

SUMMARY: MAKING “INVESTING IN TEACHERS” WORK

POSITION OF ASSOCIATED SCHOOL BOARDS OF SOUTH DAKOTA

Policies advanced through the Investing in Teachers Initiative overlook the importance of local decision making and performance pay components face serious barriers to implementation and success. ASBSD stands with Gov. Dugaard in seeking ways to improve student achievement, and we will advocate for meaningful reforms that do not further stress school budgets.

ASBSD recommends the following changes in order help make the suggested reforms workable for school boards. Each suggestion is presented with more detail in “Making Investing in Teachers Work”, the issue brief attached to this summary.

ADDITIONAL COMPENSATION FOR MATH AND SCIENCE TEACHERS

1. ESTABLISH QUALIFICATION CRITERIA THAT INCLUDES TEACHER PERFORMANCE
2. LET SCHOOL BOARDS ALLOCATE REMAINING PROGRAM FUNDING
3. PROVIDE SEED MONEY NOW TO ENSURE STABLE FUNDING IN THE FUTURE
4. SEEK LONG-TERM SOLUTIONS TO STATEWIDE TEACHER SHORTAGES

EDUCATOR EVALUATION REFORM

1. GIVE SCHOOL BOARDS TIME TO IMPLEMENT CURRENT EVALUATION REFORM INITIATIVES
2. CONTINUE THE MOMENTUM OF THE STATE-LED WORKGROUP
3. ALLOW FLEXIBILITY TO DESIGN EFFECTIVE TEACHER EVALUATION SYSTEMS
4. FOLLOW A SIMILAR PATH TOWARD IMPROVING PRINCIPAL EVALUATION
5. PROVIDE SUPPORT FOR THE IMPLEMENTATION OF NEW EDUCATOR EVALUATIONS

PERFORMANCE-BASED PAY FOR THE TOP 20 PERCENT OF TEACHERS

1. IMPLEMENT EVALUATION REFORM FIRST
2. PROVE PERFORMANCE PAY WORKS

ELIMINATION OF CONTINUING CONTRACT AND DUE PROCESS

1. IMPLEMENT EVALUATION REFORM FIRST
2. EXTEND THE PROBATIONARY PERIOD BY AN ADDITIONAL YEAR
3. LINK CONTINUING CONTRACT TO PERFORMANCE EVALUATIONS

NOTES: ASBSD has prepared a detailed issue brief, titled *Teacher Quality, Teacher Compensation and HB 1234*, that explains the governor’s proposals, reviews lessons learned from research, and summarizes past and current initiatives related to the proposed reforms. To access the issue brief, visit: <http://www.asbsd.org/page174.aspx>.

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MAKING “INVESTING IN TEACHERS” WORK

Following historic cuts to state education funding and in the face of possibly dramatic reductions in federal education funding, school board members have embraced the adoption of Common Core Standards, more rigorous teacher standards and evaluation processes, and the development of a next-generation accountability model. As school boards work to implement purposeful, meaningful reform, Gov. Dennis Daugaard has proposed the “Investing in Teachers Initiative.” According to Gov. Daugaard, the initiative is intended to improve teacher quality and increase student achievement.

ASBSD has prepared a detailed issue brief, titled *Teacher Quality, Teacher Compensation and HB 1234*, that explains the governor’s proposals, reviews lessons learned from research, and summarizes past and current initiatives related to the proposed reforms. To access the issue brief, click here or visit: <http://www.asbsd.org/page174.aspx>.

STATEMENT OF POSITION

Policies advanced through the Investing in Teachers Initiative overlook the importance of local decision making and performance pay components face serious barriers to implementation and success. ASBSD stands with Gov. Daugaard in seeking ways to improve student achievement, and we will advocate for meaningful reforms that do not further stress school budgets.

A VISION FOR ‘INVESTING IN TEACHERS’

ASBSD disagrees with Gov. Daugaard’s conclusion that our current public education system isn’t working. South Dakota’s public schools *are working hard* to balance budgets and maintain the quality of education in South Dakota. Local education leaders are ready to engage in a discussion about the reforms necessary to improve teacher quality and increase student achievement, and ASBSD will encourage policy proposals that advance a long-term vision for public education in South Dakota. ASBSD is advocating for a series of changes to Gov. Daugaard’s Investing in Teachers Initiative. This document is divided into four separate sections – one for each of the major policy areas contained in the governor’s proposal. ASBSD’s plan is based on four main principles:

1. **PUT STUDENTS FIRST**
Establish high standards for achievement, but recognize that schools need the flexibility to meet the diverse learning needs of all children. All education reforms should be judged on whether the policies will actually improve student achievement.
2. **RECOGNIZE THE IMPORTANCE OF LOCAL DECISION-MAKING**
Decisions affecting students should be made closest to the students, and top-down reform does not provide school boards the option to adjust to the local student population and each community’s unique challenges and opportunities.
3. **GIVE CURRENT REFORM EFFORTS A CHANCE TO WORK**
School boards are already working to implement three major reforms that will raise expectations for our students, improve teacher quality and improve accountability. Allow school boards to implement existing reform before proposing costly new mandates.
4. **ENCOURAGE FINANCIAL STABILITY**
School districts are still working to fully implement dramatic cuts in state aid to education, and most school districts have used short-term fixes to patch budget gaps. Provide school boards with predictable, long-term funding solutions that will not force schools to divert already scarce resources to cover the cost of implementation.

ADDITIONAL COMPENSATION FOR MATH AND SCIENCE TEACHERS

The Investing in Teachers Initiative proposes paying all middle and high school math and science teachers an annual bonus of \$3,500, which is funded entirely by the state. This program will be effective in the 2013-14 school year, and the governor announced his intention to provide \$5 million per year to fund the market-based incentives.

ASBSD POSITION

ASBSD supports legislation that preserves a local school board's ability to develop performance and market-based compensation systems.

IMPLICATIONS FOR LOCAL SCHOOL BOARDS

As proposed, the incentives will be funded entirely by the state and implementation will not require significant local resources. Participation in the program is voluntary for teachers, and local school districts are used only as a mechanism to distribute financial incentives to teachers that choose to participate. School districts having difficulty recruiting and retaining math and science teachers may see a benefit, but that will depend on whether the \$3,500 bonus, combined with the district's existing compensation package, is sufficiently attractive to increase the supply of quality teachers.

IMPACT ON STUDENT ACHIEVEMENT

- Market-based policies are only effective if they positively affect the supply of quality teachers.
- Research does not identify the level of market-based compensation necessary to ensure a greater supply of quality teachers.

RECOMMENDATIONS FOR IMPROVEMENT

1. **ESTABLISH QUALIFICATION CRITERIA THAT INCLUDES TEACHER PERFORMANCE**
Local school boards may question the wisdom of providing bonuses to existing staff, without regard to the teacher's evaluation, while at the same time having to cut staff to fill budget gaps created by recent cuts in state aid. Consider allowing schools to distribute bonuses only to teachers that earn at least a proficient rating on a locally developed performance evaluation that conforms to state teaching standards.
2. **LET SCHOOL BOARDS ALLOCATE REMAINING PROGRAM FUNDING**
Structure the program to function as a block grant, distributed to each district on a per-student basis. Effective math and science teachers will receive at least a \$3,500 annual incentive, and remaining funds, if any, could be used at the discretion of the local district to either increase the incentive provided to math and science teachers or to recruit and retain teachers in other high-need subjects.
3. **PROVIDE SEED MONEY NOW TO ENSURE STABLE FUNDING IN THE FUTURE**
As drafted, the legislation outlines the proposed financial incentives, how teachers can apply, when payments will be made and how the education department can verify the funds were used for the intended purpose. However, the bill does not actually contain an appropriation. Given the state's uncertain financial situation, making an immediate appropriation will give school boards greater confidence that the program will be funded and sustained. Since the plan already delays offering incentives until the 2013-14 school year, the appropriation can be viewed as seed money.
4. **SEEK LONG-TERM SOLUTIONS TO TEACHER SHORTAGES**
South Dakota is experiencing teacher shortages in 13 subject matter areas, and that number has more than doubled since 2008 – a fact that underscores the reality that South Dakota are facing serious teacher shortages. The problem will only become worse in the next decade, as more than one-third of our current teaching staff enters retirement. South Dakota needs a long-term plan to address the urgent need to recruit a generation of new high-quality teachers. To start, establish a work group that is charged thoroughly investigating the underlying cause of teacher shortages and give the group the goal of creating a long-term plan. Unlike past efforts to study education reforms, the work group can't exclude discussions about the resources necessary to increase the supply of quality teachers.

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EDUCATOR EVALUATION REFORM

The Investing in Teachers Initiative requires that all schools adopt a uniform teacher evaluation instrument that must be used to evaluate every teacher every year. Teacher evaluations must be partially linked to student test scores and must clearly differentiate between poor-performing and highly effective teachers. A separate collection of mandates will require districts to adopt a similar evaluation process for principals. This provision will become effective in the 2014-15 school year.

ASBSD POSITION

ASBSD supports state policy that maintains a local district's ability to develop hiring, evaluation and compensation policies that support local efforts to recruit and retain quality staff.

IMPLICATIONS FOR LOCAL SCHOOL BOARDS

The new teaching evaluation mandate will require more frequent and more rigorous staff evaluation. Since the evaluation framework is still in a pilot phase, many districts have not yet determined whether the model will require additional staff or financial commitments. There is currently no proposal to provide funding to offset the costs of developing the extensive data and assessment systems necessary to link teacher evaluation to student test scores, so local districts will be left to absorb the costs of implementation.

IMPACT ON STUDENT ACHIEVEMENT

- Evaluations that can clearly measure teacher performance hold the potential to improve student achievement, particularly when the evaluation is properly used to identify and support teachers in need of assistance.

RECOMMENDATIONS FOR IMPROVEMENT

1. **GIVE SCHOOL BOARDS TIME TO IMPLEMENT CURRENT EVALUATION REFORM INITIATIVES**
Local school boards have already committed to reforming teacher evaluation, and existing reforms should be implemented and evaluated before expanding the program or issuing additional mandates, particularly when the mandate would further stress school district budgets.
2. **CONTINUE THE MOMENTUM OF THE STATE-LED WORKGROUP**
In 2010, lawmakers enacted legislation that laid the groundwork for defining quality teaching. Midway through 2011, the State Board of Education adopted new, rigorous performance standards for teachers. The standards, which were an outcome of the Teacher Standards and Evaluation Work Group, must now be incorporated into local evaluation policies. Allow the group to finish its work on a model evaluation instrument that districts will have the option of using.
3. **ALLOW FLEXIBILITY TO DESIGN EFFECTIVE TEACHER EVALUATION SYSTEMS**
State policy should allow districts the freedom to implement innovative local evaluation systems that follow state-established teacher performance standards. Require all proposals for alternate evaluation systems to be approved by the Teacher Standards and Evaluation Workgroup, and if evaluations don't pass the test, then school districts can adopt the state-established evaluation instrument.
4. **FOLLOW A SIMILAR PATH TOWARD IMPROVING PRINCIPAL EVALUATION**
Create a work group to establish performance standards for principals, and implement reforms using the practices used by a work group that created teacher standards and accompanying tools.
5. **PROVIDE SUPPORT FOR THE IMPLEMENTATION OF NEW EDUCATOR EVALUATIONS**
School boards appreciate that Gov. Dugaard has proposed additional financial resources to assist with the implementation of new educator evaluation standards. While it's uncertain whether the funds will be sufficient to cover the full cost of reforming evaluations, school boards are encouraged that the governor recognizes that implementing new evaluation systems will carry financial implications. ASBSD recommends using feedback from schools currently piloting new evaluation systems to determine whether the state needs to provide additional resources to ensure successful implementation.

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PERFORMANCE-BASED PAY FOR THE TOP 20 PERCENT OF TEACHERS

The Investing in Teachers Initiative provides a \$5,000 state-funded bonus to the top 20 percent of teachers in the district, based on the teacher's annual evaluation under the new state teacher evaluation system. In order to qualify for the bonus, the teacher must earn "distinguished" status, which is the highest classification under the new model. This program will be effective in the 2014-15 school year, and the governor announced his intention to provide \$10 million per year to fund the performance bonuses.

ASBSD POSITION

ASBSD supports legislation that preserves a local school board's ability to develop performance and market-based compensation systems.

IMPLICATIONS FOR LOCAL SCHOOL BOARDS

South Dakota has yet to clearly define a method to link student performance to teacher effectiveness, which creates enormous uncertainty in how performance pay may be implemented locally. The political ramifications and legal implications surrounding merit pay will require school boards to ensure that every teacher has an equal opportunity to qualify for merit-based bonuses – a process that is made more difficult with the inclusion of a mandate that performance bonuses must be based on student test scores. The proposed state assessment in math and English-language arts, which has yet to be developed, may provide teacher performance data for some grade levels and in two subjects, but school districts will be responsible for creating valid, objective assessments to gauge student learning in all grade levels and all subjects – an effort that will require significant time and financial resources.

IMPACT ON STUDENT ACHIEVEMENT

- Merit-pay plans can accurately be described as experimental education reform. Early attempts to institute merit pay generally conclude performance pay does not improve student achievement, but more recent studies suggest that compensation reform has the potential to increase student achievement.
- Program design is essential to the long-term success of merit-based compensation systems.

RECOMMENDATIONS FOR IMPROVEMENT

1. IMPLEMENT EVALUATION REFORM FIRST

The state's new teaching standards are still being piloted in select districts, and enacting laws that base teacher compensation on student and teacher performance is a case of putting the cart before the horse. Give local school districts time to implement more rigorous evaluation systems, and allow the most successful and committed school districts to take part in a merit pay pilot program.

2. PROVE PERFORMANCE PAY WORKS

Implementing performance-based pay will require first convincing local school boards that the effort will actually work. To counter the notion that performance pay is ineffective, delay enacting any merit pay laws and establish a work group to study the components of performance pay systems that have proven to be successful. Charge the work group with designing a system that can be piloted first, and use feedback from pilot districts to determine whether schools have the data and assessment systems necessary to link teacher evaluation and student performance. Establishing pilot districts will put local school boards in a better position to determine whether merit pay is an effective way to invest limited financial resources. As proposed, the plan wouldn't be effective until 2014-15, giving the state ample time to deliberately design a program that has a chance to succeed.

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ELIMINATION OF CONTINUING CONTRACT AND DUE PROCESS

The Investing in Teachers Initiative eliminates continuing contract and due process rights for new teachers. The policy will only impact teachers that haven't earned it by July 1, 2011.

ASBSD POSITION

ASBSD supports legislation to extend the probationary period in existing continuing contract law by an additional year.

IMPLICATIONS FOR LOCAL SCHOOL BOARDS

One of a school board's primary responsibilities is to ensure the district maintains a motivated, qualified and effective staff. The elimination of continuing contract rights for new teachers means school boards would no longer have the flexibility to reward effective teachers with continuing contract status. Since the initiative would maintain current law for teachers that currently have a continuing contract, school board members and school administrators would continue to operate under existing laws that allow for ineffective teachers to be dismissed.

IMPACT ON STUDENT ACHIEVEMENT

- Teaching experience, typically five years or more, generates better student results.
- There is no research that indicates the affect South Dakota's continuing contract laws have on student achievement.

RECOMMENDATIONS FOR IMPROVEMENT

1. **IMPLEMENT EVALUATION REFORM FIRST**
Quality evaluations based on rigorous teaching standards will allow school districts to better identify and support teachers in need of improvement. More robust evaluations will give teachers clear feedback on areas of strength and suggest necessary improvements. With better evaluation, districts are better positioned to make employment decisions.
2. **EXTEND THE PROBATIONARY PERIOD BY AN ADDITIONAL YEAR**
While perceptions persist that South Dakota's continuing contract laws create a "job-for-life" guarantee, that isn't the case. Unlike some states with more complicated laws, South Dakota's continuing contract laws aren't burdensome or impractical. However, extending the current probationary period by one year would allow school boards more time to determine whether a new teacher is deserving of continuing contact.
3. **LINK CONTINUING CONTRACT TO PERFORMANCE EVALUATIONS**
Consider linking continuing contract rights to performance on a locally-determined evaluation instrument and make the new law applicable to all teachers, not just new teachers. After two unsatisfactory evaluations, continuing contract rights are removed.