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**FILE**

State of Alaska  
**OFFICE OF THE GOVERNOR**

**Frank H. Murkowski**  
Governor  
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**NEWS RELEASE**



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Governor Proposes Incentives for School Staff to Raise  
Student Achievement

(Juneau) -- Governor Frank H. Murkowski will introduce bills in the House and Senate to establish monetary incentives for staff at public schools to significantly improve student academic performance.

"The Alaska School Performance Incentive Program is intended to encourage everyone on a school's staff to collaborate and take shared responsibility for all students, use instructional time effectively, and use the results of standards-based assessments to target students' academic needs," said Education Commissioner Roger Sampson.

The program will award bonuses to a school's administrators, teachers and support staff if a substantial number of students show more than a year's academic growth as measured by scores on the state's standards-based assessments. Some school district central office staff may receive a bonus as well.

The bonuses, which are not part of an employee's base pay, will range from \$2,500 to \$5,500 for certificated staff and \$1,000 to \$2,500 for non-certificated staff. There will be several levels of bonuses, based on how much growth students have shown.

"The performance incentive program will inspire and empower Alaska's outstanding educators to use their expertise and innovative instructional practices to improve student growth and achievement," Murkowski said. "This program will enhance Alaska's teacher recruitment efforts, raise accountability by linking the incentive payments directly to increased levels of student achievement, and promote effective instruction."

To determine whether a school's staff is eligible for bonuses, each student's test score will be placed in one of six categories: advanced, proficient, below proficient plus, below proficient minus, far below proficient plus, and far below proficient minus.

At the end of every school year, the state will compare each student's performance with his or her performance the year before, as shown by the six categories. Schools will receive various points for students based on whether a student moved up or down in the categories or stayed in the same one.

The points for a school's students will be totaled and then divided by the number of students to produce a school score. The score will be applied to an index that has several levels. The higher the score, the larger the bonus. Schools that show only a year's growth or less will not receive bonuses.

"The program meets a need in Alaska schools for accountability," Commissioner Sampson said. "The money is directly linked to increasingly high levels of student learning. The program provides an incentive for a school's staff to work differently and creatively."

The proposed program differs from merit pay, an idea that has had a mixed reception in other states. Merit pay programs often pitted staff against one another; thus, in order for one to win, others must lose. Such programs hindered cooperation and collaboration.

- Alaska's incentive plan awards bonuses for student growth, even if students aren't yet proficient. Therefore, every school has an equal opportunity to win a bonus.
- Alaska's plan applies to all school staff.
- The targets for school achievement are clear and objective.

The cost will depend on how many people earn bonuses, and on details of the point system and the index, which will be set in regulation by the State Board of Education & Early Development.

A fiscal note prepared by the Department of Education & Early Development estimates the range of what the program could cost. For example, if 5 percent of the state's school staff members won the highest level of bonus, it would cost nearly \$3.1 million. If 25 percent of the state's school staff members won the highest level of bonus, it would cost about \$15.4 million.

**More information:** At the Department of Education & Early Development, contact Les Morse, Director of Assessment & Accountability, 465-8691; or Eric Fry, Information Officer, 465-2851.

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## **School Performance Incentive Program**

**Goal:** To accelerate growth in student achievement.

### **Overview of benefits to Alaska**

1. **Accountability:** money directly linked to high levels of student learning.
2. Promotes effective instruction, staff collaboration, and shared responsibility.
3. Enhances Alaska's teacher recruitment efforts.
4. No-risk program: no performance = no cost.

### **Why is this program different from other bonus programs?**

- Focuses on how the same students(s) performed this year compared to last year – student growth.
- Provides clear targets for meeting success.
- Provides an incentive for ALL school staff to work together, be creative, and design and implement systems to improve student performance.
- Provides a system for policy makers to evaluate school performance.
- Focuses on improving each student's performance from where they currently are to proficiency.

### **Why have other models failed?**

- Not based on individual student growth related to achievement standards.
- Unrealistic or unclear targets for success.
- Competition among staff – some must lose for others to win.
- Excluded building administrators and other school staff.
- The instrument/criteria used to measure success was not reliable and consistent.
- Compensation was not large enough to change behavior.

### **What will be the outcomes from this program?**

- Ownership of instruction and results by all school staff resulting in less turf guarding.
- Incentive to work differently and create partnerships that will result in more than a year's growth in learning for students.
- Cause creative and effective use of instructional time in schools – scheduling the school day and year with a focus on higher levels of student learning.
- Accountability and incentive to cause students to reach proficiency and higher levels of advanced achievement.



## **School Performance Incentive Program**

**The bottom line:** The program will award bonuses to a school's administrators, teachers and support staff each year that its students show more than a year's academic growth. In some cases, school district central office staff will receive bonuses as well.

### **How growth is measured:**

1. Each student's score on state standards-based assessments will be placed in one of six achievement categories: advanced, proficient, below proficient plus, below proficient minus, far below proficient plus, and far below proficient minus.
2. Each student's performance will be compared with his or her performance the previous year. Schools will earn various points based on whether a student moves up or down in the categories or remains in the same one.
3. The points will be totaled, and then divided by the number of students in the school to produce a school score. That score will be applied to an index that has several levels.
4. The higher the points, the larger the bonus, up to the maximum set in law. Schools that do not show progress will not earn a bonus.

### **Cost:**

1. Bonuses will range from \$2,500 to \$5,500 for certificated staff (administrators and teachers) and \$1,000 to \$2,500 for noncertificated staff (support staff such as aides and custodians). School district central office staff, except for superintendents, who play a significant role in a school's growth will be eligible for bonuses of up to \$5,500.
2. The cost will depend on how many people earn bonuses, and on details of the point system and the index, which will be set in regulation by the State Board of Education & Early Development.
3. A fiscal note prepared by the department estimates the range of what the program could cost. For example, if 5 percent of the state's school staff members won the highest level of bonus, it would cost nearly \$3.1 million. If 25 percent of the state's school staff members won the highest level of bonus, it would cost about \$15.4 million.

## Alaska School Performance Incentive Program

### *Measuring Individual Student Achievement*

January 11, 2006



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### *What is the Program?*

School Performance Incentive Program

- Performance incentive pay for improved student achievement
- Entire staff in a school receive incentive (all or none)
- Target based on growth, or sustained advanced performance of student achievement
- All schools qualify if they meet growth target
- Based on a reliable tool aligned to the Grade Level Expectations
- Program is unlike merit pay programs which cause conflict rather than cooperation

January 11, 2006



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### *Why have the Program?*

School Performance Incentive Program

- Accelerate growth in student achievement
- Stimulate the educational system by using a proven private sector concept
- Utilize and empower expertise within the schools to work together for the benefit of Alaska students
- Increase return on Alaska's investment in public schools

January 11, 2006



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## ***Benefits***

School Performance Incentive Program

- No risk program: no performance = no cost
- Create a strong workforce for Alaska
- Enhance teacher recruitment efforts
- Accountability: directly linked to high levels of achievement
- Promote collaboration, effective instruction and spread responsibility across grade levels and content areas
- Involve all staff: currently in large high schools only 15% of staff are responsible for reading, writing and mathematics

January 11, 2008



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## ***Why Measure Growth?***

School Performance Incentive Program

- Focus on individual student learning
- Expect high performing and low performing students to grow in achievement
- Provide visible and objective targets to meet
- Incentive for all school staff to team together, think creatively, and design systems to improve student performance
- Evaluate school performance
- Focus is on improving each student from where he or she is to proficiency and beyond

January 11, 2008



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## ***How Growth is Measured***

School Performance Incentive Program

- How did "Student: A" do in the current year compared to the previous year
- How did all of the students perform within the school
- Did the school demonstrate growth based on a comparison of the same individual students from current year to the previous year

January 11, 2008



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## Value Table

School Performance Incentive Program

Performance Level	Current Year Level					
	Far Below Prof. Min.	Far Below Prof. Plus	Below Proficient Min.	Below Proficient Plus	Proficient	Advanced
Level A	D	100	170	200	220	220
Level B	D	80	140	170	200	200
Level C	D	60	90	140	180	180
Level D	D	40	50	90	140	150
Level E	D	0	20	50	100	130
Level F	D	0	20	50	100	110

Values may change as a result of 2014 state teacher, public input, and State Board regulations.

January 11, 2016




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## Computing Index

School Performance Incentive Program

Student	Last Year	Current Year	Points
Student A	Proficient		
Student B	Below Prof. Min.		
Student C	Advanced		
Student D	Below Prof. Plus		
Student E	Far Below Prof. Plus		
Student F	Proficient		
Student G	Far Below Prof. Plus		
Student H	Below Prof. Min.		
Student I	Below Prof. Plus		
Student J	Advanced		
School Index Score			

January 11, 2016




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## Computing Index

School Performance Incentive Program

Student	Last Year	Current Year	Points
Student A	Proficient	Advanced	
Student B	Below Prof. Min.	Below Prof. Min.	
Student C	Advanced	Proficient	
Student D	Below Prof. Plus	Far Below Prof. Plus	
Student E	Far Below Prof. Plus	Below Prof. Min.	
Student F	Proficient	Below Prof. Plus	
Student G	Far Below Prof. Plus	Below Prof. Plus	
Student H	Below Prof. Min.	Below Prof. Plus	
Student I	Below Prof. Plus	Below Prof. Plus	
Student J	Advanced	Advanced	
School Index Score			

January 11, 2016




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## Computing Index

School Performance Incentive Program

Student	Last Year	Current Year	Points
Student A	Proficient	Advanced	130
Student B	Below Prof. Min.	Below Prof. Min.	90
Student C	Advanced	Proficient	100
Student D	Below Prof. Min.	Below Prof. Min.	10
Student E	Ex. Below Prof. Min.	Below Prof. Min.	140
Student F	Proficient	Below Prof. Min.	90
Student G	Ex. Below Prof. Min.	Below Prof. Min.	170
Student H	Below Prof. Min.	Below Prof. Min.	140
Student I	Below Prof. Min.	Below Prof. Min.	90
Student J	Advanced	Advanced	110
School Index = 972			10.70/10 = 903

January 11, 2008




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## Performance Levels

School Performance Incentive Program

Growth Index Level	Index Point Value
Strong	102-104.99
High	105-107.99
Excellent	108-109.99
Outstanding	110 and Greater

Multiple levels provide greater incentives and achievement gradations, but recognize that growth is achievement.

January 11, 2008




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## Performance Level Incentive

School Performance Incentive Program

Level	Certificated	Non-Certificated
Strong	\$2,500	\$1,000
High	\$3,500	\$1,500
Excellent	\$4,500	\$2,000
Outstanding	\$5,500	\$2,500

Multiple levels provide greater incentives and achievement gradations, but recognize that growth is achievement.

January 11, 2008




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## ***Expected Outcomes***

School Performance Incentive Program

- All staff have ownership of instruction and share responsibility for results
- Incentive to work differently, embrace innovation and create partnerships to improve student achievement
- Accountability and incentive to cause all students to reach proficiency and higher levels of advanced achievement

January 11, 2006



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## ***Why Other Models Fail***

School Performance Incentive Program

- Not based on student growth
- Unrealistic targets
- Conflict among staff: Some must lose for others to win
- Exclude building administrators
- Instrument used to measure is not reliable and consistent
- Compensation not large enough to provide incentive for change
- Weak commitment to the program

January 11, 2006



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## ***What Lies Ahead***

School Performance Incentive Program

- The final target or value table will be established by examination of 2005 to 2006 assessment results to create a baseline
- Once the incentive program is in place, then motivation exists to accelerate academic achievement beyond a year's growth
- The cost of the program will vary from year to year

January 11, 2006



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**School Performance Incentive Program**

- Based on growth in student achievement
- Empowers expertise of educators and school personnel
- Includes all staff: all make it or no one makes it
- Based on an understandable system

Form 11-718



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