



**Teacher Incentive Fund:
Final Report on the Implementation of Performance Pay Systems
by the First and Second Cohorts of Grantees**

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Policy and Program Studies Service
Office of Planning, Evaluation, and Policy Development
U.S. Department of Education

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Executive Summary

The Teacher Incentive Fund (TIF) was first authorized in 2006 to support efforts to develop and implement performance-based compensation systems for teachers and principals in high-need schools. This study examined program implementation in the first two cohorts of grantees (2006 and 2007), a total of 33 grantees. All 33 grantees implemented performance pay systems for principals and other school administrators; 31 grantees also included teachers in their performance pay systems.

The authorizing statute specifies that grantees' performance pay systems are to provide incentive awards to principals and teachers based on gains in student academic achievement, classroom evaluations, and other factors and to provide educators with incentives to take on additional responsibilities and leadership roles. The grantees examined in this study made awards to educators based on a number of factors in addition to those listed in the legislation, such as performance evaluations (which could include classroom observations, reviews of lesson plans, and feedback from peers and students); supports for improving practice such as mentoring, coaching, and participating in professional development; and incentives for teaching in hard-to-staff schools or subjects.

This report presents data from teacher and principal surveys conducted in spring 2011 and from an analysis of incentive award payouts, primarily for the 2010–11 school year. Survey response rates were 87 percent for the teacher survey and 74 percent for the principal survey.¹ Thirty-one of the 33 grantees provided payout data; 28 of these provided data for 2010–11 and three provided data for 2009–10. A previous report (2012) provided information on early implementation based on an earlier round of payout data, interviews, and extant documents.²

Key findings from this report include:

- Across all educators who received an award, the average teacher incentive award was \$3,651, and the average administrator incentive award was \$5,508. These average awards represented approximately 8 percent of average teacher salaries and approximately 6 percent of average principal salaries.³
- Within grantees, the average teacher award ranged from \$1,170 for the grantee with the smallest average award to \$8,772 for the grantee with the largest average award

¹ Item-level response rates for the teacher survey were over 90 percent for each question bank. For the principal survey, there was one question bank with an item-level response rate of 78 percent; all others were over 90 percent.

² U.S. Department of Education (2012). Available at <http://www2.ed.gov/rschstat/eval/teaching/tif/report.pdf>.

³ Each grantee's incentive award was compared with a relevant benchmark salary. In most cases, these average salaries were collected from the individual grantees. In a few cases, when grantees did not provide average salary data, the study used average state-level salaries for elementary and secondary education administrators or teachers available from the Bureau of Labor Statistics (for 2008).

(between 2 and 24 percent of average teacher salaries). The average administrator incentive award ranged from \$814 to \$10,711 (1–13 percent of average salaries).

- Across all grantees, awards for student achievement gains comprised the largest share of incentive payouts to teachers and administrators — 64 percent of teacher award payouts and 63 percent of administrator award payouts were based on student achievement. Smaller proportions of incentive payouts were based on performance evaluations (14 percent for teachers and 13 percent for administrators), participation in supports for improving practice (14 percent for teachers and 12 percent for administrators), and working in hard-to-staff schools and subjects (6 percent for teachers and 12 percent for administrators).
- Fewer than half of participating teachers reported that they understood “well” or “very well” the activities or achievement for which they could earn incentive pay (44 percent) or how their work was evaluated for the performance pay project (35 percent).
- Teachers were less likely than principals to agree that their performance pay system was fair (46 percent vs. 64 percent). However, 55 percent of both teachers and principals agreed that the possible award size was large enough to motivate them to earn it.

It is important to note that program requirements for the 2006 and 2007 cohorts differed from those for later cohorts. Based on its experience with the first two cohorts, the U.S. Department of Education established different and increasingly specific priorities and requirements for the 2010 and 2012 TIF grant competitions, including changes to educator eligibility for performance-based awards and requirements regarding the use of data, professional development, and communications, among others. Because of these new requirements and priorities for the 2010 and 2012 cohorts, findings from this study of the 2006 and 2007 cohorts may not be generalizable to TIF projects supported under later grant cycles.

Chapter 1. Introduction

The Teacher Incentive Fund (TIF) program is intended to improve student achievement in high-need schools by supporting performance-based compensation systems that provide incentive awards to principals and teachers based on gains in student academic achievement, classroom evaluations, and other factors, and that provide educators with incentives to take on additional responsibilities and leadership roles (Appendix A).

This report examines program implementation in the first two cohorts of grantees (2006 and 2007), based on surveys of teachers and principals conducted in spring 2011 and an analysis of incentive award payouts, primarily for the 2010–11 school year.

This chapter provides background information on the Teacher Incentive Fund, including the four grant competitions that were conducted between 2006 and 2012 and the two specific cohorts that were the subject of this study, as well as a summary of the study design. Chapters 2 through 4 present findings on the size and distribution of incentive awards, variation in the proportion of incentive awards that were based on student achievement versus other factors, and perspectives of participating educators. Appendix B provides additional tables containing more detail on the incentive award payout data, and Appendix C provides standard error tables for data that are based on the survey data (the payout data include all incentive award payouts in the grantees that provided such data, so standard errors are not appropriate).

Background on the Teacher Incentive Fund

The Teacher Incentive Fund, first authorized through appropriations language in 2006 (and reauthorized in comparable form in every year since),⁴ is intended to improve student achievement in high-need schools by supporting performance-based compensation systems that provide incentive awards to principals and teachers. The authorizing statute specifies that such performance-based compensation systems are to consider gains in student academic achievement as well as classroom evaluations conducted multiple times during each school year, among other factors. Further, these systems are to provide educators with incentives to take on additional responsibilities and leadership roles. The grantees examined in this study made awards to educators based on a number of factors in addition to those listed in the legislation, such as performance evaluations (which could include classroom observations, reviews of lesson plans, and feedback from peers and students); supports for improving practice such as mentoring, coaching, and participating in professional development; and incentives for teaching in hard-to-staff schools or subjects.

The U.S. Department of Education awarded \$2.6 billion in TIF grants to a total of 131 grantees through four competitions, in 2006, 2007, 2010, and 2012. Eligible applicants were local

⁴ Appendix A provides the appropriations language that authorized the competitions for the 2006 and 2007 cohorts.

education agencies (LEAs), including charter schools that were LEAs in their state; state education agencies (SEAs); or partnerships between an LEA and/or SEA and at least one nonprofit organization.

The two TIF cohorts examined in this study (2006 and 2007) differed in a number of ways from the later two cohorts (2010 and 2012). First, funding for the first two cohorts was much smaller than for the later cohorts: \$240 million for the 2006 cohort, \$237 million for the 2007 cohort, \$1.2 billion for the 2010 cohort, and \$954 million for the 2012 cohort. In addition, program requirements were generally less specific for the 2006 and 2007 cohorts than for the later cohorts. Based on its experience with those two cohorts, the Department established different and increasingly specific priorities and requirements for the 2010 and 2012 TIF grant competitions, including:

1. establishing specific definitions for the “student growth” that needed to be a factor when determining educator eligibility for performance-based awards;
2. requiring grantees to focus on having eligibility for TIF performance awards flow from the results of LEA educator evaluation systems;
3. requiring the use of data from those systems to improve teachers’ professional development and classroom practices and to develop new base salary structures (beyond the awarding of annual incentives);
4. establishing communications and professional development for educators on program requirements as a core element for program implementation;
5. allowing uses of funds to include support of performance pay system participation by school personnel other than principals and teachers (i.e., as part of “human capital management systems”); and
6. special competitions for grantees that agreed to participate in a randomized controlled trial sponsored by the Institute of Education Sciences⁵ (Cohort 3) or to include a focus on science, technology, engineering, and/or mathematics or on rural education (Cohort 4).

Because of these new requirements and priorities for the 2010 and 2012 cohorts, findings from this study of the 2006 and 2007 cohorts may not be generalizable to TIF projects supported under later grant cycles.⁶

⁵ Reports from the IES study are available at https://ies.ed.gov/ncee/projects/evaluation/tq_incentive.asp.

⁶ Additional information on priorities for each of the four grant competitions is available as follows.

- Cohort 1: <https://www.federalregister.gov/articles/2006/05/01/E6-6531/office-of-elementary-and-secondary-education-overview-information-teacher-incentive-fund-notice>.
- Cohort 2: <https://www.federalregister.gov/articles/2006/11/14/E6-19193/office-of-elementary-and-secondary-education-overview-information-teacher-incentive-fund-notice>.

The Department received 62 eligible applications for the first TIF competition and 70 eligible applications for the second. From these two application pools, the Department awarded grants to three state education agencies, 23 local education agencies, and eight nonprofit organizations across two cohorts. One grantee withdrew, leaving 33 participating grantees (Exhibit 1).⁷ The Department funded each of the grants for a project period of five years, with the possibility of a no-cost extension for a sixth year if grantees had unfinished work. The grants ranged in size from \$1.1 million to \$34 million.

All 33 grantees implemented performance pay systems for principals and other school administrators (referred to in this report as principal projects), and 31 of the 33 grantees also included teachers in their performance pay systems (referred to as teacher projects). The 33 grantees involved a total of 1,646 schools, 38,473 teachers, and 2,802 administrators in their performance pay systems.⁸

Nineteen states and the District of Columbia were represented in the 33 grants. Seven grantees were from predominantly rural areas, and the rest were large urban school districts, state education agencies, or charter school networks. The schools the grantees served also varied, from large schools in major metropolitan areas to small schoolhouses in remote villages. Eight grantees had more than 70 participating schools, while 14 grantees had 16–70 schools and 11 grantees had 15 or fewer schools. Although the number of participating educators ranged from as few as 35 in a single charter school to more than 6,000 in one district, most grantees had fewer than 1,000 participating educators (Exhibit 2). Twenty-three grantees had some previous experience with performance pay prior to winning a TIF grant (Exhibit 3).

Use of Locally Developed Strategies or External Models

Grantees used locally developed strategies or derived their plans from the Teacher Advancement Program (TAP) or Effective Practice Incentive Community (EPIC) models (Exhibit 3). Among the 33 grantees in the first two TIF cohorts, six grantees and two of the four districts in a seventh grantee adopted TAP, a model developed by the National Institute for Excellence in Teaching.⁹ The TAP model featured multiple career paths for teachers, ongoing professional development embedded in the regular school day, and a performance-based

-
- Cohort 3: <http://www2.ed.gov/programs/teacherincentive/2010.html>
 - Cohort 4: <http://www2.ed.gov/programs/teacherincentive/2012.html>

⁷ The grantee that withdrew was a small charter school, Mare Island Technology Academy. During interviews, school officials reported that the school lacked the capacity to fully implement its performance pay plan, and the leadership was concerned about the school's ability to meet the financial matching requirements.

⁸ These counts of administrators and teachers include only eligible individuals who participated in their respective performance pay systems.

⁹ See <http://www.niet.org/tap-system/elements-of-success/>. In addition, an eighth grantee (Eagle County) initially implemented the TAP model but later discontinued its formal affiliation with the TAP program (although its program remained largely the same). Because this grantee was not affiliated with TAP while it implemented the TIF grant, it is not classified as implementing TAP.

compensation system that provided additional compensation to teachers based on the performance of their students; assessments of teachers' skills, knowledge, and responsibilities; and service in additional roles such as master or mentor teacher.

Four grantees adopted the EPIC design that New Leaders developed and operated from 2007 to 2012.¹⁰ EPIC identified schools with the highest student achievement gains, made schoolwide awards to educators in those schools, and documented and disseminated the practices used at the schools via the online EPIC Knowledge System.

The remaining 22 grantees and two of the four districts in the grantee mentioned above developed their own performance pay system. Locally developed systems used some combination of results from student achievement measures, supervisors' evaluation ratings, participation in activities to improve practice, and assuming hard-to-staff assignments to determine awards.

Study Design

This study examined program implementation in the first two cohorts of grantees (2006 and 2007), which totaled 33 grantees (one of the original 34 grantees withdrew from the program). This report is based on surveys of teachers and principals conducted in spring 2011 and an analysis of incentive award payouts, primarily for the 2010–11 school year. The report examines three key study questions:

- How did the size and distribution of incentive awards vary across educators and grantees?
- To what extent were incentive payments based on student achievement versus other factors such as supports for improving practice, performance evaluations, and teaching in hard-to-staff schools or subjects?
- How did participating educators perceive the fairness and effectiveness of the performance pay systems?

In this report, the criteria that grantees used to make incentive awards to educators were divided into four types:

- Student achievement.¹¹
- Performance evaluations, which could include classroom observations, reviews of lesson plans, and feedback from peers and students.
- Supports for improving practice such as serving as an instructional coach or as a master or mentor teacher or participating in professional development.
- Incentives for teaching in hard-to-staff schools or subjects.

¹⁰ See <http://www.newleaders.org/what-we-do/epic/>.

¹¹ Grantees used various methods for calculating student achievement, including value-added models (VAM), growth measures, and status measures.

The study used a variety of data sources to examine the design and implementation of TIF-supported performance pay systems: surveys of a representative sample of teachers and principals in schools served by TIF projects; financial data for awards paid to teachers and administrators (referred to in this report as payout data); interviews with TIF project directors, teachers, principals, and other stakeholders; and reviews of extant documents such as grantee applications and annual performance reports. In this report, data are reported on performance pay compensation for teachers and administrators (principals as well as other administrators eligible for performance pay). Data on perceptions of the fairness and effectiveness of the performance pay system are reported for teachers and principals, the respondents to the surveys.

An earlier report (2012) provided information on early implementation for Cohort 1 and 2 grantees based on the first round of payout data, interviews, and extant documents. This report presents data from the teacher and principal surveys as well as additional rounds of payout data. Of the 31 teacher projects, 29 participated in the survey and 30 provided payout data. Of the 33 principal projects, 31 participated in the survey and 31 provided payout data.

The surveys were administered in spring 2011 to a representative sample of teachers and principals who were eligible to participate in a TIF-funded performance pay project, including educators who chose not to participate in the performance pay project. The survey sample included 6,639 teachers in 29 teacher projects and 639 principals in 31 principal projects, representing the 46,465 eligible teachers and 1,505 eligible principals in these grantees.¹² Participants had the option of submitting their surveys either online or through the mail. Response rates were 87 percent for the teacher survey and 74 percent for the principal survey.¹³

In addition, grantees were asked to provide data on the performance incentive amounts awarded to each individual educator in the 2008–09 and 2010–11 school years. For the second round of payout data, three grantees provided data from the 2009–10 school year, their most recent data available at the time of data collection. Grantees were asked to provide both the amount of total award payouts for each participant as well as the amount each participant received for each award component. Payout data were received for 30 of the 31 teacher projects and 31 of the 33 principal projects.

¹² One grantee was not implementing its project in 2009–10, the year covered in the surveys (Lynwood), and one did not grant permission in time to be included in the surveys (Washington, D.C.). In grantees where teacher participation was voluntary, some teachers opted out of the performance pay project. In the 29 teacher projects covered in the survey, 7,992 of the 46,465 eligible teachers opted out, so there were a total of 38,473 teachers participating in those performance pay projects.

¹³ Item-level response rates for the teacher survey were over 90 percent for each question bank. For the principal survey there was one question bank with an item-level response rate of 78 percent; all others were over 90 percent.

Exhibit 1. Grants awarded to TIF Cohorts 1 and 2

Cohort	Grantee	Location	5-Year Grant
1	South Carolina	Statewide (23 schools, 6 districts)	\$33,959,740
1	Chicago Public Schools	Chicago, IL	\$27,336,693
1	Denver Public Schools	Denver, CO	\$22,674,393
1	Dallas Independent School District	Dallas, TX	\$22,385,899
1	National Charter School Consortium	National (headquarters in New York, NY)	\$20,752,420
1	Philadelphia Charter Schools	Philadelphia, PA	\$20,500,215
1	Ohio TIF	Cincinnati, Columbus, Toledo, Cleveland	\$20,223,270
1	Washington D.C. Public Schools	Washington, DC	\$14,118,543
1	Memphis City Schools	Memphis, TN	\$13,836,434
1	Houston Independent School District	Houston, TX	\$11,781,323
1	Guilford County Schools	Guilford County, NC	\$8,000,005
1	Northern New Mexico	Northern NM	\$7,647,796
1	Eagle County School District	Eagle County, CO	\$6,779,204
1	Consortium of Lake and Peninsula, Kuspuk, and Chugach school districts	Rural Alaska	\$5,191,449
1	Weld County School District	Weld County, CO	\$3,670,133
2	Amphitheater Unified School District	Tucson, AZ	\$29,211,930
2	Orange County	Florida	\$27,360,095
2	University of Texas System	Texas	\$25,588,131
2	South Dakota	South Dakota	\$20,824,871
2	National Institute for Excellence in Teaching and Consortium of Algiers Charter Schools	New Orleans, LA	\$20,567,721
2	Miami-Dade County Public Schools	Miami-Dade County	\$18,312,808
2	Prince George's County Public Schools	Prince George's County, MD	\$17,014,649
2	Hillsborough County Public Schools	Hillsborough County, FL	\$15,402,538
2	Charlotte-Mecklenburg	North Carolina	\$11,880,267
2	Lynwood County Unified School District	California	\$11,842,328
2	Partnership for Innovation in Compensation for Charter Schools	New York City	\$10,089,999
2	Pittsburgh Public Schools	Pennsylvania	\$7,412,783
2	South Carolina	South Carolina	\$7,023,345
2	Cumberland County Schools	North Carolina	\$4,827,198
2	Harrison School District Two	Colorado	\$3,751,039
2	School of Excellence in Education	San Antonio, TX	\$3,204,450
2	Beggs Independent School District	Oklahoma	\$2,068,353
2	Edward W. Brooke Charter School	Roslindale, MA	\$1,069,252

Notes: Table includes 15 grantees from Cohort 1 and 18 grantees from Cohort 2. It does not include one Cohort 1 grantee that withdrew from the program (Mare Island Technology Academy).

Exhibit 2. Number of participating schools, teachers, and administrators in TIF Cohorts 1 and 2, by grantee

Grantee	State	Schools	Teachers	Administrators
All grantees		1,646	38,473	2,802
Lake and Peninsula/Kuspuk/Chugach	AK	29	109	15
Amphitheater Unified School District	AZ	11	461	18
Lynwood County Unified School District	CA	16	681	33
Eagle County School District	CO	17	461	28
Denver Public Schools-ProComp	CO	136	NA	226
Harrison School District Two	CO	21	573	NR
Weld County School District	CO	5	142	9
Hillsborough County Public Schools	FL	123	5,452	236
Miami-Dade County Public Schools	FL	38	471	124
Orange County Public Schools	FL	10	610	32
Chicago Public Schools	IL	37	1,077	79
National Institute for Excellence in Teaching and Consortium of Algiers Charter Schools	LA	9	265	18
Edward W. Brooke Charter School	MA	1	35	2
Prince George's County Public Schools	MD	20	600	114
Charlotte-Mecklenburg Public Schools	NC	20	1,106	40
Cumberland County Schools	NC	5	144	14
Guilford County Schools	NC	30	496	27
Northern New Mexico	NM	16	NR	NR
Partnership for Innovation in Compensation for Charter Schools	NY	10	232	28
Ohio TIF	OH	168	1,903	122
Beggs Independent School District	OK	3	81	3
Philadelphia Charter Schools	PA	11	231	7
Pittsburgh Public Schools	PA	67	NA	68
Florence County School District	SC	6	201	11
South Carolina	SC	23	716	42
South Dakota	SD	47	719	43
Memphis City Schools	TN	129	3,739	231
Dallas Independent School District	TX	223	6,069	305
Houston Independent School District	TX	103	3,741	175
School of Excellence in Education	TX	8	140	4
University of Texas System	TX	27	973	45
Washington D.C. Public Schools	DC	98	3,088	222
National Charter School Consortium	Multiple states	179	3,957	481

Exhibit 3. Type of performance pay system and previous experience with performance pay in TIF Cohorts 1 and 2, by grantee

Grantee	Performance Pay System	Previous Experience with Performance Pay
All grantees	Locally developed (23); TAP (7); EPIC (4)	Yes (23) No (10)
Lake and Peninsula/Kuspuk/Chugach	Locally developed	Yes
Amphitheater Unified School District	Locally developed	Yes
Lynwood County Unified School District	Locally developed	No
Eagle County School District	Locally developed	Yes
Denver Public Schools	EPIC (principal only)	Yes
Harrison School District Two	Locally developed	No
Weld County School District	Locally developed	Yes
Hillsborough County Public Schools	Locally developed	Yes
Miami-Dade County Public Schools	Locally developed	Yes
Orange County Public Schools	Locally developed	Yes
Chicago Public Schools	TAP	No
National Institute for Excellence in Teaching and Consortium of Algiers Charter Schools	TAP	Yes
Edward W. Brooke Charter School	Locally developed	Yes
Prince George’s County Public Schools	Locally developed	No
Charlotte-Mecklenburg Public Schools	Locally developed	Yes
Cumberland County Schools	Locally developed	Yes
Guilford County Schools	Locally developed	Yes
Northern New Mexico	Locally developed	No
Partnership for Innovation in Compensation for Charter Schools	Locally developed	No
Ohio TIF	Locally developed & TAP	Yes
Beggs Independent School District	Locally developed	No
Philadelphia Charter Schools	TAP	Yes
Pittsburgh Public Schools	Locally developed (principal only)	Yes
Florence County School District	TAP	Yes
South Carolina	TAP	Yes
South Dakota	Locally developed	No
Memphis City Schools	EPIC	Yes
Dallas Independent School District	Locally developed	Yes
Houston Independent School District	Locally developed	Yes
School of Excellence in Education	Locally developed	Yes
University of Texas System	TAP	Yes
Washington D.C. Public Schools	EPIC	No
National Charter School Consortium	EPIC	No

Notes: TAP is the Teacher Advancement Program. EPIC is the Effective Practice Incentive Community. The Ohio Department of Education is included in two model categories because it implemented different models across four districts in the state: two districts implemented the TAP model, and two used locally developed models.

Chapter 2. Incentive Award Size and Distribution

Incentive awards provided to teachers tended to be smaller than administrator awards in terms of absolute dollars but larger when viewed as a percentage of average base salary. The average incentive award across all individual award recipients (for whom payout data were available) was \$3,651 for teachers and \$5,508 for administrators (Exhibit 4). These awards represent 8 percent of an average teacher salary and 6 percent of an average principal salary (Exhibit 5). The average (mean) award sizes were somewhat larger than the median award sizes across grantees (\$3,616 and \$4,525, respectively), because some grantees with large numbers of participants provided relatively large individual awards, on average (Exhibits 4 and 6).

The size of awards varied substantially across grantees. The grantee with the smallest average award size for teachers provided an average award of \$1,170, while the grantee with the largest average teacher award size provided \$8,772 — a \$7,602 difference. Average administrator awards ranged from \$814 in the grantee with the smallest average award to \$10,711 in the grantee with the largest average award, a difference of \$9,897 (Exhibits 4 and 6). Most grantees provided average awards of between \$2,000 and \$5,999 (24 teacher projects and 18 principal projects). Grantees were more likely to provide relatively large awards of more than \$6,000 to administrators (eight grantees) than to teachers (two grantees). Four teacher projects and five principal projects provided relatively small average awards of less than \$2,000 (Exhibit 7).

Across all grantees, 20 percent of teacher award recipients received awards of \$6,000 or more, while 36 percent received less than \$2,000. Similarly, 35 percent of administrator awardees received awards of \$6,000 or more, while 24 percent received less than \$2,000 (Exhibit 8).

Looking at the size of incentive awards in relation to salary levels, the average teacher award ranged from 2.4 percent to 23.5 percent of average base salaries, while the average administrator award ranged from 0.9 percent to 13.1 percent of average base salaries. Teacher projects were more likely to provide average incentive payments that amounted to 7 percent or more of average base salaries (16 teacher projects and 11 principal projects), and principal projects were more likely to provide awards amounting to less than 3 percent of average base salaries (four teacher projects and five principal projects) (Exhibit 9).

Incentive award amounts also varied within grantees. For teacher projects, the grantee with the greatest range in their teacher incentive award amounts gave awards that ranged from \$625 to \$25,000, while the grantee with the smallest range gave awards that ranged from \$2,000 to \$4,000 (Exhibit 10). For principal projects, the grantee with the greatest range in their administrator incentive award amounts gave awards that ranged from \$1,600 to \$33,625, while the grantee with the smallest range gave awards that ranged from \$800 to \$1,000 (Exhibit 11). Across all award recipients, teacher award amounts ranged from \$6 to \$25,000, and principal award amounts ranged from \$13 to \$33,625. Looked at in relation to salary levels, the highest individual teacher award was 55 percent of average base salary and the highest individual principal award was 41 percent of average base salary.

More than half of the grantees provided performance awards to almost all participating educators. Over 90 percent of participating educators received a performance award in 19 teacher projects and 19 principal projects. More than three-quarters of grantees provided performance awards to over half of all participants (23 teacher projects and 24 principal projects (Exhibit 12). A few grantees provided awards to a much smaller proportion of participants: three grantees provided awards to 5 to 10 percent of participating teachers, and four grantees provided awards to 6 to 13 percent of participating administrators (Exhibits 10 and 11).

Although most grantees provided performance awards to all or most participants, the grantees with the largest number of participants were less likely to do so. As a result, 51 percent of all teacher participants and 49 percent of all administrator participants received an award across the 30 grantees that provided teacher payout data (Exhibits 4 and 5).

Exhibit 4. Average teacher and administrator incentive awards

	Average Across All Award Recipients	Median Grantee Average Award	Lowest Grantee Average	Highest Grantee Average
Teachers	\$3,651	\$3,355	\$1,170	\$8,772
Administrators	\$5,508	\$4,512	\$814	\$10,711

Notes: This exhibit is based on payout data submitted by 30 of the 31 grantees that included teachers in their TIF project and 31 of the 33 grantees that included administrators in their TIF project. The *lowest grantee average* represents the smallest average award paid to teachers and administrators by a grantee, and the *highest grantee average* represents the largest.

Source: Grantee-submitted payout data from 2010–11 or, for three grantees, from 2009–10.

Exhibit 5. Average award sizes as a percentage of average base salaries for teacher and administrators

	Average Across All Award Recipients	Median Grantee Average Award	Lowest Grantee Average	Highest Grantee Average
Teachers	7.7%	6.6%	2.4%	23.5%
Administrators	5.5%	4.9%	0.9%	13.1%

Notes: This exhibit is based on payout data submitted by 30 of the 31 grantees that included teachers in their TIF project and 31 of the 33 grantees that included administrators in their TIF project.

Source: Grantee-submitted payout data from 2010–11 or, for three grantees, from 2009–10.

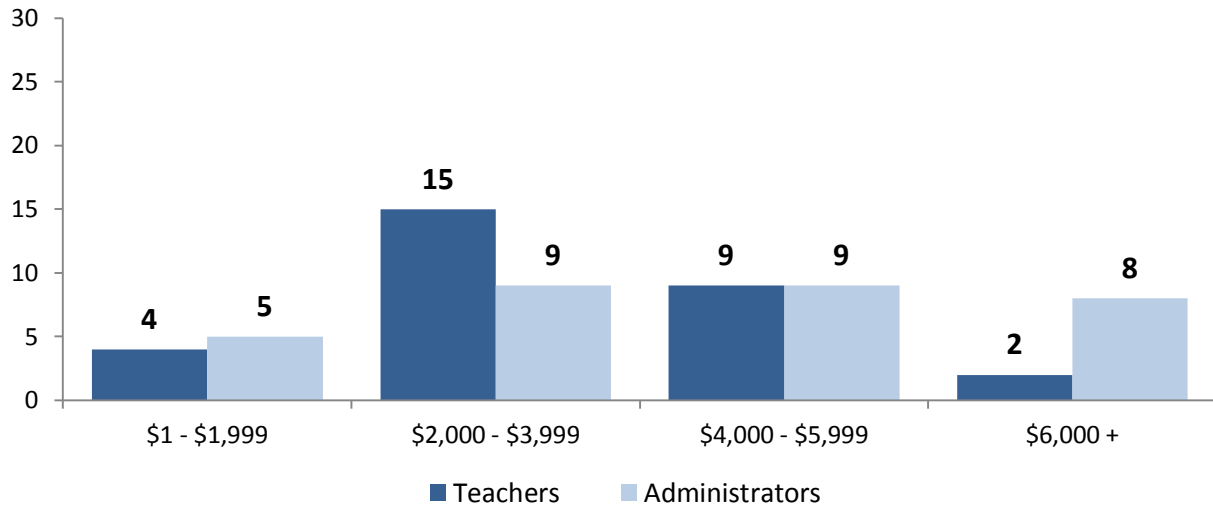
Exhibit 6. Average incentive awards for teachers and administrators, across all award recipients within each grantee

Grantee	Average Teacher Award	% of Average Salary	Grantee	Average Administrator Award	% of Average Salary
1	\$1,170	2.4%	1	\$814	0.9%
2	\$1,182	2.8%	2	\$886	0.9%
3	\$1,372	2.6%	3	\$996	1.3%
4	\$1,721	3.1%	4	\$1,547	1.8%
5	\$2,142	6.2%	5	\$1,893	2.7%
6	\$2,218	4.8%	6	\$2,143	3.1%
7	\$2,512	5.9%	7	\$2,291	3.0%
8	\$2,591	6.9%	8	\$2,567	3.8%
9	\$2,596	5.5%	9	\$2,750	2.5%
10	\$2,681	5.2%	10	\$2,795	2.3%
11	\$2,941	7.6%	11	\$3,007	3.3%
12	\$2,984	6.3%	12	\$3,106	3.8%
13	\$3,004	6.7%	13	\$3,200	4.6%
14	\$3,152	6.6%	14	\$3,331	3.1%
15	\$3,324	5.1%	15	\$4,471	4.9%
16	\$3,387	6.0%	16	\$4,512	5.3%
17	\$3,394	6.0%	17	\$4,524	5.8%
18	\$3,747	7.9%	18	\$4,734	8.8%
19	\$3,973	7.3%	19	\$4,896	6.5%
20	\$4,004	5.4%	20	\$5,108	4.9%
21	\$4,193	13.9%	21	\$5,714	5.6%
22	\$4,383	9.7%	22	\$5,872	9.1%
23	\$4,523	10.3%	23	\$5,885	5.6%
24	\$4,636	9.1%	24	\$6,232	6.7%
25	\$4,770	6.9%	25	\$6,278	8.0%
26	\$5,001	11.0%	26	\$6,389	7.7%
27	\$5,417	9.3%	27	\$7,375	9.0%
28	\$5,423	13.4%	28	\$8,000	8.2%
29	\$7,258	14.9%	29	\$8,886	12.0%
30	\$8,772	23.5%	30	\$9,357	10.7%
—	—	—	31	\$10,711	13.1%

Notes: Grantees are not listed by name to protect confidentiality. Grantee identification numbers in teacher columns do not correspond with grantee identification numbers in administrator columns. — indicates not applicable.

Source: Grantee-submitted payout data from 2010–11 or, for three grantees, from 2009–10.

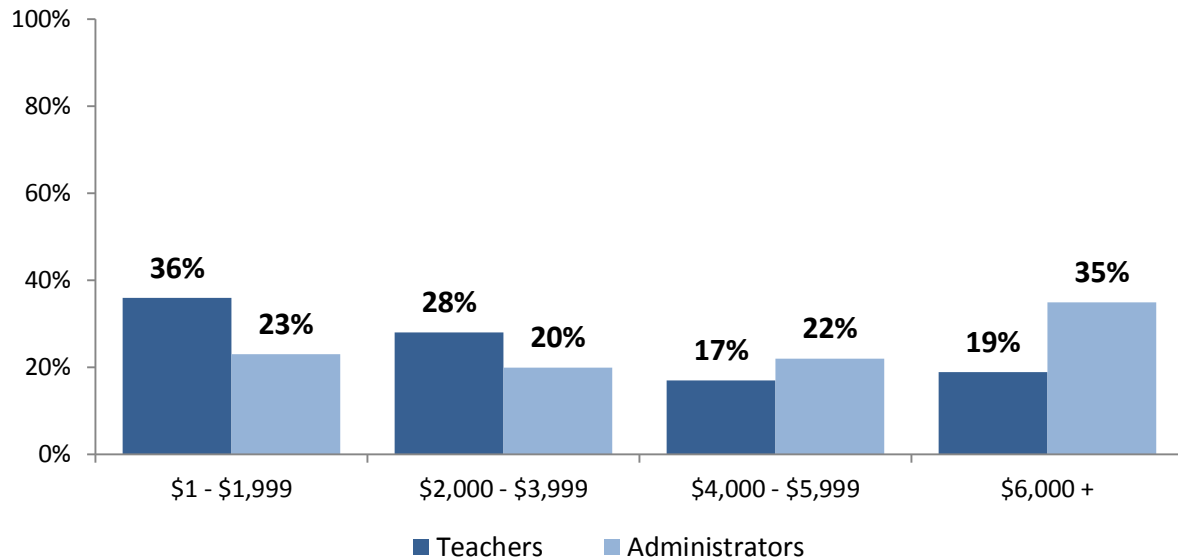
Exhibit 7. Number of grantees providing average teacher and administrator incentive awards of various size levels



Notes: This exhibit is based on payout data submitted by 30 of the 31 grantees that included teachers in their TIF project and 31 of the 33 grantees that included administrators in their TIF project.

Source: Grantee-submitted payout data from 2010–11 or, for three grantees, from 2009–10.

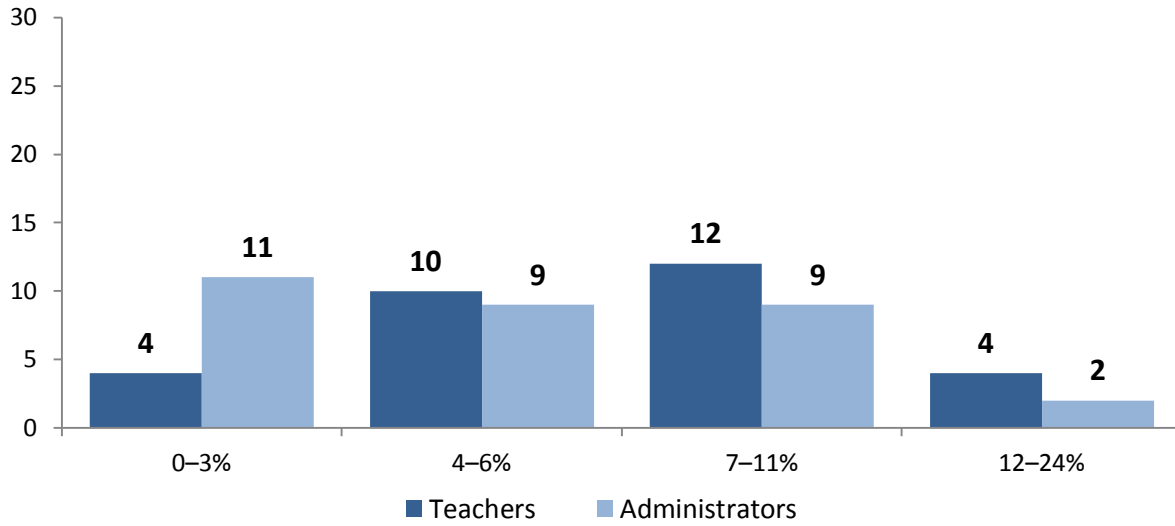
Exhibit 8. Percentage of teachers and administrators earning incentive awards of various size levels



Notes: This exhibit is based on payout data submitted by 30 of the 31 grantees that included teachers in their TIF project and 31 of the 33 grantees that included administrators in their TIF project.

Source: Grantee-submitted payout data from 2010–11 or, for three grantees, from 2009–10.

Exhibit 9. Number of grantees providing average teacher and administrator incentive awards of various size levels (as a percentage of average base salary)



Notes: This exhibit is based on payout data submitted by 30 of the 31 grantees that included teachers in their TIF project and 31 of the 33 grantees that included administrators in their TIF project.

Source: Grantee-submitted payout data from 2010-11 or, for three grantees, from 2009-10.

Exhibit 10. Range of teacher award amounts, by award rate

Grantee	Award Rate	Minimum Award	Maximum Award	Difference Between Minimum and Maximum Award
1	100%	\$105	\$19,556	\$19,451
2	100%	\$1,300	\$18,850	\$17,550
3	100%	\$105	\$16,008	\$15,903
4	100%	\$330	\$16,000	\$15,670
5	100%	\$151	\$15,221	\$15,070
6	100%	\$75	\$13,350	\$13,275
7	100%	\$315	\$13,000	\$12,685
8	100%	\$200	\$11,330	\$11,130
9	100%	\$683	\$11,530	\$10,847
10	100%	\$500	\$9,250	\$8,750
11	100%	\$100	\$6,650	\$6,550
12	100%	\$513	\$5,985	\$5,472
13	99%	\$100	\$7,650	\$7,550
14	98%	\$625	\$25,000	\$24,375
15	98%	\$1,000	\$4,000	\$3,000
16	97%	\$375	\$13,438	\$13,063
17	97%	\$2,750	\$9,896	\$7,146
18	95%	\$100	\$21,452	\$21,352
19	94%	\$37	\$20,789	\$20,752
20	85%	\$27	\$3,270	\$3,243
21	72%	\$500	\$10,000	\$9,500
22	72%	\$230	\$8,000	\$7,770
23	57%	\$1,000	\$7,200	\$6,200
24	49%	\$120	\$22,700	\$22,580
25	40%	\$70	\$12,961	\$12,891
26	40%	\$6	\$12,614	\$12,608
27	34%	\$500	\$6,000	\$5,500
28	10%	\$600	\$8,000	\$7,400
29	9%	\$2,500	\$5,000	\$2,500
30	5%	\$2,000	\$4,000	\$2,000
All teacher participants	51%	\$6	\$25,000	\$24,094

Source: Grantee-submitted payout data from 2010–11 or, for three grantees, from 2009–10 (the most recent year of payout data available at the time of data collection).

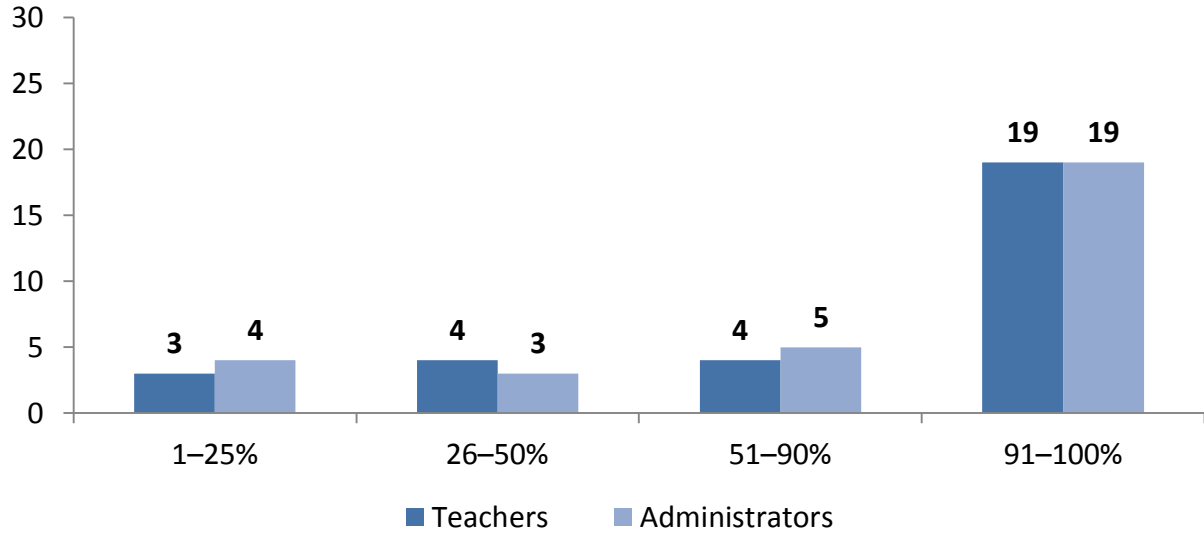
Exhibit 11. Range of administrator award amounts, by award rate

Grantee	Award Rate	Minimum Award	Maximum Award	Difference Between Minimum and Maximum Award
1	100%	\$1,600	\$33,625	\$32,025
2	100%	\$571	\$20,104	\$19,532
3	100%	\$120	\$15,290	\$15,170
4	100%	\$1,000	\$15,000	\$14,000
5	100%	\$2,500	\$10,750	\$8,250
6	100%	\$1,575	\$8,589	\$7,014
7	100%	\$2,850	\$7,410	\$4,560
8	100%	\$1,000	\$5,000	\$4,000
9	100%	\$1,125	\$4,550	\$3,425
10	100%	\$4,000	\$7,000	\$3,000
11	100%	\$6,892	\$9,800	\$2,908
12	100%	\$3,587	\$6,450	\$2,863
13	100%	\$405	\$3,145	\$2,740
14	100%	\$2,150	\$3,400	\$1,250
15	99%	\$1,630	\$13,270	\$11,640
16	99%	\$300	\$5,000	\$4,700
17	96%	\$575	\$12,000	\$11,425
18	91%	\$500	\$4,000	\$3,500
19	83%	\$1,700	\$5,200	\$3,500
20	78%	\$500	\$2,020	\$1,520
21	73%	\$500	\$5,575	\$5,075
22	61%	\$1,200	\$7,500	\$6,300
23	53%	\$2,000	\$5,000	\$3,000
24	45%	\$217	\$20,000	\$19,783
25	33%	\$350	\$1,400	\$1,050
26	27%	\$13	\$9,381	\$9,368
27	13%	\$875	\$12,000	\$10,125
28	8%	\$5,000	\$10,000	\$5,000
29	6%	\$1,662	\$5,000	\$3,338
30	6%	\$800	\$1,000	\$200
All admin. participants	49%	\$13	\$33,625	\$33,612

Notes: One grantee is not included in this table because it had only one principal, so the award amount is not disclosed for confidentiality reasons. The grantee numbers in this exhibit do not correspond to those in Exhibit 4.

Source: Grantee-submitted payout data from 2010–11 or, for three grantees, from 2009–10 (the most recent year of payout data available at the time of data collection).

Exhibit 12. Number of grantees by percentage of teacher and administrator participants that received incentive awards



Notes: This exhibit is based on payout data submitted by 30 of the 31 grantees that included teachers in their TIF project and 31 of the 33 grantees that included administrators in their TIF project.

Source: Grantee-submitted payout data from 2010-11 or, for three grantees, from 2009-10.

Chapter 3. Composition of Incentive Awards

Participating educators could earn awards based on student achievement, participation in activities to improve their practice or providing supports to improve others' practice, (such as coaching or mentoring), performance evaluations, or assuming hard-to-staff positions. Of the 31 teacher projects, 30 rewarded teachers at least in part for improved student achievement. All 33 principal projects used student achievement as a performance measure (Exhibit 13).

The TIF legislation specified that grantees were to provide incentive awards to principals and teachers based on *gains* in student academic achievement, and grantees generally did so, although they sometimes incorporated measures of achievement levels in addition to value-added or growth measures. Among the 30 grantees that provided awards to teachers based on student achievement, 18 used value-added measures, 15 used growth measures, and nine used achievement levels; some grantees used more than one type of measure, but none used only achievement levels for making awards.

Similarly, among the 33 grantees that provided awards to administrators, 16 used value-added measures, 18 used growth measures, and nine used achievement levels; one grantee used achievement levels only, while eight used achievement levels in combination with value-added and/or growth measures.

About two-thirds (64 percent) of average teacher award payouts were for student achievement. Performance evaluations and participation in supports for improving practice accounted for the next largest shares of average award amounts (14 percent each), with incentives for teaching in hard-to-staff schools and subjects making up 6 percent of the average award (Exhibit 14).

A similar pattern emerged among principal projects. Sixty-three percent of average administrator award payouts were for student achievement, while performance evaluations made up the next largest percentage (13 percent). Incentives for participation in supports for improving practice or mentoring and for working in hard-to-staff schools each made up 12 percent of the average award payout (Exhibit 14).

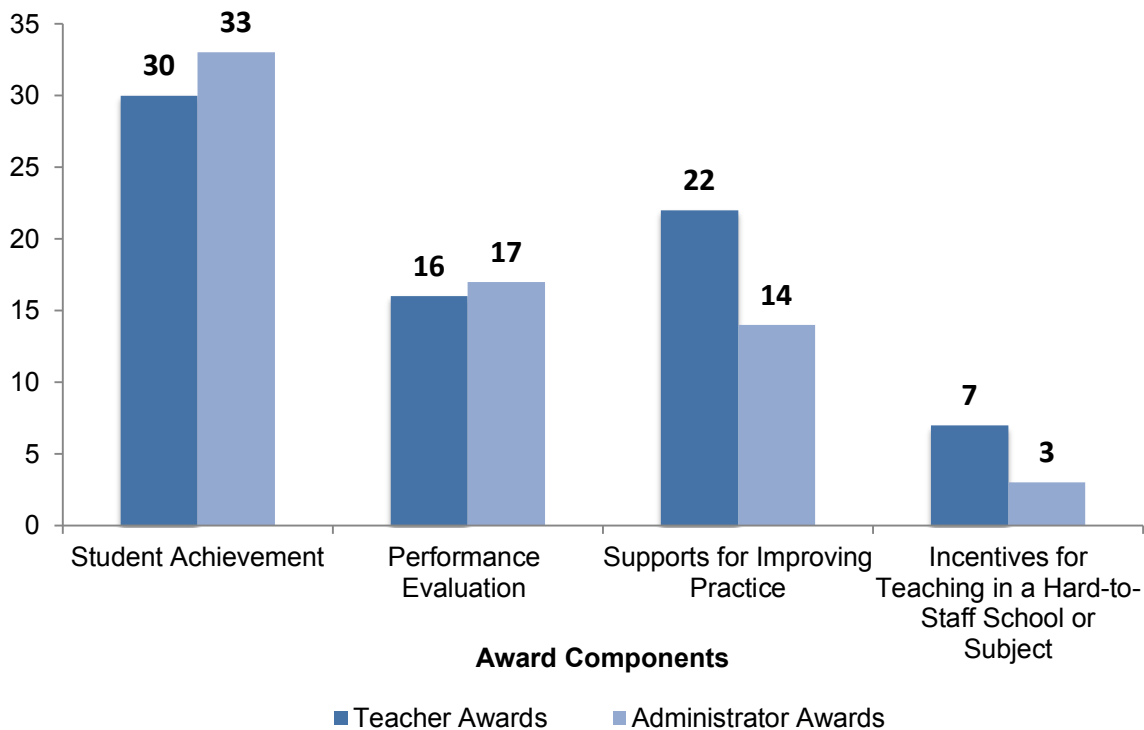
Funds awarded on the basis of student achievement accounted for the majority of the incentive payouts in 13 teacher projects and 18 principal projects. All but one teacher project provided incentive payments for student achievement, although the proportion of incentives awarded for student achievement ran the gamut, with nine teacher projects awarding more than three-quarters of their teacher incentive dollars for student achievement, including four grantees that paid teachers entirely based on student achievement, and six grantees that awarded less than a quarter of their incentives for student achievement (Exhibit 15).

All principal projects provided incentives for student achievement. Similar to the pattern observed for teacher incentive payouts, about one-third of the principal projects awarded more

than three-quarters of their incentive dollars for student achievement (10 out of 31). Two of the principal projects of 31 awarded 25 percent or less of incentive dollars toward that component. Eight grantees used student achievement as the sole criterion for making incentive awards.

Relatively few TIF grantees included incentives for hard-to-staff schools or subjects in their award payout calculations (seven teacher projects and three principal projects). However, two of these projects awarded a large proportion of total incentive dollars based on this criterion: One teacher project awarded 84 percent of teacher award dollars for teaching in hard-to-staff schools or subjects, and one principal project awarded 71 percent of administrator incentive dollars for working in hard-to-staff schools (Exhibit 15).

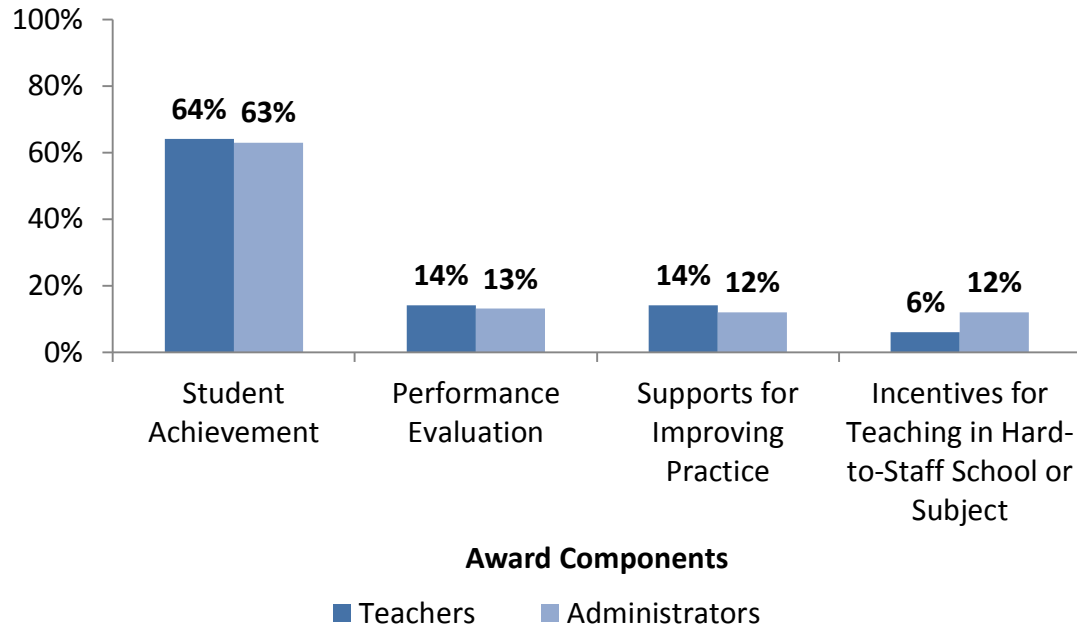
Exhibit 13. Number of grantees including various components in teacher and administrator incentive awards



Notes: This exhibit presents data for the 31 grantees that included teachers in their TIF project and the 33 grantees that included administrators in their TIF project.

Source: Project documents, interviews with grantees, and grantee-submitted payout data from 2010–11 or 2009–10.

Exhibit 14. Percentage of all incentive payout dollars awarded for various components



Notes: This exhibit presents data for the 30 grantees that provided awards to teachers (teacher projects) and that provided teacher payout data and for the 31 grantees that provided administrator payout data.

Source: Project documents, interviews with grantees, and grantee-submitted payout data from 2010–11 or 2009–10.

Exhibit 15. Number of grantees awarding various percentages of their incentive dollars for each component

Percentage of Grantee's Incentive Dollars	Student Achievement		Performance Evaluation		Supports for Improving Practice		Hard-to-Staff Schools or Subjects	
	Teachers	Admins	Teachers	Admins	Teachers	Admins	Teachers	Admins
76–100%	9	10	0	0	1	0	1	0
51–75%	4	8	0	3	4	6	0	1
26–50%	10	11	10	6	12	4	0	1
1–25%	6	2	5	4	2	3	6	1
0%	1	0	15	18	11	18	23	28
Total number of grantees	30	31	30	31	30	31	30	31

Source: Project documents, interviews with grantees, and grantee-submitted payout data from 2010–11 or 2009–10.

Chapter 4. Perspectives of Participating Educators

The study conducted surveys of principals and teachers participating in the projects in spring 2011 to obtain their perspectives on their performance pay projects. The survey administration took place in either Year 5 of the grant (for Cohort 1 grantees) or Year 4 of the grant (for Cohort 2 grantees), after the grantees had had some time to implement their performance pay systems and for participating educators to become familiar with the systems. The surveys asked educators about a range of topics including communication, fairness, job stress and satisfaction, and the perceived effects of the performance pay system on teacher practices.

Communication, Understanding, and Motivation

Fewer than half (44 percent) of teachers surveyed in 2011 agreed that their performance pay project was clearly communicated to educators (35 percent responded that they agreed with this statement and 9 percent said they strongly agreed). Principals were more likely than teachers to report that the programs were clearly communicated (67 percent, including 19 percent who strongly agreed with this statement) (Exhibit 16).

Teachers and principals from small- and medium-sized grantees were more likely to agree that their performance pay project was clearly communicated to educators than were teachers and principals from large grantees. For example, in grantees with small numbers of schools (15 or fewer schools), 72 percent of teachers and 86 percent of principals agreed that the performance pay project was clearly communicated, compared with 41 percent of teachers and 64 percent of principals in large grantees (those with more than 71 schools) (Exhibit 17).

Teachers and administrators also had contrasting perceptions of how well they understood various aspects of their performance pay system. Fewer than half of teachers — but more than half of principals — reported that they understood “well” or “very well” the goals of their performance pay project (47 percent of teachers vs. 67 percent of principals), the activities or achievement for which they could earn incentive pay (44 percent vs. 64 percent), or how their work was evaluated for the performance pay project (35 percent vs. 55 percent). Both teachers and principals were less likely to report understanding well or very well how incentive awards were calculated (21 percent and 44 percent, respectively) (Exhibits 18 and 19).

Teachers and principals also reported on the extent to which they received various types of support that were intended to help them earn an incentive award. The most common type of support reported was professional development (62 percent of teachers and principals), followed by observation, evaluation, or feedback (48 percent of teachers and 55 percent of principals) and mentoring (33 percent of teachers and 37 percent of principals) (Exhibit 20).

Educators’ perceptions of the motivational effect of the size of the award they could earn were slightly positive. Fifty-five percent of both participating teachers and principals agreed or strongly agreed that the size of the possible performance pay award was large enough to motivate them to earn it (Exhibit 21).

Fairness

Teachers' perceptions of the fairness of their performance pay project were less positive than principals' perceptions. Forty-six percent of participating teachers agreed or strongly agreed that the performance pay system was fair, while 64 percent of principals agreed or strongly agreed that the performance pay system was fair. However, both teachers (79 percent) and principals (82 percent) agreed or strongly agreed that the formal evaluation they received was fair. In contrast, 29 percent of teachers and 52 percent of principals agreed or strongly agreed that the performance pay project did a good job of distinguishing effective from ineffective teachers (Exhibit 22).

Perceptions of fairness varied by award rate. In grantees with 100 percent award rates, 42 percent of teachers agreed or strongly agreed that the performance pay system was fair. By comparison, 62 percent of teachers in grantees with award rates from 72 to 99 percent and 44 percent of teachers in grantees with award rates from 9 to 61 percent agreed or strongly agreed that the performance pay system was fair (Exhibit 23).¹⁴

Perceptions of a program's ability to distinguish between effective and ineffective teachers also varied by award rate. Twenty-nine percent of teachers in grantees with a 100 percent award rate agreed or strongly agreed that the program did a good job of distinguishing effective from ineffective teachers.¹⁵ Forty-two percent of teachers in grantees with award rates from 72 to 99 percent agreed or strongly agreed that the performance pay system did a good job of distinguishing effective from ineffective teachers. Twenty-seven percent of teachers in grantees with award rates from 9 to 61 percent agreed or strongly agreed with this statement (Exhibit 23).

Stress and Satisfaction

A minority of teachers reported that they agreed with statements suggesting that performance pay had an effect on their job stress or job satisfaction. Forty-four percent of teachers agreed that they felt increased pressure to perform under performance pay, including 13 percent who strongly agreed with this statement. A smaller percentage (32 percent) agreed that performance pay increased the stress and disappointment involved in teaching (including 9 percent who strongly agreed). Conversely, 58 percent agreed that their job satisfaction had increased because of performance pay (including 4 percent who strongly agreed) (Exhibit 24).

¹⁴ This categorization of grantees by teacher award rates (100 percent, 72–99 percent, and 9–61 percent) includes all 30 grantees that provided payout data. No grantees had award rates lower than 9 percent or between 61 percent and 72 percent.

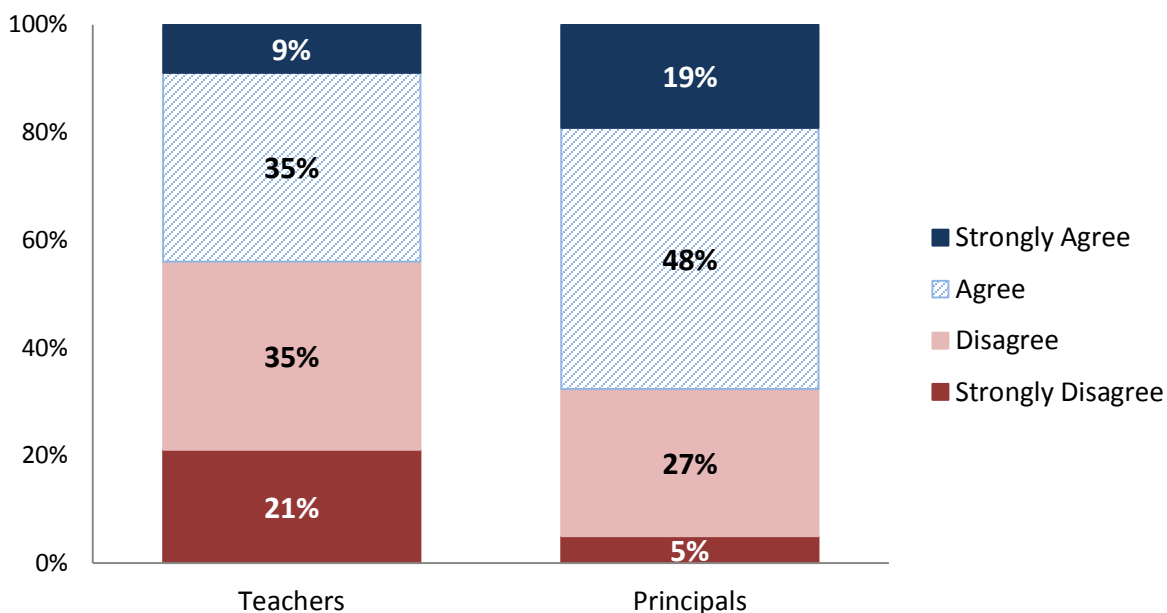
¹⁵ The size of the awards often varied within grantees. For example, in one grantees with a 100 percent award rate for teachers, individual award sizes ranged from \$105 to \$19,556 (Exhibit 4). Grantees with lower award rates also often showed wide variation in award sizes.

Perceptions of TIF Contributions

One of the goals of the TIF program was to increase the number of effective teachers in hard-to-staff schools and subjects. A minority of teachers reported that they agreed or strongly agreed that performance pay helped attract (33 percent) or retain (40 percent) effective teachers. Principals were more positive about performance pay's contribution to retaining effective teachers (54 percent agreed or strongly agreed), but only 35 percent agreed or strongly agreed that the TIF program contributed to attracting effective teachers (Exhibit 25).

Principals and teachers reported different perceptions of the TIF program's effect on getting teachers to work harder or alter their instructional practices. Fifty-two percent of teachers and 71 percent of principals reported that the performance pay project encouraged teachers to work harder to earn more pay. Sixty-seven percent of principals and 39 percent of participating teachers agreed or strongly agreed that teachers altered their instructional practice as a result of the performance pay project (Exhibit 26).

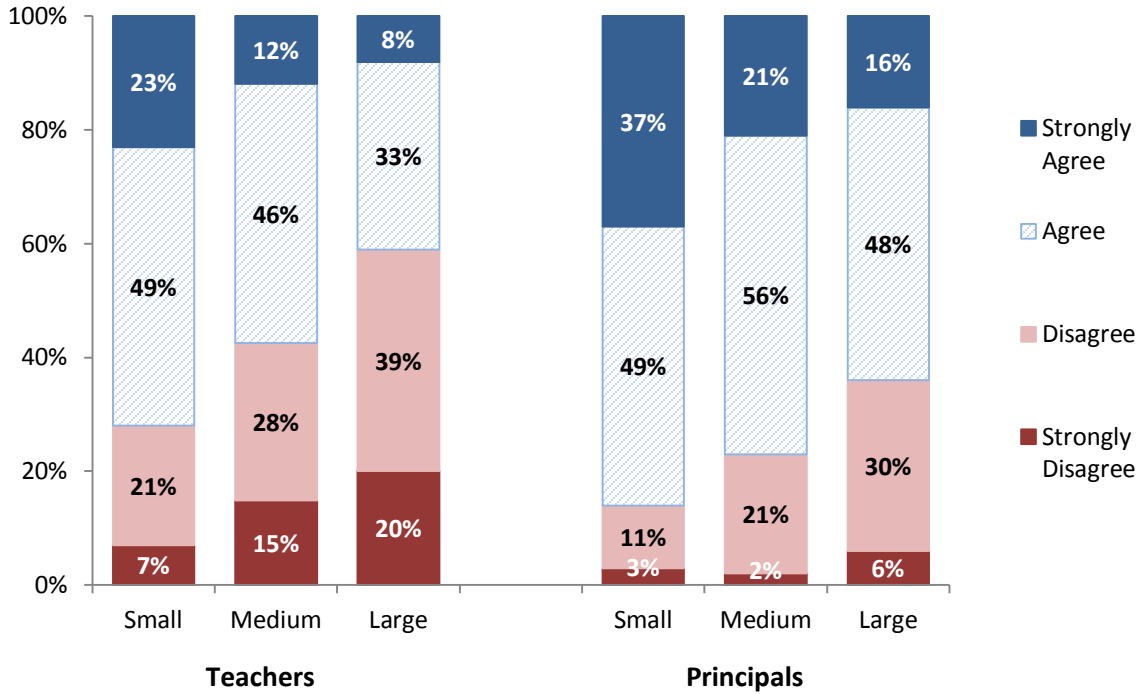
Exhibit 16. Percentage of teachers and principals who reported various degrees of agreement that the performance pay project was clearly communicated to educators



Notes: The unweighted *n*'s were 5,710 for teachers and 444 for principals. Exhibit C-2 provides standard errors. Response categories may not sum to 100 percent due to rounding.

Source: Teacher and principal surveys, 2011.

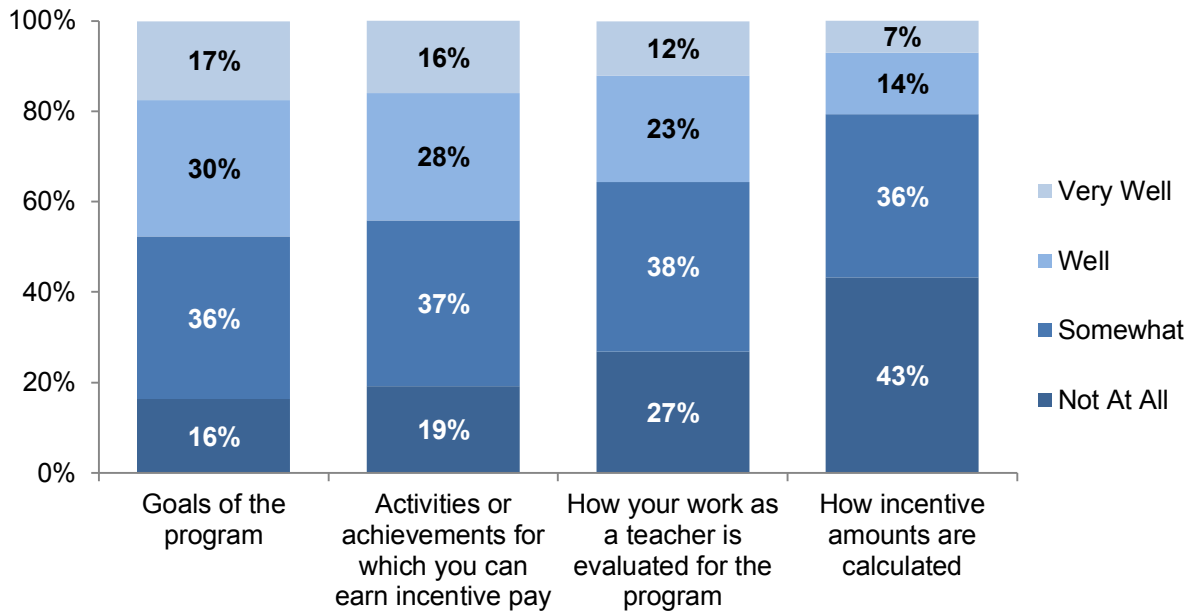
Exhibit 17. Percentage of teachers and principals who reported various degrees of agreement that the performance pay project was clearly communicated to educators, by grantee size



Notes: Grantee size was defined by the number of participating schools: small, 15 schools or fewer; medium, 16–71 schools; large, more than 71 schools. The unweighted teachers *n*'s were 1,697 teachers in 11 grantees in the small grantee group, 2,472 teachers in 12 grantees in the medium grantee group, and 1,266 in five grantees in the large grantee group. The unweighted principal *n*'s were 67 principals in 11 grantees in the small grantee group, 176 principals in 13 grantees in the medium grantee group, and 183 principals in six grantees in the large grantee group. One grantee was not categorized because it consisted of four subgrantees that varied in size. Exhibit C-3 provides standard errors. Response categories may not sum to 100 percent due to rounding.

Source: Teacher and principal surveys, 2011.

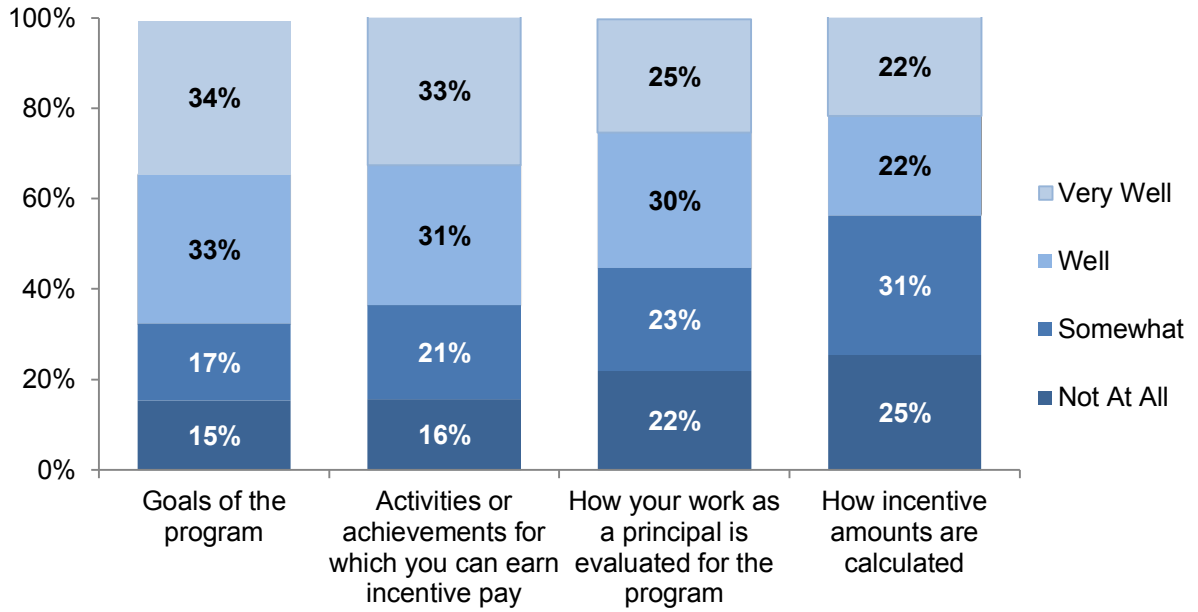
Exhibit 18. Percentage of teachers who reported various degrees of understanding of certain aspects of their performance pay project



Notes: Unweighted teacher *n*'s ranged from 5,726 to 5,740. Exhibit C-4 provides standard errors and *n* sizes. Response categories may not sum to 100 percent due to rounding.

Source: Teacher survey, 2011.

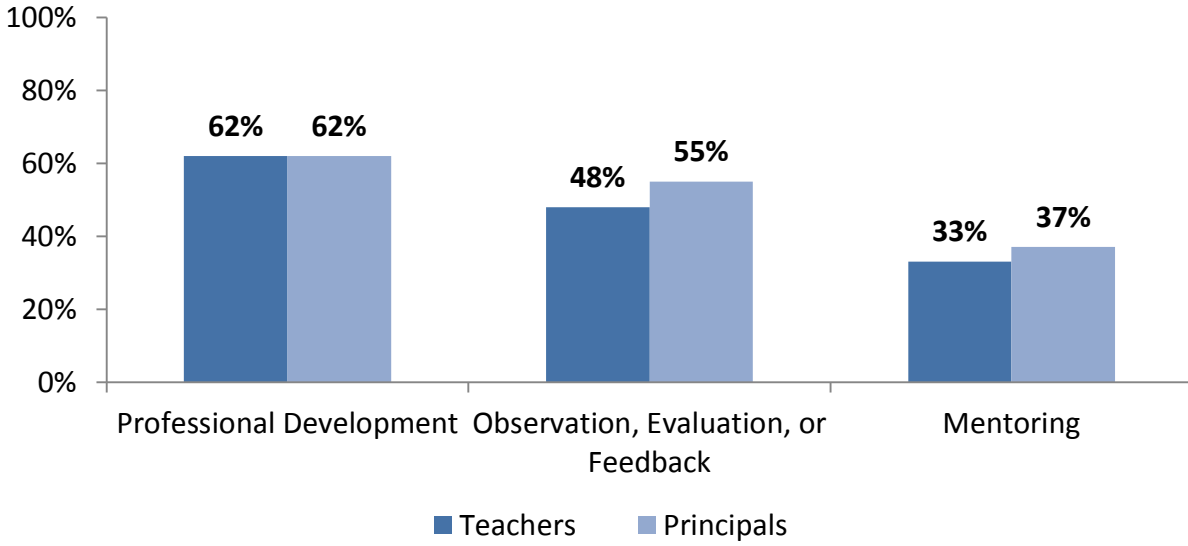
Exhibit 19. Percentage of principals who reported various degrees of understanding of certain aspects of their performance pay project



Notes: Unweighted principal *n*'s ranged from 467 to 468. Exhibit C-5 provides standard errors and *n* sizes. Response categories may not sum to 100 percent due to rounding.

Source: Principal survey, 2011.

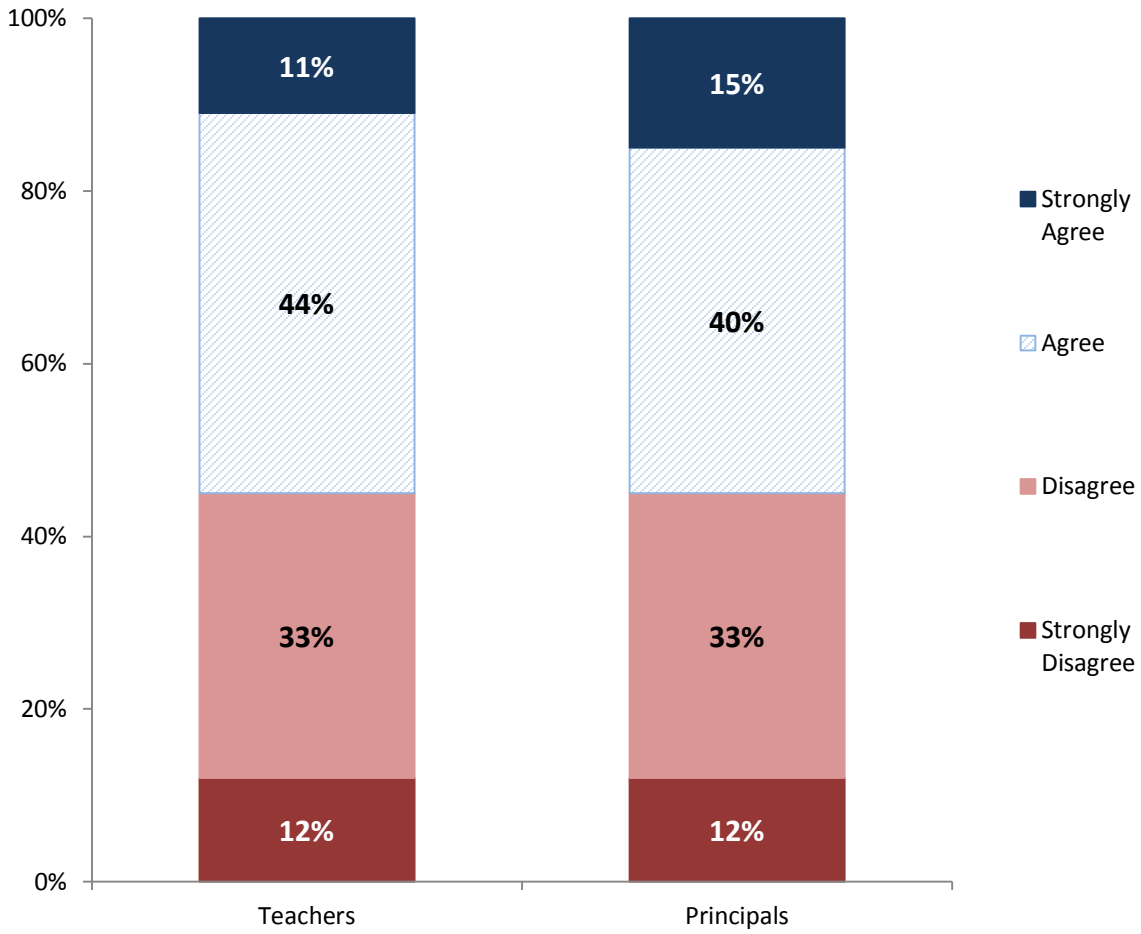
Exhibit 20. Percentage of educators who reported receiving various types of support to help them earn an incentive award



Notes: Unweighted teacher *n*'s ranged from 5,604 to 5,647. Unweighted principal *n*'s ranged from 445 to 450. Exhibit C-6 provides standard errors and *n* sizes. Response categories may not sum to 100 percent due to rounding.

Source: Teacher and principal surveys, 2011.

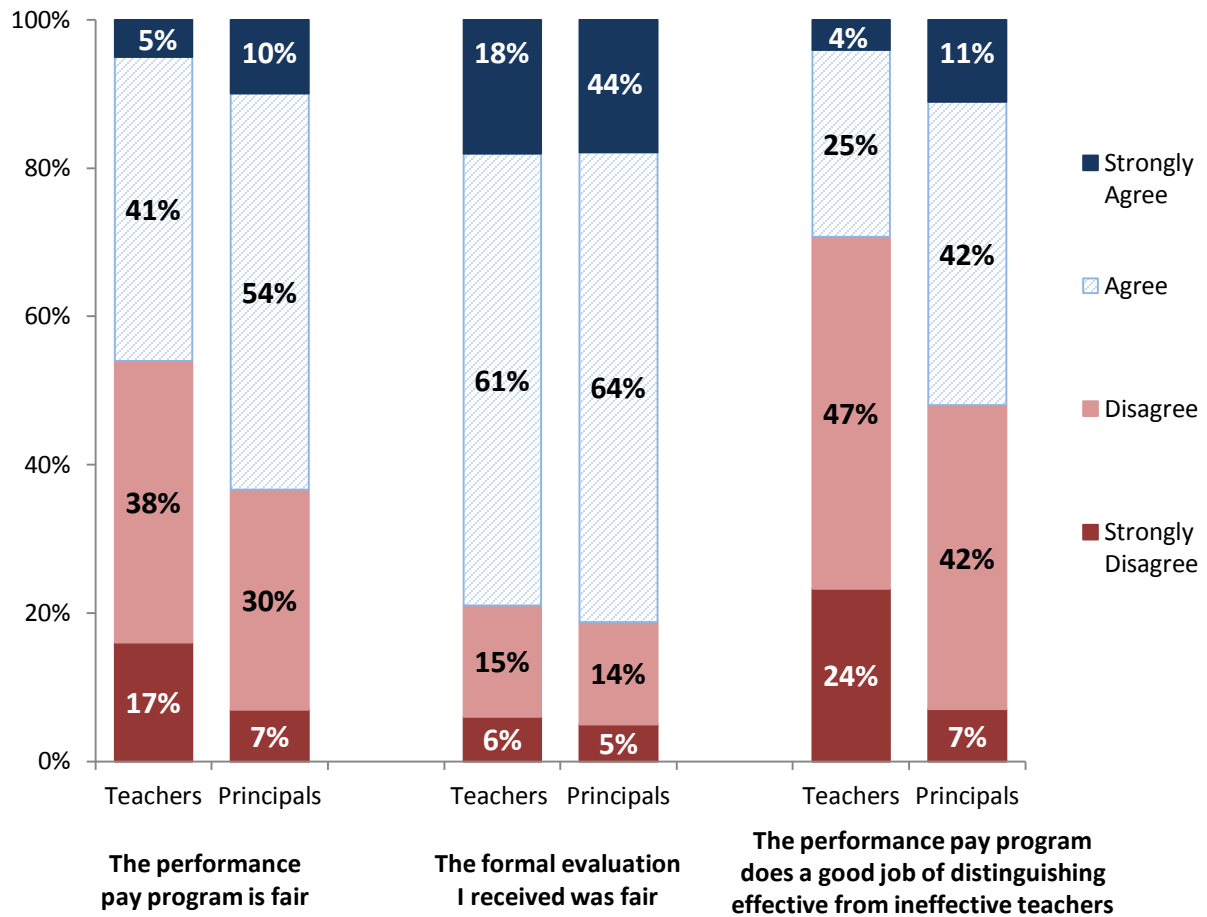
Exhibit 21. Percentage of educators who reported various degrees of agreement about whether the size of the possible award was large enough to motivate them to earn it



Notes: Unweighted teacher *n* was 4,040. Unweighted principal *n* was 442. Exhibit C-7 provides standard errors and *n* sizes. Response categories may not sum to 100 percent due to rounding.

Source: Teacher and principal surveys, 2011

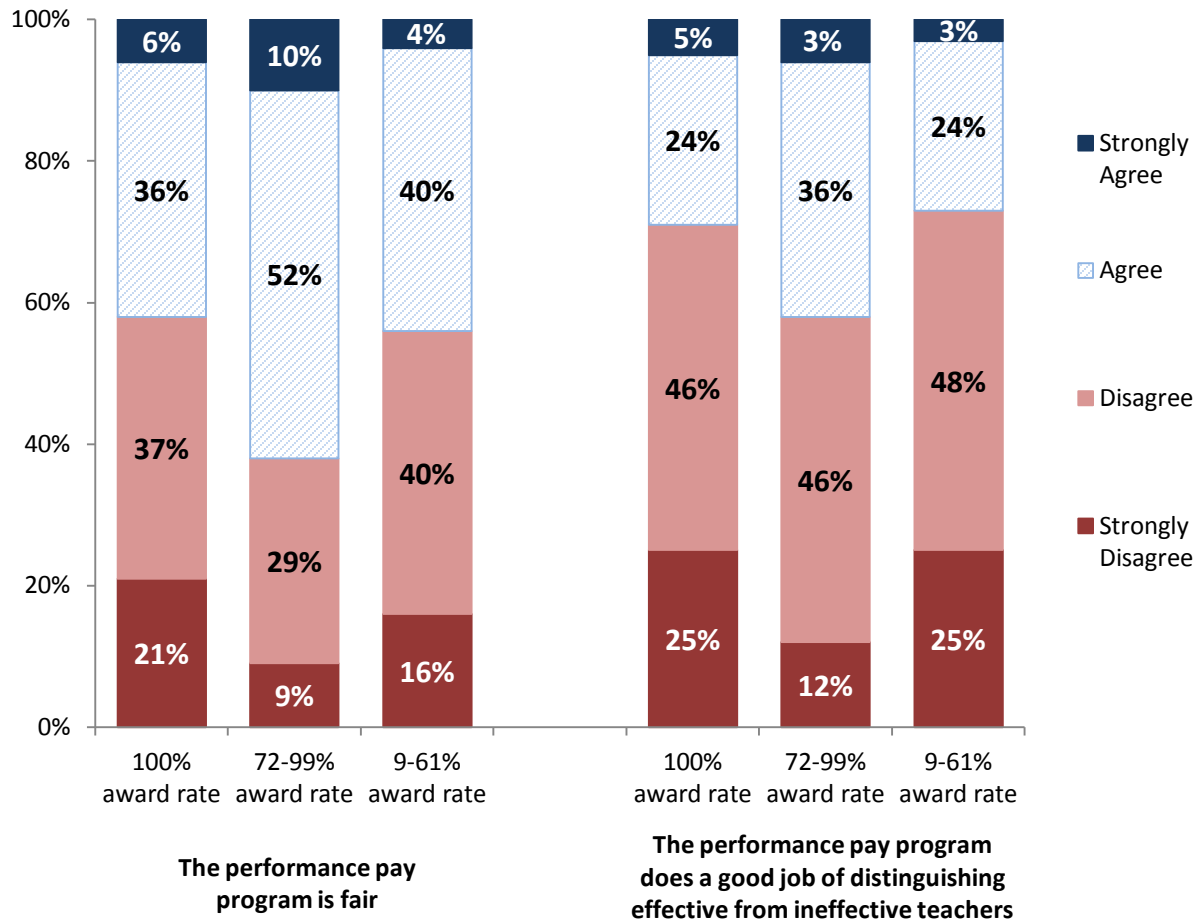
Exhibit 22. Percentage of teachers and principals who reported various degrees of agreement about the fairness of certain aspects of their performance pay project



Notes: Unweighted teacher *n*'s ranged from 3,905 to 5,624. Unweighted principal *n*'s ranged from 390 to 438. Exhibit C-8 provides standard errors and *n* sizes. Response categories may not sum to 100 percent due to rounding.

Source: Teacher and principal surveys, 2011.

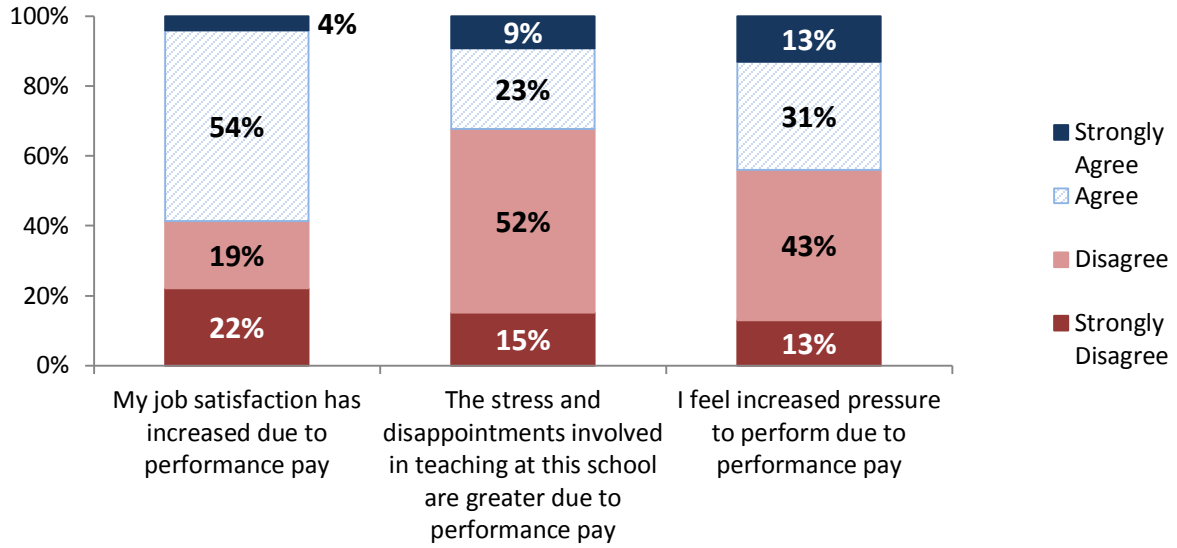
Exhibit 23. Percentage of teachers who reported various degrees of agreement with certain statements about the performance pay system’s fairness and effectiveness, by award rate



Notes: The exhibit presents data for 28 of 29 grantees that participated in the surveys; one grantee did not submit payout data. Unweighted teacher *n*'s ranged from 1,602 to 2,034 for the 100 percent category, 1,319 to 1,907 for the 72–99 percent category, and 805 to 1,472 for the 9–61 percent category. The question about fairness was asked only of teachers who had participated in a performance pay project for at least two years, whereas the question about distinguishing effectiveness was asked of all eligible teacher respondents. Exhibit C-9 provides standard errors and *n* sizes. Response categories may not sum to 100 percent due to rounding.

Source: Project documents, interviews with grantees, teacher survey, 2011.

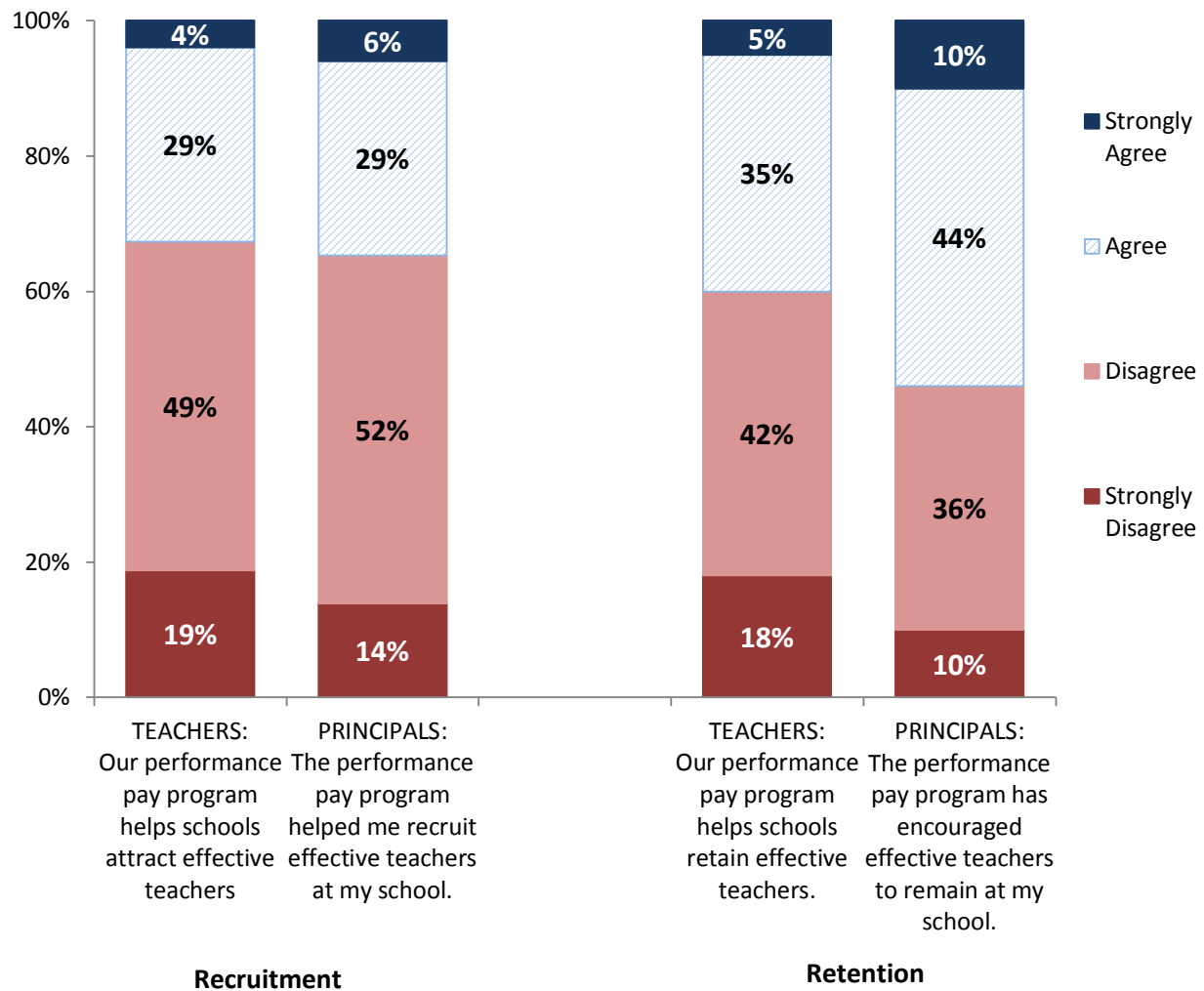
Exhibit 24. Percentage of teachers who reported various degrees of agreement with statements about their job satisfaction



Notes: Unweighted teacher *n*'s ranged from 5,579 to 5,589. Exhibit C-10 provides standard errors and *n* sizes. Response categories may not sum to 100 percent due to rounding.

Source: Teacher survey, 2011.

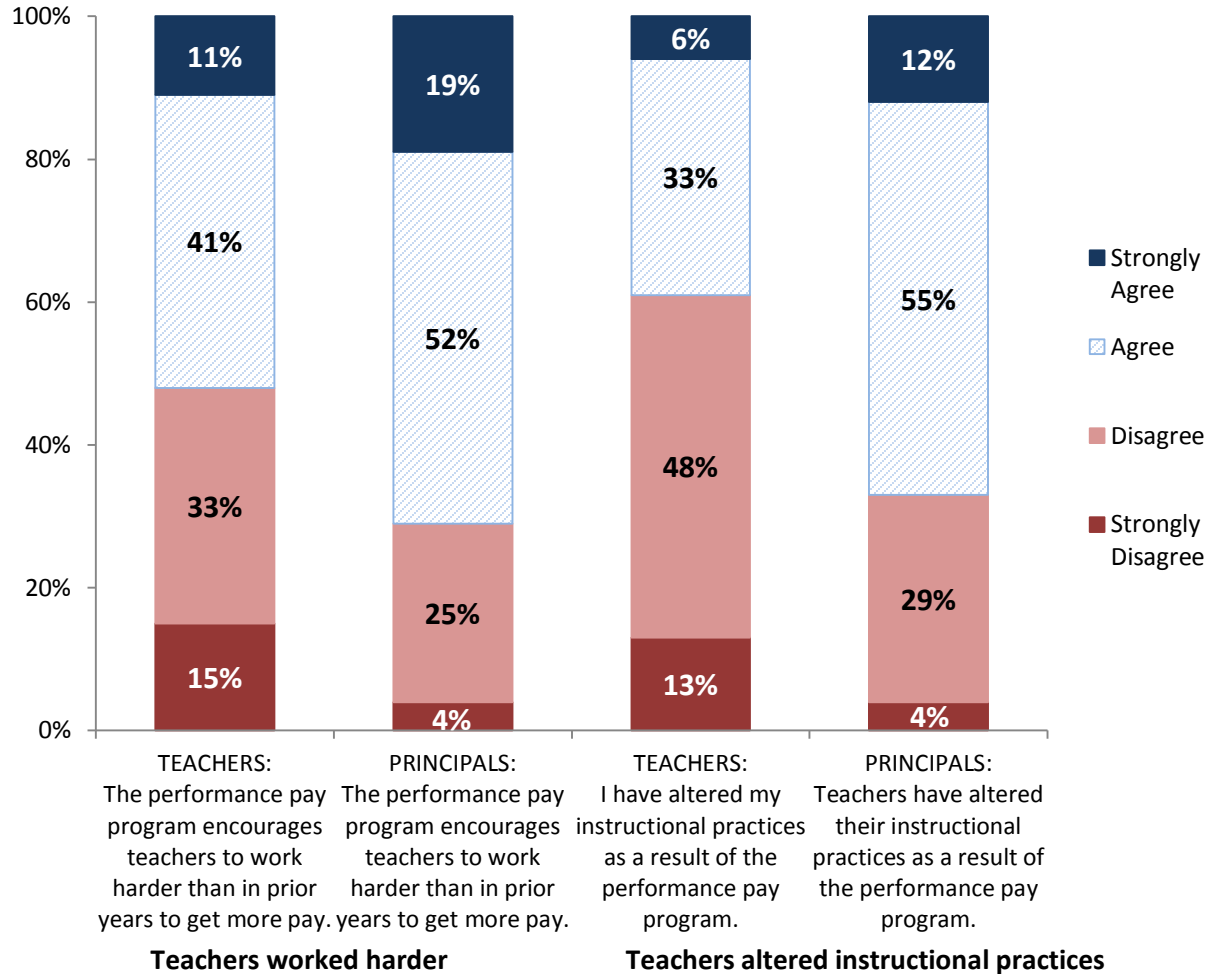
Exhibit 25. Percentage of educators who reported various degrees of agreement with statements about the effects of performance pay on attracting and retaining effective teachers



Notes: Unweighted teacher *n*'s ranged from 5,615 to 5,628. Unweighted principal *n*'s were 390. Exhibit C-11 provides standard errors and *n* sizes. Response categories may not sum to 100 percent due to rounding.

Source: Teacher and principal surveys, 2011.

Exhibit 26. Percentage of teachers and principals who reported various degrees of agreement with statements about whether teachers worked harder or altered their instructional practices due to performance pay



Notes: Unweighted teacher *n*'s ranged from 3,929 to 5,677. Unweighted principal *n*'s ranged from 390 to 392. Exhibit C-12 provides standard errors and *n* sizes. The question about teacher instructional practice was asked only of teachers who had participated in a performance pay project for at least two years, not of all respondents. Response categories may not sum to 100 percent due to rounding.

Source: Teacher and principal surveys, 2011.

Summary and Conclusions

The first two cohorts served through the TIF program included a total of 33 grantees that received five-year grants, beginning in 2006 and 2007, to support the development and implementation of performance-based compensation systems for teachers and principals in high-need schools. These grantees included small rural school districts, large urban districts, state education agencies, and nonprofit organizations. Although the number of participating educators ranged from as few as 35 in a single charter school to more than 6,000 in one district, most grantees had fewer than 1,000 participating educators.

Nearly all grantees provided educators with incentive awards that were based on a combination of the performance of their students on tests, evaluation results (which could include classroom observations, reviews of lesson plans, and feedback from peers and students), participation in activities for improving practice, or filling hard-to-staff assignments. Almost all eligible educators participated in their performance pay projects, and in over half of the grantees nearly every participating educator received a performance award.

On average, the incentive payments received by teachers and administrators provided a 7–8 percent boost to their salaries. However, the size of awards varied substantially across grantees, with some grantees providing average incentive payments that amounted to 1–2 percent of salaries and others providing average awards of as much as 13–24 percent of salaries. Some individual educators received even higher payments (up to 55 percent of average salaries for teachers and up to 41 percent of average salaries for administrators). The wide range in incentive amounts suggests potentially wide variation in the degree of incentive that participating educators may perceive. Across all grantees, over half of both teachers and administrators agreed that the possible award size was large enough to motivate them to earn it.

While grantees used a variety of strategies to communicate with their educators about the performance pay system, teachers often reported low levels of understanding. Less than half said they thought their performance pay system was fair (46 percent), and fewer agreed that the system did a good job of distinguishing effective from ineffective teachers (29 percent). Principals generally had more positive views than teachers. However, most teachers and principals thought that the formal evaluation they themselves had received was fair (79 percent and 82 percent, respectively).

Principals and teachers reported different perceptions of the TIF program's effect on getting teachers to work harder or change their instructional practices. For example, 67 percent of principals believed that teachers had altered their instructional practice as a result of the performance pay project, compared with 39 percent of teachers. About a third of teachers reported that performance pay had increased the stress and disappointments involved in teaching, but 58 percent agreed that their job satisfaction had increased because of performance pay. A sizable minority of teachers reported that they agreed that performance pay helped attract (33 percent) and retain (40 percent) effective teachers.

As discussed previously, program requirements were generally less specific for the two TIF cohorts examined in this study than for the 2010 and 2012 cohorts, and program funding was significantly lower for the first two cohorts. Consequently, the findings from this study may not be generalizable to performance pay projects supported under later grant cycles. Rather, this report provides a snapshot of how grantees in early cohorts of the TIF program implemented performance pay systems and how teachers and principals perceived the fairness and effects of those systems.

Appendix A. Authorizing Legislation

For the 2006 and 2007 competitions, the Teacher Incentive Fund was authorized in the *Department of Education Appropriations Act, 2006* (Title V of P.L. 109-149). The provisions authorizing the program read as follows:

- Provided further, That \$260,111,000 shall be available to carry out part D of title V of the ESEA, of which \$100,000,000 of the funds for subpart 1 shall be for competitive grants to local educational agencies, including charter schools that are local educational agencies, or States, or partnerships of: (1) a local educational agency, a State, or both; and (2) at least one non-profit organization to develop and implement performance-based teacher and principal compensation systems in high-need schools:
- Provided further, That such performance-based compensation systems must consider gains in student academic achievement as well as classroom evaluations conducted multiple times during each school year among other factors and provide educators with incentives to take on additional responsibilities and leadership roles:
- Provided further, That five percent of such funds for competitive grants shall become available on October 1, 2005 for technical assistance, training, peer review of applications, program outreach, and evaluation activities and that 95 percent shall become available on July 1, 2006 and remain available through September 30, 2007 for competitive grants.

Appendix B. Payout Data

The payout data presented in this appendix include all available performance payments in schools included in TIF-funded projects; in some grantees, these amounts included matching funds (non-TIF funds). In all but three grantees, data were from the 2010–11 school year. The other two grantees provided 2009–10 school year data because they had not made payouts for the 2010–11 school year at the time of data collection. One grantee did not submit any payout data, and one grantee did not make award payouts to administrators in 2010–11, so they are not included in the administrator payout data. Grantee identification numbers used for the teacher payout awards exhibit do not correspond with numbers used in the administrator payout exhibit.

Exhibit B-1. Payout awards for teachers: averages across award recipients and across all participants, minimum award, maximum award, and award rate

Grantee	Average Award (award recipients)		Average Award (all participants)		Minimum Payout (not including \$0's)		Maximum Payout		% of Participants Receiving Awards
	Dollars	% of Avg. Salary	Dollars	% of Avg. Salary	Dollars	% of Avg. Salary	Dollars	% of Avg. Salary	
1	\$1,170	2.4%	\$6,650	13.4%	\$100	0.2%	\$6,650	13.4%	100.0%
2	\$1,182	2.8%	\$3,270	7.7%	\$27	0.1%	\$3,270	7.7%	84.5%
3	\$1,372	2.6%	\$12,961	24.1%	\$70	0.1%	\$12,961	24.1%	39.8%
4	\$1,721	3.1%	\$6,000	10.6%	\$500	0.9%	\$6,000	10.6%	33.8%
5	\$2,142	6.2%	\$9,250	26.7%	\$700	2.0%	\$9,250	26.7%	100.0%
6	\$2,218	4.8%	\$16,008	34.4%	\$105	0.2%	\$16,008	34.4%	100.0%
7	\$2,512	5.9%	\$7,200	16.9%	\$1,000	2.4%	\$7,200	16.9%	56.9%
8	\$2,591	6.9%	\$10,000	26.5%	\$500	1.3%	\$10,000	26.5%	72.2%
9	\$2,596	5.5%	\$13,350	28.2%	\$75	0.2%	\$13,350	28.2%	100.0%
10	\$2,681	5.2%	\$5,000	9.7%	\$2,500	4.8%	\$5,000	9.7%	8.9%
11	\$2,941	7.6%	\$5,985	15.5%	\$513	1.3%	\$5,985	15.5%	100.0%
12	\$2,984	6.3%	\$13,438	28.3%	\$375	0.8%	\$13,438	28.3%	96.6%
13	\$3,004	6.7%	\$13,000	29.0%	\$315	0.7%	\$13,000	29.0%	100.0%
14	\$3,152	6.6%	\$11,330	23.6%	\$200	0.4%	\$11,330	23.6%	99.9%
15	\$3,324	5.1%	\$11,530	17.7%	\$683	1.0%	\$11,530	17.7%	100.0%
16	\$3,387	6.0%	\$8,000	14.2%	\$600	1.1%	\$8,000	14.2%	10.1%
17	\$3,394	6.0%	\$7,650	13.5%	\$100	0.2%	\$7,650	13.5%	99.0%
18	\$3,747	7.9%	\$4,000	8.4%	\$1,000	2.1%	\$4,000	8.4%	98.0%
19	\$3,973	7.3%	\$4,000	7.4%	\$2,000	3.7%	\$4,000	7.4%	5.0%
20	\$4,004	5.4%	\$21,452	28.8%	\$100	0.1%	\$21,452	28.8%	95.2%
21	\$4,193	13.9%	\$19,556	64.6%	\$105	0.3%	\$19,556	64.6%	100.0%
22	\$4,383	9.7%	\$12,614	27.9%	\$6	0.0%	\$12,614	27.9%	40.0%
23	\$4,523	10.3%	\$16,000	36.5%	\$330	0.8%	\$16,000	36.5%	100.0%
24	\$4,636	9.1%	\$22,700	44.5%	\$120	0.2%	\$22,700	44.5%	49.5%
25	\$4,770	6.9%	\$15,221	22.1%	\$151	0.2%	\$15,221	22.1%	100.0%
26	\$5,001	11.0%	\$25,000	55.0%	\$625	1.4%	\$25,000	55.0%	98.2%
27	\$5,417	9.3%	\$20,789	35.6%	\$37	0.1%	\$20,789	35.6%	94.5%
28	\$5,423	13.4%	\$8,000	19.8%	\$230	0.6%	\$8,000	19.8%	71.6%
29	\$7,258	14.9%	\$18,850	38.6%	\$1,300	2.7%	\$18,850	38.6%	100.0%
30	\$8,772	23.5%	\$9,896	26.5%	\$2,750	7.4%	\$9,896	26.5%	97.2%
Average	\$3,616	7.7%	\$11,957	25.2%	\$571	1.2%	\$11,957	25.2%	—
Median	\$3,355	6.6%	\$11,430	25.3%	\$322	0.7%	\$11,430	25.3%	—
Minimum	\$1,170	2.4%	\$3,270	7.4%	\$6	0.0%	\$3,270	7.4%	—
Maximum	\$8,772	23.5%	\$25,000	64.6%	\$2,750	7.4%	\$25,000	64.6%	—

Notes: Grantee identification numbers in administrator tables do not correspond with grantee identification numbers in teacher tables in this appendix. — indicates not applicable

Source: Grantee-submitted payout data from 2010–11 school year.

Exhibit B-2. Payout awards for administrators: averages across award recipients and across all participants, minimum award, maximum award, and award rate

Grantee	Average Award (award recipients)		Average Award (all participants)		Minimum Payout (not including \$0's)		Maximum Payout		% of Participants Receiving Awards
	Dollars	% of Avg. Salary	Dollars	% of Avg. Salary	Dollars	% of Avg. Salary	Dollars	% of Avg. Salary	
1	\$814	0.9%	\$267	0.3%	\$350	0.4%	\$1,400	1.5%	32.8%
2	\$886	0.9%	\$50	0.1%	\$800	0.8%	\$1,000	1.0%	5.6%
3	\$996	1.3%	\$774	1.0%	\$500	0.6%	\$2,020	2.6%	77.8%
4	\$1,547	1.8%	\$1,547	1.8%	\$405	0.5%	\$3,145	3.7%	100.0%
5	\$1,893	2.7%	\$1,724	2.4%	\$500	0.7%	\$4,000	5.7%	91.1%
6	\$2,143	3.1%	\$2,143	3.1%	\$1,000	1.5%	\$5,000	7.3%	100.0%
7	\$2,291	3.0%	\$2,291	3.0%	\$1,125	1.5%	\$4,550	5.9%	100.0%
8	\$2,567	3.8%	\$2,567	3.8%	\$2,150	3.2%	\$3,400	5.1%	100.0%
9	\$2,750	2.5%	\$1,667	1.5%	\$1,200	1.1%	\$7,500	6.9%	60.6%
10	\$2,795	2.3%	\$2,760	2.3%	\$300	0.2%	\$5,000	4.1%	98.7%
11	\$3,007	3.3%	\$2,205	2.4%	\$500	0.5%	\$5,575	6.1%	73.3%
12	\$3,106	3.8%	\$829	1.0%	\$13	0.0%	\$9,381	11.6%	26.7%
13	\$3,200	4.6%	\$2,640	3.8%	\$1,700	2.5%	\$5,200	7.5%	82.5%
14	\$3,331	3.1%	\$3,214	3.0%	\$575	0.5%	\$12,000	11.3%	96.5%
15	\$4,471	4.9%	\$2,375	2.6%	\$2,000	2.2%	\$5,000	5.5%	53.1%
16	\$4,512	5.3%	\$285	0.3%	\$1,662	1.9%	\$5,000	5.8%	6.3%
17	\$4,524	5.8%	\$4,524	5.8%	\$571	0.7%	\$20,104	26.0%	100.0%
18	\$4,734	8.8%	\$4,734	8.8%	\$3,587	6.7%	\$6,450	12.0%	100.0%
19	\$4,896	6.5%	\$4,896	6.5%	\$120	0.2%	\$15,290	20.2%	100.0%
20	\$5,108	4.9%	\$5,033	4.9%	\$1,630	1.6%	\$13,270	12.8%	98.5%
21	\$5,714	5.6%	\$5,714	5.6%	\$4,000	3.9%	\$7,000	6.8%	100.0%
22	\$5,872	9.1%	\$5,872	9.1%	\$2,850	4.4%	\$7,410	11.5%	100.0%
23	\$5,885	5.6%	\$5,885	5.6%	\$1,575	1.5%	\$8,589	8.2%	100.0%
24	\$6,232	6.7%	\$816	0.9%	\$1,875	2.0%	\$12,000	12.8%	13.1%
25	\$6,278	8.0%	\$2,799	3.6%	\$217	0.3%	\$20,000	25.4%	44.6%
26	\$6,389	7.7%	\$6,389	7.7%	\$2,500	3.0%	\$10,750	12.9%	100.0%
27	\$7,375	9.0%	\$575	0.7%	\$5,000	6.1%	\$10,000	12.2%	7.8%
28	\$8,000	8.2%	\$8,000	8.2%	\$8,000	8.2%	\$8,000	8.2%	100.0%
29	\$8,886	12.0%	\$8,886	12.0%	\$6,892	9.3%	\$9,800	13.2%	100.0%
30	\$9,357	10.7%	\$9,357	10.7%	\$1,000	1.1%	\$15,000	17.2%	100.0%
31	\$10,711	13.1%	\$10,711	13.1%	\$1,600	2.0%	\$33,625	41.1%	100.0%
Average	\$4,525	5.5%	\$3,598	4.4%	\$1,813	2.2%	\$8,918	10.7%	—
Median	\$4,512	4.9%	\$2,640	3.1%	\$1,200	1.5%	\$7,410	8.2%	—
Minimum	\$814	0.9%	\$50	0.1%	\$13	0.0%	\$1,000	1.0%	—
Maximum	\$10,711	13.1%	\$10,711	13.1%	\$8,000	9.3%	\$33,625	41.1%	—

Notes: Grantee identification numbers in administrator tables do not correspond with grantee identification numbers in teacher tables in this appendix. — indicates not applicable.

Source: Grantee-submitted payout data from 2010–11 school year.

Exhibit B-3. Teacher payout awards by component

Grantee	Student Achievement		Supports for Improving Practice		Performance Evaluations		Hard-to-Staff Schools and Subjects		Other Components		Total Payouts
	Dollars	% of Total	Dollars	% of Total	Dollars	% of Total	Dollars	% of Total	Dollars	% of Total	
1	\$12,013,922	86%	-	-	-	-	\$1,909,000	14%	-	-	\$13,922,922
2	\$11,673,978	99%	-	-	-	-	-	-	\$105,252	1%	\$11,779,230
3	\$6,037,779	63%	-	-	\$3,392,449	35%	-	-	\$128,414	1%	\$9,558,643
4	\$882,339	21%	\$2,145,000	52%	\$1,077,076	26%	-	-	-	-	\$4,104,415
5	\$1,093,873	28%	\$2,113,330	54%	\$722,750	18%	-	-	-	-	\$3,929,953
6	\$745,850	26%	\$1,205,000	41%	\$972,000	33%	-	-	-	-	\$2,922,850
7	\$394,875	16%	-	-	-	-	\$2,040,500	84%	-	-	\$2,435,375
8	\$2,241,000	100%	-	-	-	-	-	-	-	-	\$2,241,000
9	\$1,111,731	50%	-	-	\$1,111,731	50%	-	-	-	-	\$2,223,461
10	\$1,250,899	59%	\$863,698	41%	-	-	-	-	-	-	\$2,114,597
11	\$673,875	33%	\$660,000	32%	\$731,397	35%	-	-	-	-	\$2,065,272
12	\$419,100	21%	\$686,500	34%	\$496,400	25%	\$414,000	21%	-	-	\$2,016,000
13	\$1,580,100	100%	-	-	-	-	-	-	-	-	\$1,580,100
14	\$1,354,840	100%	-	-	-	-	-	-	-	-	\$1,354,840
15	\$349,013	29%	\$455,000	38%	\$394,614	33%	-	-	-	-	\$1,198,626
16	\$837,539	76%	\$88,205	8%	\$175,382	16%	-	-	\$5,625	1%	\$1,106,751
17	\$498,055	48%	\$268,648	26%	\$191,000	18%	\$82,460	8%	-	-	\$1,040,164
18	\$177,156	17%	\$525,800	51%	\$294,875	29%	\$24,880	2%	-	-	\$1,022,711
19	\$887,500	100%	-	-	-	-	-	-	-	-	\$887,500
20	\$263,370	34%	\$238,500	31%	\$265,947	35%	-	-	-	-	\$767,817
21	\$607,910	100%	-	-	-	-	-	-	-	-	\$607,910
22	\$214,350	37%	\$167,950	29%	\$28,025	5%	\$132,500	23%	\$44,246	8%	\$587,071
23	\$77,000	14%	\$215,516	39%	\$259,400	46%	-	-	\$6,000	1%	\$557,916
24	-	-	\$550,900	100%	-	-	-	-	-	-	\$550,900
25	\$181,842	35%	\$171,900	33%	\$167,987	32%	-	-	-	-	\$521,728
26	\$194,080	49%	\$113,500	29%	-	-	\$70,000	18%	\$20,000	5%	\$397,580
27	\$170,000	63%	\$34,000	13%	-	-	-	-	\$65,500	24%	\$269,500
28	\$241,218	95%	-	-	-	-	-	-	\$12,800	5%	\$254,018
29	\$36,400	21%	\$87,100	50%	-	-	-	-	\$50,000	29%	\$173,500
30	\$90,395	64%	\$51,490	36%	-	-	-	-	-	-	\$141,885

Notes: The "Supports" category for teachers includes serving as a coach or mentor and attending professional development. The "Other" category includes receiving various certifications/credentials and job attendance. Grantee identification numbers in administrator tables do not correspond with grantee identification numbers in teacher tables in this appendix.

Source: Grantee-submitted payout data from 2010–11 school year.

Exhibit B-4. Administrator payout awards by component

Grantee	Student Achievement		Supports for Improving Practice		Performance Evaluations		Hard-to-Staff Schools		Other Components		Total Payouts
	Dollars	% of Total	Dollars	% of Total	Dollars	% of Total	Dollars	% of Total	Dollars	% of Total	
1	\$1,331,219	55%	\$129,656	5%	\$258,525	11%	\$701,250	29%	-	-	\$2,420,650
2	\$856,778	100%	-	-	-	-	-	-	-	-	\$856,778
3	\$793,767	93%	-	-	-	-	\$60,000	7%	-	-	\$853,767
4	\$196,313	50%	\$196,313	50%	-	-	-	-	-	-	\$392,625
5	\$36,225	10%	\$185,400	51%	\$144,773	40%	-	-	-	-	\$366,398
6	\$229,290	67%	-	-	\$112,960	33%	-	-	-	-	\$342,250
7	\$74,150	29%	-	-	-	-	\$178,500	71%	-	-	\$252,650
8	\$133,380	53%	\$119,130	47%	-	-	-	-	-	-	\$252,510
9	\$69,175	32%	-	-	\$148,850	68%	-	-	-	-	\$218,025
10	\$49,131	25%	-	-	\$146,545	75%	-	-	-	-	\$195,676
11	\$140,934	74%	-	-	\$49,066	26%	-	-	-	-	\$190,000
12	\$130,847	79%	\$20,804	13%	\$13,138	8%	-	-	-	-	\$164,788
13	\$69,953	44%	\$90,000	56%	-	-	-	-	-	-	\$159,952
14	\$66,375	50%	\$66,375	50%	-	-	-	-	-	-	\$132,750
15	\$81,250	71%	-	-	\$33,750	29%	-	-	-	-	\$115,000
16	\$105,600	100%	-	-	-	-	-	-	-	-	\$105,600
17	\$77,599	100%	-	-	-	-	-	-	-	-	\$77,599
18	\$76,000	100%	-	-	-	-	-	-	-	-	\$76,000
19	\$31,581	50%	\$31,581	50%	-	-	-	-	-	-	\$63,162
20	\$22,600	41%	\$32,400	59%	-	-	-	-	-	-	\$55,000
21	\$19,222	44%	-	-	\$24,092	56%	-	-	-	-	\$43,313
22	\$28,000	70%	-	-	\$12,000	30%	-	-	-	-	\$40,000
23	\$7,000	21%	\$22,575	68%	\$3,500	11%	-	-	-	-	\$33,075
24	\$32,550	100%	-	-	-	-	-	-	-	-	\$32,550
25	\$16,000	53%	-	-	\$14,000	47%	-	-	-	-	\$30,000
26	\$9,750	39%	\$15,450	61%	-	-	-	-	-	-	\$25,200
27	\$14,000	74%	\$1,000	5%	\$1,800	10%	-	-	\$2,137	11%	\$18,937
28	\$16,000	100%	-	-	-	-	-	-	-	-	\$16,000
29	\$2,000	26%	\$5,700	74%	-	-	-	-	-	-	\$7,700
30	\$6,969	100%	-	-	-	-	-	-	-	-	\$6,969
31	\$6,200	100%	-	-	-	-	-	-	-	-	\$6,200

Notes: The "Supports" category for administrators includes serving as a coach or mentor and attending or providing professional development. The "Other" category includes receiving various certifications/credentials and job attendance. Grantee identification numbers in administrator tables do not correspond with grantee identification numbers in teacher tables in this appendix.

Source: Grantee-submitted payout data from 2010–11 school year.

Appendix C. Standard Error Tables

This appendix provides standard errors for the data in the exhibits presented in the report, as well as n sizes and weighted n 's. The weighted n 's represent the estimated number of teachers and principals represented by the respondents for each item and respondent category presented.

Item-level response rates for the teacher and principal surveys were generally high, in most cases over 90%.

Exhibit C-1. Item-level response rates for teacher and principal surveys

Item-Level Response Rate	Number of Questions on the Teacher Survey	Number of Questions on the Principal Survey
90% or higher	27	32
80-89%	0	0
70-79%	0	1

Notes: This table incorporates adjusted response rates due to skip patterns.

Exhibit C-2. Standard errors for Exhibit 16: Percentage of teachers and principals who reported various degrees of agreement that the performance pay project was clearly communicated to educators

Survey Item	Educator	Strongly Disagree	Standard Error	Disagree	Standard Error	Agree	Standard Error	Strongly Agree	Standard Error	<i>n</i>	Weighted <i>n</i>
The performance pay program is clearly communicated to educators.	Teacher	21.3	1.1	34.5	1.1	35.2	1.1	9.0	0.7	5,710	46,588
The performance pay program is clearly communicated to educators.	Principal	5.4	1.4	27.4	2.3	48.3	2.6	18.9	2.1	444	1,361

Exhibit C-3. Standard errors for Exhibit 17: Percentage of teachers and principals who reported various degrees of agreement that the performance pay project was clearly communicated to educators, by grantee size

Survey Item	Size	Educator	Strongly Disagree	Standard Error	Disagree	Standard Error	Agree	Standard Error	Strongly Agree	Standard Error	<i>n</i>	Weighted <i>n</i>
The performance pay program is clearly communicated to educators.	Small	Teacher	7.0	1.0	21.1	1.2	48.7	1.5	23.2	1.5	1,697	2,755
The performance pay program is clearly communicated to educators.	Medium	Teacher	14.5	1.0	27.6	1.1	46.0	1.3	11.8	0.8	2,472	8,614
The performance pay program is clearly communicated to educators.	Large	Teacher	19.7	1.6	39.5	1.5	32.8	1.6	8.1	1.1	1,266	28,629
The performance pay program is clearly communicated to educators.	Small	Principal	2.9	2.0	11.5	4.2	48.6	5.7	37.0	5.2	67	79
The performance pay program is clearly communicated to educators.	Medium	Principal	1.8	1.4	21.3	3.2	55.7	4.1	21.2	3.4	176	360
The performance pay program is clearly communicated to educators.	Large	Principal	6.1	1.7	29.7	3.2	48.3	3.6	15.9	2.7	183	793

Exhibit C-4. Standard errors for Exhibit 18: Percentage of teachers who reported various degrees of understanding of certain aspects of their performance pay project

Survey Item	Not at All	Standard Error	Somewhat	Standard Error	Well	Standard Error	Very Well	Standard Error	<i>n</i>	Weighted <i>n</i>
Goals of the program	16.3	0.9	36.0	1.1	30.2	1.0	17.4	0.8	5,729	47,072
Activities or achievements for which you can earn incentive pay	19.2	1.0	36.7	1.1	28.1	0.9	16.0	0.8	5,726	47,053
How your work as a teacher is evaluated for the program	26.8	1.1	37.6	1.0	23.5	0.9	12.1	0.7	5,740	47,221
How incentive amounts are calculated	43.2	1.3	36.1	0.9	13.6	0.6	7.1	0.6	5,726	47,068

Exhibit C-5. Standard errors for Exhibit 19: Percentage of principals who reported various degrees of understanding of certain aspects of their performance pay project

Survey Item	Not at All	Standard Error	Somewhat	Standard Error	Well	Standard Error	Very Well	Standard Error	<i>n</i>	Weighted <i>n</i>
Goals of the program	15.1	2.1	17.0	2.0	33.3	2.5	34.3	2.5	467	1,469
Activities or achievements for which you can earn incentive pay	15.6	2.1	20.8	2.2	30.6	2.3	33.1	2.3	467	1,469
How your work as a principal is evaluated for the program	21.9	2.1	22.7	2.2	30.2	2.3	25.2	2.1	467	1,466
How incentive amounts are calculated	25.4	2.4	30.9	2.5	22.1	2.1	21.6	2.0	468	1,470

Exhibit C-6. Standard errors for Exhibit 20: Percentage of educators who reported receiving various types of support to help them earn an incentive award

Survey Item	Educator	Percent	Standard Error	<i>n</i>	Weighted <i>n</i>
Professional development	Teacher	62.0	1.4	5,647	46,119
Professional development	Principal	61.8	2.5	450	1,412
Observation, evaluation, or feedback from my peers	Teacher	47.5	1.3	5,617	45,871
Observation, evaluation, or feedback from my peers	Principal	55.9	2.6	447	1,392
Mentoring or coaching	Teacher	33.5	1.1	5,604	45,823
Mentoring or coaching	Principal	37.9	2.4	445	1,390

Exhibit C-7. Standard errors for Exhibit 21: Percentage of educators who reported various degrees of agreement about whether the size of the possible award was large enough to motivate them to earn it

Survey Item	Educator	Strongly Disagree	Standard Error	Disagree	Standard Error	Agree	Standard Error	Strongly Agree	Standard Error	<i>n</i>	Weighted <i>n</i>
The size of the possible award is large enough to motivate me to earn it.	Teacher	12.1	1.0	33.4	1.2	43.8	1.3	11.6	0.9	4,040	27,236
	Principal	12.5	1.8	32.8	2.4	40.3	2.6	15.4	2.0	442	1,352

Exhibit C-8. Standard errors for Exhibit 22: Percentage of teachers and principals who reported various degrees of agreement about the fairness of certain aspects of their performance pay project

Survey Item	Educator	Strongly Disagree	Standard Error	Disagree	Standard Error	Agree	Standard Error	Strongly Agree	Standard Error	<i>n</i>	Weighted <i>n</i>
The performance pay system is fair.	Teacher	16.5	1.2	37.8	1.3	40.6	1.5	5.1	0.5	3,905	25,889
The program does a good job of distinguishing effective from ineffective teachers at my school.	Teacher	23.5	1.1	47.4	1.1	25.1	1.1	4.0	0.4	5,624	45,434
The formal evaluation I received was fair.	Teacher	5.8	0.7	15.0	1.1	61.4	1.3	17.8	1.1	3,905	25,774
The performance pay system is fair.	Principal	6.8	2.0	29.6	3.0	53.7	3.0	9.9	2.0	438	1,337
The program does a good job of distinguishing effective from ineffective teachers at my school.	Principal	7.0	1.6	41.5	3.0	41.7	3.0	9.8	1.5	387	1,120
The formal evaluation I received was fair.	Principal	4.6	1.3	13.6	1.9	64.3	2.7	17.5	2.3	434	1,314

Exhibit C-9. Standard errors for Exhibit 23: Percentage of teachers who reported various degrees of agreement with certain statements about the performance pay system’s fairness and effectiveness, by award rate

Survey Item	Award Rate	Strongly Disagree	Standard Error	Disagree	Standard Error	Agree	Standard Error	Strongly Agree	Standard Error	<i>n</i>	Weighted <i>n</i>
The program does a good job of distinguishing effective from ineffective teachers at my school.	100%	24.8	2.0	46.1	1.8	23.8	1.5	5.2	0.8	2,034	8,746
The program does a good job of distinguishing effective from ineffective teachers at my school.	72–99%	12.4	0.8	45.6	1.4	36.2	1.4	5.7	0.7	1,907	5,178
The program does a good job of distinguishing effective from ineffective teachers at my school.	9–61%	25.9	1.5	48.0	1.5	23.6	1.5	3.4	0.5	1,472	31,208
The performance pay system is fair.	100%	21.0	2.3	37.2	2.1	35.7	2.1	6.1	0.9	1,602	6,776
The performance pay system is fair.	72–99%	9.4	0.9	29.1	1.5	52.0	1.7	9.5	0.9	1,319	3,373
The performance pay system is fair.	9–61%	16.1	1.7	39.9	2.0	40.3	2.3	3.7	0.6	805	15,487

Exhibit C-10. Standard errors for Exhibit 24: Percentage of teachers who reported various degrees of agreement with statements about their job satisfaction

Survey Item	Strongly Disagree	Standard Error	Disagree	Standard Error	Agree	Standard Error	Strongly Agree	Standard Error	<i>n</i>	Weighted <i>n</i>
My job satisfaction has increased due to performance pay.	22.3	0.9	54.1	1.0	19.1	0.8	4.5	0.4	5,579	44,773
The stress and disappointments involved in teaching at this school are greater due to performance pay.	15.2	1.0	52.1	1.1	23.3	0.9	9.4	0.6	5,582	44,744
I feel increased pressure to perform due to performance pay.	13.1	0.8	43.4	1.1	30.8	0.9	12.7	0.6	5,589	44,840

Exhibit C-11. Standard errors for Exhibit 25: Percentage of educators who reported various degrees of agreement with statements about the effects of performance pay on attracting and retaining effective teachers

Survey Item	Educator	Strongly Disagree	Standard Error	Disagree	Standard Error	Agree	Standard Error	Strongly Agree	Standard Error	<i>n</i>	Weighted <i>n</i>
Our performance pay program helps schools retain effective teachers.	Teacher	18.0	0.8	41.7	0.9	35.1	1.1	5.2	0.5	5,628	45,379
Our performance pay program helps schools attract effective teachers.	Teacher	18.9	0.8	48.8	1.0	28.7	1.0	3.6	0.4	5,615	45,327
The performance pay program has encouraged effective teachers to remain at my school.	Principal	9.9	2.0	36.8	2.9	44.2	2.9	9.1	1.6	387	1,113
The performance pay program has helped me recruit effective teachers at my school.	Principal	14.0	2.2	52.2	2.9	29.1	2.3	4.7	1.1	387	1,122

Exhibit C-12. Standard errors for Exhibit 26: Percentage of teachers and principals who reported various degrees of agreement with statements about whether teachers worked harder or altered their instructional practices due to performance pay

Survey Item	Educator	Strongly Disagree	Standard Error	Disagree	Standard Error	Agree	Standard Error	Strongly Agree	Standard Error	<i>n</i>	Weighted <i>n</i>
I have altered my instructional practices as a result of the performance pay program.	Teacher	13.2	0.8	48.0	1.4	32.5	1.4	6.2	0.6	3,929	26,004
The performance pay program encourages teachers to work harder than in previous years to get more pay.	Teacher	15.3	0.9	32.7	1.1	41.3	1.1	10.8	0.7	5,677	46,097
Teachers have altered their instructional practices as a result of the performance pay program.	Principal	3.9	1.1	29.7	2.8	55.5	3.0	10.9	1.7	387	1,112
The performance pay program encourages teachers to work harder than in previous years to get more pay.	Principal	4.3	1.4	25.3	2.6	51.8	3.1	18.6	2.3	389	1,128



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