Pay for Performance: One Part of a Systematic Process for School Improvement

The topic of pay for performance for teachers and principals moved to the forefront when it became a requirement for Race to the Top grants. It is also a requirement for federal Teacher Incentive Fund grants and mentioned in the Obama administration's "Blueprint" for reauthorization of the Elementary and Secondary Education Act.

NDSBA Executive Director Jon Martinson is a member of the Quality Instruction Committee, a subcommittee of the Commission on Education Improvement that has been studying the issue for the past year. He says, "The traditional salary schedule is an outdated relic of days gone by. In this climate of increased teacher accountability and emphasis on student performance, outstanding teachers should be rewarded. With job satisfaction plummeting among educators and salaries lagging behind average salaries of equally educated workers, it's time to make a serious proposal for pay for performance."

Working from guiding principles created jointly by the National School Boards Association, American Association of School Administrators, and National Education Association, the Quality Instruction Committee presented recommendations concerning development of pay-for-performance systems to the full Commission in May. Following are excerpts of their report:

"To improve schools, we need to build and sustain a comprehensive and continuous system of school improvement and organizational growth. Pay for performance may be one component of a continuous improvement system, but it should not stand alone. In order to support the school improvement process, the compensation system must align with the organizational mission and other organizational operations, such as teacher evaluation, professional development and induction.

"Pay-for-performance systems must have well-defined communication procedures, purposeful planning and implementation processes, and must be aligned with organizational goals. Careful communication starts with a broad base of support among teachers, school staff, administrators, school boards, and community members. Successful planning and implementation require a detailed process for ongoing shared decision-making and ownership by the people affected by the pay system."

"The traditional salary schedule may have outlived its usefulness."
Greg Burns, NDEA Executive Director

New Ending Fund Balance for This Year Only

North Dakota received approximately $80 million in federal stimulus money for schools last year, and because of the timing of disbursement, the 2009 legislature amended ending fund balance rules for 2009-10. The ending fund balance cap remains at 45 percent of actual expenditures plus $20,000 but amendments to NDCC 15.1-27-35.3 delineate funds that do not have to be included in a district’s unobligated general fund balance. These funds include:

- Money received by the district as supplemental one-time grants
- Money received by the district during the 2008-09 school year for leasing of lands acquired by the United States for flood control in accordance with 33 U.S.C. 701c-3 that exceeded the amount received by the district during the 2007-08 school year
- Money received by the district directly from the United States government in accordance with the American Recovery and Reinvestment Act of 2009 (this does not refer to foundation aid or one-time state supplemental grants)

Essentially, the legislature gave schools two years to spend down the one-time grant monies. After June 30, 2011, these exceptions will no longer apply.

If you have questions about computing your ending fund balance, contact Jerry Coleman, DPI, at 701-328-4051.
Property Tax Relief Grants

The Department of Public Instruction sent districts the amount of mill levy reduction dollars they will receive for 2010. These grants were computed based on 2009 valuations. Districts should take care in formulating budgets and local levies so as not to go over the 110 local levy maximum without a vote of patrons.

If you have questions regarding the grants, call Jerry Coleman at DPI or view information at: http://dpi.state.nd.us/finance/finance/mill_levy_reduction_grants2010.pdf

DEADLINE ALERTS

- Resolutions must be received in the NDSBA office no later than 4:00 p.m. on Monday, August 16.
- Members interested in serving on one of the NDSBA Annual Convention committees should submit their name by August 2.
- NDSBA dues should be received by July 31.

NDSBA Board Approves Construction of New Facility

As those of you who have visited our office are aware, we are located in an aging facility in downtown Bismarck. We struggle with typical issues inherent in older buildings such as roof and electrical repairs, occasional water in the basement, drains that don’t work consistently, and a workplace for five employees separated on two floors.

Furthermore, as we look to future efforts required to meet ever-increasing needs of our members—including an in-house counsel to supplement Gary Thune’s heavy workload—additional office space is required.

A couple years ago, as we engaged in long-term planning efforts, NDSBA began looking for property on which to construct a new facility. Land in Bismarck can be expensive, so we gave ourselves plenty of time to find an affordable, suitable location. Last year, we found a small piece of property and made a recommendation to the board to purchase it as an investment. It was in our price range, quaint, and easily accessible to those of you visiting from out of town (just south of I-94 on the west part of town). And unlike our current location that has no parking available for visitors who, as a consequence, are required to move their car on Bismarck’s city streets every 90 minutes or park in a ramp across the street, there would be adequate parking!

After discussing the idea with the board, they approved purchase of the property.

At the board’s February 2010 meeting, staff asked for approval to consult with an architectural firm to work on design plans and send them out for bids. The firm we selected, EAPC, is the only local firm that purchases exhibit space at our annual convention. The board approved this request.

To our good fortune, bids came back below the architect’s estimates. Projected cost of the building is $616,000. In May, the board accepted low bids and approved moving forward with a new building. Tentative completion date is November 1, 2010.

Periodic updates, including photos, will be provided in the Bulletin so you can follow progress.

Property Services Renewal Notices

Policy Services membership renewal notices will be mailed to districts this month. Membership is $200 annually and provides access to an online monthly newsletter, sample policies, and policy consultation services.
E lecting a Board President

School boards will be electing a president next month. It is important to remember that your board president sets the tone for the board and, in many cases, represents the board in the community. The choice for president is a critical decision for any board and should not be left to chance or the person picking the “short straw.”

It is an honor to serve as board president and with that honor comes responsibility. Consideration should be given to an individual who exhibits the following strengths:

- Ability to motivate rather than dominate, lead rather than push, facilitate instead of dictate, and listen more than pontificate
- A calm, courteous demeanor when dealing with other board members, administrators, staff, and the public
- Ability to run an orderly meeting by taking charge when necessary to keep things moving in a proper and legal manner

In addition, the president serves as spokesperson for the board, so being tactful and well spoken is essential.

Without proper leadership, a board can spend more time on administrative issues than on vision and planning for the district, academic opportunities, and improving student achievement. An effective board president sets the meeting agenda—remembering the board is a policymaking body and does not deal with day-to-day operations of the district.

More than ever, the relevancy of locally elected school boards is being brought into question. Public schools are being held accountable for increased student proficiency and preparedness. A conscientious president keeps the board’s focus on setting measurable goals to improve student achievement and developing policies that provide an environment for success.

The importance of the job requires the board to evaluate leadership skills of individual members when electing a president rather than choosing by tenure or rotation.

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“The report recommends utilization of the following guiding principles when developing and implementing a pay-for-performance plan:

1. School boards, administrators, and unions/associations should review various models of pay-for-performance plans including research about their effectiveness before developing a plan at the local level.
2. School boards, administrators, and unions/associations should work together to build ongoing community and stakeholder support for both the pay-for-performance plan as well as necessary funding.
3. School boards, administrators, and unions/associations should work together to develop and implement the plan utilizing collective bargaining.
4. In the implementation of the pay-for-performance plan, teachers should be provided assistance including time, curriculum, and professional development to increase student achievement. This implementation should be determined locally.
5. The foundation of the pay-for-performance plan shall be professional-level base salaries.
6. Funding for the plan must be adequate and sustainable.
7. The plan and its requirements should be transparent, easily understood, and applied equitably within each school district.
8. A detailed implementation plan, with agreed-upon benchmarks and timelines, should be developed.
9. The pay-for-performance plan should be based on multiple performance indicators such as, but not limited to, teacher evaluations, student growth, specific goals set by the teacher and/or management, increased responsibilities, and assessments of student learning that are research-based and improve student achievement.
10. All educators who meet the criteria for pay for performance should be compensated accordingly, and pay-for-performance plans should foster collaboration not competition.
11. Evaluations done in conjunction with pay-for-performance plans should be fair, of high quality, rigorous, and take into account multiple measures of student progress.”

NDEA Executive Director Greg Burns, the Commission’s Quality Instruction Committee chairman said the following about alternative compensation plans, “The traditional salary schedule may have outlived its usefulness. While the traditional schedule was easy to administer and understand, it certainly hasn’t led to adequate pay for teachers. In many North Dakota school districts, there are more cells on the salary grid than there are teachers. We need to have deliberative discussions about how much experience is worth, how much additional education is worth, and how much additional skills and duties are worth, all the while recognizing that a new compensation system is going to cost more.”

The full Commission will determine whether it wants to pursue pay for performance and if legislation will be necessary to implement final recommendations.

JUNE 2010
Legal Options for Teacher Recruitment

Teacher recruitment has never been easy in North Dakota but new course requirements, new counselor/student ratios, and escalating retirement of “Baby Boomer” teachers it is more challenging than ever. NDSBA receives numerous calls inquiring about options for recruitment of highly qualified teachers and counselors.

When normal recruitment practices fail, North Dakota law allows school boards two enticement options:

**Signing Bonuses [NDCC 15.1-09-33.1]**
- A board may offer a signing bonus in recruitment of a teacher who was not employed as a teacher in North Dakota during the previous school year.
- The bonus may be paid in one lump sum upon signing a contract or in installments over a period not to exceed three years.
- The bonus is in addition to salary under a negotiated agreement.
- It may not be included in a district's negotiated salary schedule.
- It may not be included as salary for continuing contract purposes or reported as salary for TFFR.

**Paying “Off Schedule” [NDCC 15.1-16-21]**
A board may offer a salary above the negotiated salary schedule under the following circumstances:
- The teaching position is vacant.
- Filling the position is necessary to meet requirements of school approval.
- It is 45 days or less prior to the start of the school calendar or is mid-year and a suitable candidate has not been found.
- The board takes all steps required by DPI including listing the vacancy with Job Service ND, advertising the vacancy in the district's local newspaper, and posting the vacancy in the NDEA database, NDCEL listserv and within the school district.
- The board notifies DPI of the vacancy and steps taken to fill it.
- The board receives DPI's authorization to pay “off schedule.”

These recruitment tools were approved by the North Dakota legislature in response to difficulties many districts face in attracting highly qualified teachers. If you have questions regarding the use of incentives, call NDSBA.

**Convention Committee Members Sought**
Several months prior to each NDSBA Annual Convention, three committees are selected to assist with the convention process. The **Nominating Committee** recommends a slate of candidates to be presented to the Delegate Assembly. A **Credentials Committee** oversees the registration process, reports appropriate numbers to the Delegate Assembly, ensures delegates are properly seated, and counts floor votes when required. The **Ballot Counting Committee** counts ballots and verifies election results.

NDSBA members are encouraged to serve on one of these committees. If you are interested, please call NDSBA by August 2.

**DIRECTOR OPENING**
Roughrider Area Career and Technology Center
(Southwest North Dakota)
Position: Director
Contact: Darrel Remington
701-575-4275
Deadline: Open

Access current vacancies on NDSBA’s webpage at www.ndsba.org. Click “Administrator Vacancies” under “Quick Clicks” on the right side of the page.