

Teacher Compensation

STRATEGY TO RESTRUCTURE TEACHER COMPENSATION TO IMPROVE
RECRUITMENT, RETENTION, AND STUDENT OUTCOMES

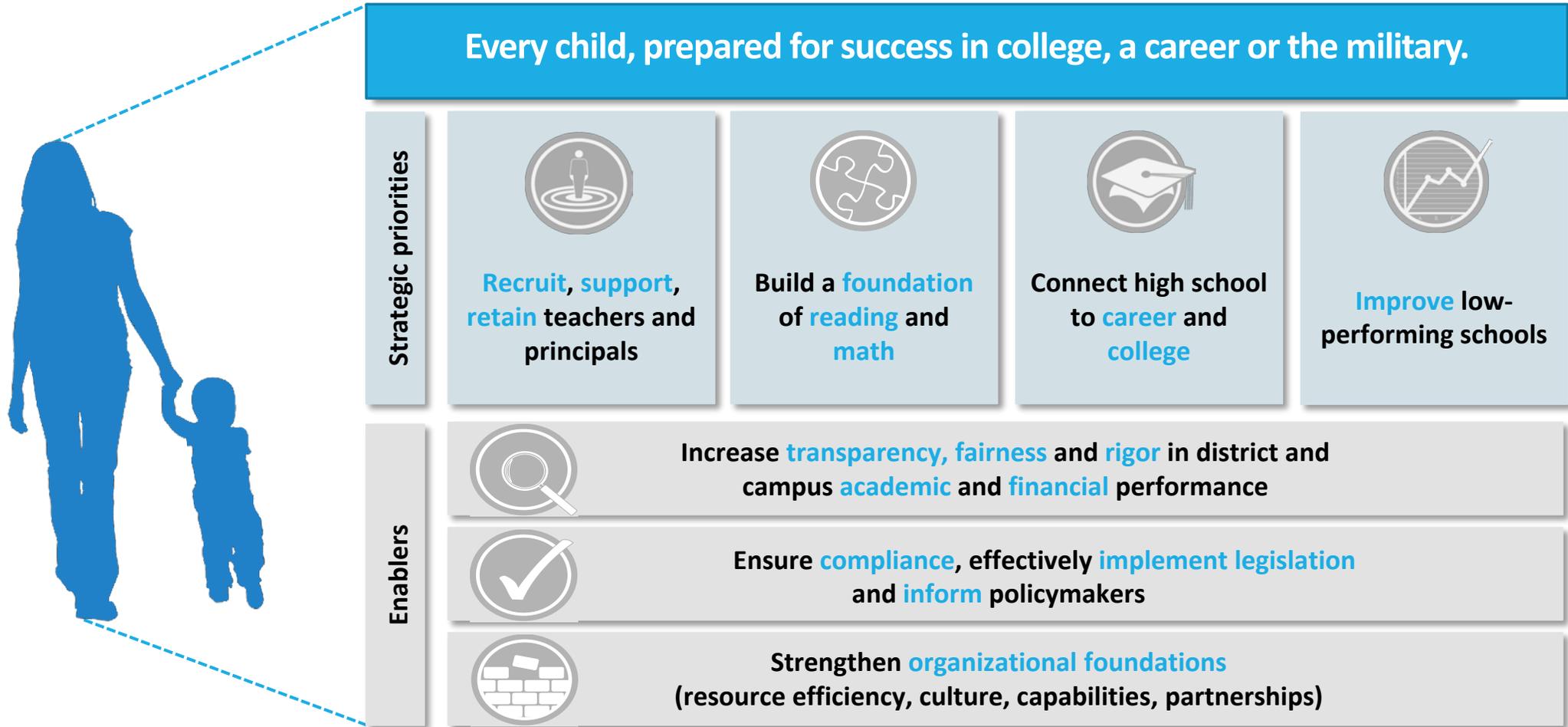
Key Takeaways



Key Takeaways On Teacher Compensation

- (1) Good teachers should be paid **SIGNIFICANTLY** more in order to improve retention, especially at high poverty and rural schools.
- (2) There are reasonable processes that can be used to define exactly what "Good" and "Best" teachers are, but they aren't easy or without controversy:
 - Best if locally developed and involve some statewide calibration
 - Small, rural districts need a process managed by a third-party given capacity limitations
- (3) A policy framework will require a willingness to make a long term commitment via funding formulas, not one time grants.

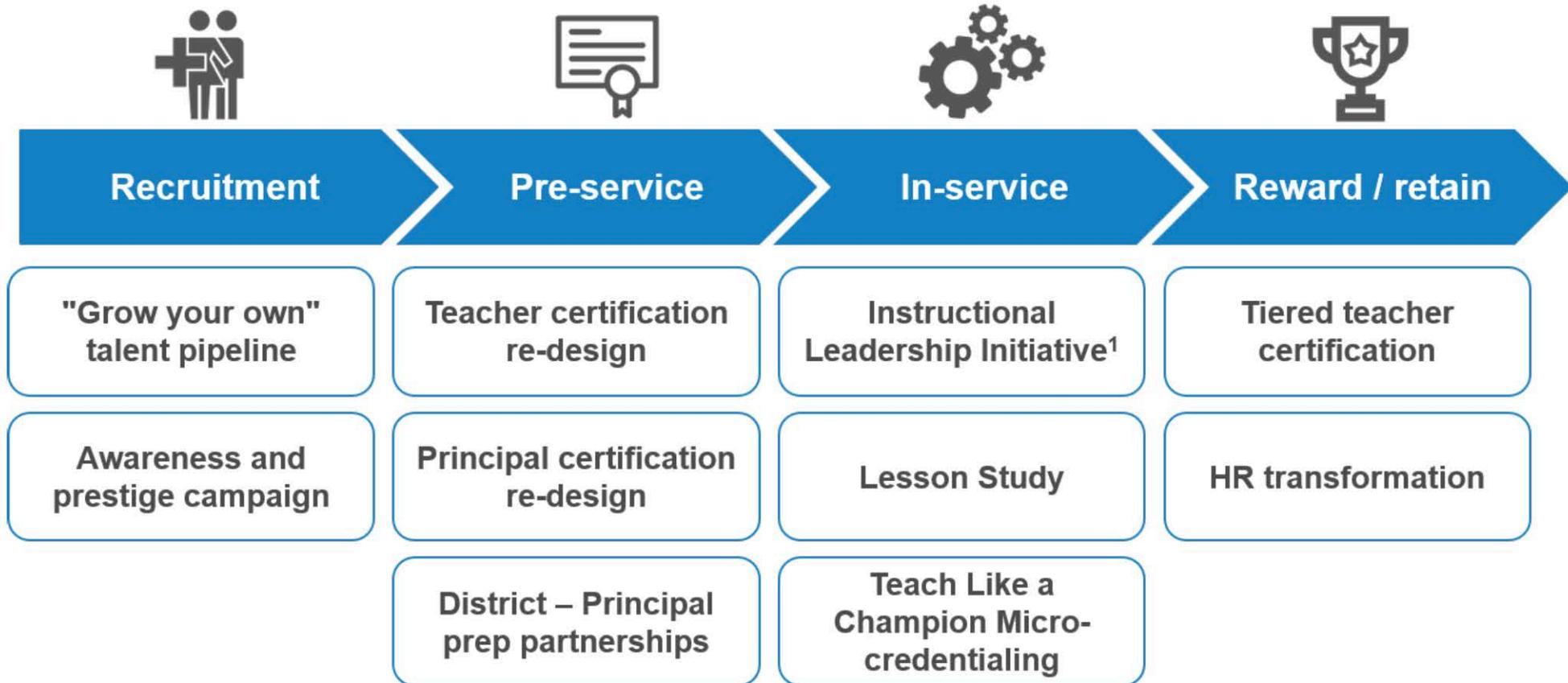
Our Strategic Priorities



Our Strategic Priorities



Recruit, Support and Retain Teachers and Principals



Recruitment Challenges

Country's Best Students Remain Uninterested

In a 2010 report, McKinsey & Co found:

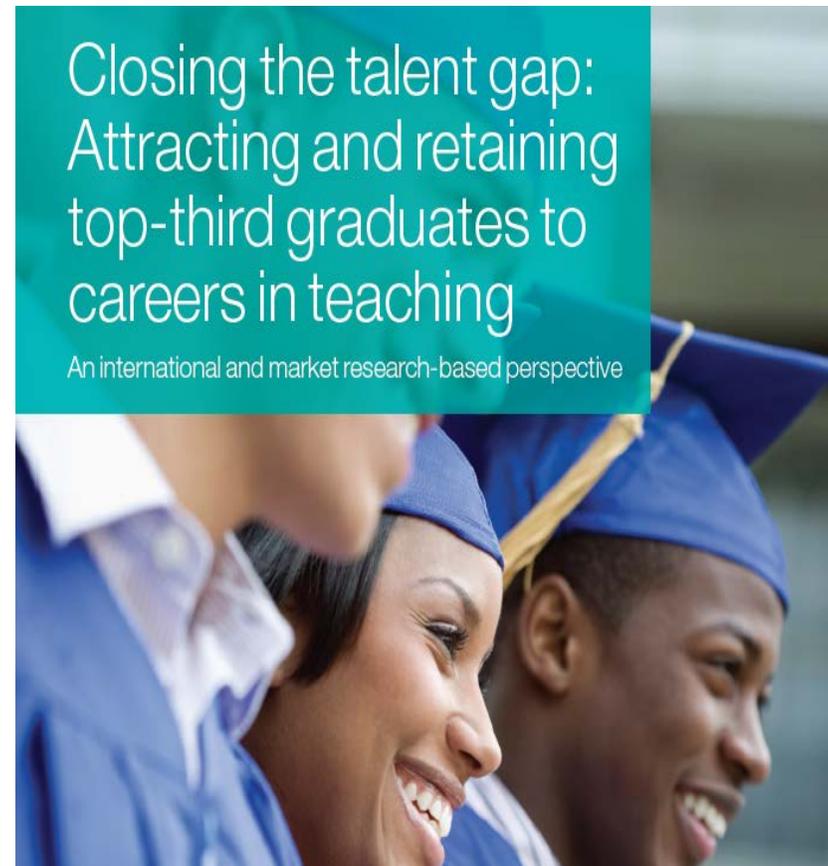
- **23%** of new teachers in the US come from the top 1/3rd of their college graduating classes.
- **14%** of new teachers in high poverty schools come from the top 1/3rd of their graduating classes.

vs.

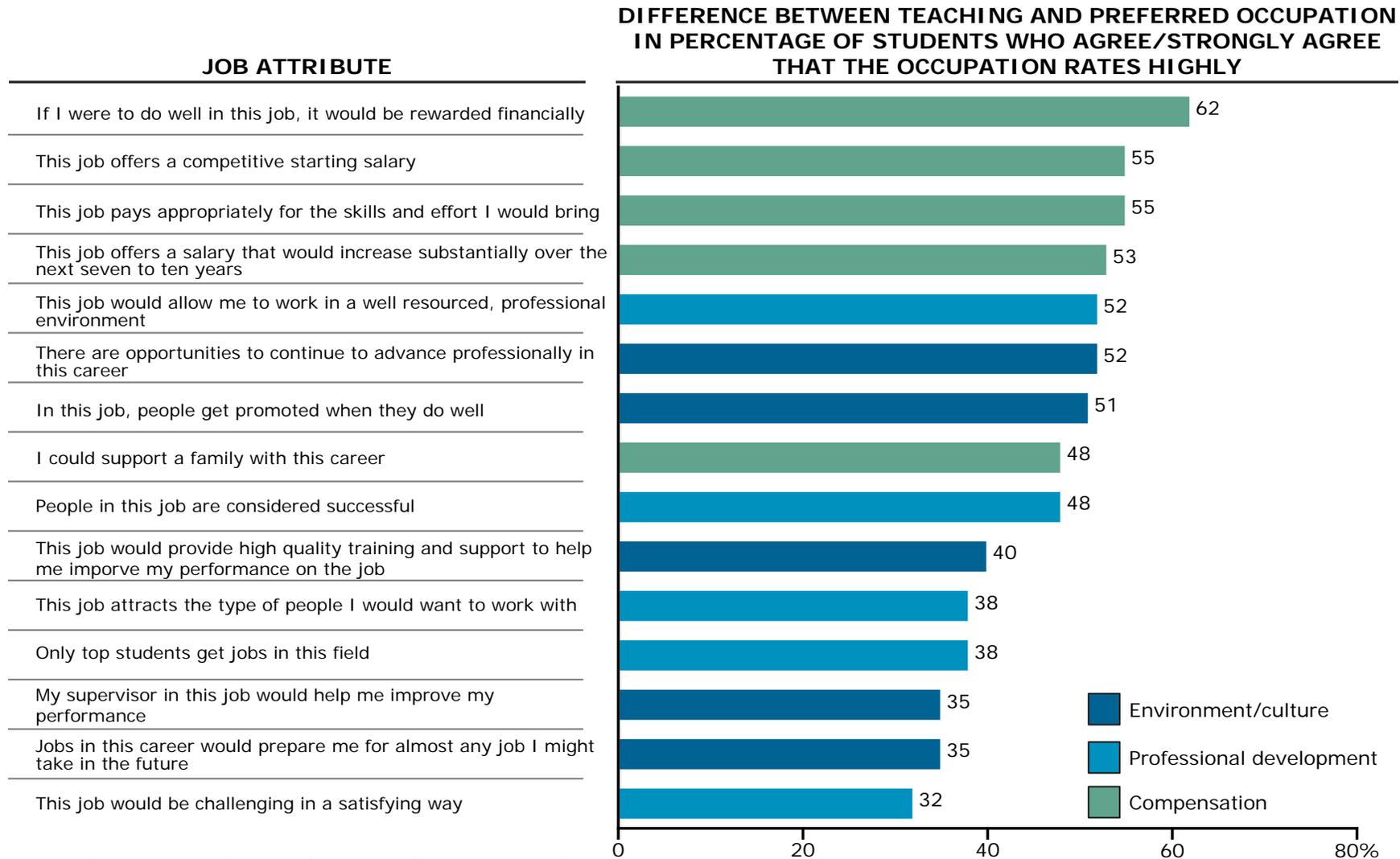
- **100%** of new teachers come from the top 1/3rd of their graduating classes in Singapore, Finland, and South Korea.

Closing the talent gap:
Attracting and retaining
top-third graduates to
careers in teaching

An international and market research-based perspective



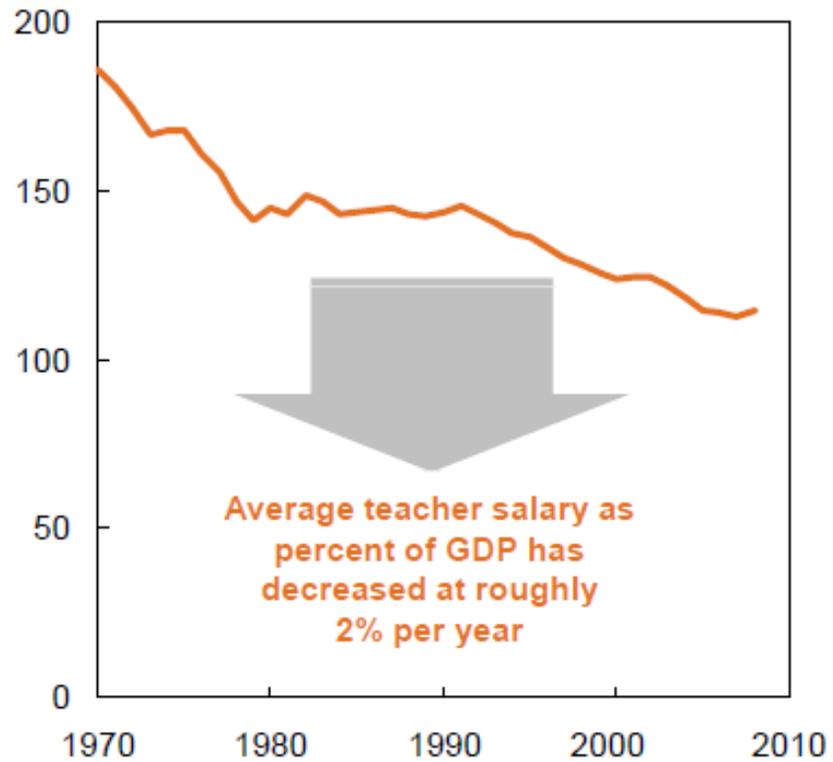
Compensation tops list of concerns for teaching as a career for top third college students



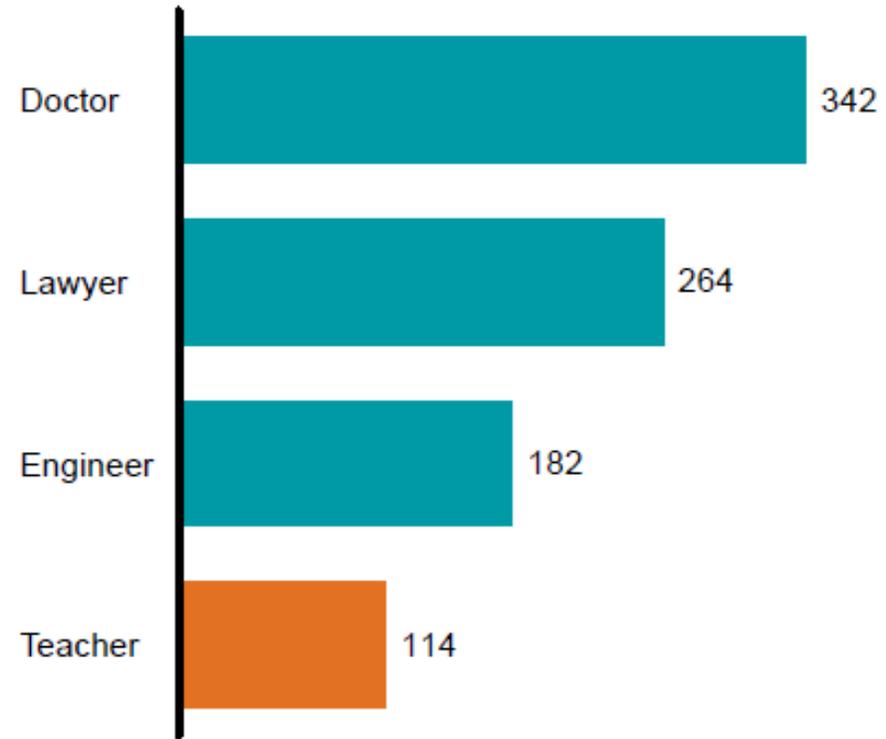
Note: Study is on top 1/3 of students not planning on teaching

Source: McKinsey Report: Closing the talent gap: attracting and retaining top-third graduates to careers in teaching, *September 2010*

Average U.S. teacher salary as percent of GDP per capita 1970 – present
Percent

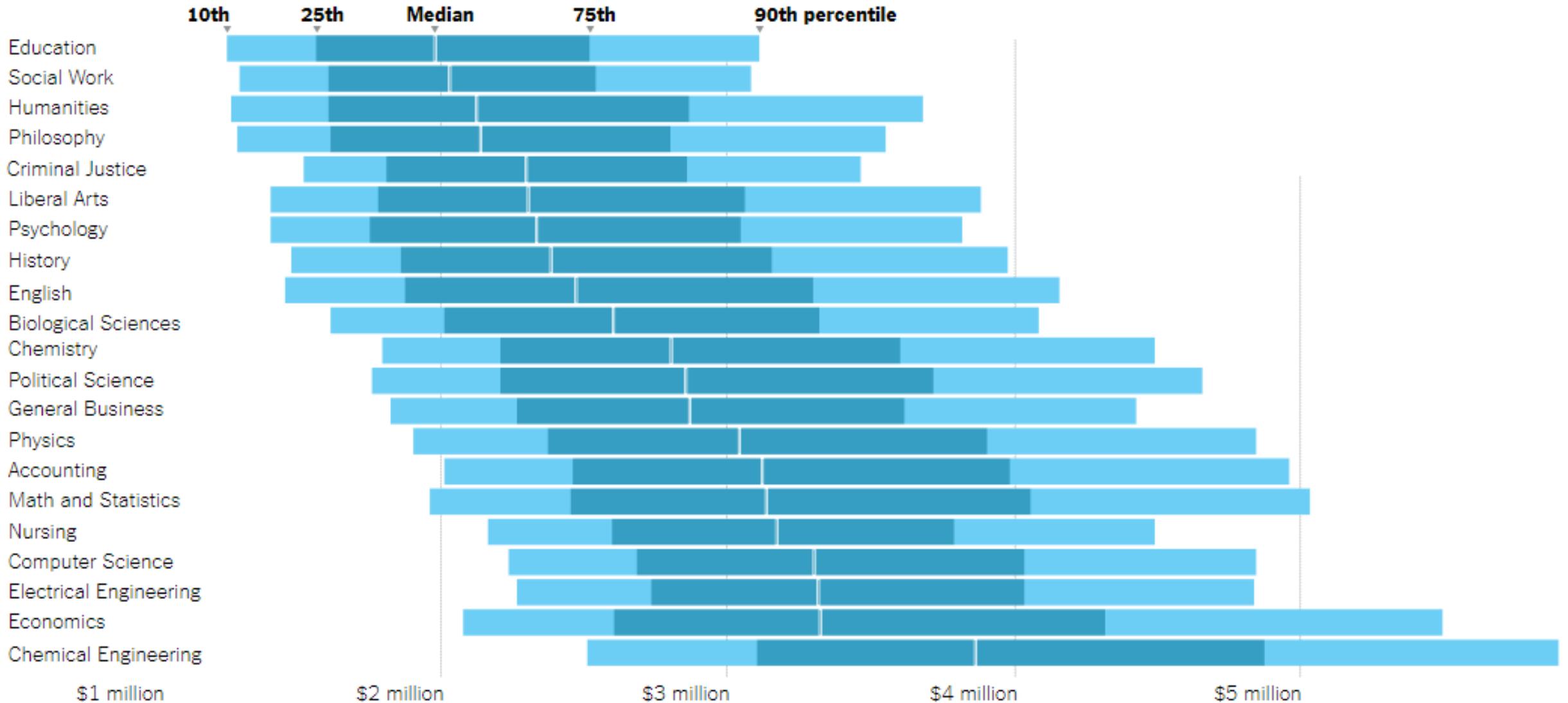


Average professional salaries in US as percent of GDP per capita 2008
Percent



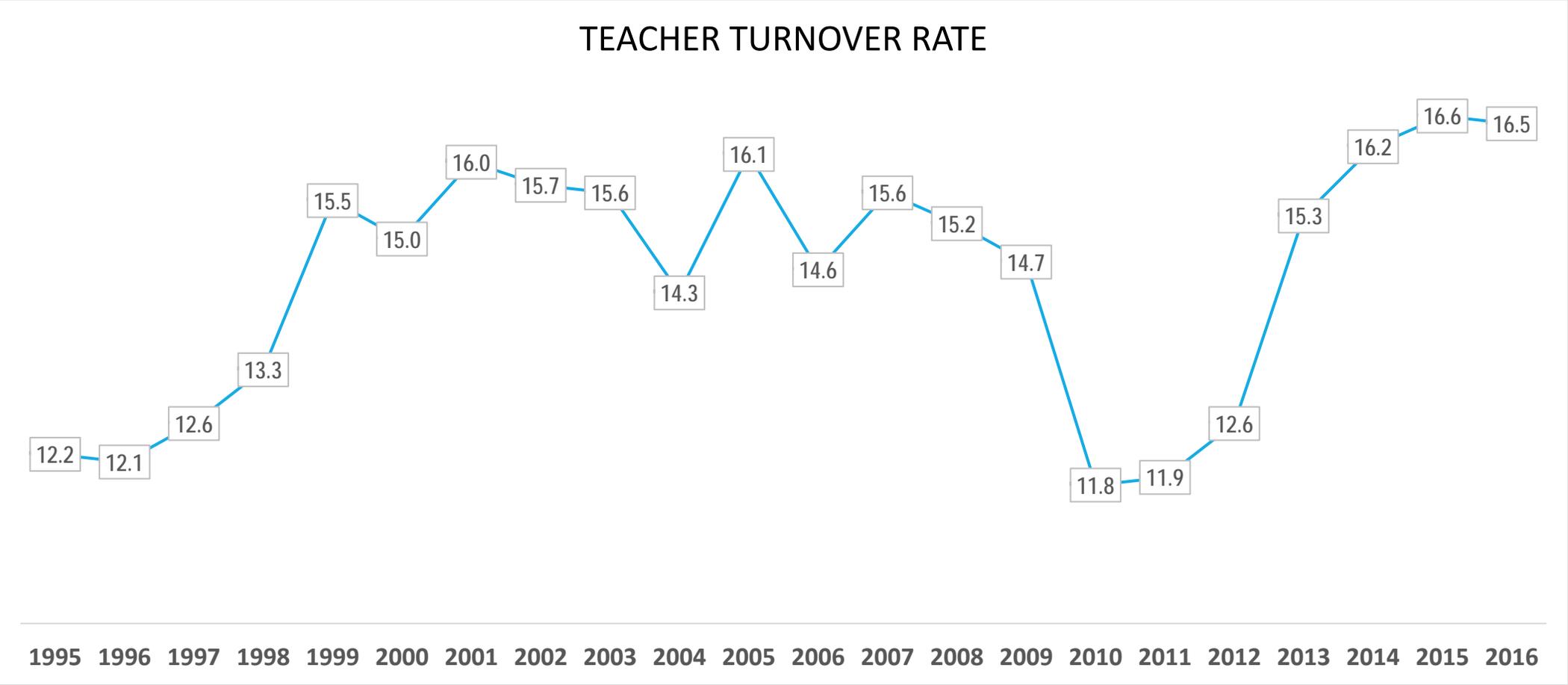
Source: McKinsey Report: Closing the talent gap: attracting and retaining top-third graduates to careers in teaching, *September 2010*

Projected career earnings for college graduates in the ...



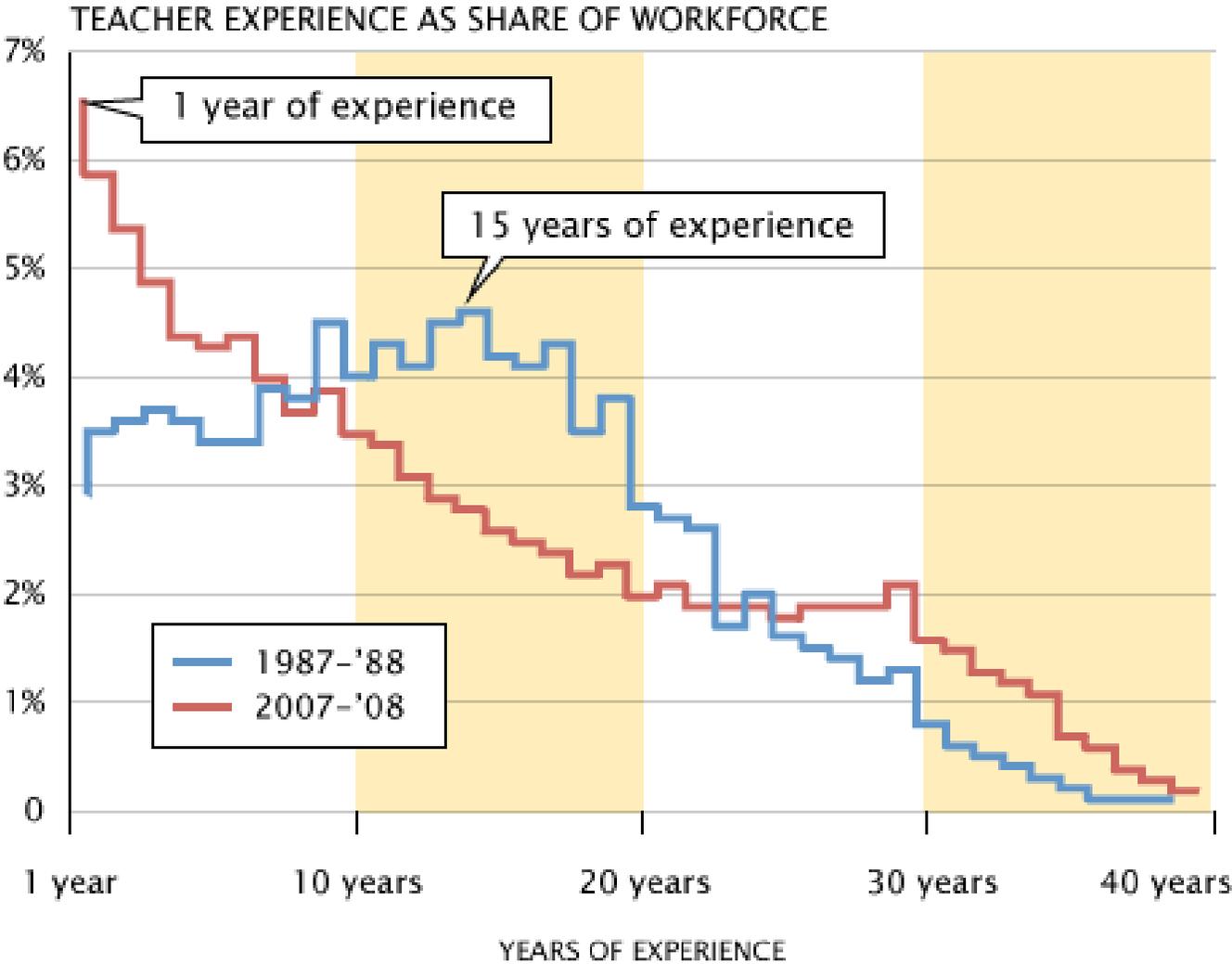
Retention Challenges

The Teacher Turnover Rate



Source: TEA

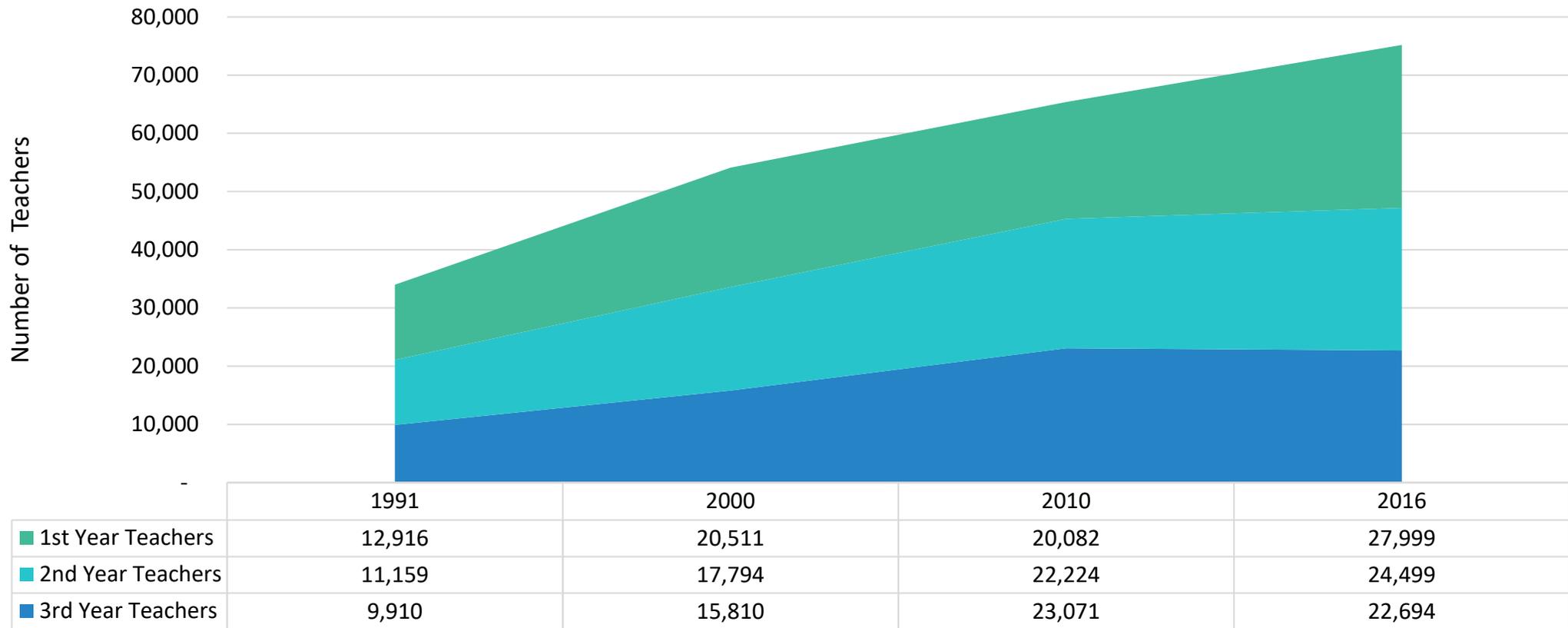
Teacher experience



SOURCE: U.S. Department of Education

msnbc.com

In the span of 25 years, the percentage of teachers with more than three years of experience has dropped by 5.1% from 83.5% in 1991 to 78.4% in 2016)

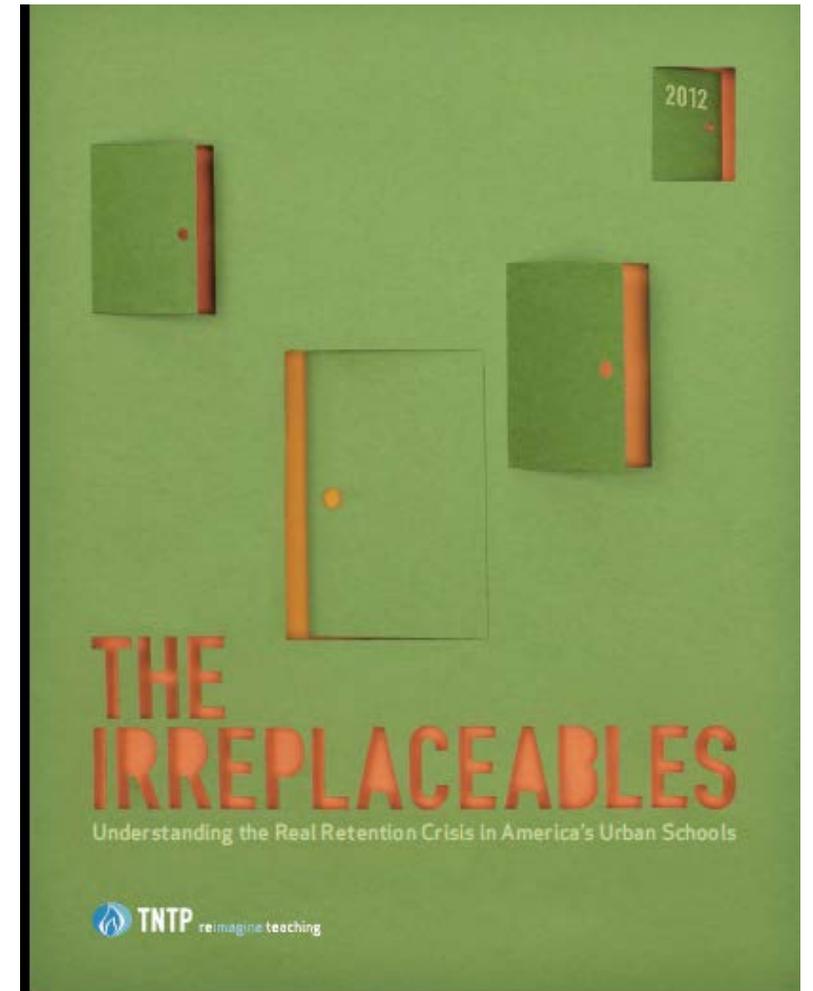


*Teachers in their 4th year or more totaled **171,940 in FY1991**, **214,112 in FY2000**, **267,726 in FY2010**, and **272,160 in FY2016**.

Why are top teachers leaving the profession?

In a 2012 report by TNTP, less than half of the top performing teachers surveyed were told they were high-performing by their school leadership, let alone compensated accordingly.

*“State and district leaders should phase out quality-blind pay structures in favor of more flexible compensation systems that offer greater earnings potential for high-performing teachers early in their careers. As a rule of thumb, we recommend that **Irreplaceables** (high-performing teachers) be able to make a six-figure salary by the end of their sixth year of teaching.”*



A Slower Climb

It is well known that teachers earn less than doctors and lawyers. However, few realize that most doctors and lawyers make up much of the gap between their initial and peak earnings by their early 40s, while teachers' earnings rise slowly and peak when they reach their mid-50s and are near retirement.

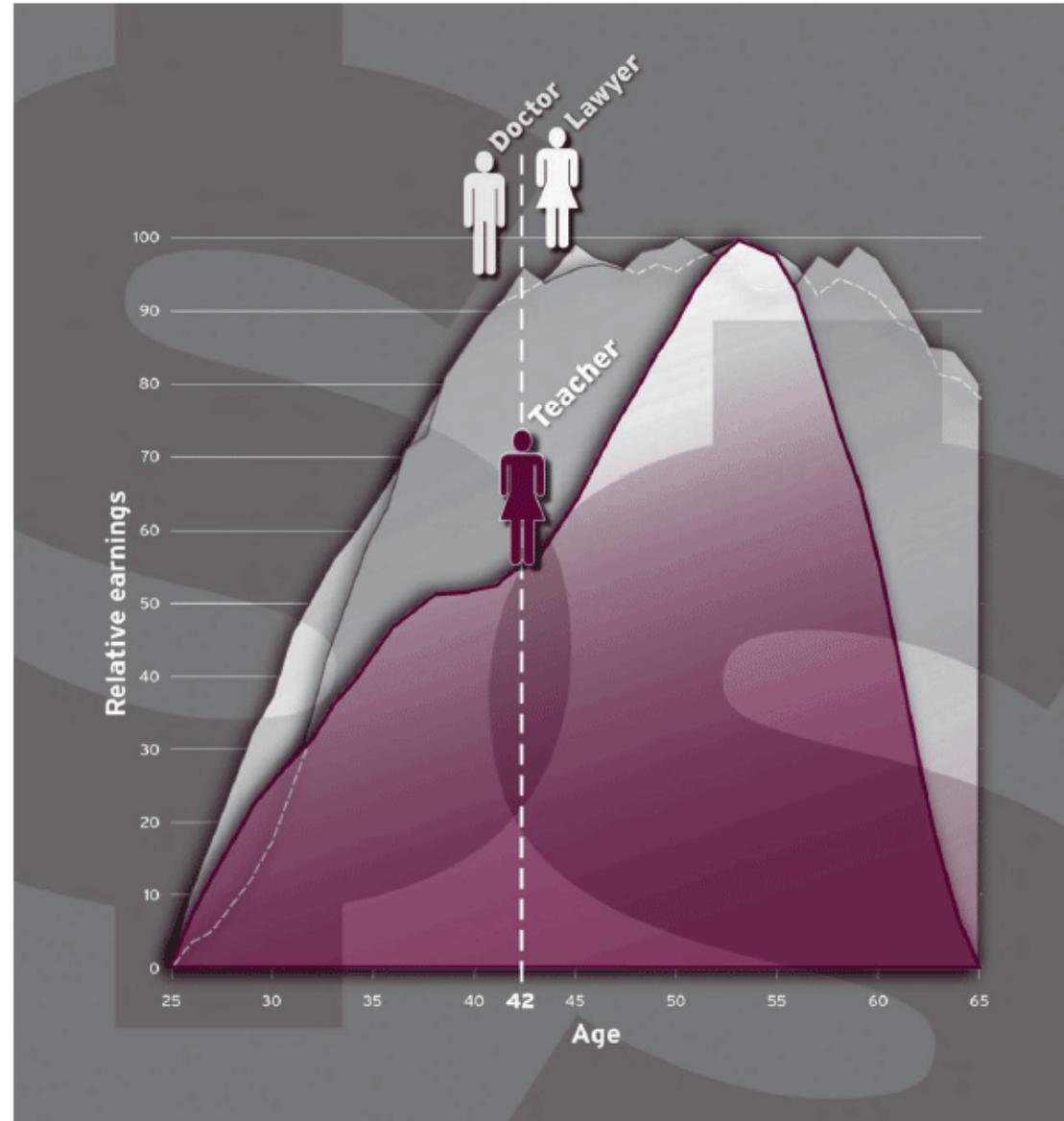


ILLUSTRATION / BRUCE SANDERS DESIGN

Note: The figure plots five-year moving averages of annual earnings, measured relative to the difference between earnings at age 25 and peak earnings for each profession.

SOURCE: U.S. Census Bureau, American Community Survey, 2006

Special Session Proposal

Flexibility to use tiered certification distinctions to recruit & retain the best

Standard Certificate
Renewed every 5 years with CPE

Pass National Board

Accomplished Teacher
Renewed (through NBCT) every 10 years

Prepare student data portfolio and apply to SBEC

Portfolio reviewed by Master Teachers

Top 25% Teacher
(over 3 years average)

Top 5% Teacher
(over 3 years average)

Distinguished Teacher
Re-application every 5 years

Master Teacher
Re-application every 5 years

- Districts can receive \$1900 loan to cover teacher application fees
- Must repay within 3 years
- If certification not granted, must pay \$300 penalty

- Districts receive \$4k per teacher per year

- Districts receive \$8k per teacher per year, if at a high poverty or rural campus

- Districts receive \$20k per teacher per year, if at a high poverty or rural campus

Texas Compensation Strategy Examples

Current Teacher Performance Compensation Models

Dallas ISD

Comprehensive change to teacher evaluation system impacting all teachers, based on three components: supervisor observations, student growth, and student survey results.

Teacher salaries are explicitly tied to performance appraisal, as opposed to the years-of-service salary schedule.

High performing teachers offered additional \$10k stipends to teach at highest needs campuses, recruited en masse.

Lubbock ISD

District-wide group & individual performance bonuses eligible to staff and teachers.

Group bonuses include campus-wide and content-area student growth. Individual bonuses awarded to teachers in core-content areas based on growth of their students.

High performing teachers eligible for \$15k of bonuses in high needs campuses vs \$3k in other campuses.

Austin ISD

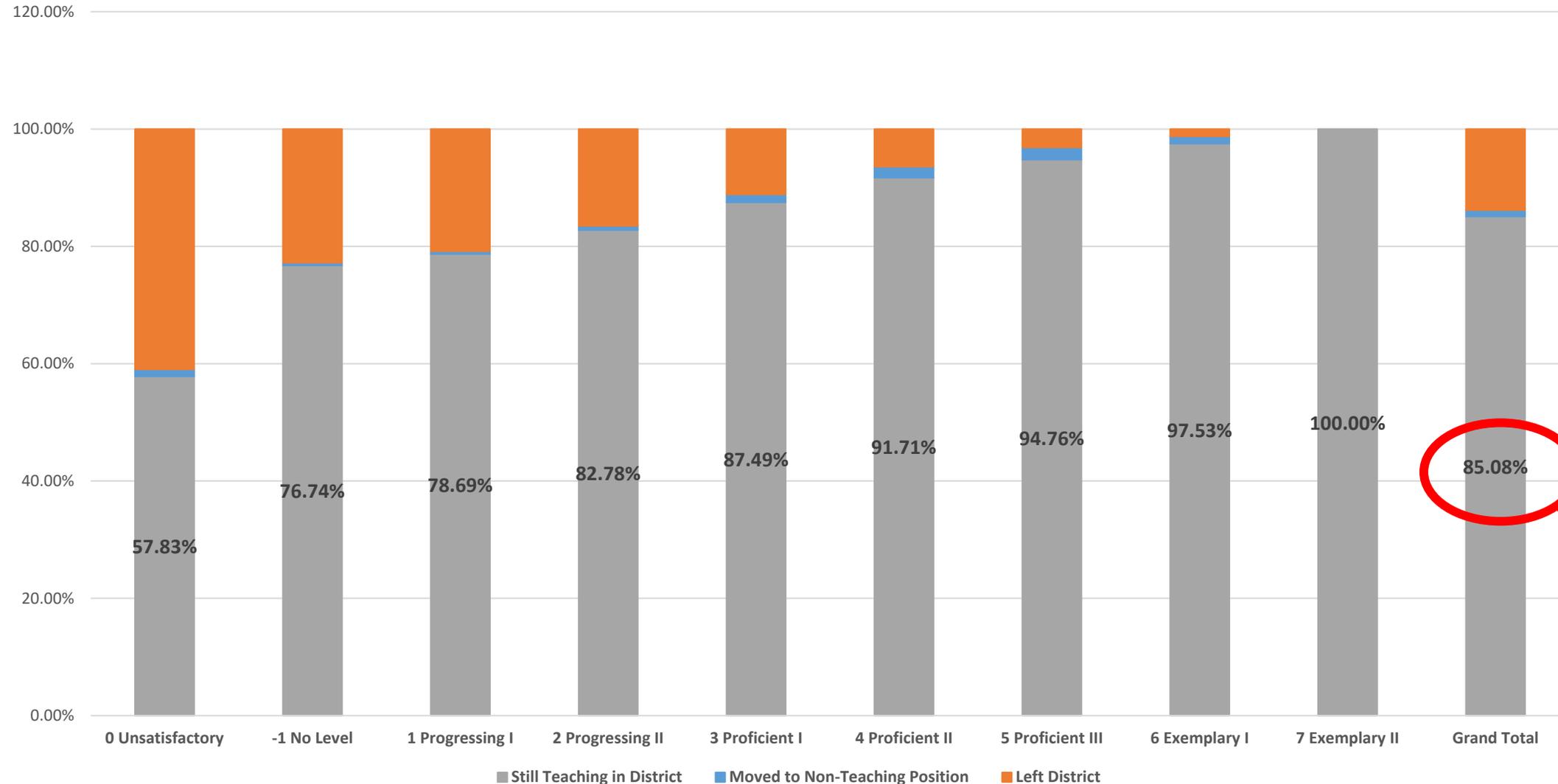
Offers incentives and support for teachers to pursue National Board Certified Teachers. NBCT is a rigorous certification process covering all teaching areas that takes anywhere from 12-24 months, and NBCT teachers have been shown to have a positive impact on student growth.

Support includes covering up front costs and cohort support for those in process. Stipends of \$2k per year thereafter are offered while the certification is maintained, regardless of campus placement.

Retention improved for the best; Departures increased for the worst

Overall retention skyrocketed,
now exceeds state average

Teacher Retention by Effectiveness Level (as of September 1, 2016)



Before TEI,
retention in
DISD was:
78.1% - 2013
78.8% - 2014
78.4% - 2015
Now

State average
retention:
83.5% - 2015

Dallas ISD Teacher Opinions

In spring 2017, Dallas ISD teachers answered a survey about this approach to evaluation & compensation.

“My salary should be based on how effective I am as an educator.”

6716 responses

- Strongly Agree - 23.0%
- Agree - 38.7%
- Neutral - 23.6%
- Disagree - 9.4%
- Strongly Disagree - 5.4%

61.7% Agree

14.8% Disagree

Current Teacher Performance Compensation Models



Longview ISD

Implemented an innovative 3-tiered teacher performance pay model to highlight work of teachers and campuses that were closing academic gaps



Mathis ISD

Instituted longevity bonuses for teachers and administrators that include \$850 per year increases for the first 10 years of employment with the district



Flatonia ISD

Retention stipends provided annually to staff based on years with the district. An “Early Notice Exit Incentive” provided to teachers transitioning to support recruitment efforts.



Pharr-San Juan-Alamo ISD

Performance pay implemented based on a teacher effectiveness rubric that requires both observation and student growth data.



Seymour ISD

Provides a comprehensive benefits package to teachers that includes a 403b contribution, an HSA account, and a stipend towards gym memberships.



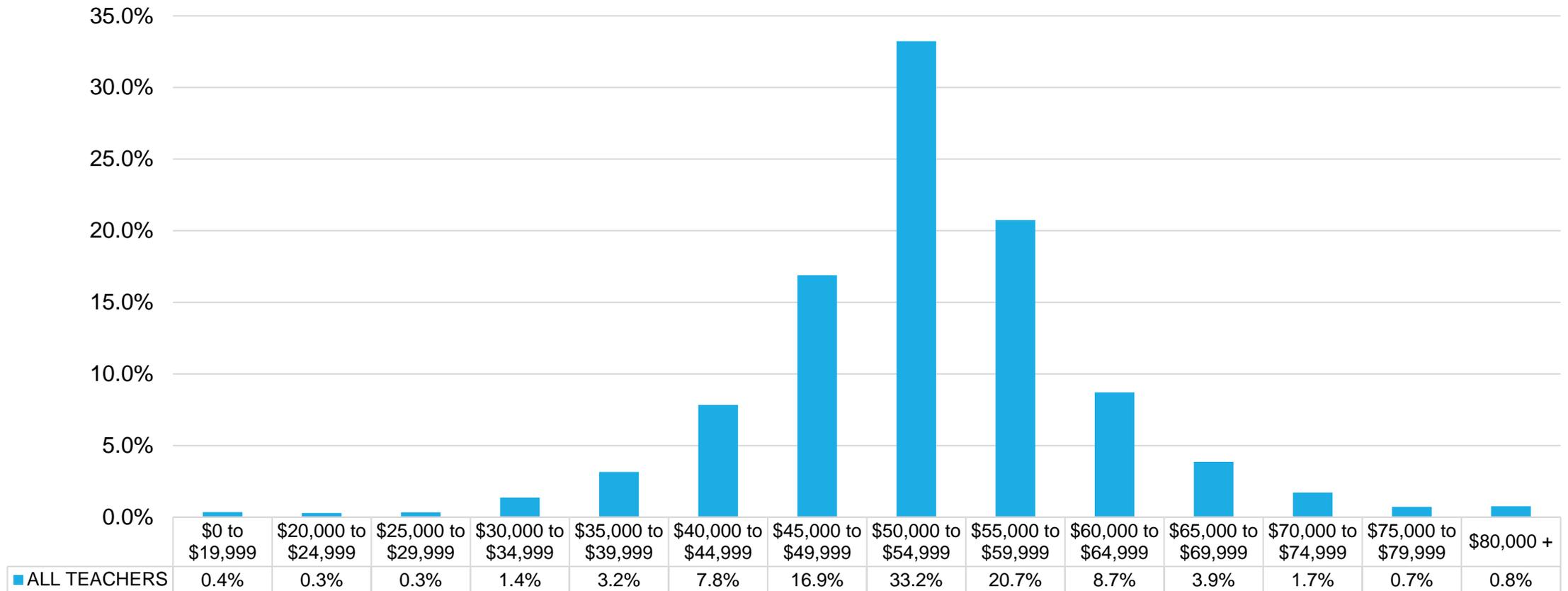
Era ISD

Retention and longevity stipends available to all teachers. An “Academic Coordinator” stipend was created to incentivize the district’s highest performing teachers to stay in the classroom.

Appendix

Teacher Salary Distribution for the 2015-2016 School Year – ALL TEACHERS

Percentage of Teachers in Each Salary Bracket



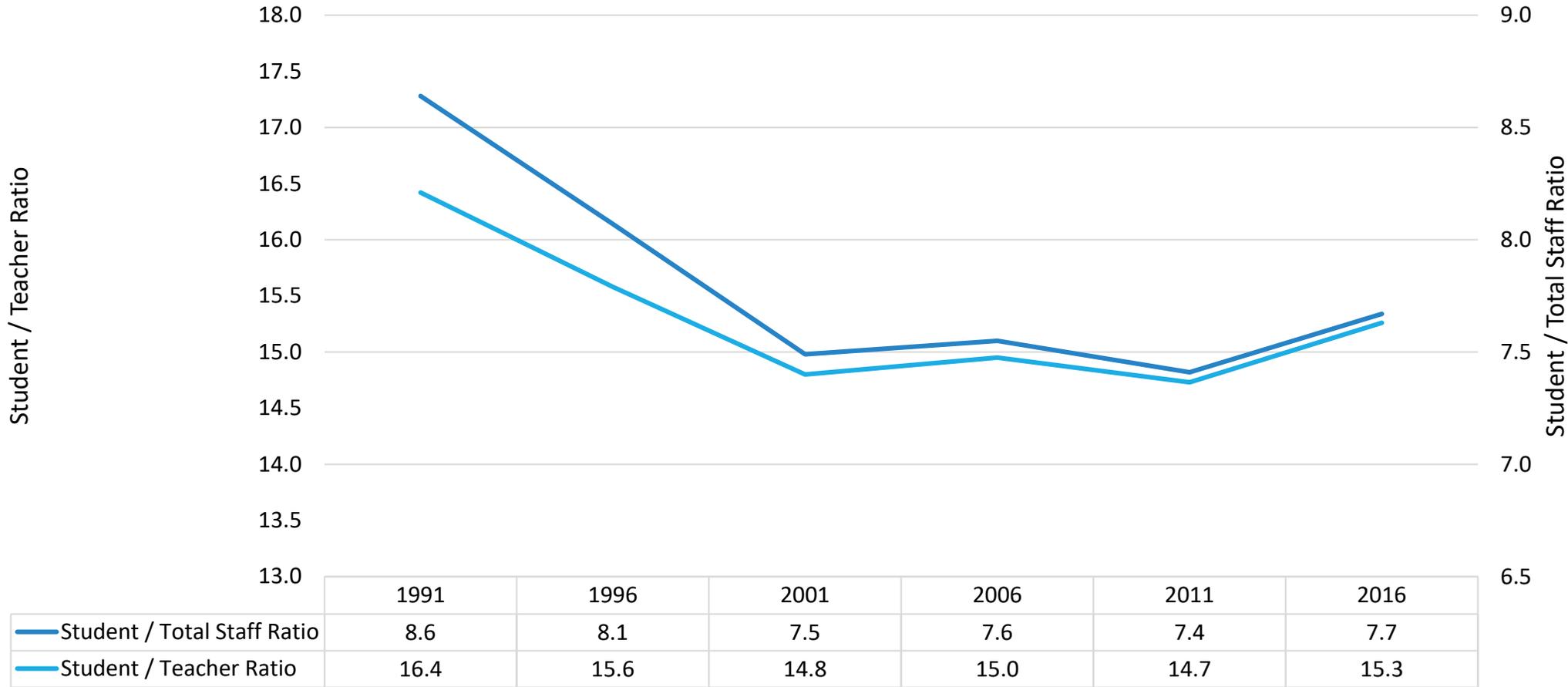
In 2015-16, Salaries & Benefits for Teachers & Teaching Personnel comprised \$25.2 billion (42.9%) of all Revenues in Texas (All Funds)

Category	Total Expenditures	% of Total Revenue (All Funds)
Teacher, Teacher Assistant, Substitute Salary/Wages*	\$21,423,495,000	36.4%
Teacher & Related Payroll Taxes, Retirement, Health & Employee Insurance*	\$3,796,030,676	6.5%
Supplies & Instructional Materials	\$1,887,442,433	3.2%
Services	\$798,332,048	1.4%
Student Service Charges	\$143,587,786	0.24%
Other	\$20,875,451	0.04%
Total Amount Spent on Instruction (All Funds)	\$28,069,763,394	47.7%

Total Revenue (ALL Funds) \$58,797,907,294

*Breakdown next slide

Trends in Student to Teacher & Student to Staff Ratios

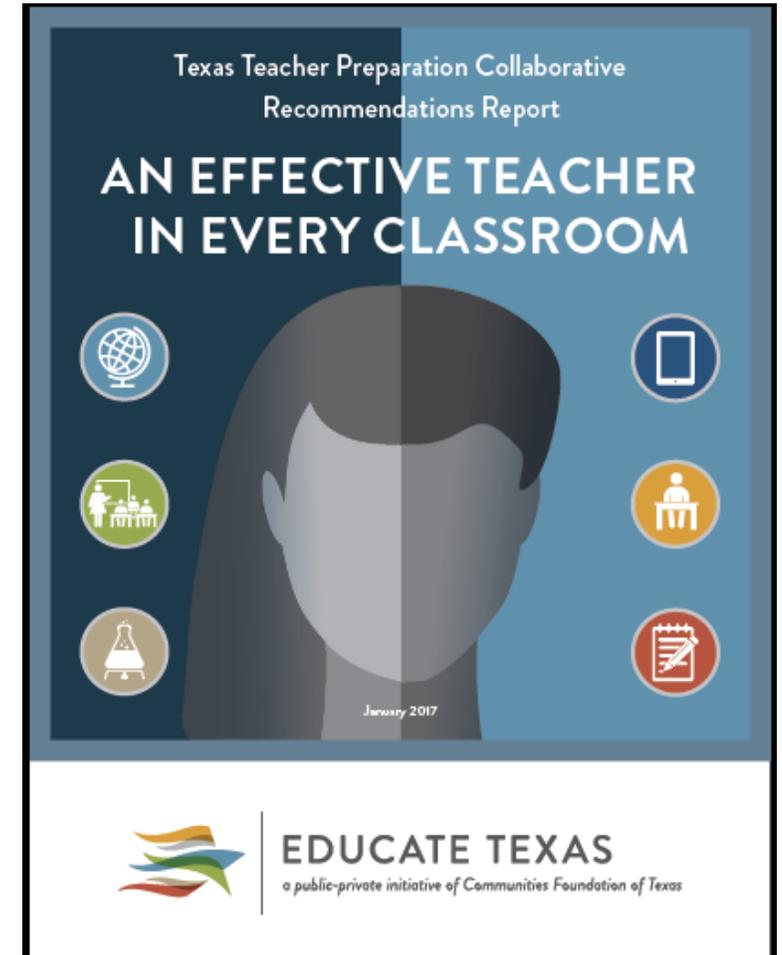


It does not appear larger class sizes are to blame for reductions in retention.

Experts Agree on the Need

The Texas Teacher Preparation Collaborative calls for a competency-based, tiered licensure system that differentiates performance and strengthens teaching as a profession

“Teachers need a pathway for career advancement that involves growth in professional skills and expertise, improves outcomes for students, and opens the door to greater responsibilities and opportunities.”



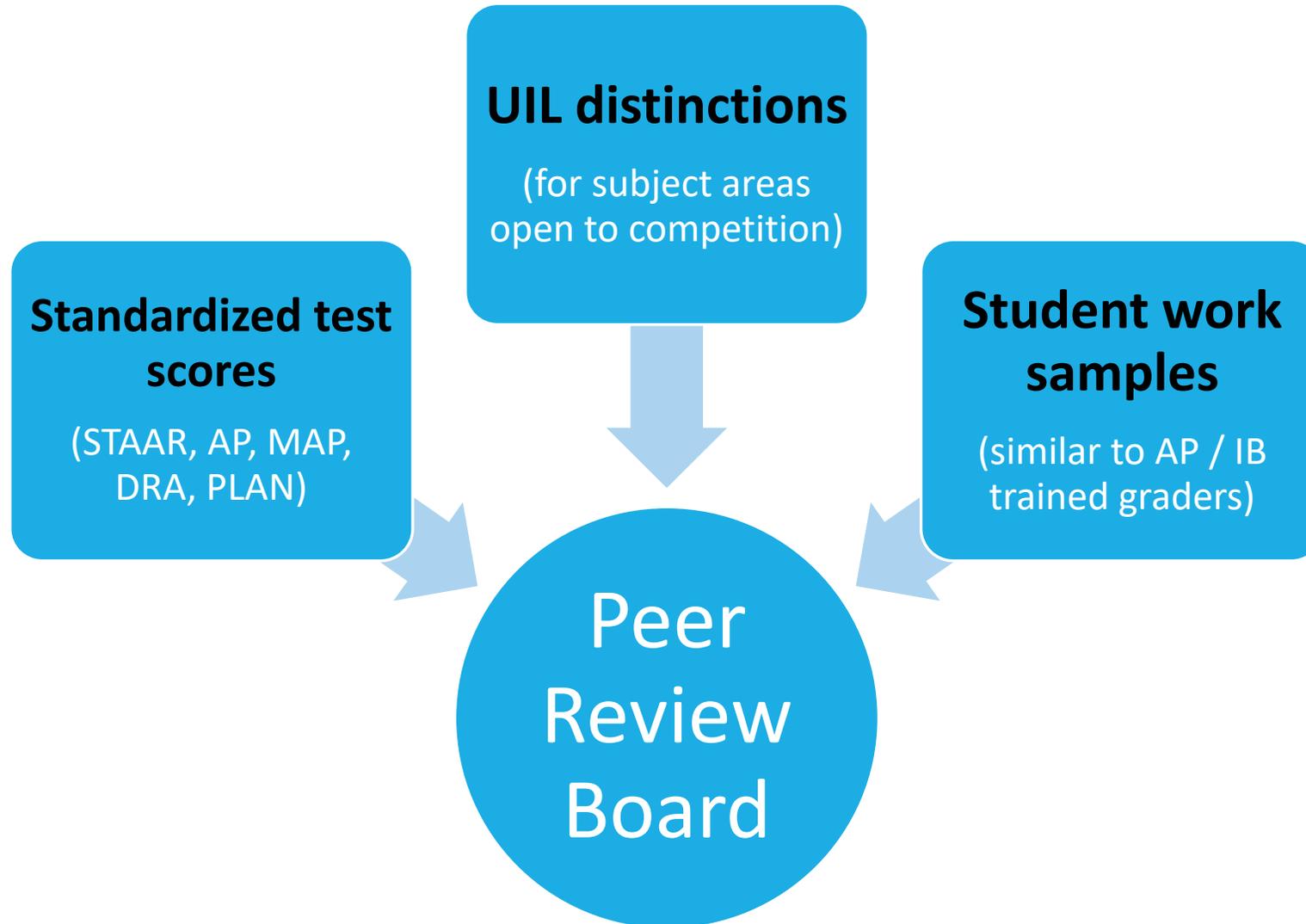
National Board Certified Teachers (NBCT)

“Estimates of the increase in learning are on the order of an **additional one to two months of instruction**. The positive impact of having a Board-certified teacher (NBCT) is even greater for minority and low income students.”

From: The Proven Impact of Board-Certified Teachers on Student Achievement

State	Total Number of Teachers	Number of NBCT
Texas	350,000	873
California	285,500	6,426
New York	241,000	1,790
Florida	180,000	13,576
Pennsylvania	148,000	1,230

How would we verify top 5% & top 25% teachers?



Performance Analyzed Within Teaching Field

Art (ages 3-12 and 11-18)

Career and Technical Education

English as a New Language (ages 3-12 and 11-18)

English Language Arts (ages 11-15 and 14-18)

Exceptional Needs Specialist

Generalist (ages 3-8 and 7-12)

Health Education

Literacy: Reading –Language Arts (ages 3-12)

Mathematics (ages 11-15 and ages 14-18)

Music (ages 3-12 and 11-18)

Physical Education (ages 3-12 and 14-18)

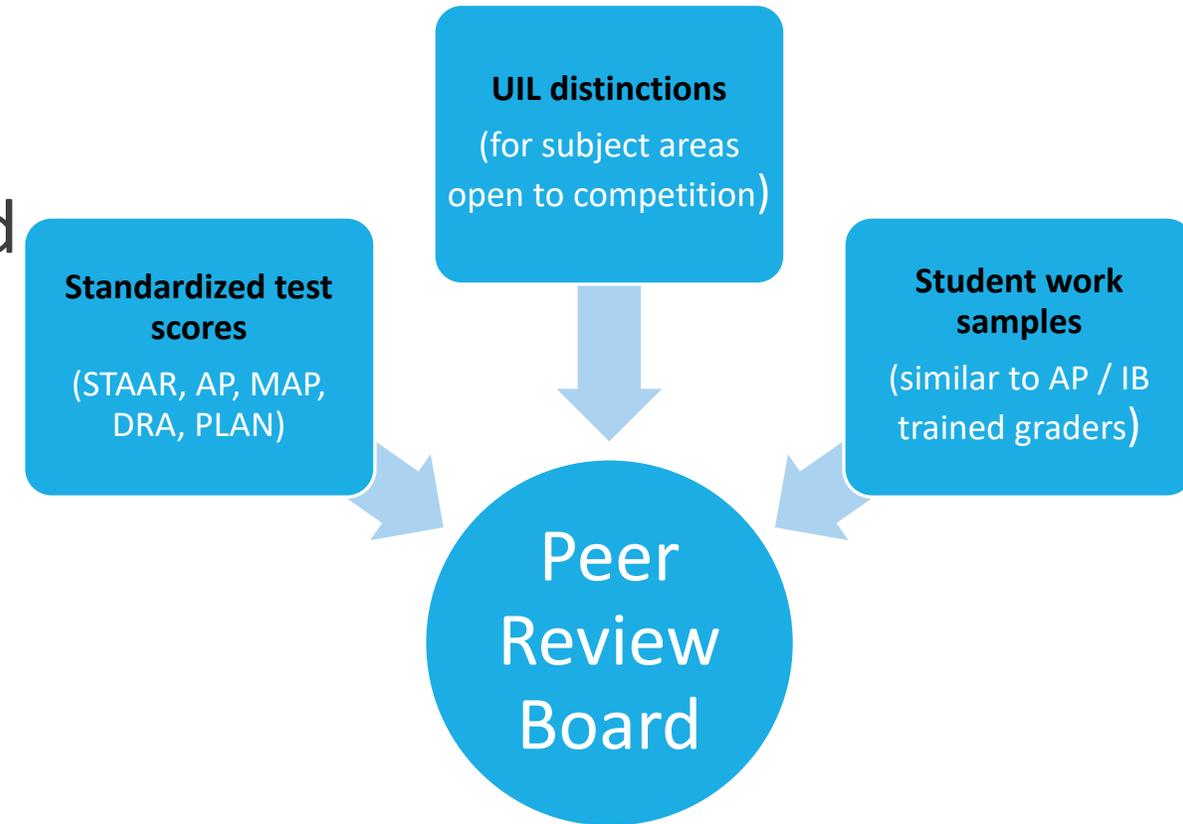
Science (ages 11-15 and 14-18)

Social Studies-History (ages 11-15 and 14-18)

World Languages (ages 11-18)

What would that look like in co-curricular areas?

- Physical Education teachers submit data from FitnessGram, Presidential Physical Fitness Award, etc.
- Health teachers submit student pre and post attitudinal survey results
- Art, Music and CTE teachers submit statewide competition results and/or student work samples
- World Languages teachers submit End of Year student proficiency results



Possible Adoption Schedule

Dec 2018

- PK-12 ELAR
- PK-12 Math

Dec 2019

- 8th Grade Science
- 9th Grade Biology
- 8th Grade U.S. History
- 11th Grade U.S. History

Dec 2020

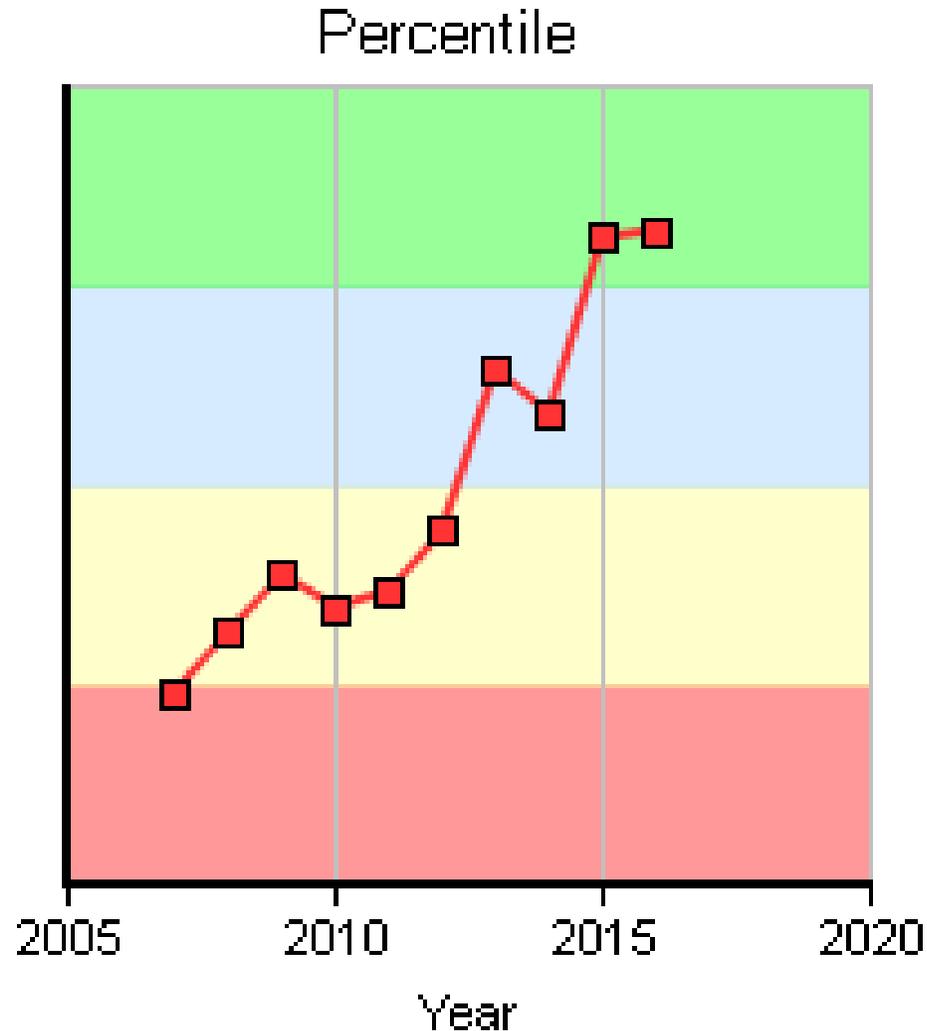
- Grade 6 Science
- Grade 7 Science
- Grade 6 Social Studies
- Grade 7 Social Studies
- Chemistry
- Physics
- World Geography
- World History
- Government/Econ

Dec 2021

- World Languages
- Health
- Music
- Fine Arts
- Physical Education
- CTE
- Special Education

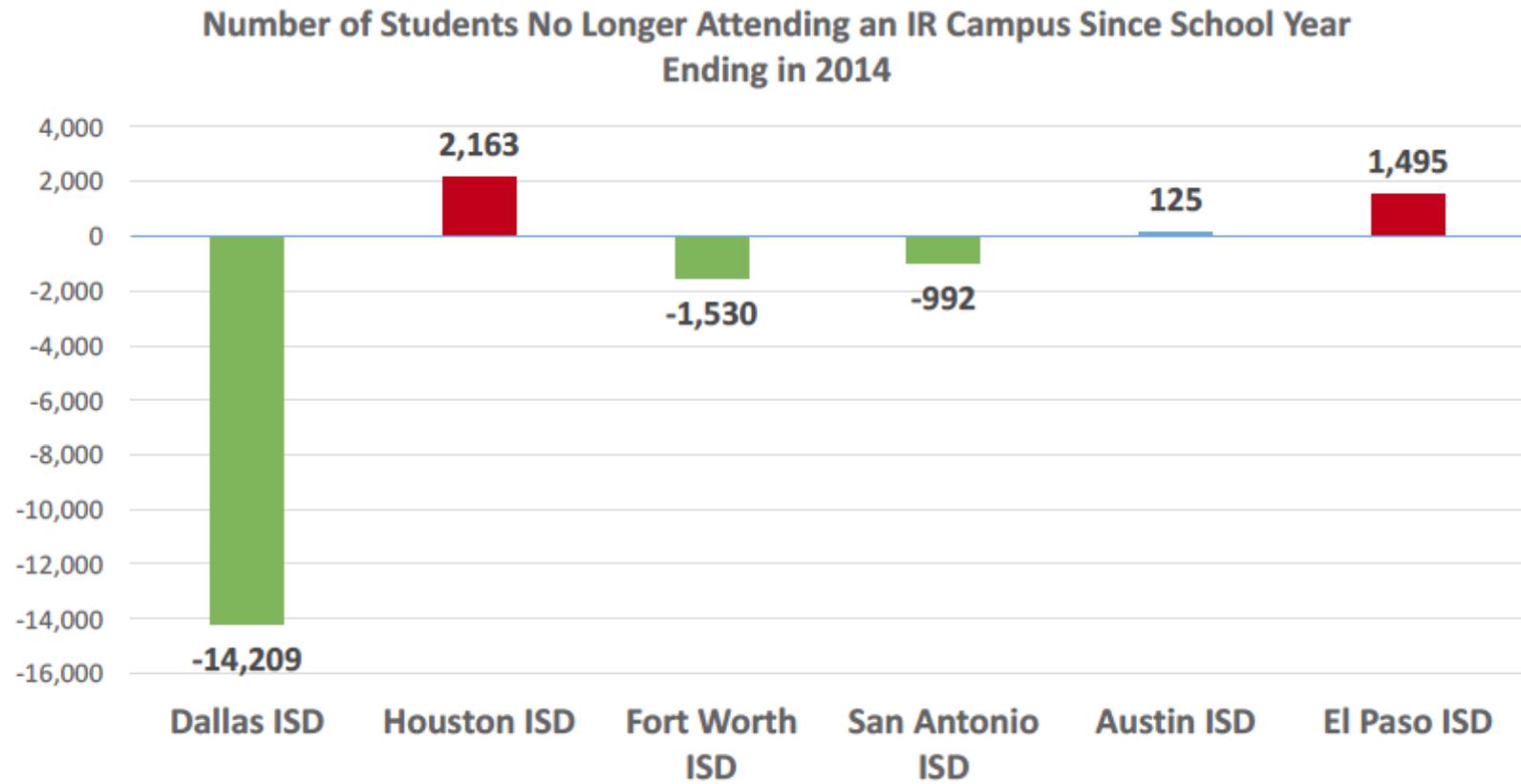
A Proven Model for Better Path Forward: Dallas ISD

Quite possibly the biggest performance gain for a big district in Texas history, and accomplished (so far) within existing state funding formulas



Fewer kids in low performing schools

Dallas ISD Has Led the State's Major Urban Districts in Reducing the Number of Students Attending an IR Campus, Cutting Their IR Enrollment by 47% in Two Years



How did this improvement happen?

Because of the Teacher Excellence Initiative (TEI)

Dallas ISD started evaluating, paying, and retaining teachers & principals based on performance:

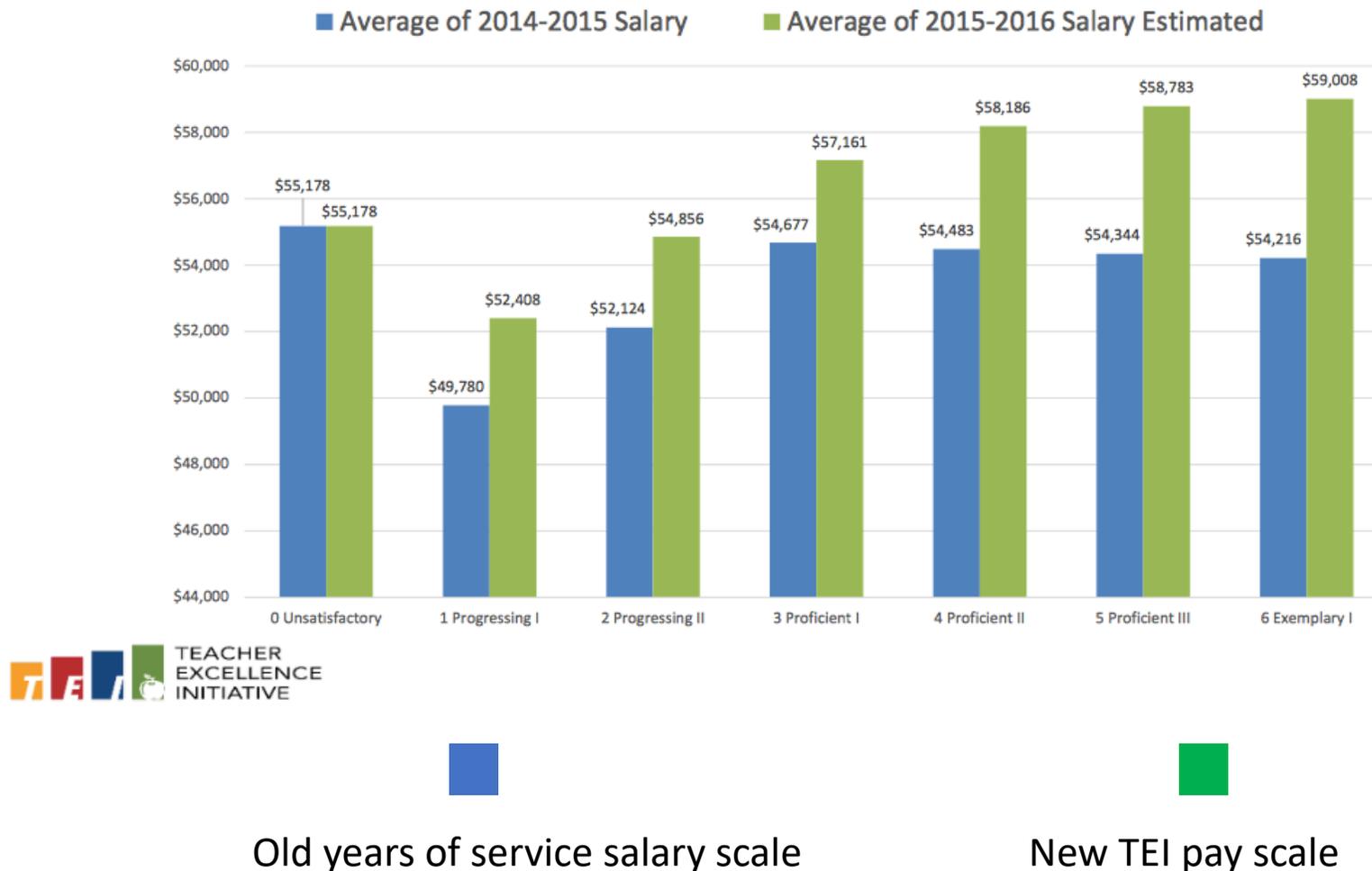
- Unsatisfactory
- Progressing I
- Progressing II
- Proficient I
- Proficient II
- Proficient III
- Exemplary I
- Exemplary II
- Master

Instead of how old they are (years of service)

Paying teachers closer to what they are worth causes a system-wide transformation

Comparison of how teachers were paid under old salary schedule as TEI began shows that the worst were making more than the best

- Poor performers got no raise at all.
- Average salary increased by \$1,468, within existing funds.
- The best teachers saw increases of \$5,000.



Dallas ISD: No across-the-board raise.

Poor performers got no raise at all.

But average salary increased by \$1,468, within existing funds.

And the best teachers saw increases of \$5,000.

2016-2017 Effectiveness Level	Average 2015-2016 Salary	Average 2016-2017 Salary	Percentage Increase
0 Unsatisfactory	\$ 53,589	\$ 53,589	0%
1 Progressing I	\$ 51,525	\$ 52,153	1%
2 Progressing II	\$ 53,769	\$ 54,680	2%
3 Proficient I	\$ 56,662	\$ 57,994	2%
4 Proficient II	\$ 57,199	\$ 60,225	5%
5 Proficient III	\$ 58,238	\$ 62,372	7%
6 Exemplary I	\$ 58,821	\$ 63,520	8%
7 Exemplary II	\$ 60,519	\$ 65,519	8%
Grand Total	\$ 55,200	\$ 56,668	3%