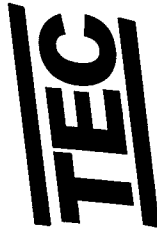


# Arkansas

## Implementing Differentiated Compensation For Teachers

### Arkansas Teacher Excellence Initiative (ATEI)

*December 22, 2003*

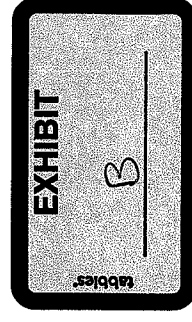


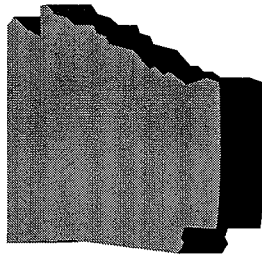
**TEACHER EXCELLENCE THROUGH COMPENSATION**

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MARC J. WALLACE, JR., LTD.

301 BRIAR LANE • LAKE BLUFF, ILLINOIS 60044 • PHONE 847-373-1600 • FAX 847-735-9572  
EMAIL [marcwallace@comcast.net](mailto:marcwallace@comcast.net)

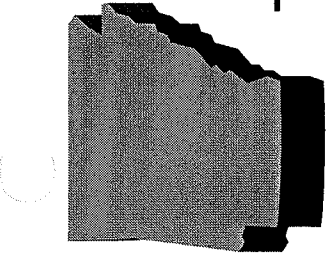




# Table of Contents

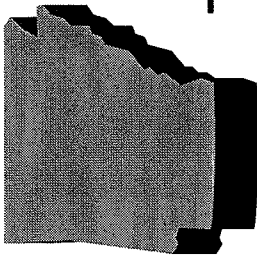
# TEC

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**TEC**

# 1. Mission and Objectives



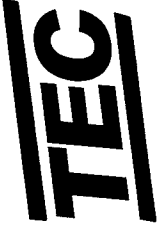
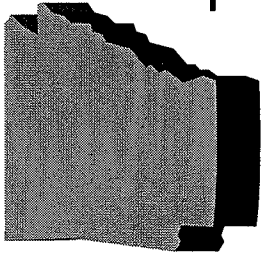
# 1. Mission and Objectives

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## Joint Committee On Education Adequacy

The Joint Committee on Educational Adequacy of the Arkansas legislature recommended that Arkansas take five actions related to teacher compensation as a key element in achieving educational adequacy:

1. Increase Arkansas' teacher salaries by 15% (10% for a new KSBP Teacher Salary Schedules and 5% for adders to address such issues as geographic and subject area shortages) at a cost of \$277 million.
2. Adopt a Knowledge and Skill Based Pay (KSBP) salary schedule to replace the single salary schedule currently in use.
3. Adopt a set of policies for teachers to progress through the new KSBP salary schedule.
4. Adopt the Committee's recommendations for piloting KSBP and making the transition from our current salary schedule to the KSBP salary schedule.
5. Adopt the Committee's recommendation for designing and implementing a new School Based Performance Award program.



# 1. Mission and Objectives (Cont'd.)

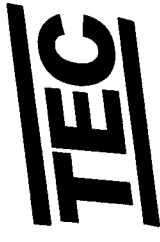
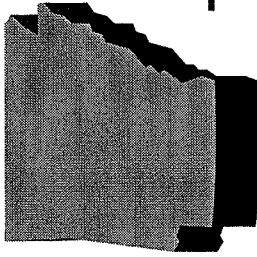
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## **Mission for the Arkansas Teacher Excellence Initiative (ATEI)**

TEC proposes to assist Arkansas in the conduct of the Arkansas Teacher Excellence Initiative.

The mission of the Arkansas Teacher Excellence Initiative is to implement the recommendations of the Joint Committee. Specifically our mission calls for us to provide an adequate education for every Arkansas student by assuring that teachers acquire and use those knowledge and skills that will lead to improved student learning and achievement.

We envision that the Arkansas Teacher Excellence Initiative will become an on-going unit within the Arkansas Department of Education to continue the Initiative's mission beyond 2006.



# 1. Mission and Objectives (Cont'd.)

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## ATEI Objectives

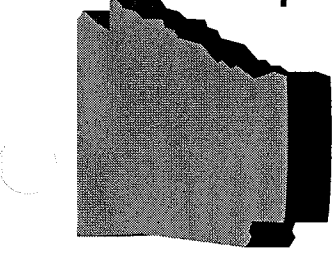
In order to accomplish our mission we must achieve the following objectives:

### 2004 – 2006

- ✓ Develop and implement a School Based Performance Award (SBPA) program
- ✓ Develop, pilot, and implement Knowledge and Skills Based Pay (KSBP)
- ✓ Develop, pilot, and implement an assessment process to assess teacher knowledge and skills
- ✓ Align all professional development programs around the acquisition and deployment of teacher knowledge and skills that will yield continuous improvement in student learning and achievement.

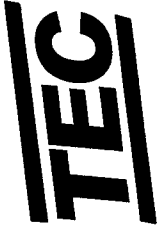
### On-Going after 2006

- ✓ Advocate and provide the resources for continuing improvement in teacher knowledge and skills
- ✓ Monitor teacher competencies to assure student and districts benefit from the highest level of teacher knowledge and skills
- ✓ Over see the teacher KSBP assessment process.



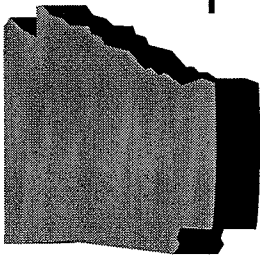
# 1. Mission and Objectives (Cont'd.)

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## Scope of This Proposal

This proposal covers the work required to accomplish the first two years of the three year transition. We anticipate that overall costs of the third transition year will be similar to those of the second year.

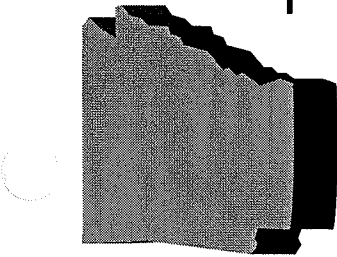


**TEC**

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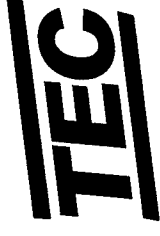
## 2. ATEI Organization





## 2. ATEI Organization

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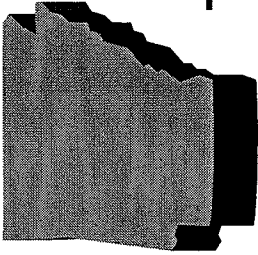


### **ATEI Organization**

The ATEI initiative will operate as a task force focused on design and implementation in 2004-2006. After 2006 we recommend that ATEI transition into a permanent office in the Arkansas Department of Education in order to assure continuing high levels of knowledge and skills throughout Arkansas.

TEC recommends that ATEI be organized around two accountabilities:

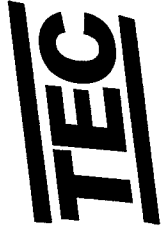
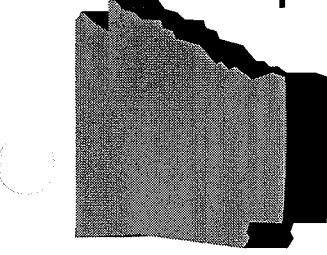
1. An Office of Assessment which will be responsible for:
  - A. Standards and rubrics defining teacher knowledge and skills
  - B. The process and procedures for assessing teacher knowledge and skills
  - C. Aligning teacher licensure and Praxis III with teacher knowledge and skills.
  
2. An Office of Professional Development that will be responsible for:
  - A. Developing and aligning all professional development resources around teacher knowledge and skills
  - B. Providing professional development resources
  - C. Monitoring and assuring the quality of professional development in Arkansas's school districts.



**TEC**

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## **3. Implementation and Transition**

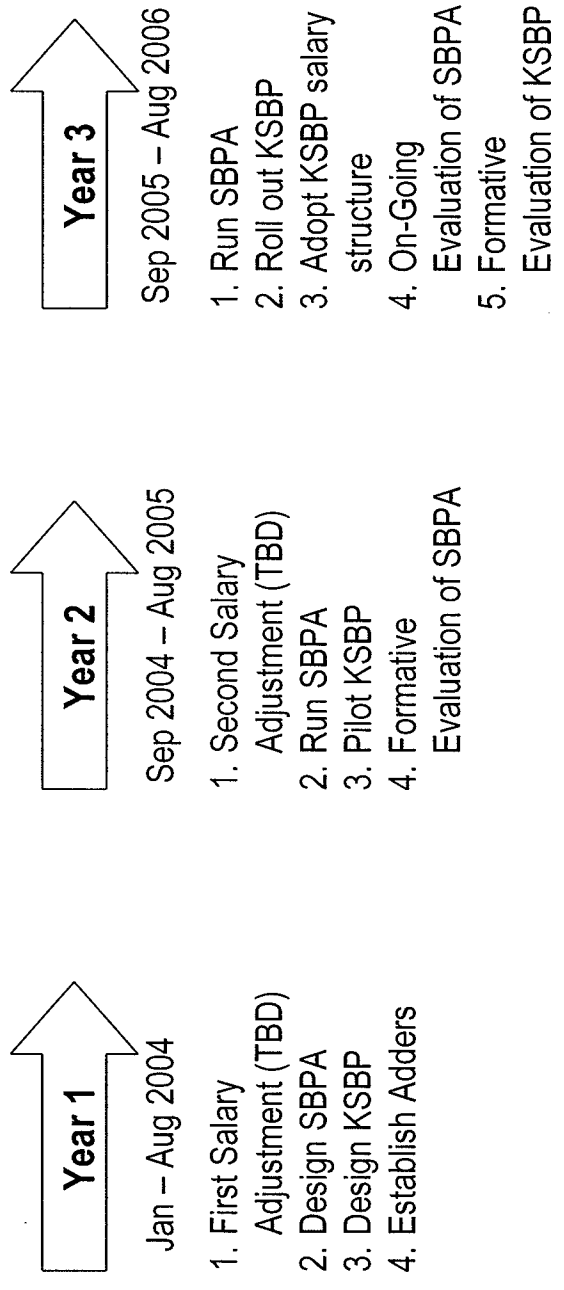


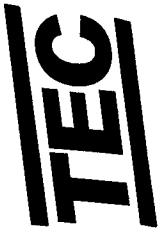
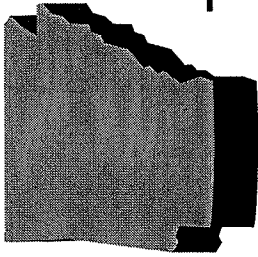
# 3. Implementation and Transition

## Successful Implementation and Transition

The ultimate goal of the Arkansas Teacher Effectiveness Initiative is to see a significant improvement in student learning and achievement in our State. Realizing this goal requires us to take extreme care to provide sufficient resources for a disciplined and effective transition and implementation of the new teacher pay systems.

TEC counsels that a successful transition will require several years and recommends the following game plan:





### 3. Implementation and Transition

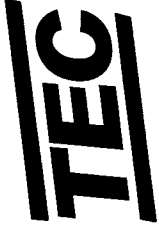
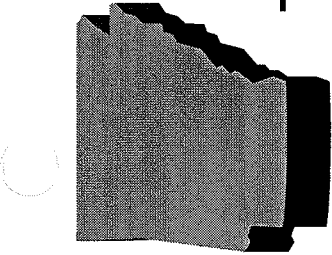
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#### **Requirements for School Based Performance Award (SBPA) Program**

The School Based Performance Award (SBPA) program must meet the following requirements:

- a. Fit in with Arkansas's current Measuring Performance Honors (MPH) program
- b. Address both No Child Left Behind (NCLB) and State of Arkansas achievement standards
- c. Be supported by an adequate data base and reporting system
- d. Be supported by an adequate communication program

The work plan presented below is designed to achieve each of the above requirements.



### 3. Implementation and Transition (Cont'd.)

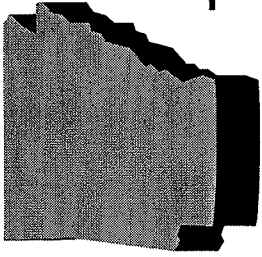
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#### Requirements for Knowledge and Skill Based Pay (KSBP) Program

Implementing KSBP will require Arkansas to develop and deploy:

- a. A set of performance-based standards and rubrics to define each level of the KSBP system.
- b. A process for assessing teachers and assigning them to KSBP levels.
- c. A fair and effective method for making the transition from the current single salary schedule to the KSBP schedule in every Arkansas school district.

The following page outlines these requirements in more detail:

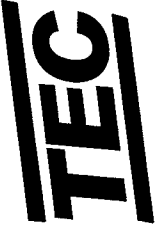
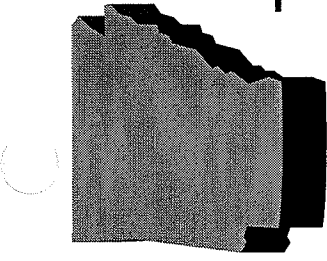


## **3. Implementation and Transition (Cont'd.)**

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### **Requirements for Knowledge and Skill Based Pay (KSBP) Program (Cont'd.)**

- ✓ Identification of what good teaching is, the knowledge and skills to do it, or teaching standards linked to student standards and teacher career stages.
- ✓ The instructional vision must be sound and embraced by the School and teachers.
- ✓ A professional development strategy to help teachers acquire and deploy that instruction.
- ✓ Performance assessments of knowledge and skills -- how to assess and who should do it.
- ✓ The assessment system must be sound and fair.
- ✓ Linkage to the new KSBP salary schedule.
- ✓ Alignment of all other human resource systems, especially professional development, around the new vision of instruction so that teachers have the opportunity to learn the core technology needed to boost student performance.
- ✓ Opportunities to learn new instructional practices must be present.



### 3. Implementation and Transition (Cont'd.)

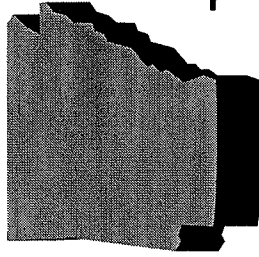
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#### **KSBP Pilot**

TEC recommends that Arkansas conduct a 1 year pilot to design, pretest and prepare a new KSBP salary schedule and system. The pilot will result in as a model KSBP schedule and system ready for each Arkansas School District. The implementation pilot will require:

1. Definition of standards and rubrics defining teacher skill levels
2. Development and implementation of a process for assessing skills
3. Training for assessors
4. Alignment of our current professional development program
5. Financial forecasts
6. Policy for making the transition from the current salary schedule to the KSBP salary schedule.

The work plan presented below is designed to achieve each of the above requirements.



### 3. Implementation and Transition (Cont'd.)

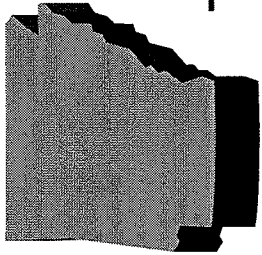
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#### Three Year Work Plan

The flow charts beginning on the next page block out detailed milestones and activities for the School Based Performance Award Program (labeled SBPA Project) and the Knowledge and Skill Based Pay Program (labeled the KSBP Project). Work plans are laid out by quarter in each of three years beginning in January, 2004.

Note that the salary adjustments are occurring simultaneously in the first two years of the work plan.





# 3. Implementation and Transition (Cont'd.)

## Milestones In Year 1 (January to August, 2004)

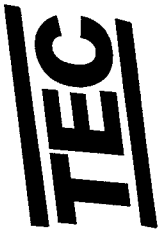
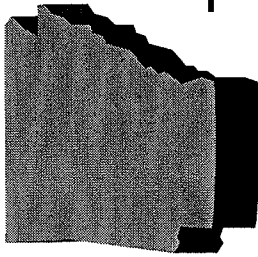
<u>Project</u>	January to February	March to April
<b>SBPA</b>	<p><b>Milestone 1: Develop SBPA Program</b> TEC assists Task Force in setting up ground rules regarding participation (teachers/administrators/support staff), Payout frequency, Payout levels, Funding. TEC conducts financial forecasts.</p>	<p><b>Milestone 2: Adapt Current Measuring Performance Honors (MPH) Program</b> TEC assists Task Force in setting Critical Success Factors (Educational Goals), metrics, goals, performance score cards. TEC assists in determining how NCLB targets will be integrated with State targets.</p>

### **KSBP**

**Milestone 1: Establish a vision for instruction.**  
TEC assists Task Force to establish a detailed and explicit vision that addresses "What is learning," "How do kids learn?," "What is good instruction," and "What does it look like?" The vision sets the foundation for all to come.

**Milestone 2: Identify standards and rubrics**  
TEC assists the Task Force in defining standards that will be used to assess teachers and the rubrics into a score for each standard (and element).

**Milestone 3: Tailor standards and rubrics.**  
TEC assists the Task Force in adapting and tailoring an explicit set of standards for each teacher skill dimension. The result will be a valid, reliable, fair, and objective assessment of teacher skills.



### 3. Implementation and Transition (Cont'd.)

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#### Milestones In Year 1 (January to August, 2004) (Cont'd.)

Project |-----| March to April  
(Cont'd.)

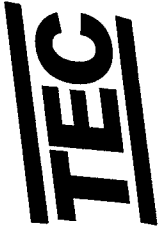
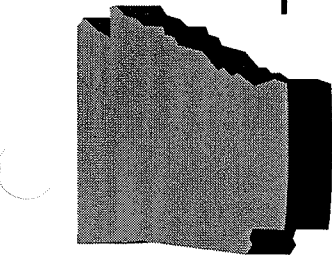
SBPA

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KSBP

**Milestone 4: Define the assessment process.**

TEC assists the Task Force in developing a performance assessment process that is well suited for assessing teacher skills. Building blocks of such a system will most likely include: portfolios built around a curriculum unit with video tapes or classroom observations, and certifications. In addition we will develop the rubric which translates assessment scores into KSBP Levels.



### 3. Implementation and Transition (Cont'd.)

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#### Milestones In Year 1 (January to August, 2004)



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#### SBPA

##### Milestone 3: Develop Program for Roll Out

TEC develops all SBPA program data bases and communications. Prepares roll-out strategy.

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##### Milestone 5. Pretest the assessment process.

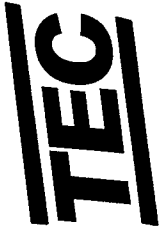
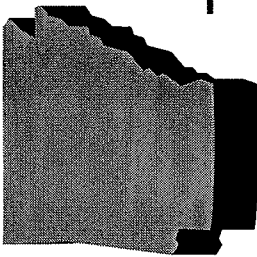
TEC assists the Task Force in pre-testing and adapting the performance assessment process. Observers will be trained in the process and debriefed. Trainees, for example, will observe common tapes, conduct an assessment, and compare results. The end product will be a finalized set of Administrative Policies and Guides for conducting skill assessments

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##### Milestone 6: Conduct Financial Analyses

TEC will develop cost forecasts for the KSBP program

#### KSBP



### 3. Implementation and Transition (Cont'd.)

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#### Milestones In Year 1 (January to August, 2004) (Cont'd.)

<u>Project</u>	July - August (Cont'd.)	July - August (Cont'd.)
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#### SBPA

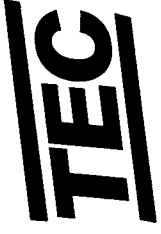
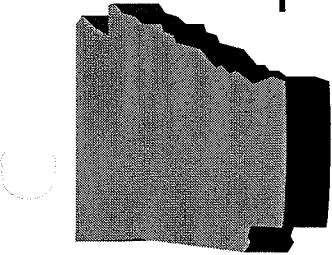
##### Milestone 7: Develop Administrative Guidelines

TEC assists the Task Force in developing and finalizing the administrative rules and polices governing the KSBP program, that includes how to use the scores from the assessment to determine teacher performance categories (building on what already has been proposed).

#### KSBP

##### Milestone 8: Establish Adders

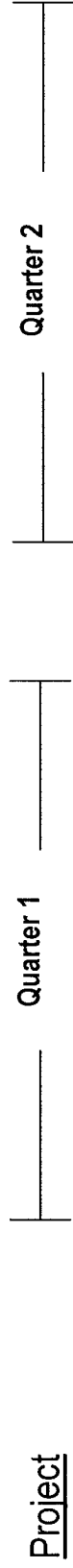
TEC will conduct study of Arkansas districts, identify areas with difficulties attracting and retaining teachers to establish geographical shortages, confirm subject area shortages, establish adder levels



### 3. Implementation and Transition (Cont'd.)

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#### Milestones In Year 2 (September, 2004 to August, 2005)



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#### SBPA

##### Milestone 4: Roll Out SBPA Program

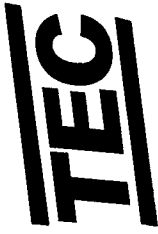
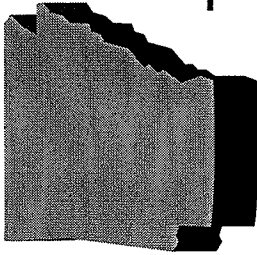
TEC assists the Task Force with kickoff, goal setting, communication and feedback, annual review and celebration

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#### KSBP

##### Milestone 9: Conduct KSBP Pilot and Formative Evaluation

TEC assists the Task Force in conducting a pilot of the KSBP. Pilots generally run 10 months. The effort will involve training assessors and participants, developing portfolios, scoring portfolios, conducting assessment conferences, and placing KSBP participants into the proper skill level. TEC contemplates running pilots in at least 75 to 100 schools representative of Arkansas school districts participating in the pilot. A formative evaluation of the pilot will be conducted to assess how the pilots performed and to identify any opportunities to improve the KSBP operation.



### 3. Implementation and Transition (Cont'd.)

#### Milestones In Year 2 (September, 2004 to August, 2005)



Project

#### SBPA

**Milestone 5: Formative Evaluation of SBPA Program (Ongoing)**

TEC conducts an audit and evaluation of the program to assure that it is operating as designed and accomplishing its goals, to reset goals for next year, and renew the program.

**Milestone 6: Modify SBPA Program (Ongoing)**

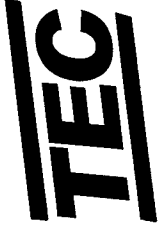
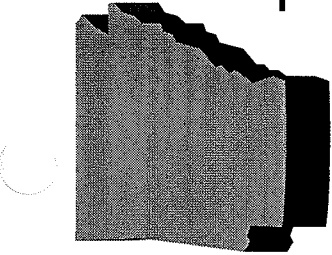
Modify design of the SBPA program based on formative evaluation.

#### KSBP

**Milestone 9: Conduct KSBP Pilot and Formative Evaluation**

**Milestone 10: Analyze Formative Evaluation Data**

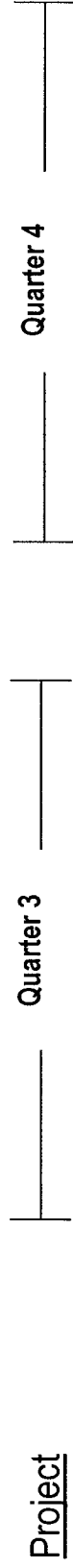
TEC conducts a thorough administrative review of information gathered in Milestone #9 of the pilot – that is, assessing how well the KSBP operates from a procedural and administrative viewpoint. We will assess teacher and observer reaction to the system, feasibility and cost, reliability and validity.



### 3. Implementation and Transition (Cont'd.)

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#### Milestones In Year 2 (September, 2004 to August, 2005)



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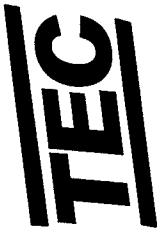
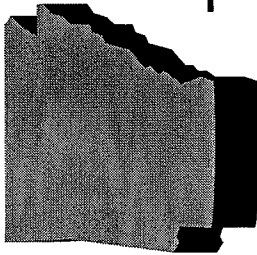
#### SBPA

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#### KSBP

##### Milestone 11: Debrief on KSBP Pilot and Revise

The pilot will culminate with a de-briefing on what was learned in the formative evaluation. TEC will assist in making final adjustments to the program and prepare for implementation.



### 3. Implementation and Transition (Cont'd.)

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#### Milestones In Year 3 (September, 2005 to August, 2006)



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#### SBPA

##### Milestone 7: SBPA Program - Continues

TEC assists the Task Force with goal setting, communication and feedback, annual review and celebration

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#### KSBP

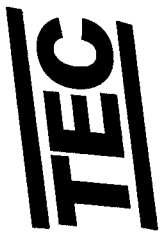
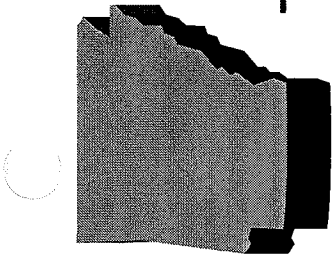
##### Milestone 12: Roll out KSBP System

TEC will provide materials and protocols for communication, transition, and administration

##### Milestone 13: Roll out KSBP System Continues

TEC will provide materials and protocols for communication, transition, and administration





### 3. Implementation and Transition (Cont'd.)

#### Milestones In Year 3 (September, 2005 to August, 2006)



Project

**SBPA**

**Milestone 8: Formative Evaluation of SBPA Program (Ongoing)**

TEC conducts an audit and evaluation of the program to assure that it is operating as designed and accomplishing its goals, to reset goals for next year, and renew the program.

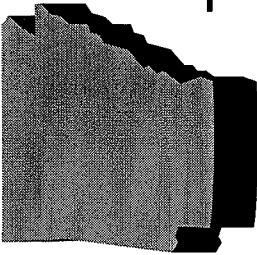
**Milestone 9: Modify SBPA Program (Ongoing)**

Modify design of the SBPA program based on formative evaluation.

**KSBP**

**Milestone 14: Conduct Formative Evaluation**

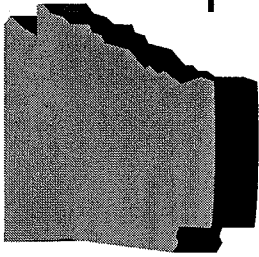
TEC conducts a thorough administrative review of the pilot – that is, assessing how well the KSBP operates from a procedural and administrative viewpoint. We will assess teacher and observer reaction to the system, feasibility and cost, reliability and validity.



**TEC**

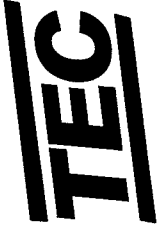
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## 4. Budget

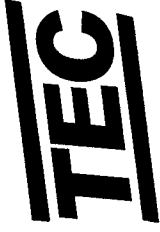
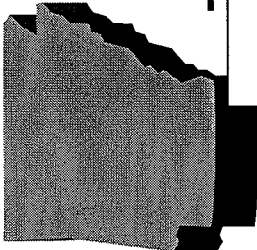


## ATEI Staffing

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Position	FTE
ATEI Associate Director	1
SBP/KSBP Team Leader	1
SBP/KSBP Team Analyst	1
Trainer/Assessor/Interviewer	10
Secretary/Assistant	2



# Project Costs

Team Role	Year 1: Mar - June 30, 2004	Year 2: July 1, 2004 - June 30, 2005	Annual Employment Cost		
	Consultant Cost				
<b>Personnel Costs</b>					
Startup Personnel			\$400,000		
Design Consultants	\$200,000		\$100,000		
Standards and Rubrics Expert	\$37,500		\$100,000		
Assessment Expert	\$37,500		\$200,000		
Project Director	\$100,000		\$800,000		
Total Startup Consulting Cost	\$375,000		\$200,000		
<b>Startup Expense</b>			\$600,000		
Third party expert formative evaluation of KSB pilot			\$160,000		
Incentive for teachers to participate in pilot			\$75,000		
Travel Expense			\$75,000		
<b>Other Studies Required by HB 1127</b>			\$200,000		
Superintendent Compensation Package Study	\$75,000		\$100,000		
Teacher benefits Study	\$100,000		\$200,000		
Classified Employee Compensation & Benefits Study			\$450,000		
Total Startup Expense	\$825,000		\$1,760,000		
Sub Total Startup Cost	\$82,500		\$176,000		
Indirect & Institutional Expense	\$907,500		\$1,936,000		
Grand Total Startup Cost			\$960,000		
<b>Continuing Personnel Cost</b>					
<b>ATEI Staff</b>					
ATEI Associate Director	1	\$104,706	33.3%	1	\$104,706
SBPA/KSBP Team Leader	1	\$80,000	33.3%	1	\$80,000
SBPA/KSBP Team Analyst	1	\$60,000	33.3%	1	\$60,000
Trainers/Assessors/Interviewers	10	\$51,000	33.3%	10	\$510,000
Secretary/Assistant	2	\$35,000	33.3%	2	\$70,000
Total ATEI Personnel Cost	15	\$240,360			\$824,706
<b>Continuing Expense</b>					
Travel Expense					\$130,000
Operating Expense (e.g. office rental, equipment, etc.)					\$550,000
Total Continuing Expense					\$680,000
Total Continuing Cost					\$1,504,706
<b>Grand Total</b>					\$3,440,706