

Current Pay-for-Performance Programs

State Programs

CURRENT PAY-FOR-PERFORMANCE STATE PROGRAMS¹

ALASKA PUBLIC SCHOOL PERFORMANCE INCENTIVE PROGRAM²

Status and Participation

This pilot program was enacted by state law in 2006 and will sunset in June of 2009. Most schools are eligible. To be eligible, a school must provide mathematics and language arts instruction; have any combination of grades K-12 (except schools with 11-12 only); and administer the reading, writing, and mathematics standards-based assessment.

All teachers in eligible schools can receive the incentives, although the program is limited to 850 certified staff members and approximately 340 uncertified staff members.

Structure of Incentives

This program only provides school-wide incentives. Individual students' test scores on the state assessment are placed in one of six performance categories. A student's performance is then compared with his or her individual scores from the previous year. Schools receive points for students' movement between categories. The points for a school's students are totaled and then divided by the number of students to produce the school score. This score is applied to an index that has several levels; the higher the score, the larger the bonus. Schools that show only one year of growth or less do not receive bonuses.

Other Required Elements

None

Funding³

The cost of the program can not exceed \$5.8 million annually. The program is funded by the state.

ARIZONA CAREER LADDER PROGRAM

Status and Participation

The program was launched in 1985-86 with 14 districts. Twenty-eight districts currently participate and the program hasn't received additional funding since 1993-94. All new teachers in Career Ladder districts must be evaluated for placement on the Career Ladder but are free to choose whether or not to participate or to remain on the traditional salary schedule. Approximately 70 percent of eligible teachers participate in the Career Ladder Program.

Structure of Incentives

Each district constructs its own ladder and places teachers on a level according to their performance. Teachers earn higher salaries for higher levels of placement on the Career Ladder. Teachers qualify for levels based on evaluation or classroom performance, student progress, and additional responsibility.

Local performance criteria vary across participating districts, but the plans include both individual- and group- based awards, and they typically reward some combination of the following: professional development, teaching quality, use of innovative methods, parent satisfaction, and student performance.

Other Required Elements

Districts are required to provide professional development for teachers to help them advance through the levels. Teachers with less than three years of experience in the Career Ladder program must be evaluated at least twice a year and teachers with three or more years of experience must be evaluated at least once a year.

Funding

The program is supported by local property taxes and state appropriations from the general fund.⁴ The program costs about \$76,507,267 for 28 districts.⁵

ARIZONA CLASSROOM SITE FUND⁶

Status and Participation

The program was enacted in 2000 through passage of a ballot initiative. All districts in Arizona are required to have some type of pay-for-performance component for teachers. Districts participating in the Classroom Site Fund or the Career Ladder Program meet this requirement. All teachers are eligible for the incentives.

Structure of Incentives

School districts create their own plans, but must adhere to set guidelines. Districts may reward teachers in groups or individually.

Classroom site funds must be used in the following manner:

- 20 percent for increasing teachers' base pay
- 40 percent for performance pay for teachers
- 40 percent for school "menu options" such as reduced class sizes; classroom supplies, materials, or computers; Academic Intervention Monitoring System programs; dropout prevention programs; teacher training; teacher liability insurance premiums; and additional teacher compensation.

The state also encourages school district governing boards to incorporate the following elements in their programs: school district performance and school performance; measures of academic progress toward the state academic standards; dropout or graduation rates; attendance rates; parent and student ratings of school quality; teacher and administrator input, including approval of the system by a vote of at least 70 percent of teachers eligible to participate in it; an appeals process for teachers who have been denied performance-based compensation; and a regular evaluation of the system's effectiveness.

Other Required Elements

The state encourages districts using performance-based compensation systems to provide teachers with professional development programs aligned with the above elements.

Funding⁷

The program is supported by state funds including a 0.6 cent education sales tax; \$406,550,500 was allocated for the program in FY 2007.

CURRENT PAY-FOR-PERFORMANCE STATE PROGRAMS

FLORIDA

MERIT AWARD PROGRAM

Status and Participation

The program was enacted by state law in 2007 and all districts may apply to participate. All teachers in participating districts are eligible for the program.

Structure of Incentives

School districts create their own plans, but must adhere to state guidelines. All instructional personnel and school-based administrators are eligible to receive awards as individuals or in teams. Performance rewards are allocated in the following manner:

- 60 percent based on students' learning gains, proficiency, or both,
- 40 percent based on the principal's/supervisor's evaluation

Student performance is measured by statewide standardized tests. National, state, or district assessments that measure state standards, curriculum frameworks, or course descriptions may be used for subjects and grades that aren't included in the state assessment. Incentives must be between 5 percent and 10 percent of the district's average teacher salary.

Other Required Elements

None, although a separate statute requires districts to adopt differentiated pay salary schedules that consider critical shortage areas, school demographics, and additional responsibilities in addition to other factors.

Funding⁸

The state allocates \$147.5 million to the program annually, which is funded by state revenue.

MINNESOTA

Q COMP

Status and Participation

The program was enacted by the state legislature as a pilot program in 2005. Participation is voluntary for all districts. There are currently 39 school districts and 21 charter schools participating in Q Comp for the 2007-2008 school year. Incentives are available to all teachers in a participating school.

Structure of Incentives

Teachers are granted release time and/or salary increases for taking on leadership responsibilities such as evaluating, coaching, mentoring, and training other teachers.

Teachers earn performance pay based on teacher evaluations and increasing student achievement. Student achievement gains are measured by local or state standardized tests. The law does not prohibit school-wide incentives, although most districts reward teachers individually or in teams. Teacher pay increases are allocated as follows:

- 60 percent must be based on teacher evaluations, measures of student achievement, and school-wide student achievement gains
- 40 percent can be based on other factors like cost of living.

Other Required Elements

District administration and the exclusive representative of the teachers must negotiate a compensation plan that will reform the traditional "steps and lanes" schedule and will compensate teachers for additional duties, successful completion of professional development goals, and teacher effectiveness.

Districts must implement job-embedded professional development, a collaborative process for professional development that occurs during the school day and is aligned with the school's educational improvement and staff development plans. Teachers are evaluated multiple times each year; the evaluation is designed by a locally selected evaluation team.

Funding⁹

The state has allocated \$86 million annually for the program, which is funded by state aid and local tax levies.

NORTH CAROLINA

ABC'S

Status and Participation

The program was launched in the 1996-97 school year and was modified in 2006. All schools are eligible to participate. Incentives are available to all teachers in participating schools, although the level of incentive varies for certified and non-certified staff.

Structure of Incentives

All certified staff in schools that achieve "high growth" based on performance on the state's assessment receive up to \$1,500. Teacher assistants receive up to \$500. All certified staff in schools that achieve "expected growth," based on performance on the state's assessment receive up to \$750. Teacher assistants receive up to \$375.

Funding¹⁰

State funding supports the program, which has allotted \$103,340,912 million for incentive awards during the 2007-08 school year.

CURRENT PAY-FOR-PERFORMANCE STATE PROGRAMS

OHIO TEACHER ADVANCEMENT PROGRAM

Status and Participation

The program was implemented in the 2005-06 school year and the state received a TIF grant to expand the program in 2006. The TAP program is targeted to nine schools in Columbus and five schools in Cincinnati. Incentives are available to all teachers in these schools.

Structure of Incentives

School districts create their own plans, and the amount of bonuses varies by district, but they must all adhere to the state's Teacher Advancement Program guidelines. These guidelines include performance-based compensation and multiple career paths.

Teachers can pursue a number of career paths with increased responsibilities and compensation—they may be a career, mentor, or master teacher depending upon their interests and skills.

Performance-based compensation provides both individual and school-wide rewards and is based upon the following elements:

- 50 percent based on teacher evaluations
- 30 percent based on classroom, value-added achievement on district benchmark tests
- 20 percent based on school-wide, value-added achievement on the state assessment

Other Required Elements

Teachers participate in ongoing applied professional growth during the school day. Teachers meet in cluster groups with other teachers who have similar assignments and also develop individual growth plans. Certified evaluators, including principals and school leaders, evaluate teachers several times each year using a standard framework.

Funding¹¹

Federal Teacher Incentive Funds, state funds, and district funds contribute to this program, the TRACS program, and the Cleveland Teacher Incentive System. Teacher Incentive Fund grants award \$5,510,860 to schools in the first year and a total of \$20,223,270 over five years.

OHIO TOLEDO REVIEW AND ALTERNATIVE COMPENSATION SYSTEM

Status and Participation

The TRACS program was developed as part of the 2001 contract negotiations between the Toledo Federation of Teachers and the Toledo Board of Education, but wasn't fully implemented until the state was awarded a TIF grant in 2006. The TRACS program is targeted to all Toledo public schools. There will be an additional program implemented in Cleveland based on the TRACS model.

Structure of Incentives

School districts create their own plans, but they must adhere to the state's TRACS guidelines. All certificated school-based staff are eligible to participate in the School Performance portion of the TRACS program and receive school-wide incentives. The certificated staffs of schools that meet or exceed rigorous student performance goals receive a monetary incentive at the end of the year. Each school has three "targeted improvement" goals. Two of these goals are based on student achievement on the state assessment and the third is a related goal. Teachers earn \$2,000 if all three goals are met, \$1,000 for two goals, and nothing if they achieve one or none.

TRACS incorporates three teaching levels: Career, Accomplished, and Distinguished. Each of these levels reflects specific responsibilities. Teachers receive additional compensation for each teaching level. They earn an additional 5 percent of their salary as a Career teacher, 10 percent of their salary as an Accomplished teacher, and 20 percent as a Distinguished teacher for accepting a teaching assignment in a school identified as high needs or another difficult-to-fill teaching assignment.

Other Required Elements

Districts must participate in professional development and a comprehensive assessment that includes peer evaluation once every five years.

Funding¹²

Federal Teacher Incentive Funds, state funds, and district funds contribute to this program, the TRACS program, and the Cleveland Teacher Incentive System. Teacher Incentive Fund grants award \$5,510,860 to schools in the first year and a total of \$20,223,270 over five years.

SOUTH CAROLINA TEACHER ADVANCEMENT PROGRAM

Status and Participation

The program was started in the 2001-02 school year in four schools. Districts apply to participate; 45 schools currently participate and all are high-needs schools. Incentives are available to all teachers in participating schools.

Structure of Incentives

Teachers can pursue a number of career paths with increased responsibilities and compensation—they may be career, mentor, lead, or master teachers depending upon their interests and skills.

The program provides both individual and school-wide incentives which are based on the following elements:

- 40 percent based on teacher evaluations
- 30 percent based on classroom, value-added achievement growth on the state assessment in tested grades and the Measures of Academic Progress and end-of-course tests in other grades
- 30 percent based on school-wide, value-added achievement growth on the state assessment in tested grades and the Measures of Academic Progress and end of course tests in other grades

Rewards vary by district, but range from \$500 to \$9,000. Reduced rate housing is also available to participating teachers.

Other Required Elements

Teachers participate in ongoing applied professional growth during the school day. Teachers meet in cluster groups with other teachers who have similar assignments and also develop individual growth plans. Principals and school leaders evaluate teachers several times each year using a research-based framework.

Funding¹³

Federal funds, including Teacher Incentive Funds and Title II of the No Child Left Behind Act; district funds; and foundation grants provide funding for this program. Teacher Incentive Fund awards are \$7,503,051 in the first year and total \$33,959,740.22 over five years.

CURRENT PAY-FOR-PERFORMANCE STATE PROGRAMS

TEXAS

EDUCATOR EXCELLENCE GRANTS

Status and Participation

Schools are selected for the program if they rank within the top half of schools enrolling high percentages of educationally disadvantaged students and either receive an exemplary or recognized state accountability rating or rank within the top quartile of performance in comparable improvement in mathematics, reading, or both.

Structure of Incentives

Part I funding is used to provide individual incentives to teachers. It must make up no less than 75 percent of a school's award. Only classroom teachers, as defined by the Texas Education Code, are eligible for awards under Part I. The awards must be made based on improved student performance using objective, quantifiable measures and collaboration with faculty and staff that contributes to improved overall student performance. Schools can also distribute awards using Part I funding to teachers who demonstrate initiative, commitment, personalization, professionalism, and involvement in activities that improve student achievement and to teachers who accept an assignment in a subject area that is difficult to staff.

Part II funding can represent no more than 25 percent of a school's award. It can be used for incentives to feeder schools, additional incentives for other school personnel, professional development, signing bonuses for new teachers who are teaching in high-needs subject areas, teacher mentoring programs, new teacher induction programs, common planning time and curriculum development, stipends for additional education or responsibilities, other programs that contribute to improved student achievement, and other programs that would support a financial incentive system.

Other Required Elements

Plans must be developed with significant teacher involvement and must be supported by the teachers in a school through a simple majority vote.

Funding¹⁴

The state has allocated \$100 million for FY 2007 and \$97.5 million annually for fiscal years 2008 and 2009. The program is supported by state funds.

1 We were unable to find parallel information on funding for the state and district programs.

2 Information about the Public School Performance Incentive Program was excerpted from the Education Commission of the States Teacher Compensation Database, available at http://www.ecs.org/ecsmain.asp?page=/html/educationissues/teachingquality/NCLB-HQTP/T_Comp.asp

3 Education Commission of the States, Teacher Compensation Database, <http://mb2.ecs.org/reports/Report.aspx?id=1267>

4 Education Commission of the States, Teacher Compensation Database, <http://mb2.ecs.org/reports/Report.aspx?id=1126>

5 Arizona Department of Education, School Finance, http://www.ade.az.gov/SchoolFinance/Reports/CareerLadder_OPIP/

6 Information about the Classroom Site Fund and Career Ladder Programs were excerpted from the Education Commission of the States Teacher Compensation Database at http://www.ecs.org/ecsmain.asp?page=/html/educationissues/teachingquality/NCLB-HQTP/T_Comp.asp

7 Education Commission of the States, Teacher Compensation Database, <http://mb2.ecs.org/reports/Report.aspx?id=1267>

8 Florida Department of Education, SB1226 Executive Summary, http://www.fldoe.org/gr/Bill_Summary/2007/SB1226.pdf. Also confirmed by email with Pam Stewart, Deputy Chancellor, K12 Educator Quality, Florida Department of Education.

9 Email from Kristie Anderson, Program Specialist, Minnesota Department of Education.

10 Conversation with Lydia Prude, Chief of School Allotments, North Carolina Department of Public Instruction.

11 Email from Maureen Yoder, TIF Project Manager, Ohio Department of Education, and U.S. Department of Education, Teacher Incentive Fund, Awards, <http://www.ed.gov/programs/teacherincentive/awards.html>; these funding amounts do not include other sources of funding for the program.

12 Email from Maureen Yoder, TIF Project Manager, Ohio Department of Education, and U.S. Department of Education, Teacher Incentive Fund, Awards, <http://www.ed.gov/programs/teacherincentive/awards.html>; these funding amounts don't include other sources of funding for the program.

13 U.S. Department of Education, Teacher Incentive Fund, Awards, <http://www.ed.gov/programs/teacherincentive/awards.html>; Email from Jason Culbertson, Executive Director, South Carolina Teacher Advancement Program.

14 Email from Rita Ghazal, Program Manager of Policy Initiatives, Office of Education Initiatives, Texas Education Agency.

District Programs

CURRENT PAY-FOR-PERFORMANCE DISTRICT PROGRAMS

CHICAGO PUBLIC SCHOOLS

RECOGNIZING EXCELLENCE IN ACADEMIC LEADERSHIP

Status and Participation

Chicago's REAL program was launched in May 2007 and supported in part by a \$27.5 million Teacher Incentive Fund grant from the U.S. Department of Education. The first 10 schools will participate in the program in 2007-08, while 10 additional schools will serve as a control group. Up to 40 schools will participate in the program over four years. Eligible schools are those with 75 percent of their students receiving free or reduced-price lunch. In addition, at least 75 percent of their faculty must vote to participate.

Structure of Incentives

The REAL program is based on the Teacher Advancement Program model. Teachers can earn additional pay for increased responsibilities. Lead teachers can earn up to \$15,000 extra a year, while mentors can earn an additional \$7,000 per year.

All staff also have the opportunity to earn additional compensation based on their skills, knowledge, and responsibilities and improved student achievement. The program provides both individual and school-wide incentives. Performance-based compensation is earned in the following manner:

- 40 percent for teacher skills, knowledge, and responsibilities
- 30 percent for classroom, value-added student achievement gains
- 30 percent for school-wide, value-added student achievement gains

Other Required Elements

Ongoing, applied professional growth: Teachers participate in at least 50 to 90 minutes of common planning time each week, including data-driven instructional planning. Teachers meet in cluster groups led by Lead or Mentor teachers with other teachers who have similar assignments and also develop individual growth plans.

Instructionally focused accountability: Staff use an objective instructional rubric to evaluate teachers several times each year. Teachers are evaluated by multiple evaluators that include principals and school leaders.

Funding¹

The program is estimated to cost more than \$40 million. A TIF grant will supply \$27.5 million over five years, the Joyce and Rhode Foundations and the Chicago Education Fund will provide \$4.2 million, and the district will provide \$8.4 million.

DENVER PUBLIC SCHOOLS

PROFESSIONAL COMPENSATION PLAN FOR TEACHERS

Status and Participation

Denver's Professional Compensation Plan for Teachers (ProComp) grew out of a four-year pilot (1999-2003) in 16 schools. In 2004, the teachers union and the Denver Board of Education approved an agreement to implement the program across the district. Denver's plan is required for new hires; teachers hired before ProComp was instituted were protected by a grandfather clause allowing them the option to stay with the current seniority system or to opt into the performance pay plan. Teachers had seven years to decide whether to opt in and approximately 60 percent of veteran teachers chose to participate.

Structure of Incentives²

The program offers multiple pathways to achieve compensation bonuses:

Knowledge and Skills. Completion of a graduate degree, advanced license, National Board Certification, or a structured project under a principal's supervision that relates directly to a teacher's assignment.

Market Incentives. Teaching in a designated hard-to-staff subject area or designated hard-to-serve school. (Teachers can earn both incentives simultaneously. For example a math teacher for middle school ELL students in a hard-to-serve school can earn both incentives.)

Professional Evaluations. Satisfactory evaluations conducted by principals using a district-wide, standards-based evaluation system that incorporates student work. Teachers are evaluated and eligible for evaluation bonuses every three years.

Pay for Performance. There are three ways teachers can earn bonuses and salary increases for improving student achievement:

- Teachers and principals jointly develop two objectives for student learning and the assessments that will measure them. Principals assess teachers' progress toward the objectives and teachers receive additional compensation if they meet them.
- Teachers with students who take the CSAP are eligible for rewards for student growth on the test.
- All staff receive an award if their school demonstrates outstanding performance and student growth on the CSAP, parent and student satisfaction, and student attendance, in addition to other factors.

Other Required Elements

All teachers in DPS must receive a professional evaluation every three years.

Funding³

In November 2005, Denver voters approved a tax levy of \$25 million to fund the initiative for the next approximately 50 years. Denver has also received a five-year, \$22,674,393 grant from the federal Teacher Incentive Fund, and the program has been supported by the Rose Community Foundation, The Broad Foundation, The Piton Foundation, Daniels Fund, Donnell Kay Foundation and the Sturm Family Foundation.

CURRENT PAY-FOR-PERFORMANCE DISTRICT PROGRAMS

DOUGLAS COUNTY SCHOOL DISTRICT

LICENSED STAFF PAY-FOR-PERFORMANCE PLAN

Status and Participation

Douglas County's performance pay plan was implemented in 1993-94 and is among the longest-running pay for performance programs in the nation. Participation is voluntary and open to all teachers in the district.

Structure of Incentives

Teachers opting for the performance pay plan earn a base salary determined by a teacher's level of education and successful teacher evaluation credits. This replaces the automatic salary increase for experience. Teachers must earn a proficient teacher rating to get the annual base pay increase. Those receiving an unsatisfactory rating are not eligible for the base salary increase and are precluded from participating in any of the bonus components of the plan for that year.

- **Group Incentive Program.** Groups of participating teachers from a school can submit a proposal to a review committee to undertake a project to improve a school's specific performance objective. If they successfully achieve the goal, teachers are eligible for an equal share of the bonus.
- **Outstanding Teacher Program.** Teachers apply or are nominated for this bonus and must submit a portfolio that demonstrates their achievement in order to earn a bonus of \$1,250. The district offers a menu of portfolio options:
 - Type A—Teachers submit evidence of outstanding performance in three domains: Assessment and Instruction, Knowledge of Content and Pedagogy, and Collaboration and Partnership.
 - Type B—Teachers submit a portfolio in which they demonstrate they are meeting the standards in their classroom.
 - Type C—For those teachers preparing for National Board Certification, they can submit their National Board portfolio with some modifications.
 - Type D—Teachers prepare a portfolio based on demonstrating student academic gains.
- **Skills Blocks.** These blocks provide incentives to teachers who receive training in skills specified by the district and demonstrate integration of these skills into classroom instruction. Skills blocks are changed according to district need.
- **Master Teacher.** Teachers who earn National Board Certification or who are designated as an "outstanding" teacher for two consecutive years can become master teachers, a status that earns them \$2,500 a year and lasts for five years.
- **District Responsibility and Site-based Responsibility Pay.** Teachers can earn additional bonuses for serving on district or school committees not currently covered by their contracts.

Funding⁴

The program costs about \$3.4 million to \$3.5 million annually and is funded by the district.

GUILFORD COUNTY SCHOOLS, NC

MISSION POSSIBLE

Status and Participation

The program began in the 2006-07 school year with 20 high-needs schools and the district received a TIF grant to expand to another seven schools in the 2007-08 school year. The University of North Carolina system and Action Greensboro also awarded Guilford County Schools a \$2 million grant to pilot a Math Incentive program at Mission Possible high schools and two additional high schools in the 2007-08 school year.

Structure of Incentives

Only individual incentives are awarded through the Mission Possible program, although schools are eligible for the North Carolina ABC's incentive awards.

Recruitment/Retention Incentives include:

- \$2,500 for K-5 classroom teachers
- \$2,500 for 6th-8th grade classroom teachers who teach language arts or math
- \$9,000 for middle school and high school math teachers
- \$10,000 for Algebra I teachers
- \$5,000 for elementary school principals, \$7,500 for middle school principals, and \$10,000 for high school principals

Performance Incentives include:

- \$2,500-\$4,000 for teachers of grades 3-12 who achieve targeted learning gains
- \$2,500 for curriculum facilitators and \$5,000 for principals in schools that meet AYP

Other Required Elements

All teachers participate in two years of standard professional development followed by customized professional development that focuses on teachers' specific needs. Teachers, curriculum facilitators, and principals participate in professional development that addresses the specific needs of the schools.

Funding⁵

GCS funds the standard Mission Possible program, which costs more than \$1.5 million. It has also received \$2 million in grants from the University of North Carolina System and Action Greensboro to pilot a Math Incentive Program (Cumulative Effect) at existing Mission Possible high schools and two other schools for the 2006-2007 school year. In November of 2006, the U.S. Department of Education awarded GCS an \$8 million grant to expand the Mission Possible initiative to include an additional seven schools for the 2007-08 school year.

CURRENT PAY-FOR-PERFORMANCE DISTRICT PROGRAMS

HAMILTON COUNTY PUBLIC SCHOOLS

BENWOOD INITIATIVE

Status and Participation

Nine of the lowest-performing schools in Hamilton County were the original participants in the Benwood Initiative, which began in 2001. Eight additional schools have recently been added to the program and all 48 elementary schools participate in networks of school leaders who meet regularly to share ideas, knowledge, and experience.

Structure of Incentives

Participating teachers are eligible to receive a variety of types of recruitment and retention incentives, including the following:

- Recruitment bonuses of \$5,000 for three years for new teachers with records of improving student achievement
- A forgivable loan of up to \$10,000 to purchase a home in nine central downtown neighborhoods and \$20,000 for down payment and closing costs
- An annual salary bonus of \$5,000 for three years for improving student achievement
- \$10,000 bonuses for principals with records of improving achievement
- Bonuses of \$1,000 or \$2,000 for teachers in high priority schools that achieve a targeted score on the Tennessee standardized assessment

In addition, participating teachers are eligible to apply for the Osborne Fellows Initiative, which provides scholarships for a master's degree program in Urban Education at the University of Tennessee at Chattanooga. Fellows must commit to work in Hamilton County urban schools for at least four years after graduation.

Other Required Elements

Teachers receive job-embedded professional development led by a master teacher during the school day. The Initiative has also implemented a wide variety of school improvement strategies that have included extending learning time, providing coaches and mentors to assist teachers, and providing enrichment activities for students.

Funding⁶

The program recently received a grant of \$7,289,210 from the Benwood Foundation to serve 16 schools for five years (from July 2007 through June 2012).

NEW YORK CITY PUBLIC SCHOOLS

SCHOOL-WIDE BONUS PROGRAM

Status and Participation

The program will be implemented in about 200 of the city's highest-need schools during the 2007-08 school year and expand to another 200 schools in the 2008-09 academic year.

Structure of Incentives

Participating schools are eligible to receive bonuses based on the New York City Department of Education's Progress Report measures of student performance. The United Federation of Teachers and the Department of Education will jointly develop the criteria for school awards. Criteria will be aligned with the two key Progress Report factors: student performance and progress.

Each school winning an award will receive sufficient funding to pay each teacher a bonus worth \$3,000. Schools will have "compensation committees" that decide how to distribute the funds among teachers. The compensation committee at each school will include the principal, a designee of the principal, and two members of the UFT.

Funding⁷

\$20 million is allocated annually for the program. Funding is being raised privately and, so far, commitments have been made by The Eli and Edythe Broad Foundation, the Robertson Foundation, and the Partnership for New York City. In future years, this program will be publicly funded.

1 Press Release, Chicago Public Schools, May 22, 2007, http://www.cps.k12.il.us/AboutCPS/PressReleases/May_2007/Real%20TIF.htm.

2 This information is excerpted from Joan Baratz-Snowden, "The Future of Teacher Compensation, Déjà Vu or Something New" (Washington, DC: Center for American Progress, 2007).

3 Denver Pro Comp, Frequently Asked Questions, [http://denverprocomp.org/stories/storyReader\\$42](http://denverprocomp.org/stories/storyReader$42); U.S. Department of Education, Teacher Incentive Fund, Awards, <http://www.ed.gov/programs/teacherincentive/awards.html>.

4 Conversation with Bill Hodges, Assistant Superintendent for Human Resources, Douglas County School District.

5 Guilford County Schools, Mission Possible Overview, http://www.gcsnc.com/depts/mission_possible/background.htm.

6 Joint Press Release, Hamilton County Schools, Public Education Fund, Benwood Foundation, July 18, 2007, www.pefchattanooga.org/Portals/0/News/Benwood%2011%20Release%20with%20Fact%20Sheet.doc.

7 Partnership for New York City, Press Release, http://www.pfnyc.org/pressReleases/2007/pr_101707_bonus4teachers.html.