

Teacher Merit Pay: A Summary of Current Trends

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Government Restructuring Task Force

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Teacher Merit Pay

- Definition:
 - A system of pay for educators – sometimes referred to as “pay for performance” – that attempt to tie a teacher’s compensation to his/her performance in the classroom. (ECS – June 2010)

An Early Example of Merit Pay

- In the mid-1800s, Britain compensated their teachers based on the results of student examinations.
- Thirty years later the testing bureaucracy had burgeoned, cheating and cramming flourished, and public opposition grew.
- The program was abandoned as a failure.

(G Katz 2009)

Transition to the Current System

- In 1918, 48% of school districts in the U.S. defined themselves as “merit based.”
- The term “merit” was subjective.
- White men were paid considerably more than women and minorities.
- Suffrage served as a catalyst for change to a uniform pay scale.
- By the 1950s, only 4% of school districts described their pay system as “merit based” and the “Single Salary Schedule” became the norm.

NM Teacher Compensation

- New Mexico's three-tiered licensure system instituted in 2003 established salary minimums for each of the three levels:
L1: \$30K / L2: \$40K / L3: \$50K
- Despite the "Career Ladder" provided by the three-tiered system, New Mexico conforms to a "single salary schedule" whereby compensation is guided by the Training and Experience (T&E) Index that ties compensation increases to: educational credentials, and years of service [22-8-24 NMSA 1978] (Attachment)
- Average Salaries for NM Teachers for SY 2010 (Source - PED):
L1 - \$33,619.26 (N= 3,039)
L2 - \$45,213.25 (N = 10,506)
L3 - \$54,242.13 (N = 6,273)
- 93% of school districts nationwide use a single salary schedule to determine compensation for educators. Near universal application is seen in districts with greater than 20 schools.

Teacher Merit Pay in NM

- New Mexico pursued several compensation incentive initiatives during the mid-1990s that included teachers, schools and leaders.
- Vast majority of the initiatives either failed to advance or were vetoed. (Summary timeline provided as Attachment)
- Many efforts were directed toward support of teachers seeking certification by the National Board for Professional Teaching Standards (NBPTS). A salary differential for NBPTS certified teachers was established as statute [22-8-23.4 NMSA 1978]. (Attachment)

Recent Incentive Pay Pilot in NM

- A Federal Teacher Incentive Fund Grant was awarded to the Northern New Mexico Network for Rural Education in SY 05-06
- \$7.65M for Five Years (\$3,500 avg./teacher)
- Initial participation by 4 districts (Española, Des Moines, Cimarron, Springer)
- Des Moines, Cimarron, Springer withdrew from participation and were replaced by Taos

Recent Incentive Pay Pilot in NM

- Principals, Teachers and Educational Assistants could participate
 - A total of 325 educators in Espanola participated
 - A total of 81 educators in Taos Participated
- Evaluated on two main dimensions:
 - Meeting state based competencies
 - Acquisition and Demonstration of Skills & Knowledge
- Use of short-cycle assessments for determining student academic growth and principal evaluations

What Conditions Foster Creation of a Quality Merit Pay System

- The Committee for Economic Development has Outlined Five “Enabling Conditions”:
 1. Improved Teacher Evaluation and Development Systems
 2. Improved Student and Teacher Data Systems
 3. Sustainable Funding
 4. Supportive State and Federal Policies
 5. Wide Stakeholders Involvement

Findings on Current Merit Pay Systems

- Iowa -- Pay-for-Performance Pilot Program
 - 3 districts participated
 - required participating districts to create new pay systems or career ladders that were based, at least in part, on teacher performance
 - study conducted by Learning Point Associates found there was insufficient student test data to determine the real impact of the program on student achievement.

Findings on Current Merit Pay Systems

- Texas – Governor’s Educator Excellence Grants (GEEG)
 - Operated from 2005–06 to 2007–08 to support the design and implementation of pay-for-performance systems for their teachers.
 - 99 high-poverty, high achieving districts participated
 - Study conducted by National Center on performance Incentives (NCPI) located at Vanderbilt University found that while the GEEG program showed some positive results — especially in teacher retention — there was no evidence that the program fostered student achievement gains.

Findings on Current Merit Pay Systems

- Chicago – Teacher Advancement Program (TAP)
 - Funded through a combination of private funds and federal funding from the Teacher Incentive Fund.
 - Chicago Public Schools adopted the TAP system in ten schools starting in the 2007-08 school year with the goal of expanding out to an additional ten schools each year.
 - Mathematica Policy Research conducted a study on the first two years of TAP and found no evidence that the program raised student test scores or positively impacted teacher retention.

Findings on Current Merit Pay Systems

- Denver – Professional Compensation for Teachers (ProComp)
 - ProComp is a district-wide compensation program designed through a partnership with the teacher’s union and the school district.
 - Participation is voluntary for existing staff and mandatory for newly hired staff.
 - If a teacher in the Denver school district opts to participate in the ProComp system, he/she could receive increased pay for an array of activities or achievements, including: obtaining advanced degrees or certifications; completing professional development; demonstrating proficiency on an evaluation system; working in a high-need school or position; meeting learning objectives; exceeding student achievement expectations and/or by working in a school with low student achievement and attendance.
 - ProComp Evaluation Team at the University of Colorado conducted a study of the first year of the program in 2008 and found no solid evidence that ProComp teachers had improved student achievement over those teachers who did not participate in the ProComp program.

Findings on Current Merit Pay Systems

- Minnesota Q-Comp
 - Created in 2005 by Minnesota Legislature
 - Permits school districts and teachers' unions to design and collectively bargain teacher-compensation plans that include career ladder/advancement options, job-embedded professional development, teacher evaluation, performance pay, and an alternative salary schedule.
 - Program has led to more comprehensive evaluations in St. Francis and other Minnesota school systems.

Why Are There No Conclusive Results?

- According to the Education Commission of the States, there are 5 reasons for the lack of conclusive findings:
 1. The programs are too new
 2. The implementation of the programs has been too limited
 3. Funding levels may not yet be significant enough
 4. The level of incentive pay may not be high enough to promote change
 5. Perhaps merit pay does not contribute to student growth

Resources on Teacher Merit Pay

- In June 2010, a conference on teacher merit pay, “*Merit Pay: Will it Work?, Is it Politically Viable?*” was convened at the Kennedy School of Government at Harvard University and attended by a number of national education experts. Papers from that conference are available at the following website: <http://www.hks.harvard.edu/pepg/research.htm>
- Morgan, Nicholas P. and Daniel Schiff (Spring 2010), *Pay-for-Performance Programs: Strategies, Structures, and Funding*, The District Management Journal.
- Glazerman, Steven. Allison Seifullah (May 2010), *An Evaluation of the Teacher Advancement Program in Chicago: Year Two Impact Report*, Mathematica Policy Research, Inc.