

Bibliography

Financial Issues



Alternative compensation programs must be financially feasible and sustainable. This annotated bibliography contains publications that highlight a variety of financial issues, including lessons learned from other alternative compensation programs.

This bibliography presents findings from a thorough scan of the literature. CECR does not necessarily promote the ideas shared in the publications but seeks to present the reader with a comprehensive list of recent relevant publications on various subtopics of compensation reform.

Each citation includes the following information:

- The title, author, source, and date of publication
- The publication type—CECR has typed each publication according to one or more of the following eight publication types.
 - **Scientific research:** Peer-reviewed reports on quantitative or qualitative research
 - **Rigorous research:** Peer-reviewed reports on research of a more general nature
 - **Case study:** Systematic reviews of one or more individual compensation reform initiatives
 - **Policy paper:** Reports on public policies affecting educator compensation reform
 - **Issue paper:** Brief overviews of specific educator compensation reform topics of interest that might prove useful to those implementing such programs
 - **Information guide:** Practical suggestions for implementing educator compensation reform programs
 - **Literature review:** Systematic evaluations of educator compensation reform research or reflections on the current state of the art
 - **Perspective piece:** First-person reflections offering perspective or personal experience with educator compensation reform programs
- A link to the publication if it is electronically available
- An abstract of the publication

Building Systems to Recognize Teachers of Excellence: Lessons From the Ohio Teacher Incentive Fund

Author(s): Raue, K., MacAllum, K., & Ristow, L. Date: 2008

Source: Ohio Teacher Incentive Fund, Issue Paper #2

Type: Literature review

Full text: <http://education.ohio.gov/GD/DocumentManagement/DocumentDownload.aspx?DocumentID=62741>

Abstract: This issue paper discusses lessons learned through the implementation of the Ohio Teacher Incentive Fund (TIF) grant. The TIF grant is currently being implemented in four districts: Cincinnati, Cleveland, Columbus, and Toledo. Each district has a distinct program that is designed to fit its needs. As a result, obstacles in the implementation of the grant have arisen in each site. This issue paper discusses five of the most common issues the Ohio TIF has overcome and shares lessons learned with readers. The issue areas include communication, program adaptation and operation, incentives and motivation, measures and data systems, and sustainability. The issue paper also includes a deeper look at each of the districts and the steps they have taken to address the obstacles they have encountered. All of the areas discussed are important for the successful implementation of a performance-based compensation program.

Financing Schools for High Performance: Strategies for Improving the Use of Educational Resources

Author(s): Odden, A. R., & Busch, C. Date: 1998

Source: San Francisco: Jossey-Bass

Type: Policy paper

Full text: URL not available

Abstract: This book is a discussion of the need for money in improving achievement at the school and district levels. The book also details the distribution of the education dollar historically, how the distribution of moneys can be done more fairly, and how the education dollar can be used for greater impact. The book concludes by presenting alternatives to current funding systems.

Frozen Assets: Rethinking Teacher Contracts Could Free Billions for School Reform

Author(s): Roza, M. Date: 2007

Source: Washington, DC: Education Sector

Type: Policy paper

Full text: http://www.educationsector.org/usr_doc/FrozenAssets.pdf

Abstract: This policy paper provides a cost-benefit analysis of several aspects of the typical teacher contract. Roza argues that a reallocation of funds away from certain pieces of standard teacher contracts would help alleviate the scarcity of resources currently at play in American public education. In the author's own words, "Money spent on seniority-based raises and generous health plans for more veteran teachers might be better used for raising minimum salaries to recruit younger educators who meet high teaching standards" (p. 1). Of the contract stipulations examined, salary increments based on years of experience and costs associated with class-size reduction policies would yield the greatest returns. When taken together, the eight contract areas would, if reformed, free up roughly \$77 billion per year.

Making Schools Work: Improving Performance and Controlling Costs

Author(s): Hanushek, E. A. Date: 1994

Source: Washington, DC: The Brookings Institution

Type: Policy paper; literature review

Full text: URL not available

Abstract: This book presents education reform plans that rely on economic principles. Panelists whose focus was on both economics and education claim school improvement can be achieved when reform efforts incorporate three principles: efficient use of resources, performance incentives for teachers and students, and the continuous learning and adaptation of schools. The book suggests that the importance of schools makes it a necessity for their reform to be guided by economic ideals.

Recognizing Differences: Let's Reward the Good Teachers

Author(s): Solmon, L. C. Date: 2005

Source: Education Next, 1

Type: Literature review

Full text: http://media.hoover.org/documents/ednext20051_16.pdf

Abstract: In this piece, the author makes a strong case in favor of the Teacher Advancement Program reforms. Solmon argues that the reforms would cost less money overall and also would increase salaries. He also explains that by rewarding teachers for outcomes and gains, including nonacademic goals and measuring and crediting classroom skills, teachers would be rewarded appropriately for their performance and would be more likely to learn and improve.

Rewarding Teacher Excellence: A Teacher Compensation Handbook for State and Local Policy Makers

Author(s): Odden, A., & Wallace, M. Date: 2007

Source: Madison, WI: Consortium for Policy Research in Education, Wisconsin Center for Education Research, University of Wisconsin–Madison

Type: Policy paper; information guide

Full text: [http://cpre.wceruw.org/publications/TComp%20Handbook%20Feb%2028%2007%20Final%20\(3.05.07\).pdf](http://cpre.wceruw.org/publications/TComp%20Handbook%20Feb%2028%2007%20Final%20(3.05.07).pdf)

Abstract: This handbook is designed to answer various questions regarding teacher compensation. It includes discussions of salary schedules, including how to determine beginning and average salaries; bonus program structure, implementation, and sustainability; and performance measurement. The handbook is designed for state and local policymakers.

Rush to Judgment: Teacher Evaluation in Public Education

Author(s): Toch, T., & Rothman, R. Date: 2008

Source: Washington, DC: Education Sector

Type: Policy paper; literature review; information guide

Full text: http://www.educationsector.org/usr_doc/RushToJudgment_ES_Jan08.pdf

Abstract: This report examines the necessity for high-quality teacher evaluation in making the teaching profession competitive and market driven. The article provides examples of what comprehensive evaluations look like in comparison to less rigorous evaluations and the importance of having multiple measures in teacher evaluations. In addition, this report provides examples of evaluations in practice, particularly at sites where teacher evaluations influence teacher compensation. Finally, the article offers recommendations to administrators looking to implement teacher evaluations. These recommendations include a blended approach to analyzing teacher effectiveness as well as important components in successful teacher evaluations.

School Funding's Tragic Flaw

Author(s): Carey, K., & Roza, M. Date: 2008

Source: Washington, DC: Education Sector and the Center on Reinventing Public Education

Type: Policy paper; information guide

Full text: http://www.crpe.org/cs/crpe/download/csr_files/pub_crpe_disp_may08.pdf

Abstract: This article identifies the disparity in public school funding in similar districts in two states. The districts are similar in size, poverty level, and most other demographics; however, one district receives considerably more funding than the other. The authors attribute this disparity to a couple of factors, including the federal government allocating more per student funding to wealthier states; the lack of state policies to regulate wealthier districts raising local funds to increase per student spending and teacher wages; and at the local level, the tendency to have less experienced and less expensive teachers at high-poverty schools, thereby creating the illusion that the per school expenses are less and therefore less local funding is necessary.

Show Me the Money!

Author(s): Hopkins, G. Date: 1997

Source: *Education World*

Type: Policy paper; information guide

Full text: http://www.educationworld.com/a_admin/admin/admin001.shtml

Abstract: This brief article focuses on teacher pay reform in the education system. Through a review of literature, the author suggests that secure funding is an important step to implementing and continuing performance pay compensation reforms. The article points toward a few case site examples that support this. It also suggests 10 keys to success of performance pay programs, based on a review of the literature.

The Varieties of Knowledge and Skill-Based Pay Design: A Comparison of Seven New Pay Systems for K–12 Teachers

Author(s): Milanowski, A. Date: 2003

Source: *Education Policy Analysis Archives*, 11(4)

Type: Policy paper; case study

Full text: <http://epaa.asu.edu/epaa/v11n4/>

Abstract: This article describes qualitative research on seven “pioneer” knowledge- and skill-based pay programs. A theory of action, which links teacher motivation, type of incentives, and other factors to student achievement, guided the study. First, the author discusses the advantages of knowledge- and skill-based pay programs. Second, he develops seven dimensions to structure the analysis and comparison of the programs, including motivation for program development, the design process, types and structures of reward, assessment of skills acquisition, size and structure of knowledge and skills incentives, alignment of other human resource programs, and cost and funding. Third, case study site visits of six school districts and one charter school informed and supported a cross-site analysis. The results showed that although the districts had different reasons for implementing the skill-based pay systems, the author identifies several lessons learned: (1) the programs retained seniority and degrees, such as factors for pay increases; (2) teachers associations did not summarily dismiss changes in the pay structure; (3) the use of preexisting standards will facilitate adoption of a new pay system; and (4) the transition to a knowledge- and skill-based pay system can be of low cost.