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Big-City Districts Bail on Teacher-Incentive Grants

U.S. Education Department revises TIF requirements

By **Jaclyn Zubrzycki**

Three big-city districts—Chicago, Milwaukee, and New York—have terminated federal grants aimed at promoting performance-based compensation plans and professional development for teachers and principals.

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Overall, the 2010 **Teacher Incentive Fund** grants to the three districts would have provided an \$88 million payout over five years—nearly 20 percent of the federal program's five-year budget of \$442 million. All three districts aimed to secure union support while meeting grant requirements during the yearlong planning period permitted by the grant, but none was ultimately able to accomplish that task.

In a time of fiscal austerity and attacks on teachers' unions, getting districts and unions to work together and agree on teacher compensation and evaluation is a challenging task. Recognizing that challenge, the U.S. Department of Education **has adjusted** its requirements for the 2012 version of the TIF grant, which were published in June. The new set of rules notably does not include the planning period that allowed districts to receive grants without acquiring sign-off from their teachers' unions in 2010.

"We've been identifying challenges and moving forward to improve the program," said Michael Yudin, formerly the principal deputy assistant secretary for the office of elementary and secondary education, who recently became the acting assistant secretary in the office of special education.

"None of these [2010 grant terminations] is a surprise, and all could have been predicted at the time the projects were submitted," said William J. Slotnik, the founder and executive director of the Community Training and Assistance Center, a Boston nonprofit leadership and management organization that has worked with many TIF grantees to develop compensation plans. "There's a lot more that goes into incentivizing results than money alone. A lot of folks are applying to TIF but not doing the base-building you need to do to do this well. "

The National Education Association, the nation's largest union, said that while it was not necessarily



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opposed to performance-based compensation plans, teachers' needs and voices should be included in any conversation about compensation schemes.

"We want to make sure folks have a clear understanding of the system, and that it's not imposed. If the goal is to recruit and retain the best and brightest, how does this compensation system help you do that better?" said James P. Testerman, the director of collective bargaining and member advocacy for the 3 million-member NEA.

But union support for performance-based compensation, especially when the plan involves student test scores, is anything but a given. "Even the best testing system provides you with just a snapshot," he said, pointing out that many educators teach subjects that are not covered by the tests often used to evaluate them.

Challenges in Chicago

Trust and collaboration—or the lack thereof—were at the core of the termination of Chicago's grant last month. The Chicago Teachers Union had a change of leadership soon after being awarded the 2010 grant in September of that year, and its current president, Karen Lewis, is adamantly opposed to the program described in [the grant application](#), which ties teacher compensation directly to student test scores. The union never signed off on the grant application, though its previous president had worked with the district on it.

In a [letter dated July 18](#), Albert Sanchez, the director of competitive grants for the 402,000-student Chicago school system, wrote that the district would terminate its grant as of July 30. "Despite collaboration with the Chicago Teachers Union during the development of [the district's] winning TIF proposal, the CTU has informed [the district] that it does not intend to support the TIF program. ... We are extremely disappointed by this outcome."

Chicago had been part of the first cohort of the Teacher Incentive Fund grantees. It had used the funds to implement the Teacher Advancement Program, or TAP. Many TIF grantees employ that model, which combines performance-based compensation, a system of mentor and master teachers, and professional development in an effort to improve teacher performance. Chicago TAP was the subject of [two major research studies](#), which indicated that it did not raise

Evolving Priorities

As the Teacher Incentive Fund moves into its fourth round, the program's priorities have shifted, partly reflecting challenges faced by several grantees in the third round.

TIF 2010

Performance-based compensation system may be implemented in only certain (high-need) schools within a district.

Planning period allowed in which districts could get stakeholder support and meet certain priorities.

Performance-based compensation system must "give significant weight to student growth."

Priority placed on creating different levels of compensation for effective teachers and principals.

vs. TIF 2012

Human capital management system and performance-based compensation system must be implemented for a whole school system.

Planning period is no longer an option; teacher and principal collaboration in development of system listed as a requirement in application.

Performance-based compensation system must also include career ladders and compensation for additional responsibilities.

Priority placed on creating districtwide systems for managing human capital that are centered on educator evaluation systems, as well as on differentiated

student achievement in the city's schools.

compensation.

Robyn Ziegler, a spokeswoman for the district, emphasized that terminating the grant meant teachers would not receive

SOURCES: *Federal Register*, May 21, 2010 and June 14, 2012; U.S. Department of Education

"enhanced feedback and reflection tools, peer observers, mentor coaching, career-ladder opportunities, and additional compensation to reward teachers for their good work."

The CTU's Ms. Lewis said that she was "horrified" by the teacher-compensation system proposed in the 2010 grant application when she came into office.

"It goes against what we fundamentally believe in, which is that education and experience count and matter, regardless of who tells you it doesn't," she said. "That's money they should never have counted on. We never agreed to this."

The grant to the Chicago school district would have been worth \$35 million over five years. The school system had received \$21 million, or three years of funding, and all of that was refunded to the U.S. Treasury except \$469,000, which does not have to be returned.

Shifting Priorities?

In the 1.1 million-student New York school system, on the other hand, collaboration between the district and the union was thrown off course when the federal Education Department determined that **the district's grant application**, which delineated a system of increasing teacher responsibility tied to increased pay, did not put sufficient emphasis on student test scores to meet grant priorities.

"The U.S. Department of Education indicated that this did not meet their model because our proposal combined compensation for performance with compensation for additional roles and responsibilities," said Marge Feinberg, a spokeswoman for the New York City department of education.

The 2010 program's "absolute priority 1" required districts to set up performance-based compensation systems tied closely—though exactly how closely was not specified—to student growth as measured by performance on standardized tests.

The New York City school district **returned the \$24 million** it had received from its \$46 million, five-year grant to the U.S. Treasury on March 31. The district was reimbursed \$155,000 for expenses through the end of March.

Despite the fact that the district was awarded the grant, "we made it very clear with the district that they had to meet our requirements in order to get funding," said Mr. Yudin of the federal Education Department.

The district did not reach an agreement with the United Federation of Teachers and withdrew from the program. Representatives from the UFT and its parent organization, the American Federation of Teachers, did not return multiple requests for comment from *Education Week*.

But the New York City system applied for the 2012 grant, which allows districts to differentiate pay for teachers who take on new responsibilities, and Ms. Feinberg, the district spokeswoman, said officials believe their proposal would pass muster with the Education Department's 2012 rules for the competition.

The **Milwaukee district's application** for the 2010 TIF outlined a program based on TAP that also did

not have the support of the district's union.

"We returned the prior grant because it required adoption of the TAP model, which was not a model fully embraced by our teachers, and which we ultimately found was not consistent with our vision of teacher-effectiveness efforts," said Tony Tagliavia, a media manager for the 80,000-student Milwaukee school system. The district had already been piloting a separate teacher-evaluation program that puts as much emphasis on teacher observations as it does on student growth.

"Both the district and META were surprised by [winning the grant]," said Bob Peterson, the president of the Milwaukee Teachers' Education Association, an affiliate of the NEA. But the district has joined with the state in applying for the 2012 TIF program. Even though the school system returned the 2010 grant, Mr. Peterson said, "many people are enthusiastic about the possibility of us getting that grant and completely revamping our teacher-evaluation program here in Milwaukee."

The district **returned \$1.2 million** last winter; if Milwaukee's TIF grant had been funded for the full five years, the district would have received \$7.6 million.

'A Tricky Balance'

Other grantees have also struggled to balance grant requirements with union and teacher preferences, even if they haven't had to terminate their grants. In Seattle, for instance, a collective bargaining agreement reached after the district accepted a 2010 TIF grant reflects some but not all of the grant requirements. In Massachusetts, the Lawrence school district replaced Boston in the state agency's TIF program because of difficulty reaching consensus with the Boston union.

"We're trying to think about how can we, as creatively as possible, still deliver on the grant and yet deliver on what we in Seattle believe is respectful to the educators," said Clover Codd, the director of the Teacher Incentive Fund for the district. "We know that if we don't have that partnership, we won't be able to implement this grant."

She said that despite the challenges in navigating between the grant officials and the union, the program had benefits. "I don't know that a system will ever be 'ready' for innovation," Ms. Codd said. "I don't think that pushing from the department was a bad thing."

Moving Beyond for 2012

Officials from the federal Education Department said that many districts had successfully implemented their TIF grants, and anticipated that no other grantees would choose to terminate their agreements. Even so, they adjusted the program to accommodate some of the challenges that led Milwaukee, Chicago, and New York City to withdraw from the program and reflect the results of TIF evaluations **from prior years**.

The 2012 iteration of the Teacher Incentive Fund has expanded the components of teacher-evaluation systems to include extra compensation for new responsibilities, as in New York's 2010 proposal. The 2012 program also eliminates the yearlong period in which districts could obtain stakeholder buy-in, instead requiring applicants to produce evidence of teacher and principal collaboration from the start. While the 2010 grants allowed districts to implement the program in individual schools, the 2012 program requires that the evaluation systems being developed be applied to entire districts, in order to facilitate some of the systemic changes needed to make a performance-pay system viable.

"Differentiated pay is still a critical element of TIF, but we want to create greater opportunities to improve teaching and learning," said Elizabeth Utrup, a spokeswoman for the U.S. Education Department.

Representatives from Milwaukee, New York, and Seattle all discussed the broader guidelines for the 2012 grants favorably. "Hopefully, this program will tap into collaborative union partnerships to come up with a range of incentives to improve teaching and learning and won't be tied necessarily to what I see as a fairly narrow set of test-driven incentives," said Mr. Peterson of Milwaukee.

Milwaukee and New York were among the 120 or so applicants for the 2012 grant. The applications, which were due July 27, are being reviewed, and winners will be announced before Sept. 30.

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