

## Appendix B:

# Chugach performance pay overview

While several districts participated in the TIF grant, only one, the Chugach School District, continues to employ a performance pay model for teachers (the Lake and Peninsula School District is implementing a deferred service incentive/credit program, and the Kuspuk School District has a longevity award, but these are based on length of service and not teacher evaluations or student performance). The Chugach model is not, however, an individual performance pay model. Rather, it has evolved to become a bonus based on average group performance that is distributed equally among all teachers in the district on an annual basis.

According to the district's superintendent, the CSD performance pay model was developed in collaboration with teachers who felt that if the district was creating a performance-based system for determining student achievement and advancement, teachers should be compensated in a similar performance-based manner, rather than by the traditional step-and-lane system only. Teachers receive part of their salary based on a traditional step-and-lane schedule (which is the lowest among all districts in the state), and the remainder as a bonus via performance pay. The funds that pay for these bonuses are the same that would otherwise be allocated toward annual increases in a more traditional system. Annual bonuses are usually around \$10,000, bringing average teacher compensation in the district to a level comparable with that in other districts.

Teachers are evaluated three times a year, at the start and end of the year and in November. The November annual evaluation is the most formal review, factoring in the results of the other evaluations. These are done either by administrators or head teachers, who are teachers that receive a stipend for additional administrative duties. Teachers receive a summative evaluation score in November, which includes information from all three reviews, and this score serves as the basis for performance pay. Evaluation scores for all teachers across the district are then averaged, and it is this average score that determines the bonus that all teachers are awarded.

When the CSD performance pay system was first developed, teachers received performance pay based on their individual score. After two years, teachers approached the district administration to express their view that this was divisive and, in some cases, awkward; for example, there was one small school with just two teachers who were married, and one received more performance pay than the other. Teachers proposed the use of average scores districtwide as a solution.

This system has a number of benefits. It incentivizes teachers who score well in their evaluations to reach out to and mentor those not scoring well, while incentivizing those who are scoring lower to ask for assistance. The superintendent has seen peer evaluation become a lot more important in the district than before. He also reports that the process has broken down barriers between educators and has led to the shared understanding that keeping classroom doors closed is not accepted practice. The community of practice among educators is valued highly, and the evaluation tool includes the expectation of working and sharing with others on a regular basis.

The evaluation process itself is a part of the success; it allows the administration to deal with problems earlier and proactively. They share the evaluation tool and process in the teacher hiring process because they want teacher candidates to know how evaluations are conducted from the beginning. That way, if

the prospective employee's views don't align philosophically, they know to look elsewhere. In addition, the process helps set clear expectations for educators. The district uses both mentors from the statewide mentoring program as well as internal mentors formally and informally to provide teachers feedback from multiple perspectives, even before teachers complete their first quarter or semester.

Districts are required to provide training at the beginning of the school year on the district's evaluation program, per AS 14.20.149(b)(7). As part of that required training, the Chugach School District has experienced teachers walk through the evaluation tool with new teachers and provide examples around what it means to meet a given criteria at a given level. This process is informal, but time for it is deliberately structured during district in-service days. The superintendent reports positive outcomes from this process; having teachers know what district expectations are from the beginning helps teachers and the district identify problems earlier. Also, having other teachers play either formal or informal roles as mentor empowers them; he sees mentor teachers' performance increase just because they are teaching others. It becomes a self-perpetuating cycle of continuous improvement.

Overall, the Chugach superintendent recommends a performance pay system of some type in order to incentivize performance, but he cautions that there isn't a magic recipe for how a district should do this, noting that it might look different in different districts. He cites the ownership of the system by teachers, much more than salary, as a key reason staff turnover in Chugach School District has declined. He credits his district's decision to allow teachers to help build the system with improving teacher retention considerably, creating the feeling that "this is our system, we built it; it works the way we want it to, and if we want to change it someone will listen to us in making those changes."