



Performance-based Educator Compensation Model Development

August 15, 2012 Information Session



Overview of Session

- Agenda
 - Overview of Performance-based Compensation Model Development Grant Competition in Rhode Island
 - Questions, Discussion, and Feedback on Direction

- Objectives
 - Establish priorities for funding in this competition
 - Identify resources available to districts that want to learn more about performance-based compensation
 - Provide an overview of the process of submitting an application (dates, process, documentation)
 - Seek feedback on the funding opportunity and process



Why should we explore performance-based compensation?

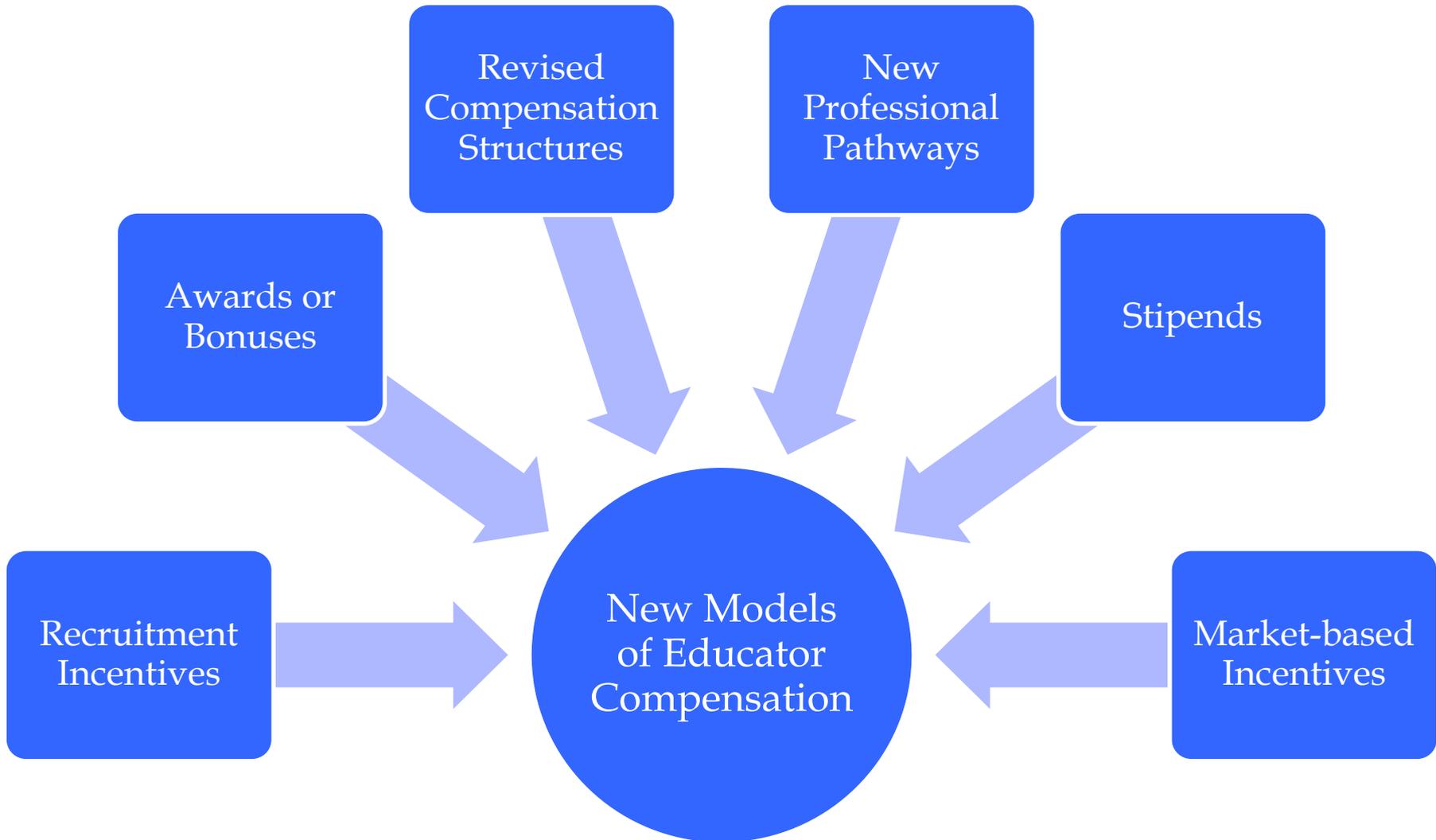
- Strategic Plan Commitment to lead a collaborative effort to review and analyze research regarding the successful implementation of performance-based compensation systems for teachers and leaders.
- Race to The Top application made a commitment to fund two projects to research, develop, and pilot new models of performance-based compensation.
- RIDE is committed to working with the two grantees to develop and pilot models that might be generalizable and serve as prototypes that other Rhode Island districts interested in compensation reform might adopt or adapt.



What is Performance-based Compensation Reform

- As districts begin to review and revise their Human Capital Management Systems (HCMS) compensation is a critical factor.
- Nationally, many districts are developing or redesigning the systems they use for educator compensation to more closely align compensation with performance of educators.
- These redesigned systems that build from performance are called Performance-based Compensation Systems (PBCS)
- Before we begin to look at compensation options, it might be wise to identify some common terms and provide the generally accepted term for each

What is a Performance-based Educator Compensation System



Elements of a Performance-based Educator Compensation?

Revised Compensation Structure

- Replace steps and lanes of years of experience and level of education with other district determined criteria , such as:
 - Performance-based compensation
 - Knowledge and skill based compensation
 - Professional pathway status based compensation

Awards or Bonuses

- Independent of base salary and can vary each year
- Usually based on student achievement, but can also be based on other goals
- Individual awards to educators, group awards to grade level, team, or school, or a combination of both

New Professional Pathways

- Classification of Educators within a Pathway (novice, progressing, exemplary, master)
- Differentiate pathways based on responsibilities (model teachers, lead teachers)
- Pathways may establish criteria to qualify for leadership roles

Stipends

- Compensation added to base salary for specific additional responsibilities
- Stipends for different roles with compensation based on career ladder positions offered based on earning pathway status as master or exemplary educator

Market-based Incentives

- Additional compensation for assignments in hard to staff positions (e.g., mathematics, chemistry)
- Additional compensation for taking challenging assignments in warning, focus, or priority schools

Recruitment Incentives

- Additional consideration at signing of new educators
- Can be signing bonus or other compensation, such as loan forgiveness program



Priorities for Models funded by RIDE through Race to the Top

Each of the components has merit in different contexts. However, RIDE has established priorities in the Race to the Top application that will guide the selection of recipients for this grant.

- **Category One:** A model that includes a revised compensation structure that includes some form of professional pathways that distinguish teacher leaders or accomplished principals.
- **Category Two:** A model that includes awards or bonuses to groups of educators and/or individual educators.

An application can propose a model that includes both categories.

Proposals can include market-based incentives and/or recruitment incentives, but only in addition to models that meet one of the categories.



Category One: Revised Structure including Professional Pathways

- Compensation Structures traditionally are composed of steps and lanes that are based on years of experience and advanced degrees.
- New structures often establish professional pathways, replacing years of experience with ranges of demonstrated performance. These groupings often reflect established performance, such as novice, progressing, proficient, exemplary, and master.
 - Each group on the professional continuum is associated with a different base salary or base salary range
 - In many programs achieving a certain category or status, such as master educator, is a requirement for serving in different roles within the school or district.
 - In some districts all educators have the same base salary and their final salary is determined by a formula that considers annual evaluation, student growth, other school/district goals, market conditions, and other district factors
- Douglas County Colorado, Baltimore City Schools, Toledo Ohio, Denver Colorado, and Washington DC have PBCSs that employ some of these elements.



Category Two: Awards and Bonuses

- Compensation Systems can offer awards and bonuses that primarily add to an educator's predetermined compensation based on a salary schedule.
- Awards are one-time incentives provided in a given year based on pre-identified criteria.
- Awards may be at the individual level or some group level (e.g., school, grade, team)
- Douglas County, Denver, Pittsburgh PA, Washington DC, and Memphis Tennessee all have models that provide incentives, in -part, through bonuses.



Thinking creatively – but meet the requirements

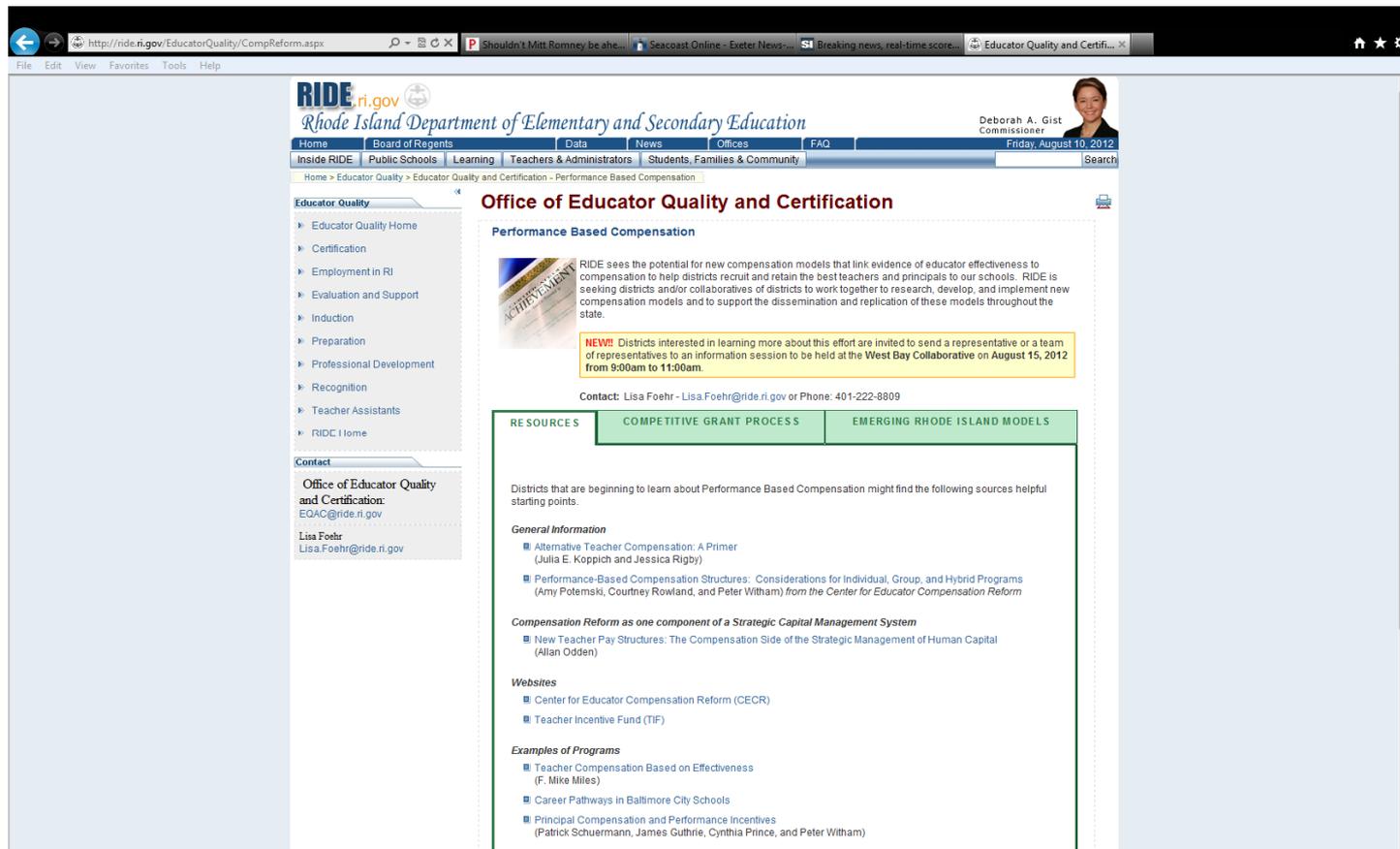
- RIDE encourages districts to think about creative ways to approach this grant
 - o One school in a district **OR**
 - o Two or more different elements could be proposed- one piloted in one school and the second in a different school **OR**
 - o Piloted just with new educators or with educators who volunteer for the pilot
 - o The grant provides about 8 months for development and 12 months for implementation, so it is important to keep the scope of work manageable

- **RIDE Requirements**
 - o Address teacher compensation but preference will be given to models that also address principal compensation
 - o Show significant changes to current systems
 - o Implement the model developed in the first year
 - o Include elements that other Rhode Island districts could adopt or adapt

RIDE Website Resources (see handout for preliminary resources)

- RIDE has established a web page for this work. It can be accessed from the Office of Educator Quality and Certification page.

<http://ride.ri.gov/EducatorQuality/CompReform.aspx>



The screenshot shows the RIDE website page for Performance Based Compensation. The page header includes the RIDE logo and navigation tabs for Home, Board of Regents, Data, News, Offices, and FAQ. The main content area is titled "Office of Educator Quality and Certification" and "Performance Based Compensation". A yellow box highlights a "NEW!!" announcement about an information session on August 15, 2012. Below this, there is a "RESOURCES" section with sub-sections for "COMPETITIVE GRANT PROCESS" and "EMERGING RHODE ISLAND MODELS". The "RESOURCES" section lists various documents and websites related to Performance Based Compensation.

Office of Educator Quality and Certification

Performance Based Compensation

RIDE sees the potential for new compensation models that link evidence of educator effectiveness to compensation to help districts recruit and retain the best teachers and principals to our schools. RIDE is seeking districts and/or collaboratives of districts to work together to research, develop, and implement new compensation models and to support the dissemination and replication of these models throughout the state.

NEW!! Districts interested in learning more about this effort are invited to send a representative or a team of representatives to an information session to be held at the **West Bay Collaborative on August 15, 2012 from 9:00am to 11:00am.**

Contact: Lisa Foehr - Lisa.Foehr@ride.ri.gov or Phone: 401-222-8809

RESOURCES

Districts that are beginning to learn about Performance Based Compensation might find the following sources helpful starting points.

General Information

- Alternative Teacher Compensation: A Primer (Julia E. Koppich and Jessica Rigby)
- Performance-Based Compensation Structures: Considerations for Individual, Group, and Hybrid Programs (Amy Potemski, Courtney Rowland, and Peter Witham) from the Center for Educator Compensation Reform

Compensation Reform as one component of a Strategic Capital Management System

- New Teacher Pay Structures: The Compensation Side of the Strategic Management of Human Capital (Allan Odden)

Websites

- Center for Educator Compensation Reform (CECR)
- Teacher Incentive Fund (TIF)

Examples of Programs

- Teacher Compensation Based on Effectiveness (F. Mike Miles)
- Career Pathways in Baltimore City Schools
- Principal Compensation and Performance Incentives (Patrick Schuermann, James Guthrie, Cynthia Prince, and Peter Witham)

Scope of Work (see handout for detail)



Phase	Timeline
1. Preliminary Model Design	November 2012- July 2013
2. Pilot Test Model Implementation	July 2013 – June 2014
3. Support Model Dissemination throughout the State	June 2014 – September 2014
4. Collaborate with RIDE in ongoing development and evaluation	Ongoing Throughout the Project



Proposal Evaluation Criteria (see handout for detail)

Evaluation Criterion	Point Value
Understanding the Scope of Work and Challenges of Compensation Reform	40 Points
Involvement of Educators	15 Points
Effective Project Management	25 Points
Continuation of the Model	10 Points
Budget	10 Points



Grant Competition

- Application procedures will be posted on the RIDE website on 8/22/12
- A grant application can be submitted by an individual district, a consortia of districts, or a district/consortia with its union
- Each award will be limited to \$250,000.00 over the life of the grant
- Questions can be submitted to Lisa M. Foehr
- Proposals are due **10/10/12** by 4:00 P.M – **NOTE REVISED DATE**
- Submitted in paper format or electronically as either a word or adobe document
- RIDE anticipates making two(2) awards by 10/24/12
- The time period for this work will run from date of award through 08/15/14



Questions, Discussion, Feedback

- What questions do you have about this scope of work?
- What feedback do you have for the specifications and/or the ways in which RIDE is approaching this task?
- Other?



Additional Information or Follow-up Questions

- For additional information and/or questions contact:
- Lisa M. Foehr
- Director, Office of Educator Quality and Certification
- Lisa.foehr@ride.ri.gov
- 401-222-8809