone.
- Roosevelt, Mark. Interview with author. July 28, 2010. Telephone.
- Rubinstein, Saul, and John McCarthy. 2010. "Collaborating on School Reform: Creating Union-Management Partnerships to Improve Public Schools Systems." New Brunswick, NJ: Rutgers School of Management and Labor Relations.
- Ruckel, Carol. Interviews with author. July 27, 2010; September 2, 2010; and October 6, 2010. Telephone.
- Sawchuk, Stephen. 2009. "Peer Review Undergoing Revitalization." *Education Week*. November 12 (http://www.edweek.org/ew/articles/2009/11/18/12peerreview_ep.h29.html).
- , 2010. "Education Groups Set Forth Principles for TIF: Cooperation Seen As Vital for Those Seeking to Win Performance-Pay Funding." *Education Week*. May 20 (http://www.edweek.org/ew/articles/2010/05/20/33tif_ep.h29.html).
- , 2010. "Pittsburgh Teacher Pact Tests 3 New Pay Elements." *Education Week*. June 18 (<http://www.edweek.org/ew/articles/2010/06/18/36pittsburgh.h29.html?qs=pittsburgh>).
- , 2010. "Merit Pay Found to Have Little Effect on Achievement." *Education Week*. September 21 (http://www.edweek.org/ew/articles/2010/09/21/05pay_ep.h30.html?qs=Merit+Pay).

- Slotnik, William J. 2009. "It's More Than Money: Making Performance-Based Compensation Work." Washington: Center for American Progress.
- , 2009. "Get Performance Pay Right: Six Cornerstones of Successful Compensation Reform." *Education Week*. July 13 (http://www.edweek.org/ew/articles/2009/07/15/36slotnik_ep.h28.html).
- Sullivan, Debbie. Interviews with author. July 15, 2010, and July 20, 2010. Telephone.
- Tarka, John. Interviews with author. July 29, 2010, and January 14, 2011. Telephone.
- "Teacher Incentive Fund" (<http://www2.ed.gov/programs/teacherincentive/index.html>).
- "Teaching Quality--Compensation and Diversified Pay--Pay-for-Performance" (<http://www.ecs.org/ecs/ecscat.nsf/WebTopicView?OpenView&count=1&RestrictToCategory=Teaching+Quality-Compensation+and+Diversified+Pay--Pay-for-Performance>).
- Toch, Thomas. 2009. "Fixing Teacher Evaluation." *Educational Leadership*. October, pp. 32–37.
- Toledo Federation of Teachers. 2001. Contract Negotiations Summary.
- Toledo Federation of Teachers and Toledo Public Schools. 2001. TRACS program Summary of Agreements. April 12.
- Toledo Federation of Teachers and Toledo Public Schools. 2003. "Toledo Review and Alternative Compensation System" program document. February.
- Toledo Federation of Teachers and Toledo Public Schools. 2009. "Intern Intervention Evaluation" program document. January.
- Toledo Federation of Teachers and Toledo Public Schools. "Intern Intervention Evaluation" program brochure.
- "Toledo Plan" (<http://www.innovations.harvard.edu/awards.html?id=3699>).
- Toppo, Greg. 2008. "Teachers Union Initiates School Reform Plan." *USA Today*. September 10.
- Varlas, Laura. 2009. "Bold Opportunities for District-Union Collaboration on Teacher Quality." Inservice: The ASCD Community Blog. July 31 (<http://ascd.tyepad.com/blog/2009/07/bold-opportunities.html>).

Endnotes

- 1 President Barack Obama, Remarks on Strengthening America's Education System, James C. Wright Middle School, Madison, WI, November 4, 2009, available at <http://www.whitehouse.gov/the-press-office/remarks-president-strengthening-americas-education-system>.
- 2 Ibid.
- 3 U.S. Department of Education, "U.S. Department of Education Announces \$442 Million In Teacher Incentive Fund Grants; 62 Winners from 27 States," Press release, September 23, 2010, available at <http://www.ed.gov/news/press-releases/department-education-announces-442-million-teacher-quality-grants-62-winners-27->.
- 4 Stephen Sawchuk, "Merit Pay Found to Have Little Effect on Achievement," *Education Week*, September 21, 2010, available at http://www.edweek.org/ew/articles/2010/09/21/05pay_ep.h30.html?qs=Merit+Pay.
- 5 Craig Jerald, "Aligned by Design, How Teacher Compensation Reform Can Support and Reinforce Other Educational Reforms" (Washington: Center for American Progress, 2009).
- 6 "Invisible Ink in Teacher Contracts," *Education Next* 10 (4) (2010), available at <http://educationnext.org/invisible-ink-in-teacher-contracts/>.
- 7 Stephanie Rose, "Pay for Performance Proposals in Race to the Top Round II Applications," Briefing memo, Education Commission of the States, July 20, 2010, p. 1-2.
- 8 National Council on Teacher Quality, "Restructuring Teacher Pay to Reward Excellence" (2010).
- 9 "Intensive Partnerships for Effective Teaching," available at <http://www.gatesfoundation.org/college-ready-education/Pages/intensive-partnerships-for-effective-teaching.aspx>.
- 10 William R. Hite Jr. and Donald J. Briscoe, "How Performance Pay Works In The Prince George's Schools," *The Washington Post*, November 1, 2009, available at <http://www.washingtonpost.com/wp-dyn/content/article/2009/10/29/AR2009102902207.html>.

About the author

Meg Sommerfeld is a journalist who has been writing about education issues for more than 20 years. She began her career as a staff writer at *Education Week*, a publication of Editorial Projects in Education, where she was also a contributing writer for *Teacher* magazine and for *Quality Counts*, a comprehensive annual report on the condition of public education in the 50 states. She has also served as an assistant editor at *The Chronicle of Philanthropy*, where she covered fundraising, the arts, community service, and education. Meg is currently a freelance writer, editor, and consultant.

Her work has also been published in *Working Woman*, *The School Administrator*, *Who Cares* magazine, Scholastic's *America's Agenda*, the *Harvard Education Letter*, the *Harvard-Kennedy School Magazine*, the *Dartmouth Alumni Magazine*, and *Ed*, the Harvard Graduate School of Education alumni magazine. Published work also includes chapters or articles in three books: *From Risk to Renewal: Charting a Course for Reform*, *Classroom Crusaders*, and *Thoughtful Teachers, Thoughtful Schools*.

She has particular expertise in nonprofit and philanthropic partnerships with public schools, fundraising, nonprofit management, community service, and charter schools.

Meg holds a bachelor's degree in history from Dartmouth College, and a master's degree in public policy from the John F. Kennedy School of Government, where she was the recipient of a William A. Starr Fellowship awarded to journalists who demonstrate "a talent for innovation and creative thinking."

Acknowledgments

The author expresses her appreciation to all interviewees who so graciously and thoughtfully provided their time, their ideas, and their observations for this report. The author would also like to thank Ulrich Boser, Cindy Brown, Robin Chait, and Theodora Chang at the Center for American Progress; Lydia M. Logan of the Eli and Edythe Broad Foundation; and Angela Minnici of the American Federation of Teachers for their helpful ideas and feedback on earlier drafts of the paper.

The Center for American Progress thanks the Eli and Edythe Broad Foundation for their sponsorship of this publication as well as their ongoing support of our education programs. The thoughts and opinions presented in this report are those of the Center for American Progress alone and do not necessarily represent the opinions of the foundation.

The Center for American Progress is a nonpartisan research and educational institute dedicated to promoting a strong, just and free America that ensures opportunity for all. We believe that Americans are bound together by a common commitment to these values and we aspire to ensure that our national policies reflect these values. We work to find progressive and pragmatic solutions to significant domestic and international problems and develop policy proposals that foster a government that is “of the people, by the people, and for the people.”

Center for American Progress



Made possible
with support from  the
broad foundation
education