

**A Report from the  
Design Team for  
Compensation and  
Career Pathways**

**Submitted to:  
Denver Public Schools and  
the Denver Classroom  
Teachers Association**

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## Introduction

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The Design Team for Compensation and Career Pathways is a group of teachers, and school and central office leaders selected by the Denver Public Schools (DPS) and the Denver Classroom Teachers Association (DCTA). They were charged with engaging in a learning process to determine if there were ways to strengthen the compensation, career pathways and related structures to support recruitment and retention of strong teachers and increase career satisfaction and success within DPS. They undertook this process in anticipation of the need to renew the agreement that governs the district's nationally renowned Professional Compensation System for Teachers (ProComp) as well as upcoming contract negotiations between DPS and DCTA.

Over four months the Team met nine times. Its work involved reviewing research studies, examining compensation and career progression examples from other school districts and selected non-education industries, reviewing teacher and principal focus group and survey results, and engaging in deep discussion around design principles and possible frameworks that could be used to strengthen ProComp and career opportunities for teachers. This report is the product of their work.

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## Project Background

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### Project Overview

Denver Public Schools (DPS) is at a promising point in time relative to enhancing and improving the educational achievement of its students. It is implementing new academic standards and assessments. It has developed and is now executing a nation-leading system of teacher evaluation and support—Leading Effective Academic Practice (LEAP). Through extensive stakeholder engagement, the district has developed an updated strategic plan, the *Denver Plan 2020*, which the Board of Education recently approved. Finally, the district is engaged in a number of initiatives that are leveraging teachers in leadership roles.

In the midst of these important and transformational changes, the district and the Denver Classroom Teachers Association (DCTA) are committed to the renewal and renegotiation of the historic and nationally recognized Professional Compensation System for Teachers<sup>1</sup> (ProComp). A school district's teacher compensation system is an important contributor to overall teacher satisfaction and can, if structured thoughtfully, help drive student growth and other district goals. Further, attractive total compensation opportunities and pathways for career development have the potential to attract and retain strong teachers who are skilled at their craft. The district's compensation system is, and will be, an important support for its overall improvement agenda.

DPS and DCTA began implementing ProComp in 2005 after several years of developing and testing various designs, a vote by DCTA members and a successful mill levy approved by the citizens of Denver.

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<sup>1</sup> Throughout this document the term “teacher” includes “special service provider” (SSP) since both are included in the ProComp system.

The mill levy language established ProComp as an innovative compensation system linked to specific strategies and outcomes:

*Denver Public Schools (School District No. 1) taxes shall be increased \$25 million per year, adjusted for inflation, solely and exclusively to fund the professional compensation system for teachers (ProComp), which tax increase shall terminate if ProComp terminates, including<sup>2</sup> compensation to teachers for:*

- *Teaching in hard to staff schools*
- *Teaching in hard to fill positions such as math, science and special education*
- *Increasing teaching knowledge and teaching skills by successfully completing ProComp approved advanced degrees, professional teaching standards licenses and additional training to improve classroom skills*
- *Positive evaluations of teaching performance*
- *Meeting or exceeding objectives for student learning*
- *Achieving distinguished school status*

ProComp differentiates teacher compensation based on factors besides length of service and level of education. The system reflects an attempt to align compensation to key district priorities that are ultimately connected to improving the academic performance of students. As adopted by the Board of Education and approved by DCTA, ProComp currently incorporates four focus areas that inform the overall compensation levels of teachers in the district: student growth, market incentives, knowledge and skills development and professional evaluation.<sup>3</sup>

ProComp is governed by the *ProComp Agreement* between DPS and DCTA which spells out the specific features of the plan and includes mechanisms for ensuring financial sustainability.

In 2008, changes were made to the ProComp system. Because the changes included limitations to the amount of increases to base salary which could be earned by teachers after their 14<sup>th</sup> year of service, some teachers were frustrated and concerned. (Previously teachers were able to continue building their salary throughout their entire career.) They viewed the changes as moving away from what some identify as “the original promise of ProComp” as the district and union established it in 2005.

## **Design Team**

In early 2014, in anticipation of the renewal and renegotiation of the *ProComp Agreement*, DPS and DCTA agreed to identify a Design Team of teachers and school and central office leaders to explore possible approaches to strengthen compensation, career pathways and related structures in the district. The Team was asked to study and learn more about the impact of ProComp, as well as examine the compensation and career pathways approaches of other school districts and other professions. Surveys and focus groups of teachers and principals would also inform the Team’s work.

Before the project started, DPS and DCTA leaders articulated the goal for the project:

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<sup>2</sup> During the Design Team discussions, team members discussed how developers of the ballot language intentionally inserted the word “including” in the ballot language to allow for flexibility, over time, around the structures of ProComp.

<sup>3</sup> A general description and explanation of the current ProComp structure can be found at <http://static.dpsk12.org/gems/newprocomp/DPSProcomp20139x104pg20.pdf>.

*The goal for this project is to engage in a learning process to determine if there are ways to strengthen compensation, career pathways and related structures to support recruitment and retention of strong teachers and increase career satisfaction and success.*

## Process Description

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As it launched the project, DPS and DCTA identified a need to engage classroom teachers, SSPs and school leaders to gain a deeper understanding of their perceptions of ProComp and teacher leadership as it is or could be practiced in the district. The district sent surveys to all classroom teachers/SSPs and school leaders in the district. 1,900 classroom teachers and SSPs completed the teacher survey and 132 principals, assistant principals and principal interns completed the school leader survey. Additionally, the community-based organization Civic Canopy facilitated teacher and principal focus groups to gather feedback on ProComp and teacher leadership.

DPS and DCTA selected teachers and leaders with diverse backgrounds to participate as Design Team members. Members participated in nine Design Team sessions from April to July, four of which were full day sessions. During the first five sessions, the Team participated in the following activities:

- A review of the history of ProComp and how teacher and SSP compensation is computed under ProComp.
- A review of teacher leadership opportunities currently available in DPS.
- A review of three research studies about ProComp produced by Harvard's Strategic Data Project, the Colorado Assessment Design Research and Evaluation Center and the University of Colorado - Denver.
- A review of various compensation and career progression practices from Boston Children's Hospital, Baltimore County Public Schools, Los Angeles Police Department, Portland Public Schools, Washington D.C. Public Schools (including a discussion with a current DCPS teacher), Pittsburgh Public Schools and Dallas Children's Medical Center.
- A review of research on teacher compensation goals, principles, components and types of systems.
- A review of DPS teacher and principal survey and focus group input on ProComp and teacher leadership practices.
- A review of the DPS Strategic Plan and Empowering Excellent Educators strategy.

During the remaining sessions, the Team engaged in a process of developing design principles and exploring various frameworks and features that could inform the next iteration of ProComp and the district's approach to career progression. The results of this process are described in the sections that follow.

## Design Principles

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When the Design Team finished the learning phase of the project, they developed design principles that would guide the development of the architecture of potential compensation and career progression models. These principles are as follows:

## **Design Principle #1**

*Opportunities for leadership and increased compensation, including base-building opportunities and bonuses, should be **available to teachers throughout their entire career.***

The Design Team recognizes that the ability to grow and earn increased compensation throughout one's career is important to attracting, retaining and leveraging a highly effective teaching force. It is critical to teacher satisfaction.

From the survey and focus group findings the message from teachers was loud and clear – that opportunities to receive increased compensation throughout one's career are very important. Specifically, the frustration around changes made to ProComp in 2008 which limited teachers' ability to build base salary after their 14<sup>th</sup> year was clear and passionate. Veteran teachers especially expressed serious concern during the focus groups and in the open-ended questions of the survey about this change to the original ProComp structure.

At the other end of the career spectrum are teachers in their earliest years. These teachers, too, must be a point of focus for opportunities for leadership and increased compensation. If strong new teachers see opportunities for rapid advancement, the likelihood that they will stay in the district will increase. Data show that DPS loses roughly 50% of new teachers within the first three years of service. Opportunities for effective early-career teachers to earn increased compensation and take on leadership opportunities can make a difference to retention.

## **Design Principle #2**

*The compensation system should be **easy for teachers to understand.** It should also be **easy for administrators to understand and support.***

Results from the surveys and focus groups suggest there are challenges regarding educators' understanding of ProComp. Many respondents indicated that they felt ProComp was simple and easy to understand. Yet an almost equal number felt it was not. Such a large group of respondents indicating challenges in understanding ProComp is worthy of attention and action. One teacher stated, "I have been in the district for 5 years and I still do not understand ProComp. I am confused about raises, pay freezes, bonuses based on STATUS scores, and SGOs turning into SLOs."

Most of the teachers and SSPs responding to the survey indicated that it is not easy to find good and helpful information about ProComp when they have questions or need clarification. During the teacher focus groups, participants emphasized that clear, on-going and goal-focused communications explaining what is changing *and why* are critical for the success of various district initiatives, including ProComp. Teachers also voiced concerns about the predictability of future earnings with ProComp.

During the Design Team's deliberation, members acknowledged that simplifying the system might be difficult to achieve, but they felt that a commitment to creating a better understanding of the system, and helping ensure that questions can be answered easily and accurately through more effective communications was tremendously important. Some members suggested that perhaps the district reactivate the ProComp Key Communicators program that DPS and DCTA operated in the early years of

ProComp in order to more effectively disseminate information, improve awareness and respond to questions. Effective communications will be critical to the success of any changes to the system that may be implemented, and to establishing teacher confidence and support for it.

### **Design Principle #3**

*The compensation system should attract and retain, with real incentives, effective and distinguished teachers in **Hard-to-Serve schools**.*

More robust incentives are needed to attract and retain high performing teachers to the places they are needed most. 70% of teachers and SSPs responding to the survey believe that ProComp's market incentives are important or very important to attracting teachers to and retaining them at hard-to-serve schools. Almost two-thirds indicated that more compensation than currently offered by ProComp is needed to motivate teachers to seek an assignment in a hard-to-serve school. Additionally, over half of principals agree that additional compensation is needed to recruit and retain the best teachers in these same schools. Teachers and SSPs indicate that incentives in the range of \$5,000-\$7,400 per year would be necessary for more educators to move to and stay at hard-to-serve schools.

Designers of the new compensation model must take care that it not include competing incentives that potentially draw teachers away from hard-to-serve schools. If teachers believe that they can earn more money in settings that are not hard-to-serve, and that those settings are conducive to getting higher evaluation ratings, they will not risk going to a hard-to-serve school. (During Design Team discussions members noted that the current ProComp incentives for top-performing and high growth schools may be having this effect.)

### **Design Principle #4**

*The compensation system should allow effective/distinguished teachers to increase earnings substantially **without leaving the classroom**.*

Time and again teachers say that in order to reach higher levels of compensation they must leave the classroom to become school leaders. Additionally, there can be a perception among educators that staying in the classroom is less valued in terms of respect and compensation. The Design Team believes that this is unfortunate. The Team envisions a system that recognizes and rewards teachers who choose to stay in the classroom and focus on being great teachers.

At the same time, there is growing interest by teachers in opportunities to extend their impact, improve their own practice, and enable career advancement by taking on leadership roles while still maintaining full or partial classroom responsibilities. Half of Denver educators responding to the survey indicated that they would be interested in pursuing a teacher leader role in the future. Fewer than 20% indicated they would be interested in a full-time school leadership position. At the same time, information about leadership opportunities is not well understood. According to the teacher focus groups, the path, at present, is far clearer for those interested in moving toward administration than those focused on a classroom career.

The implications of this information is that teachers desire a variety of choices that can allow them to create the career that best fits their strengths and career interests. The Design Team reviewed a number of other districts' approaches to leveraging teacher talent in leadership roles and opportunities (e.g., Pittsburgh, District of Columbia, Baltimore) in ways that allow teachers to remain in the classroom

for at least a portion of the day. The Team found these approaches to be appealing and believes that similar structures may benefit DPS teachers and student learning.

### **Design Principle #5**

*The compensation system should **attract, retain and reward effective and distinguished teachers.***

There are many factors that contribute to making a district attractive to teachers and creating conditions that make teachers want to stay. Compensation is only one of these factors, but an important one.

Additionally, research indicates that high-performing teachers are more attracted to promotion opportunities compared with low-performing ones. They also are more likely to leave a position because of a lack of opportunity for advancement. In the surveys, less than one-third of responding teachers and SSPs believe that ProComp provides adequate incentives to attract effective teachers and are even less confident in the system's ability to retain effective teachers. School leaders, according to the principal survey, also believe ProComp incentives are inadequate to attract and retain effective teachers.

The Design Team believes that the DPS teacher compensation system must be structured in a way that clearly rewards effective and distinguished teachers. This type of approach will also serve to attract and retain those entering the teaching profession who want to be able to advance in salary and career opportunities as they demonstrate effectiveness. The most effective teachers should have greater career and compensation opportunities.

### **Design Principle #6**

*The compensation system should **value professional learning.***

From the surveys it was evident that teachers perceive a clear linkage between professional learning and their own effectiveness, and to improving student outcomes. In identifying the level of importance of the various ProComp focus areas to various desirable outcomes, the ProComp Knowledge and Skills Incentives were rated by a higher percentage of teachers as important or very important than any other incentives in terms of contributing to: 1) improving teacher effectiveness, 2) improving student achievement 3) motivating teachers to engage in professional development and 4) improving teacher recruitment. The focus groups also articulated a desire by teachers for a compensation system that does more to reward or lower barriers to further education. Teachers in the focus groups expressed the belief that advanced education directly impacts their ability to provide better instruction.

Ultimately the goal for good professional learning experiences is to improve teacher effectiveness and student outcomes. The Design Team recognizes that the quality of professional learning opportunities can be highly variable if not properly supported, and that some are more impactful than others. The DPS compensation system structure should include features that demonstrate value for professional learning, particularly learning that drives improvements in teaching practice and in student learning. Another small way to demonstrate value is to consider providing fair compensation to teachers for time attending training outside of the normal school day.



## **Design Principle #7**

*The compensation system should provide a formal and explicit structure for **career progression and opportunities**.*

Most people generally think that teachers follow one of two career paths; teachers stay in the classroom or move into school leadership. However, increasingly teachers, the associations that represent them, and districts across the country are working together to identify opportunities for teachers to take on a broader array of roles and responsibilities that don't force a choice between staying in the classroom and expanding one's impact on teaching and learning. Many teachers value these opportunities because they allow teachers to improve their own practice, support other teachers in improving their practice, have a greater impact on student learning and earn additional compensation.

In the survey results, many teachers expressed a desire to have opportunities to play leadership roles while still maintaining a presence in the classroom. Teachers also want these opportunities to be transparent, well-supported, and managed in a fair and objective manner.

While DPS has a number of teacher leadership opportunities, teachers are not entirely clear about them and how to explore career opportunities. While 62% of teachers and SSPs understand the leadership opportunities that exist in the district, less than one-third report that it is easy to find information about and apply for the leadership opportunities. A more specific career progression and set of leadership opportunities will require better communications to achieve maximum effectiveness.

The Design Team learned about several approaches in other districts that offered a clear structure for career progression to teachers while still allowing them to stay in the classroom. For example, the Baltimore City (MD) Public Schools' compensation/career pathways system offers teachers clear steps up a professional ladder (via four differentiated pathways) and rewards effective teachers with both career and salary advancement. Teachers can grow within each of the four career pathways, and also advance from one to the next.

The Design Team also learned about the career progression for nurses at Boston's Children's Hospital. In this example, nurses progress through three career levels that reflect increasing knowledge and skills. Higher levels are accompanied not only by higher compensation, but opportunities to take on a range of leadership responsibilities. Advancement to higher levels is not just a management decision but involves peer input. All nurses are also required to maintain a connection to direct patient care regardless of the level to which they have advanced.

Although DPS currently offers a variety of teacher leader opportunities, it can do more to create a specific and deliberate framework and strategy for leveraging teacher skills and competencies in leadership or differentiated roles. The framework and strategy also need to include appropriate compensation for teachers who assume leadership responsibilities.

## Design Principle #8

*The design of the system should be sensitive to whether the **requirements placed on teachers and school and district leaders are reasonable** (including the requirements for advancement and increasing earnings). The district must have systems/practices in place to support the compensation system and support teachers in pursuing available opportunities.*

The Design Team acknowledged that there are many changes underway in Denver Public Schools which can make it challenging for teachers and school leaders to keep up. The changes in standards, assessments and evaluations, and various district improvement initiatives already place demands on teachers that often extend beyond normal working hours. While changes to the district's compensation system may also add to this burden, the specific design should be attentive to ensuring that requirements are reasonable and doable, and that the district is able and willing to provide the necessary support to teachers as they pursue available opportunities.

Also, as the district expands opportunities for teacher leadership, it must be careful about the burden on teachers who take on leadership responsibilities. Right now, nearly 50% of classroom teachers and SSPs responding to the survey believe that teacher leader workloads are not manageable. In addition, they report that the compensation for the additional responsibilities they take on is not adequate. As specific features of the district's teacher leadership approach and accompanying compensation are developed and implemented, the real implications for teacher workload cannot be ignored.

## From Design Principles to Design Specifics

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After developing the design principles, the Design Team translated them into the architecture of potentially new or revised models of compensation and career progression.

- Principle #1, related to opportunities for leadership and increased compensation being available throughout a teacher's entire career, drove the group to ensure that base-building opportunities and other incentives existed from the beginning to the end of a teacher's career. It also drove a great deal of attention to the pace at which early career teachers can achieve meaningful increases in compensation and participate in leadership opportunities.
- Principle #2, related to how easy the system is to understand, was used as a lens throughout the entire process to gauge the complexity of the emerging design, and encourage streamlining and simplification.
- Principle #3, related to incentives for teachers in hard-to-serve schools, motivated many lengthy discussions about how financial incentives can best be used to support the complex work of improving hard-to-serve schools.
- Principle #4, related to providing appropriate compensation to teachers who wish to stay in the classroom, ensured that emerging structures allowed teachers to build base salary and earn bonuses even if they did not take on leadership roles and wanted to focus on their work directly with their own students.

- Principle #5, related to attracting, retaining and rewarding effective and distinguished teachers, stimulated a number of conversations on the best ways to recognize effective and distinguished teachers and to portray the future opportunities that are important to attracting and retaining strong practitioners. It also drove many discussions about the merits and challenges of linking the compensation system to the district’s LEAP system.
- Principle #6, related to demonstrating value for professional learning, motivated many discussions about various types of professional learning and how best to signal to teachers the importance of effective professional learning experiences. The discussion also included conversations about the extent to which the LEAP system itself does or does not reward teacher participation in effective development opportunities.
- Principle #7, related to career progression and opportunities, fostered discussions around what a career progression might look like for DPS, and what the benefits of such a system would be.
- Principle #8, related to the reasonableness of system requirements, was also used as a lens throughout the process to assess the extent to which features of the model were do-able both for teachers and school and district leaders.

While there was general consensus around the design principles overall, it was apparent during the process that there were differences among the members in terms of the weight and significance they gave to each principle. These differences were a reflection of each member’s own particular passions and concerns around issues about which they felt strongly. A number of notable positions emerged which, at first, eluded consensus and created competition for the limited financial resources available. Ultimately, however, compromises were reached that largely satisfied Team members interests. Some of these notable positions were:

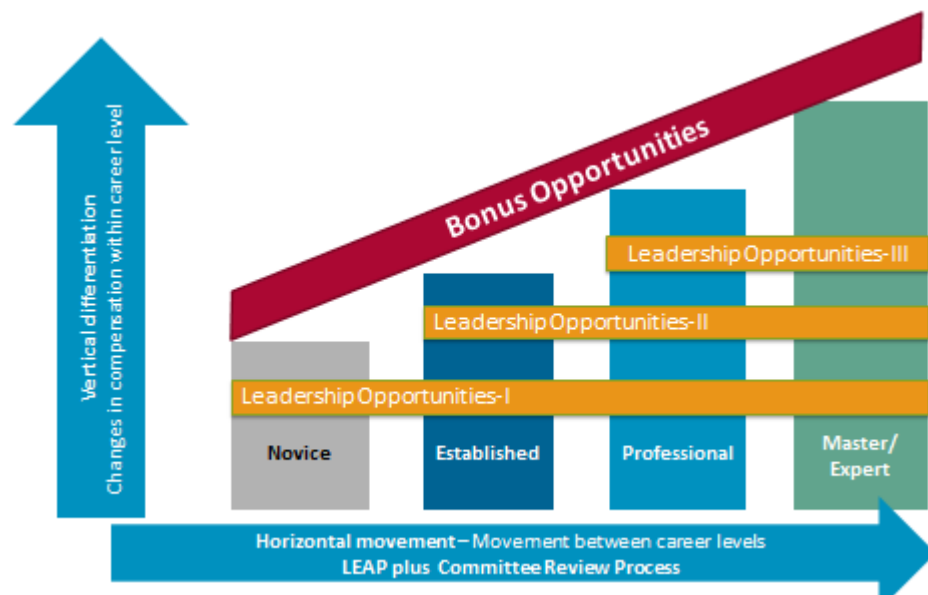
- The need to ensure that effective long-term career teachers can earn a substantial and significant wage (beyond the levels in the current ProComp system), and continue to build their base salary.
- The need to ensure that early career teachers, especially those who are rated effective or higher, can build base salary quickly and have bonus and leadership opportunities to enhance retention.
- The need to show value for advanced degrees.
- The need to attract and retain ELA-S teachers.

All of these points of view had pro and con perspectives around them which were extensively discussed and debated. Team members were highly respectful of the varying points of view and hence able to find compromise positions.

## **A Compensation and Career Progression Framework**

This report focuses on one model fleshed out by the Design Team to reflect the design principles – a compensation and career progression framework. This is not the only model that could reflect the principles, but it is the one on which the Team spent the most time and focused the most discussion. The framework has four key components:

- **Career Levels:** A teacher would have the opportunity to progress through four career levels – Novice, Established, Professional and Master/Expert – by meeting criteria that recognize increasing accomplishment. Teachers would earn significant base salary increases when moving from one level to the next.
- **Salary growth within each career level:** In addition to building base salary when going from one career level to the next, teachers could also experience additional base salary growth within each level.
- **Bonus Opportunities:** In addition to base salary, teachers would have the opportunity to take advantage of a variety of bonuses by working in a hard-to-serve school, hard-to-staff position, and/or teaching at a high-growth school. These opportunities for additional compensation reflect modifications to the current ProComp bonuses based on priorities and impact.
- **Leadership Opportunities:** Leadership opportunities would also be available at each level, though more substantial leadership roles would only be available to teachers at higher levels. Teachers taking on most leadership roles would receive an additional stipend.



In its discussions, the Design Team found many aspects of this approach appealing.

- It has the potential to provide teachers with larger salary increases upon reaching critical career milestones.
- It allows effective, early career teachers to make significant salary increases which could address current retention challenges.
- It provides teachers with prestige and status when they reach higher levels of the framework.
- It creates a formalized structure for advancement, including leadership opportunities and development based on the level attained.
- It allows effective and distinguished teachers to advance quickly through the four stages and access quickly salary increases and teacher leadership opportunities.

- It integrates and aligns with the district’s emerging system for measuring teacher effectiveness – LEAP.

The Team did not come to complete consensus on all aspects of the model. This document notes those few areas where agreement could not be reached. The framework also may not address every design principle thoroughly. For example, the Team recognizes that this framework is still relatively complex and will require significant communications and outreach to address Principle #2’s commitment to ease of understanding. In the end, however, the design reflects the give-and-take that comes from passionate people working together to address multiple objectives and priorities.

*The Design Team believes that the Compensation and Career Progression framework merits due consideration by DPS and DCTA bargaining teams. While there were members of the team who wanted to move forward with making a formal recommendation to the bargaining teams, there was not complete consensus for doing so. Some members of the Team felt that there was insufficient time to explore other options and really weigh the pros and cons of different approaches and they did not want to restrict the bargaining teams from exploring alternatives. There were also hesitations expressed by some about the model’s reliance on LEAP given that LEAP has only been implemented for one year, and will experience a variety of changes in the future. Therefore, the Team is advancing the model articulated in this report as one worthy of due consideration. The specific architecture developed by the Design Team is described below.*

### **Specific Features of a Compensation and Career Progression Framework:**

#### **Movement Between Career Levels (Horizontal Movement)**

Teachers would earn salary increases and increased leadership opportunities when moving from one horizontal level to the next. The Team identified criteria for such horizontal movement. That movement is principally defined by LEAP ratings as follows:

1. **Novice to Established:** One year of either effective or distinguished ratings.
2. **Established to Professional:** Three additional years of effective ratings, or two years of distinguished ratings, or one distinguished rating and one effective rating while serving as an established teacher. Ratings need not be earned consecutively. Also, a teacher would need to hold non-probationary status in order to reach the professional teacher level.
3. **Professional to Master/Expert:** There would be two paths to move from the Professional level to the Master/Expert level. The first path would be for a teacher, while in the Professional level, to receive two years of distinguished ratings in any three year period. The second path would be for a teacher to demonstrate consistently effective teaching AND consistently effective leadership. (The specific requirements of the second path and the definition of “consistently effective” would be determined by an oversight committee identified by DPS and DCTA.) Under either path, promotion to “Master/Expert” requires application to, and approval by, a committee whose membership DPS and DCTA would identify jointly. Applications can include peer input.

Observations made by Design Team members informed the development of the horizontal architecture of the model:

- The Team wanted distinguished teachers to be able to move up more quickly than other teachers in most cases.
- The Team wanted to make sure the Master/Expert level reflects the highest standard of teacher performance and accomplishment in DPS.
- The Team wanted to make sure that teachers can reach the highest level even if they choose to focus their activity and attention solely on their own classroom, and did not take on any leadership responsibilities.

Movement from one level to the next would be accompanied by a significant bump in base salary – averaging \$4,000 - \$5,000. This average implies that the salary bump would not necessarily be the same for each of the three possible moves; from Novice to Established, from Established to Professional, from Professional to Master/Expert. The details of the specific increases for each level would be the subject of negotiations.<sup>4</sup>

### Salary Base-Building Within Levels (Vertical Base Building)

The Design Team identified two methods for the model’s base-building vertical movement (LEAP ratings and achieving an advanced degree).

- **LEAP Ratings:** The Team concluded that the model could reward teachers who are rated “Effective” with a base-building incentive each year, while teachers rated “Distinguished” would be rewarded with a larger base building incentive each year. Also, teachers rated “Approaching” within their first three years would be eligible for a smaller base building incentive. (There was significant, although not complete agreement that only teachers in their first three years of teaching should receive a salary increase for receiving an approaching rating. Additionally, an argument was advanced that more senior teachers should receive increases for receiving approaching ratings if certain conditions were met – for instance, if a teacher takes on a new position. This argument also did not gain consensus.)

In the financial model the Team reviewed at its final meeting, the amounts for these incentives were in the following ranges:

- Approaching: \$500 base building incentive for teachers in the first three years
- Effective: \$1,100 - \$1,300 base building incentive
- Distinguished: \$1,400 - \$1,600 base building incentive

The Team believes that the size of the base-building incentive would not necessarily need to be the same in each level. The group discussed how the system could have larger vertical base building increments in the “Established” level than in the “Professional” or “Master/Expert” levels. This could create another feature that would further the goal of attracting and retaining strong early-career teachers. At the same time, the group recognized that it would add to the model’s complexity. The financial modeling capacity to explore this approach was not available at the time of the team’s last meeting. This idea could be further explored in the context of negotiations.

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<sup>4</sup> Throughout this section of the report, dollar values are shown as averages or ranges. In all cases, the specific dollar values would be the subject of contract negotiations.

- **Earning Advanced Degrees:** The second base-building opportunity would reflect a modified continuation of the district’s current practice of rewarding teachers and SSPs who earn advanced degrees or certifications. Specifically, a base building incentive of approximately \$1,000 would be awarded upon completion of an advanced degree or certification. This would be available once during a teacher’s career. The Team noted that an advanced degree could have an indirect impact on a teacher’s base salary. If a teacher receives a higher LEAP rating as a result of knowledge and skills gained through an advanced degree, the teacher would benefit from higher base building as a result of the higher LEAP rating.

The members of the Team that felt most strongly about the value of advanced degrees would have liked to have seen a higher incentive amount, and suggest that, as the specifics of the compensation system are worked out, consideration be given to raising this incentive to be closer to the current amount, if possible.

The Team suggests that, as part of the transition to a new structure, anyone currently enrolled in a master’s degree program continue to receive the incentive as specified in the current ProComp system.

### Maximum Base Salary for Each Career Level

Important to the discussion around base-building within levels was the identification of the maximum base salary that could be achieved in each level. This maximum is important in signaling to teachers the highest base-salary amount that can be reached within a particular level. The Design Team wanted to ensure that these amounts were sufficiently high so that teachers could make a decent living over the course of their careers and that DPS would be competitive with most surrounding districts.

In its last discussion, the range of maximum amounts identified for each level were as follows:

- Novice: \$45,000 - \$47,000
- Established: \$49,000 - \$51,000
- Professional: \$69,000 - \$72,000
- Master/Expert: \$80,000 - \$85,000

The actual determination of maximum levels would be the subject of contract negotiations. Bonuses would be paid on top of the base salary amount.

### Bonuses

The Team identified a number of bonus opportunities that should be provided above and beyond the base salary in and between the career levels.

1. **Teachers in Hard-to-Serve Schools:** Attracting and retaining teachers in hard-to-serve schools is the issue that probably received the most attention in the course of the Team’s discussions about bonuses. The Design Team considered criteria for hard-to-serve schools, the efficacy of the current criteria, other factors that impact attracting and retaining teachers to these schools, and the opinions of principals and teachers about this issue. In the end, the Team agreed that the most promising structure for this bonus involves paying teachers more,

especially in the most challenging of hard-to-serve schools, and rewarding teachers for continuous service in such schools.

- **Tiers of Schools:** The current definition of hard-to-serve schools encompasses over 50% of all teachers, and creates a somewhat arbitrary divide between schools that qualify and schools that don't. The Team believes that the qualification for hard-to-serve should be more clearly defined, for example, by simply including all Title I schools. Additionally, a distinction should be made, and the most challenging of the hard-to-serve schools should be identified in a separate tier – Tier I. Tier I would constitute about 15% of schools. Teachers in these schools should be even more highly rewarded than teachers in the less challenging of the hard-to-serve schools -- Tier II. Tier II would consist of approximately another 50% of all schools. A ProComp oversight committee whose membership would be identified by DPS and DCTA would determine the specific criteria for identifying which schools would be in Tier I or Tier II. The Team suggests that the oversight committee consider factors such as a school's designation as a turnaround school, a school's "red" status in the School Performance Framework, or the percentage of free lunch students as differentiators.
- **Higher incentive that grows over time:** The hard-to-serve incentive should be paid to everyone in the bargaining unit in the school and should increase the longer a teacher stays at the school, particularly in the hardest to serve tier – Tier I. While the bargaining team would need to decide on specific final numbers, the Design Team identified that bonuses at Tier I schools would be substantially higher than the current bonus levels -- averaging \$4,000 - \$5,000 annually. Bonuses at Tier II schools would average \$2,500 - \$3,000 annually.

For Tier I schools, the longevity feature – where the bonus grows over time -- could result in a structure as follows:

- i. First two years at the school: At least \$2,500 for Tier I.
- ii. Years three and four at the school: At least \$5,000 for Tier I.
- iii. Years five and beyond at the school: At least \$7,500 for Tier I.

A lower dollar amounts would apply to teachers working in Tier II hard-to-serve schools.

To ensure that this redesigned incentive would be effective and successful, the oversight committee would need to designate a hard-to-serve school for multiple years, not just one. Additionally, the system would need to be sensitive to how schools would transition from being hard-to-serve to not being hard-to serve. This transition should take place in a way that does not create conditions that would undo the progress made while the school was considered hard-to-serve.

2. **Hard-to-Staff Positions:** Data was not available for the Team to determine if this incentive has had a significant impact on meeting the staffing needs of the district. The Team discussed a number of ideas for focusing this incentive, but these discussions were not definitive given the lack of good data and analysis. The Team believes that a hard-to staff incentive is needed, but it could not arrive at a detailed description of how the incentive might work. However, the Team



identified that the compensation system should have a target of providing hard-to-staff bonuses to about 15% of teachers in the range of \$2,200 - \$2,700.

The hard-to-staff incentive is clearly an area for further study, especially with regard to its impact on the district's critical staffing challenges. If the impact is not what DPS and DCTA desire, then the bonus structure should be further refined and focused.

**3. High Growth Schools:** The Team agreed that the High Growth School incentive should continue with some modifications because growth in student outcomes is the best and fairest way to recognize and reward the collective efforts of the staff in a school. Ongoing and modified criteria could include the following:

- The definition of high-growth should continue to be linked to the growth component of the School Performance Framework (SPF) as it is now.
- The criteria for what is a high-growth school should be transparent and clearly communicated (i.e., all green schools, top percentage of schools in terms of growth, etc.).
- All teachers in identified high-growth buildings would receive the bonus.
- The model should apply a multiplier for schools that are high growth **and** also hard-to-serve (with a higher multiplier for a Tier I hard-to-serve school vs. a Tier II hard-to-serve school). To illustrate, a teacher in a high-growth building would receive a certain defined incentive amount, and a teacher in a Tier I hard-to-serve high-growth building could receive twice that amount).
- The incentive should be more focused than it is currently and reward a smaller percentage of teachers. The Team felt that 40% of teachers would be an appropriate amount.
- The bonus may be in the range of \$800 - \$1,500 annually.

### Teacher Leadership Opportunities

Another feature of the structure would be a linkage between leadership roles and responsibilities and the various career levels. The idea would be that teachers at each level would have opportunities to take on additional leadership roles and responsibilities that are appropriate to that level. Some leadership roles would span multiple levels. In most cases, these roles and responsibilities would be accompanied by a stipend. DPS and DCTA would work together to specify the leadership opportunities and create a framework around them that ensures that comparable roles are compensated similarly, and that sufficient stipend differentiation exists based on the varying complexity of the role.

The financial assumption related to teacher leadership is that about 30% of teachers would have such roles with an average stipend of \$2,500.

## Additional Considerations

### Transition

The Team recognizes that transitioning from the current compensation system to a new one will present some challenges. The district will need to pay close attention to effectively managing this

transition to ensure that teachers are treated fairly and that no teacher is penalized because of it (i.e., a hold-harmless approach). Clear, frequent and on-going communications will be important in order to gain the confidence and trust of teachers in the new system.

It should also be noted that teachers that already have advanced degrees would continue to have the financial benefits previously granted to them by virtue of those degrees. It may also be possible, in the case where the size of the incentive decreases from what is currently provided, to give people already in the system a period of time to complete a master's degree.

### **Joint Oversight Committee**

The team believes that the implementation of a new compensation system, and its on-going oversight, should be the joint responsibility of DPA and DCTA. The system should therefore include a robust oversight committee whose members are jointly selected by DPS and DCTA.

### **Funding Sources and Financial Sustainability**

The question of which funding sources would support which components of a compensation system surfaced in the course of the Design Team's deliberations. The Team understands that its charge was not limited to only the ProComp mill levy funds, since teacher compensation today is paid from a variety of funding sources. The Team took a holistic approach and looked broadly at the issue of the district's total compensation structure regardless of the source of funds. Ultimately, decisions about how various funding sources, including the mill levy funds, are used to support the final compensation system will be made as part of the bargaining process.

The Team also understands that resources are finite, and that a compensation system must be affordable and financially sustainable. The Team was attentive to this objective as well.

### **Key Communicators**

Implementing changes to the compensation system will add another set of changes to the world in which teachers operate. While simplicity may be difficult to achieve, it is important that the district make a concerted effort to reach out to teachers with information, resources and assistance. The Design Team discussed the idea of having a number of teachers serve as Key Communicators who convey important information, help develop understanding and serve as resources for responding to questions and providing reliable answers. This role could be combined with other similar roles to ensure that teachers have information about new or changing initiatives. It is important that the district support this type of assistance for the long term. There will always be a need for high quality and easily accessible information and deliberate outreach to improve understanding.

### **Enhancing Current Systems**

One of the realities of the current ProComp system and the compensation design discussed in this report is that they rely on other systems and processes as inputs. This means that those systems and processes have to be credible and valid. The Design Team believes that it is important for DPS to continue its commitment to making improvements to systems and processes on which the compensation system is dependent. This would include the LEAP system (discussed below), including

the system that will be used to manage the SLO process, and systems that define, track and monitor professional learning opportunities and accomplishments.

### **Linking Compensation to LEAP Ratings**

The development of the new teacher evaluation system – Leading Effective Academic Practice (LEAP) -- for the Denver Public Schools has been a lengthy but productive process. The first full implementation of the evaluation system took place during the 2013-14 school year.

The system will continue to undergo changes and refinements over the next several years, including the use of Student Learning Objectives (SLOs), data from new assessments, etc. Also, the newness of the system means that the confidence level of those who are evaluated has not been tested by time. This means the use of LEAP ratings in the district’s compensation system must be handled very carefully. Continuing care must be taken to build teacher confidence in the reliability and validity of the LEAP system – and to ensuring that it is as fair and objective as possible.

The Team believes that LEAP will continue to evolve and the confidence and faith of DPS teachers in the system will continue to grow over time. But it also recognizes that building high levels of confidence will take time, and require strong, clear and frequent communications and demonstrated evidence of a commitment to fairness, accuracy and objectivity by the district. These commitments should include monitoring LEAP to identify and intervene with outlying raters and significantly minimizing the current LEAP component that uses the school rating as part or whole of the individual teacher growth rating.

The model described in detail in this report uses LEAP ratings to drive compensation both when moving from one level to the next (horizontal salary base-building) and within each level (vertical salary base-building). Therefore commitments to ensuring the fairness and objectivity of LEAP are essential to building trust in and success of the compensation model. It is also important for all to recognize that preliminary data show that 80% of all teachers received effective or distinguished ratings and that therefore the model will likely produce regular base-building salary growth for the vast majority of teachers.

### **Ongoing Need for Better Data**

At various points in the Team’s discussion, the issue of the availability of useful and meaningful data came up. While DPS has a great deal of data available to it, there is a continuing need to focus on identifying, collecting and analyzing data that have significance to a number of compensation issues. The most important data going forward are likely to be around teachers’ longitudinal experience with LEAP, and the consistency or variability of LEAP ratings over time.

## **Conclusion**

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The classroom teachers and special service providers of the Denver Public Schools are the district’s greatest asset for reaching its vision of “Every Child Succeeds!” It is important for the district to have a compensation system that recognizes and rewards classroom teachers and SSPs for their accomplishments and contributions. It is also important for the compensation system to be integrated and aligned with other key district efforts and initiatives that collectively serve the goal of improving educational outcomes for Denver students. A well-designed compensation system can play an

important role in attracting and retaining strong teachers, and creating the conditions that contribute to teacher satisfaction, and better teaching and learning.

With these concepts in mind, the Design Team worked diligently and identified a compensation and career progression framework that it believes is worth refinement and due consideration. It recognizes that teachers not involved in the design work will likely have many questions about these ideas and will need time and information to better understand them. Additional engagement with teachers (and, perhaps additional focus group work) will be beneficial as the process proceeds from the design phase to contract discussions. While the Team acknowledges that other valid models could be developed that reflect the identified design principles, it hopes that the groundwork it has laid will ultimately lead to mutually agreeable and beneficial approaches that strengthen the compensation system and career progression for teachers and continue to propel improvements in teacher recruitment, retention and satisfaction as well as improvements in student achievement in Denver Public Schools.

## Appendix

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### Design Team Members

Emily Church, Teacher, CEC Middle College of Denver  
Robert Gould, Teacher on Special Assignment, Peer Observer, Denver Public Schools  
Jason Krause, Principal, Columbine Elementary School  
Sarah Marks, Chief of Staff, Elementary Education Division, Denver Public Schools  
Greta Martinez, Instructional Superintendent, Denver Public Schools  
Rachel Rosenberg, Teacher, Trevista at Horace Mann School (K-8)  
Joseph Waldon, Social Worker, Skinner Middle School  
Brent Westrop, Teacher, Hill Campus of Arts and Sciences

### Sources Reviewed

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- Education First, *Teacher Compensation Models/Program Profiles – Pittsburgh Public Schools* (June 2014 Memorandum).
- Education First, *Teacher Compensation Models/Program Profiles – District of Columbia Public Schools* (May 2014 Memorandum).
- Education First, *Teacher Compensation Models/Program Profiles – Portland Public Schools (ME)* (May 2014 Memorandum).
- Education First, *Exploring Teacher Compensation and Career Pathways – Teacher and SSP Survey Analysis* (June 2014 PowerPoint).
- Bain & Company, *Profile: Boston Children’s Hospital* (May 2014, PowerPoint).
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- Bain & Company, *Profile: Children’s Medical Center* (June 2014, PowerPoint).
- Bain & Company, *Principal Survey Data Analysis* (June 2014, PowerPoint).
- The Civic Canopy, *Teacher Leadership and Compensation: A Summary of Focus Group Findings* (June 2014).

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- Derek C. Briggs, Elena Diaz-Bilello, Andrew Maul, Michael Turner, and Charles Bibilos, *Denver ProComp Evaluation Report: 2010-2012 Executive Summary* (February 2014), [http://www.colorado.edu/education/sites/default/files/attached-files/CADRE\\_NCIEA%20ProComp%20Full%20Report%20FINAL%20022814.pdf](http://www.colorado.edu/education/sites/default/files/attached-files/CADRE_NCIEA%20ProComp%20Full%20Report%20FINAL%20022814.pdf).
- Diane Proctor, Bonnie Walters, Robert Reichardt, Dan Goldhaber and Joe Walch, *Making a Difference in Education Reform: ProComp External Evaluation Report 2006-2010 Executive Summary* (October 2011), <http://www.ucdenver.edu/academics/colleges/SPA/BuechnerInstitute/Research/Documents/Final%20ProComp%20Report%20Oct%2014%2020112011%20Making%20a%20Difference%20in%20Education%20Reform,%20ProComp%20External%20Evaluation%20Report.pdf>.
- Strategic Data Project, Center for Education Policy Research, Harvard University, *SDP Human Capital Diagnostic: Denver Public Schools* (2014).

## Meeting Schedule

The Design Team met on the following dates and times:

April 23, 2014: 4:30 p.m. – 6:30 p.m.  
 May 13, 2014: 4:30 p.m. – 6:30 p.m.  
 May 22, 2014: 4:30 p.m. – 6:30 p.m.  
 May 29, 2014: 4:30 p.m. – 6:30 p.m.  
 June 4, 2014: 4:30 p.m. – 7:00 p.m.  
 June 12, 2014: 8:30 a.m. – 4:30 p.m.  
 June 17, 2014: 8:30 a.m. – 4:30 p.m.  
 June 23, 2014: 8:30 a.m. – 6:30 p.m.  
 July 16, 2014: 8:30 a.m. – 4:30 p.m.