Education – Peer Review

Bruce —
Peer review

DRAFT

Higher Standards, Higher Pay

Background:

Despite considerable attention to the issue of teacher quality, teacher pay still remains far below other professions, with the national average starting salary only approximately $25,000, average teacher salary overall only approximately $38,000, and the average maximum teacher salary in any state only about $51,000. After adjusting for inflation, the 1997-98 average teacher salary of $39,347 is just $1,924 more than the average salary recorded in 1972—a real increase of only about $75 per year.

During the DPC's discussions with local school officials this fall, the issue of teacher salary structure was raised on two fronts. First, local officials complained that because teacher pay was not competitive, particularly in high need areas such as math and science, they were having trouble attracting qualified candidates. Second, local officials pointed out that because teacher compensation systems are so rigid and based on input measures rather than output measures, they are likely to hurt motivation and incentive to perform in the long run. They also highlighted the problems that they have dismissing poor performing teachers and acknowledged that often they simply assign these teachers where they can do the least damage rather than attempting to get them out of the school district.

In addition, the Vice President and others have called for developing more equitable and expeditious ways to improve teacher quality, reward good teachers and get low-performing teachers out of the classroom. Specifically, in his May 16th speech at Graceland College, the Vice President called for rewards for good teaching, testing for new teachers, and teacher evaluations by experienced peers and administrators every 5 years, along with faster but fair ways to identify, improve, and when necessary remove low performing teachers.

California Governor Gray Davis and New York Governor George Pataki recently unveiled agendas heavy on education and focused on teacher recruitment in their State of the State addresses. Pataki proposed attracting teachers by covering the tuition costs for students in New York public colleges who agree to teach for four years in public schools with teacher shortages; to provide tuition assistance to help uncertified teachers achieve certification; and to make it easier to let professionals from other fields teach. In California, Davis proposed providing cash bonuses, scholarships and down payments for houses for teachers who agree to teach in weaker schools. He also proposed granting $30,000 bonuses to teachers who achieve National Board certification.

This spring, California passed a statewide peer review program that could result in dismissals for low-performing teachers. Boston, Cincinnati, Columbus, Minneapolis, Rochester, and Toledo also have peer review programs in place; however, often these programs focus on professional development rather than tenure issues. Cincinnati is a noteworthy exception and reviews teachers every 5 years and is probably the best example of a successful program.

While teachers' unions remain opposed to merit pay, they are open to the idea of peer evaluations and rewards for effective teaching. One of the main complaints about merit pay schemes is that they are too subjective and based more on relationships with supervisors than performance. The institution of rigorous peer evaluations of multiple measures (including student performance) would be a more acceptable option for many unions, assuming teachers have a voice in the development of the performance indicators. Teacher buy-in is essential for program success.

A second complaint about performance rewards for teaching is that the resources for compensation rarely exist. For example, several New York school districts that experimented with merit pay had to suspend the program after it became fiscally impossible to reward all eligible teachers. A common complaint from teachers about reform efforts is a lack of sustainability. Federal resources for sustained salary increases would mitigate this concern.

<u>DPC proposal:</u>

This initiative would award competitive grants to high-poverty school districts to help them ensure that all teachers meet high standards, and help them attract and retain high-quality teachers and principals through better pay. In order to receive funding, partnerships involving school districts, local businesses, and teacher's unions, would take aggressive steps to raise teacher standards including: regular, rigorous peer evaluations of every teacher that include student performance as one measure; professional development and intensive support to help all teachers and principals succeed; and streamlined but just systems to improve or remove teachers identified as low-performing by their peer evaluation or otherwise. Participating partnerships would agree on steps to recruit talented new teachers, evaluate new teachers (including in the subject they will teach), reward good teaching, provide mentors for new teachers and principals, and adopt faster but fair ways to identify, and improve or remove low performing teachers. School districts would require regular, rigorous peer evaluations (which must include student achievement as one performance measure) of every teacher to provide advice and extra help to all teachers, and identify those few who should be placed into the district's streamlined program to improve or remove low-performing teachers. All teachers in participating school districts would receive up to a $5,000 salary increase when their district implemented the program, and new teachers recruited to the district would also be eligible for the higher pay level in order to encourage talented teachers to teach in these high-poverty districts. All teachers in the district could then be eligible for an additional salary increase when they successfully completed their regular, rigorous peer review (up to $5,000). Master teachers, reaching an advanced professional standard defined by the state or who get advanced certification through the National Board for Professional Teaching Standards Certification, could receive an additional bonus of up to $5,000. Teachers should be treated and paid like professionals, and held to high professional standards. No teaching contract or license should provide a lifetime job guarantee, but we must provide all our teachers the intensive support and training needed to succeed.

To ensure both sound policy and political viability, any program funded under this initiative should have the following characteristics:

- No teacher should receive less compensation as a result of participating in the program;
- Teachers should be involved in the development of performance indicators, evaluation criteria and systems to improve or remove low-performing teachers;
- Evaluations should be based on more than a single indicator;
- Student performance must be an indicator.

<u>Cost:</u>

Including a substantial independent evaluation component, ten to fifteen Higher Standards, Higher Pay sites (depending on the size of the districts that apply) could be funded adequately for $50 million in the first year, assuming a 25 percent local match. The match would be "open"; meaning it could be provided with LEA dollars, state dollars or dollars raised from the private sector. This estimate also assumes $1 million per site to invest in developing a good peer review system, guaranteed salary increases of $5,000 for each participating teacher and an average of 800 teachers per site. An additional $2 million is set aside for national activities to attract potential grantees and to conduct rigorous evaluation of programs. The funding would need to be increased in the outyears to accommodate the second round of salary increases, as well as any growing student enrollment.

ED and OMB Concerns Regarding the Higher Standards, Higher Pay Proposal

1. On what basis would ED be making the grants? The paper states that $1 million per site will be used to develop the peer review system. Does this mean that we need to award grants before systems are developed? What will we require of districts before they get any funding?

- Money would be distributed through a competitive grant process to those districts that work with teachers and local business to develop a plan to:
  - Recruit, test and support talented new teachers;
  - Provide high-quality professional development for all teachers and reward "good" teachers (including those identified as "master teachers");
  - Institute rigorous peer review of all teachers in the district, including student achievement as one performance measure; and
  - Design a faster, but fair, system to improve or remove low-performing teachers (including those identified as "low-performing" in their peer review).

- Initially the $1 million investment will be used to develop a rigorous peer review system, and in later years some portion of that money would be used to implement that system.

2. As a superintendent, I would be very tempted to develop a system that almost all of my teachers would pass. This would allow me to essentially give all of my teachers raises. How will we prevent this from happening?

- Theoretically most superintendents might appreciate a peer review that helped them get rid of their worst teachers. The involvement of the business community should help mitigate the potential for a sham somewhat, but overall the policy will be similar to other Ed grants in which we choose to fund good proposals and rely on evaluation and honesty to ensure that the money is not being misused.

3. Does your formula provide for districts to hire subs or staff as needed to enact the peer review?

- Yes, that is what the $1 million (or some portion thereof) will be used for after the peer review system is developed.

4. Does this program facilitate the dismissal of low quality teachers? If it is not a real possibility that low quality teachers will lose their jobs, why do we give all teachers so much money before they even pass the peer review?

- The program facilitates the removal of low-performing teachers by both requiring that the district implement a streamlined policy for removing bad teachers and by identifying teachers who should be removed through the peer review.

5. We are spending a lot of money on teachers before any peer reviews takes place. What is the rationale behind this decision? It seems to run counter to the premise of this proposal to provided raises to teachers who have only passed a minimum standard.

- One of the purposes of the program is to attract and retain high-quality teachers to high-poverty districts. In addition to being the political "price of admission for this program, the up-front increase supports the plan to attract high-quality teachers.

6. There is not enough money in this proposal to do what it proposes. When we start supplementing teacher salaries at the tune of $5000 per teacher, that's a huge amount of money in large school districts. If we want to reach the high-poverty urban areas, this won't go too far. What happens when our program ends? Who makes up the difference in salary?

- The program is a demonstration that will fund from 10-15 districts (I'll be happy to walk through the math if anybody wants to call me). The Los Angeles and Chicago districts of the country may not qualify, but the vast majority of districts would.

7. Would districts that have already done this be eligible? For example, Cincinnati and Columbus, Ohio, Rochester, NY, and Seattle already have this kind of system in place.

- They could apply, but since their application would have to show that their new proposed changes would substantially increase teacher quality above what their current policies are doing, I doubt they would receive funding.

8. I don't think we want to be suggesting that districts start testing new teachers. States are the ones who administer tests for state licensing. Districts should not be adding to this. We might want to encourage districts to develop rigorous performance-based assessments for their new teachers that includes peer review, but we should not use the word "test" new teachers.

- We will not replace "test" new teachers with "evaluate" new teachers, and not really specify any further.

9. This proposal should make reference to the proposal that the Secretary put on the table in his State of American Education speech last February. He called on States to rethink their licensing and certification system to make them more rigorous, but also more flexible. To start a national dialogue, the Secretary outlined a three-tiered licensing system for initial, professional, and advanced certification, with appropriate jumps in salary for each stage. The professional license required a rigorous assessment of performance in the classroom judged by a panel of peers. To ignore the Secretary's proposal would be a serious mistake. We got lots of press attention to this when he made his speech. (The proposal is spelled out in our latest Information Kit on the Teaching Initiative and it's on our web site.

- We'd be happy to discuss specific proposals for changing the program, although we all know the time constraints of any changes that would be incorporated into budget docs.

10. I'd also like to see us continue to push the concept of knowledge and skills-based pay. The Secretary has been pushing this concept since his Back to School Address in 1998. It does a similar thing to this proposal, but does not just give across the board raises to everyone. Again, we elaborated on this concept in the State of American Ed last year.

- The peer review proposal is a knowledge-based pay proposal. It increases pay based on knowledge and teaching performance--not on seniority. Both the peer review and master-teacher pieces do that.

11. If we wanted to be really bold, we should be looking at the proposal that the Milliken Foundation put forward this fall on differentiated teaching salaries based on knowledge, skills, and responsibilities of teachers on a faculty. Their proposal includes a description of a typical elementary and high school and how this might work without having to pour a tremendous amount of new money into the system. It's based on the medical field model. I don't know how the unions have reacted to this proposal, but I thought it was quite interesting.

- It' probably a little late for this kind of large-scale change.

12. Competitive grants to high-poverty districts (suggesting that urban and rural are competing against each other, no priority for districts in teaching staff crisis) How long are these grants for, particularly if they include salaries?

- The grants are indefinite at this point, but could be stepped down as the local match increases if that became appropriate. It is probably not necessary to make this decision for the budget paper.

13. Application that includes plan (as described before) for testing of new teachers (Is this just the test for initial certification/licensure? What benefit does it have besides ensuring compliance with state teaching standards?) professional development and mentoring, streamlined system for teacher evaluation and removal

- See answer to #8.

14. Salary increases--there seem to be three intervals at which teachers can earn up to $5,000 in salary increases. Are these to be added together, meaning up to $15,000 in salary increases per teacher? Is there any way of ensuring that our dollars do not supplant local dollars for salaries and salary increases? One increase is based on successful completion of "a rigorous peer review." Does this mean when the district has put in place such reviews, or when the teacher has undergone some peer implemented performance assessment?

- The final $5,000 for becoming a master teacher is a bonus, not an increase, so the total possible increase per teacher is $10,000. The second increase would be given to the teacher upon successful completion of the peer review described in the proposal. We could put a supplement not supplant clause in (note: how is this done in class size?).

15. Size and Number of Awards. Considering the estimated costs of peer review ($1 million per site) and salary costs ($5-15,000 per teacher), these awards would be for $4 million-$12 million for each LEA, and not serve Leas with more than 800 teachers. (5 awards to medium size districts?) I would guess that the top 100 largest districts have easily a couple of thousand teachers each. For which districts is this intended (Does it exclude big districts?) How many awards could be made? At what size?

- See answer to #6 and "Cost" section of paper.

16. Matching Requirement of 25%. Most of our matches are in-kind, is that the case here as well? Otherwise, which districts will contribute the $1-4 million? Do we have evidence to suggest that districts will do this?

- This match could be in-kind (although this is really only useful for the peer review component, since the rest is straight dollars), and can be from any source, including the state, the district or the local businesses involved in the program