Denver Public Schools

Denver Public Schools (DPS) proposes a two-fold districtwide expansion of its Professional Compensation System for Teachers (ProComp), a teacher compensation system with broad staff and community support that directly links teacher compensation to student achievement and has proven effective in increasing student achievement in a four-year pilot program. First, DPS will develop, implement, and evaluate a performance-based compensation system for principals (with New Leaders for New Schools NLNS). Second, DPS will strengthen its professional development, information, technology, and student assessment systems to ensure consistent and rigorous implementation.

Needs Assessment Results and General Information

DPS is a high-need urban school district serving over 75,000 students. Of these, 66 percent qualify for free and reduced-price lunch; 18 percent are English language learners; and 77 percent are minorities. Of the district's 146 schools, 130 are designated "high-need." DPS has improved the graduation rate from 46.8 percent at the time the grant was awarded to 52 percent for 2008-2009. Recent state assessment scores have also improved. Today, 47 percent of students are proficient in reading versus 43 percent when the grant was awarded. Similarly, 36 percent are proficient in writing compared to 30 percent, and 37 percent (versus 36 percent) are proficient in math. Performance declines as students get older, but the gap between DPS and the state average is not growing. DPS currently employs 223 administrators and 4,550 teachers. Attrition has declined since the grant was awarded, with DPS filling approximately 20-30 administrative and 500 teaching positions each year.

Background

The DPS Board of Education and the teachers' union approved Teacher ProComp in March 2004; Denver voters approved the initiative in November 2005, and DPS then began implementation on a voluntary basis. All teachers hired after January 2006 are required to participate, with full implementation of the program in the 2006-2007 school year. The district has expanded its pay-for-performance program to include the development of principal components; DPS issued its first incentive payment for principals in September 2007. The new system aligns with Teacher ProComp and bases pay increases on accomplishments in four areas: demonstrated student learning, demonstrated classroom/school performance, the acquisition and demonstration of new knowledge and skills, and commitment to working in high-need schools and hard-to-staff assignments.

Incentives

Administrators can earn bonuses under the Administrator Incentive Compensation Program for

Location(s)	Denver, Colorado
Award Date	November 2006
Duration	5 years
Partners	New Leaders for New Schools (NLNS)

implementing their school improvement plan, market incentives, student growth, and effective practices documentation. Incentives are a flat dollar amount, although a percentage of the bonus payments increases an administrator's salary. Though Principal Incentive Compensation was instituted districtwide, only the schools that serve at least 30 percent of students who qualify for free and reduced-price lunch (130/146 schools) will benefit from grant funding. All district principals and assistant principals participating will have the opportunity to earn differentiated compensation in the form of annual, pensionable bonuses resulting from accomplishments in the areas listed above. A summary chart with information about the incentives is shown below.

Evaluation

Evaluation measures include state and district student assessments, teacher and principal appraisals and surveys, public reporting, increased high-quality professional development, retention, and ongoing evaluation of the entire system. Overall project evaluation includes both quantitative and qualitative measures, including student achievement analysis; recruitment, development, and retention analysis; compensation program development, implementation, and refinement, as well as continuous feedback and improvement; and participation in a rigorous national evaluation.

Resources

DPS will use grant and matching funds to support project activities. At the end of the grant, DPS will assume full district funding for the administrator incentive compensation program. ProComp, Denver's Teacher performance-pay system, is not funded by TIF dollars. ProComp is funded by a mill levy tax.

Data Systems

The district will continue to develop and implement Web-based systems to support assessment and

Element	Description	Approx principal incentive	Approx AP incentive
Hard-to-Serve Schools	Earned by administrators in schools with the highest percentages of students qualifying for Free or reduced-price lunch: HS (75% FRL); MS (85% FRL); K8 (87% FRL); ELEM (87% FRL); All Provision II Schools; All Alternative Schools.	$6,000	$4,500
Top-Performing Schools	Earned by administrators in schools demonstrating the greatest overall percentage of overall points earned on the School Performance Framework. Award to schools identified as distinguished or accredited.	Distinguished: $10,000 Meets Expectations: $6,000	Distinguished: $7,500 Meets Expectations: $4,500
High-Growth Schools	Earned by administrators in schools demonstrating the greatest percentage of growth points earned on the current year's School Performance Framework.	$5,500	$4,125
School Improvement Plan (SIP) Implementation	Earned by administrators in schools demonstrating successful implementation of three key strategies outlined in the SIP.	Exceeds: $3,375 Meets: $2,125	Exceeds: $2,535 Meets: $1,600
Effective Practices Documentation	Earned by administrators in schools that create a body of evidence and artifacts documenting their best practices to be used by other schools. Schools with qualifying practices will be self-nominated or chosen by the District. EPIC schools eligible for principal and assistant principal incentives, as well as a school-wide stipend to be provided to teachers in EPIC schools.	Tier 1: $10,000 Tier 2: $7,500 x # of EPIC schools Administrator has FTE assigned to.	Tier 1: $7500 Tier 2: $4,875 x # Schools Teacher Schoolwide Stipend Tier 1: $3,000 Tier 2: $1,500

performance metrics, as well as systems to support and track ProComp and performance-based principal compensation.

Year 3 Activities

Denver Public Schools (DPS) continues to move forward with its ground-breaking incentive compensation system. In the third year of the grant, the project has matured significantly, focusing on project implementation and evaluation of project goals. Key accomplishments include:

Demonstrated progress toward the goal to develop, implement, and evaluate a performance-based compensation system for principals. The Executive Leadership Committee assumed policymaking authority, expanding to include members of the Principal Design Committee, and assumed oversight of principal incentives. The Executive Leadership Committee recommended several changes that were approved by the Department of Education and implemented during year 3:

- Refinements to the program based on learnings from the initial phase of the grant;
- Further aligned the program with changes to ProComp, Denver's nationally recognized teacher performance pay program. ProComp changes were negotiated as part of a three-year agreement concluded in August 2008;
- Change to drive the overall goals of the TIF grant of attracting and /retaining high-performing principals in order to improve student achievement.

Payments under the Administrator Incentive program continued. With the support of DPS's Leadership Development organization and New Leaders for New Schools (NLNS), all 20 EPIC schools have completed their work. Incentive payments for this component were made in May 2009. In June 2009, payment was made to administrators who served in hard-to-serve schools. Payments for the top-performing, high-growth, and SIP incentives for the 2008-2009 school year will be made in September 2009.

Administrator incentives paid in the third year of the grant were funded by TIF and DPS, with an increasing amount funded by DPS. DPS moved closer to sustainability of the incentive payments by allocating a portion of savings from a significant refinancing of its pension obligations to fund future administrator payments.

During year 3, DPS completed many tasks aligned with strengthening professional development, information technology, and student assessment systems:

- Conducted a student growth objectives (SGO) quality review. Thirty building administrators participated in workshops during year 3. They used the SGO rubric to rate the overall quality of the content and rigor of a random sample of literacy and math student growth objectives for 400 elementary and secondary teachers. Sixty percent of SGOs were Acceptable or Excellent. The group identified a set of protocols, assessment, best practices documents, and SGO samples for the SGO Toolkit, which will be used during the 2009-2010 school year.
- Dr. Ed Wiley, the program evaluator, progressed with a multi-level value-added analysis of student achievement data as well as with longitudinal and cross-sectional survey analysis.
- Continued to refine and expand benchmarks and end-of-course assessments for reading, writing, and math in grades 2-10 as appropriate. This work involves refinement of existing measures and the addition of new calculations.
- Launched a principal incentive compensation Web site and a principal leadership Web site to assist with communicating the program to current and aspiring principals.

- Continued implementation of a robust platform to calculate SPF measures, moving to the Microsoft Business Intelligence Platform. The new platform supports SPF measures and reporting and serves as the basis for teacher and principal school-level incentives.
- Began industry research and gathering of requirements for the purchase of an integrated, off-the-shelf IT Talent Management solution to replace a home-grown compensation system and stand alone systems for Learning Management, Performance Management, and Recruiting.

Outlook for Year 4

In year 4, DPS will continue to focus on systems, processes, evaluation, and refinement of the existing program:

(1) Continuing the evaluation of the program's effectiveness at attracting and retaining high-performing principals to guide further refinements to the program. Studies with the program evaluator, Dr. Ed Wiley, will continue.

(2) Identifying ways in which to more fully leverage the program. One priority is improving the effectiveness of the use of Professional Development Units (PDUs) and improving PDU processes. A second priority is SGOs. SGOs are set annually through a collaborative process between principals and teachers. DPS plans to evaluate the ability of SGOs to systematically advance student achievement and to identify and implement opportunities to improve the SGO process.

(3) Re-engineering the systems and processes supporting the DPS project, including the continued work to select and implement a Talent Management System. The decision to purchase an integrated application was made as part of a broader strategic analysis of DPS's Human Resource Information System needs. This is a major project for the District, with numerous objectives and stakeholders. The talent management system will support not only the limited number of principal payments, but the automation of all incentive pay programs. This work will continue throughout years 4 and 5 of the grant.

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