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REQUEST FOR APPLICATION (RFA)
NEW MEXICO INCENTIVE PAY PILOT 2014-2015

RFA Released: June 13, 2014

Final Date to Submit RFA: **July 21, 2014, by 5:00 p.m.**

No consideration will be available for RFA's received after final date.

This is a Request for Application (RFA) and does not constitute an award. This RFA may qualify districts and charter schools for New Mexico Incentive Pay Pilot (IPP) funds. \$7.2 million dollars in competitive funding is available to school districts and charter schools to establish incentive pay programs for teachers in their systems.

Application Checklist

Please use the checklist below to ensure that all required information and actions have been completed before emailing the response to Matt Pahl, Director, Policy Division, New Mexico Public Education Department.

- All pages of the 2014–2015 Application for New Mexico IPP funds completed
- Cover page
- Narrative explaining the incentive pay pilot to be established, no longer than 10 pages, double-spaced, 12pt. font separated into the following sections:
 - 1) Abstract – A summary of the district/charter's incentive pay model;
 - 2) Award eligibility outline –A description of how incentive awards will be distributed and the qualifications that will allow teachers and principals to earn rewards (e.g. teachers with a summative rating of “exemplary” will earn a \$7,000 bonus, teacher with a summative rating of “highly effective” will earn a \$5,000 bonus);
 - 3) Budget overview – An overview of the amount of funding requested and a projection of the number of each type of award, using past year's educator effectiveness data to inform award projections; and

Applications must be submitted to matt.pahl@state.nm.us

Purpose

The purpose of the New Mexico IPP is to establish incentive pay pilot programs to reward New Mexico's best teachers and principals throughout the state. By using local expertise and negotiating with local partners, IPP applicants will create innovative systems to reward teachers and principals for their excellence. New Mexico Public Education Department's Policy Division is issuing this RFA to all New Mexico school districts and charter schools interested in piloting programs to reward effective teachers and principals. No more than seventy-five percent of total awards distributed may go to either teachers or principals.

Goals of the New Mexico Incentive Pay Pilot

- Allow districts and charters the ability to pilot an incentive pay program for teachers and principals
- Provide research on the effects of pilot incentive pay programs for teachers and principals
- Improve the performance of teachers and principals through incentive pay policies implemented by districts and charters
- Increase the retention of high performing teachers and principals in schools

Eligibility

All applications must show that a program:

- Allows principals the ability to obtain an award for their performance as well as group A, B and C teachers the ability obtain a reward for their performance
- Uses the district's NMTEACH system to identify teachers and principals for awards, with a heavy emphasis on the student achievement category
- Awards are prioritized for teachers and principals in low-performing schools as judged by school grades and/or by areas with teaching shortages such as special education, bilingual and secondary math and science
- Awards must be at the individual level and may be at the group level. At least 2/3 of performance pay bonuses must be qualified by and given to individual principals and teachers. Other awards can be given to other groups (such as grade level or school level) as determined by the district
- Distributes individual awards of at least \$1,000; there is no cap on the award amount

Bonus points will be awarded to:

- Districts that contribute funding from their own budgets to the incentive pay pilots for teachers and principals

Application Requirements

1. The application must include:
 - a. Completed cover page form (located below on page 3)
 - b. Completed New Mexico IPP Rubric form (located below on page 4)
2. Electronic submission of narrative explaining the incentive pay pilot to be established, no longer than 15 pages, double-spaced, 12pt. font separated into the following sections:
3. Abstract – A summary of the district/charter's incentive pay model;
4. Award eligibility outline –An outline of the different awards and the qualifications that will allow teachers to earn rewards (e.g. teachers with a summative rating of "exemplary" will earn a

- \$7,000 bonus, teacher with a summative rating of “highly effective” will earn a \$5,000 bonus);
5. Budget overview – An overview of the amount of funding requested and a projection of the number of each type of award, using past year’s data to inform award projections; and

The completed RFA must be electronically generated. An electronic copy of the completed **RFA must be received no later than 5:00 p.m. on July 21, 2014.** Facsimile copies will not be accepted. All electronic copies should be sent to Matt Pahl at matt.pahl@state.nm.us. Requests for an extension of this date will not be granted.

COVER PAGE

School District/ Charter School Contact Information

Name	Pojoaque Valley School District, Adan Delgado, Superintendent		
Phone	505-455-2282	e-mail	agd@pvs.k12.nm.us
Mailing Address	1574 State Road 502 West Santa Fe, New Mexico 87506		

Human Resources Contact Information

Name	Angela Lobato		
Phone	505-455-2282	e-mail	abl@pvs.k12.nm.us
Mailing Address	1574 State Road 502 West Santa Fe, New Mexico 87506		

Business Manager Contact Information

Name	TBD		
Phone	505-455-2282	e-mail	
Mailing Address	1574 State Road 502 West Santa Fe, New Mexico 87506		

Additional Contact Information (if needed)

Name	Dr. Melville L. Morgan		
Phone	505-455-2282	e-mail	mlm@pvs.k12.nm.us
Mailing Address	1574 State Road 502 West Santa Fe, New Mexico 87506		

New Mexico Incentive Pay Pilot Rubric

Organization Name	Pojoaque Valley School District		
Criteria	Included	Comments	
Application Format			
Electronic application received by 5:00 p.m. on July 21, 2014	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
Cover page	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
Narrative showing the proposed program meets each of the eligibility requirements described in this RFA	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
<u>If the above items are not complete the application will not be accepted.</u>			

NM Incentive Pay Pilot Score sheet

Allows principals and Group A, B and C teachers to obtain a reward for their effectiveness in the classroom	1		5		10
Uses the district's NMTEACH system to identify teachers and principals for awards, with a heavy emphasis on the student achievement category	5		10		15
Awards for teachers are prioritized for those in low-performing schools as judged by school grades and/or by areas with staffing shortages such as special education, bilingual and secondary math and science	1		3		5
At least 2/3 of awards must be qualified by and given to individuals (the higher the proportion of awards to individuals the better). Other awards can be given to other groups (such as grade level or school level) as determined by the district	5		10		15
Distributes individual awards of at least \$1,000; there is no cap on the award amount	1		5		10
Has support (in the form of a written letter) from School Board, Superintendent and Collective bargaining unit (if applicable)	1				5
Districts that provide funding from their own budgets are eligible for larger awards and are more likely to earn funding	1		10		15
Total Points					

The Pojoaque Valley School District Pay-for-Performance Model for Teachers, Administrators and Other School-Based Staff

Abstract

The single greatest indicator in student achievement lies in the effectiveness of teacher and school leaders. Milwaukee Public Schools discovered that 75 percent of the effect a school has on a student can be attributed to the individual teacher, while only 25 percent of the effect can be attributed to the school. The belief in the validity of these statements has led to a surge in growth and popularity of performance based compensation systems for public school teachers and principals in the United States as these initiatives are believed to attract and retain high quality teachers to low performing schools. This application intends to take a hybrid of best practices and models and apply that to Pojoaque Valley Schools. This application meets the requirement of providing funding to low-performing schools and districts, and hard to staff positions because not only is Pojoaque Valley School District a rural school district and therefore hard to recruit to, but at each grade and each data point, we find that we have more students who are not proficient than are proficient. In fact, the latest 2013-2014 data indicated although we have seen rather large gains at one school in particular, it seems as though there is a likelihood that a student will continue in whatever quartile he or she starts in for the rest of his or her school career. Our incentive program will be based on rewarding teachers, regardless of evaluation group, and principals for their performance within the NMTEACH system, as well as all school employees for the general performance of the school. This follows several models currently in use around the nation where there is a combination of cumulative and tiered rewards. The amount of incentive pay for Pojoaque Valley School District will be established at two levels – one for the individual and one for the school team such that an individual teacher and principal can also be eligible for both personal awards and an award given to each school to be awarded to all staff in the school. The total cost, based on the 2013-2014

school year data, would be \$341,550.00. This is the amount that Pojoaque Valley Schools seeks through this application of which the school district is pledging \$20,000.00 from its cash reserve.

The Pojoaque Valley School District Pay-for-Performance Model for Teachers, Administrators and Other School-Based Staff

Award eligibility outline

Introduction

The single greatest indicator in student achievement lies in the effectiveness of teacher and school leaders. Milwaukee Public Schools discovered that 75 percent of the effect a school has on a student can be attributed to the individual teacher, while only 25 percent of the effect can be attributed to the school. The belief in the validity of these statements has led to a surge in growth and popularity of performance based compensation systems for public school teachers and principals in the United States as these initiatives are believed to attract and retain high quality teachers to low performing schools. This application intends to take a hybrid of best practices and models and apply that to Pojoaque Valley Schools.

According to a large and growing body of research the success rates of these systems vary considerably. Some programs have a measurably positive effect on school improvement and teacher engagement, and others do not seem to affect any change at all. North Carolina, for example has had an incentive system called the Teacher Bonus Program in place since the 1990s, which awards cash bonuses to teachers in schools that improve their students' test scores by a determined amount. A recent study by Thomas Ahn and Jacob Vigdor of the University of Kentucky and Duke University, respectively, showed that the program has decreased absenteeism among teachers and raised standardized test scores. However, another program, implemented in New York, was cancelled after it was shown to have had no measurable effect on student achievement.

The New York City Public School System, although no longer in use, provides the perfect example of a group-based reward system where the entire school is provided a reward for the overall school

performance. Schools assigned a letter grade of A or B based on specific categories of performance were eligible for rewards.

The Boston Public School and Springfield Public Schools combined team incentives and individual incentives. School-wide financial rewards are given to all school staff if the school meets student growth targets. Individual rewards given to teachers who take on additional roles, demonstrate effectiveness in performance evaluations, and commit to remaining in the school for an additional two years to operate model classrooms.

Despite the uncertain track record of incentive systems and the controversy surrounding them, many local and state education agencies are taking advantage of the government's renewed focus on the issue of teacher effectiveness and performance based compensation models in order to develop new systems of their own and build upon existing systems. The purpose of the proposed program for Pojoaque Valley Schools is to take the best practices and findings from current research in order to implement an effective system.

Low performing schools and hard to recruit positions

This application meets the requirement of providing funding to low-performing schools and districts, and hard to staff positions because not only is Pojoaque Valley School District a rural school district, and hard to recruit to and retain professional staff, but at each grade and each data point, in general, we find that we have more students who are not proficient than are proficient. In fact the latest 2013-2014 data indicated although we have seen rather large gains at one school in particular, it seems as though there is a likelihood that a student will continue in whatever quartile he or she starts in for the rest of his or her school career. Our continued focus on accountability through assessment data and the

NMTEACH system will help tremendously in improving our students’ performance. As stated in other sections of this application, the focus on those staff who achieve will help to incentivize them and encourage better performance from those who need to improve.

SBA results for reading language arts and mathematics for whole grade groups over five years

Grades 3 through 8 and 10 and 11										
	Reading/Language Arts					Mathematics				
	2009-10	2010-11	2011-12	2012-13	2013-14	2009-10	2010-11	2011-12	2012-13	2013-14
	N/%	N/%	N/%	N/%	N/%	N/%	N/%	N/%	N/%	N/%
Grade 3	134/66	132/59	146/63	133/69	140/60	134/68	132/61	146/66	133/69	140/62
Grade 4	140/46	147/56	133/57	142/45	128/56	140/26	147/45	133/50	142/41	128/54
Grade 5	148/63	144/47	147/65	131/46	145/59	148/38	144/31	147/49	131/31	145/56
Grade 6	144/38	152/50	145/48	141/55	130/44	144/36	152/43	145/32	141/46	130/27
Grade 7	177/37	176/43	168/46	163/42	163/57	177/28	176/26	168/35	163/25	163/33
Grade 8	181/55	169/45	167/50	159/53	172/52	181/41	169/39	167/35	159/34	172/25
Grade 10	--	--	163/43	141/36	145/34	--	--	163/33	141/20	145/22
Grade 11	147/54	183/47	156/47	155/58	134/55	147/26	183/32	156/35	155/37	134/35

Criteria for the incentive pay program

Our incentive program will be based on rewarding teachers, regardless of evaluation group, and principals for their performance within the NMTEACH system, as well as all school employees for the general performance of the school. This follows several models currently in use around the nation where there is a combination of cumulative and tiered rewards. The amount of incentive pay for Pojoaque Valley School District will be established at two levels – one for the individual and one for the school team such that an individual teacher and principal can also be eligible for both personal awards as well as an award given to each school to be awarded to all individual staff in the school.

The total cost, based on the 2013-2014 school year data, would be \$341,550.00. This is the amount that Pojoaque Valley Schools seeks through this application of which the school district is pledging

\$20,000.00 from its cash reserve. We believe that these amounts meet the distribution amounts as specified in the application instructions.

The measures that determine eligibility for incentive pay will include the performance of teachers, regardless of evaluation group, and principals on the entire NMTEACH evaluation system for the year in question, which include summative student achievement data as described and presented by NMPED in the form of status of students and their percent of proficiency and the Value Added Model results for individual teachers as presented by NMPED. The Value Added Modeling as presented by NMPED isolates the effect of a specific teacher, groups of teachers, or the school as a whole by controlling for other influences such as personally identifiable information. Because this system requires a great deal of data sophistication, the district will rely on the use of data as presented by NMPED so that there are no confounding influences between what the state and the school district generate. In other words, these data will rely on the summative NMTEACH Evaluation report generated by NMPED.

The incentives for individuals and individuals on school teams are based on best practice generated by other systems around the nation. It is hoped that individual level awards will lead to increased performance on the part of the individual who has sole responsibility over his or her classroom and also encourage the best employees to stay in the school district while putting implicit pressure on lower performing employees to improve. However, we must also avoid a recognized pitfall that rewarding a teacher for his or her individual performance is contrary to the highly collaborative nature of teaching and may even reduce the incentive to cooperate with others.

Individual team-based systems are also important as we must recognize the entire school staff – which would include custodians, secretaries, instructional assistants, teachers, and principals for their hard

work in making the school a special, inviting, and high performing place. According to best practice, this tends to promote social cohesion, feelings of fairness and productivity norms. There is evidence that under this part of the incentive structure, while the performance of lower ability staff improves, the performance of higher ability staff tends to decline. We must guard against that by acknowledging that the reward depends on performance of the entire group – everyone at their level. This part of the system does not take into account any variation in ability like the individual part of the system does for teachers and principals.

Incentive pay structure

The model presented by Pojoaque Valley School District consists of two parts -- where teachers, regardless of evaluation group, and principals, based on their NMTEACH performance – defined as individual effectiveness using status and growth components are eligible for one portion, while the second part advocates that all staff within the school are eligible for the award based on the general school performance based on the school report card grade.

The individual performance–based system will rely on three structural elements

1. Unit of Accountability: The individual, whose performance is being measured based on the results of the most current NMTEACH evaluation result,
2. Measures of performance: The input and output measures used to evaluate performance based on the results of the most current NMTEACH evaluation result; and,
3. Incentive eligibility: The scope of staff that is eligible to participate in the performance–based system. In the Individual Performance-Based system, this is limited to teachers and principals.

The school team performance-based system will rely on three structural elements

1. Unit of Accountability: The entire school, whose performance is being measured based on the results of the most current NMPED School Report Card.
2. Measures of performance: The input and output measures used to evaluate performance based on the results of the most current NMPED School Report Card; and,
3. Incentive eligibility: The scope of staff that is eligible to participate in the performance –based system. In the School Team Performance-Based system, this is will include all school staff. All school staff will share in the incentive award if a school receives an A or B letter grade on the most current School Report Card grade.

Focus on student achievement

Performance-based pay rewards instructional staff for student achievement, as measured by standardized test scores and the use of the Value Added Model. This system, while recognizing the teacher and principal's role in increasing student achievement, does not reward additional responsibilities and duties although those are covered in the Exemplary or Highly Effective category of the NMTEACH evaluation plan by acknowledging teachers for their increased responsibilities and advancement on the three tiered licensure system.

The US Department of Education and the NMPED have increased emphasis on the use of Value Added Model in the teacher evaluation system as well the school grading system. Value Added analysis uses multiple years of student performance data to determine projected growth trajectories of individual students and to isolate the effects of the assigned teacher.

It is important to note that Value Added Modeling measures appear to be among the most common type of measure used in pay for performance models. Research indicates a concern regarding the Value Added Modeling for its assumption that curricula are vertically aligned to allow for accurate assessments of student growth over a multi-year period. Pojoaque Valley School District has addressed this concern by developing and writing Kindergarten through 8 Reading Language Arts and Mathematics Pacing Guides based on Common Core State Standards and indicating spiraled quarterly skills within and between grades. We are developing grades 9 through 12 during the 14-15 school years. This then is the aligned and assessed curriculum.

Budget overview

Award amount

This plan attempts to meet or exceed the requirements of the application. Incentive pay for high performing teachers and principals, as well as schools, varies among districts and states. While there does not seem to be a consistent methodology by which program developers determine the appropriate amount of incentive, our model uses fixed dollar amounts and partial incentives as well as individual and group awards. Partial incentives are based on the degree of success in meeting the established criteria -- such as a teacher's or principal's overall evaluation result, which has to be exemplary or highly effective, will be eligible for an amount of the award, while an entire school's award will be based on the school grade. For instance, staff members would be eligible for the full Team-Based incentive if the school received an A and a partial amount if the school received a B.

A final detail of the Pojoaque Valley School District incentive plan includes a commitment by principals, teachers and other staff to stay at the school for two years following receiving an incentive and have the classrooms and/or school serve as models.

Individual awards (based on data described above) model

Group	Exemplary receives 100% of award	Highly Effective receives 90% of award
Principal	\$7,500.00	\$6,750.00
Asst. Principal	\$6,000.00	\$5,400.00
Teacher	\$5,500.00	\$4,950.00

Based on the results of the NMTEACH Summative Evaluation Results, if this incentive were in effect today, Pojoaque Valley Schools would need:

Principals and Assistant Principals

	Number	Cost per person	Total Cost
Exemplary Principal	3	\$7,500.00	\$22,500.00
Highly Effective Principal	1	\$6,750.00	\$6,750.00
Exemplary Asst. Principal	2	\$6,000.00	\$12,000.00
		Total	\$41,250.00

Teachers

	Number	Cost per person	Total Cost

Exemplary	2	\$5,500.00	\$11,000.00
Highly Effective	28	\$4,950.00	\$138,600.00
		Total	\$149,600.00

Total cost for the individual performance-based award: \$190,850.00

School-team performance-based awards: based on results of most recent NMPED school report card grade model

Group	A Grade receives 100% of award	B Grade receives 90% of award
Principal	\$2,000.00	\$1,800.00
Asst. Principal	\$1,500.00	\$1,350.00
Teacher	\$1,500.00	\$1,350.00
Instructional Assistants	\$1,000.00	\$900.00
Secretaries	\$1,000.00	\$900.00
Custodians	\$1,000.00	\$900.00
Other Staff	\$1,000.00	\$900.00

Based on the results of the 2013-2014 NMPED School report Card Grades, Pojoaque Valley Schools had two “B” Schools. If this incentive were in effect today, Pojoaque Valley Schools would need:

Elementary School – “B” Grade 90% award

Group	Count	Cost per person	Total Cost
Principal	1	\$1,800	\$1,800
Assistant Principal	1	\$1,350	\$1,350
Other Staff	8	\$900	\$7,200

Secretaries	3	\$900	\$2,700
Instructional Assistants	16	\$900	\$14,400
Teachers	36	\$1,350	\$48,600
Total Cost			\$76,050

High School – B Grade 90% award

Group	Count	Cost per person	Total Cost
Principal	1	\$1,800	\$1,800
Assistant Principal	1	\$1,350	\$1,350
Other Staff	16	\$900	\$14,400
Secretaries	5	\$900	\$4,500
Instructional Assistants	6	\$900	\$5,400
Teachers	31	\$1,350	\$41,850
Custodians	6	\$900	\$5,400
Total Cost			\$74,700

Total cost for the school-team performance-based awards: \$150,750.00

Total cost, based on the 2013-2014 school year data, would be \$341,550.00. This is the amount that Pojoaque Valley Schools seeks through this application of which the school district is pledging \$20,000.00 from its cash reserve. We believe that these amounts meet the distribution amounts as specified in the application instructions.

References:

1. “Pay for Performance Models for Teachers and Administrators.” Hanover Research, February 2012.
2. “Application for Grants: Louisiana Department of Education.” U.S. Department of Education, p. 38. <http://www2.ed.gov/programs/teacherincentive/apps/a100109.pdf>

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17. Massachusetts Department of Elementary and Secondary Education. "Application for New Grants Under the Teacher Incentive Fund Program. CFDA #84.385A. PR/Award #S385A100151." 6 July 2010. P. e1.

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19. Duval County Public Schools. "Application for Grants Under the Teacher Incentive Fund Program. CFDA #84.285A. PR/Award #385A100121." 6 July 2010, p. e1.
20. Round Rock Independent School District. "Application for New Grants Under the Teacher Incentive Fund Program. CFDA #84.385A. PR/Award #S385A100065." 6 July 2010, p. e3.
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