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January 2007 Report No. 07-02

17 School Districts Offered Differentiated Pay Policies to Support Staffing Needs During 2005-06 School Year

at a glance

During the 2005-06 school year, 17 school districts offered differentiated pay programs to recruit and retain teachers for hard-to-staff schools or critical teacher shortage areas such as math, science, or exceptional student education. These programs were designed to meet local needs and their implementation varied.

- Sixteen districts offered differentiated pay to instructional personnel while six offered it to school administrators.
- Districts generally used differentiated pay to help recruit teachers for hard-to-staff schools rather than critical teacher shortage areas, and generally reported that differentiated pay was successful or very successful in recruiting teachers.
- Districts generally reported that differentiated pay was successful in retaining teachers in hard-to-staff schools, but were split over its effectiveness in retaining teachers in critical teacher shortage areas.

Scope-

As directed by the Florida Legislature, OPPAGA examined school district differentiated pay programs for critical teacher shortage areas and hard-to-staff schools. The 2006 Florida Legislature directed all school districts to meet their instructional staffing needs by providing salary incentives by the 2007-08 school year. ¹

This report addresses three questions.

- How many districts offered differentiated pay policies during the 2005-06 school year?
- How have districts used differentiated pay to recruit teachers for hard-to-staff schools?
- How have districts used differentiated pay for critical teacher shortage areas?

To examine these issues, OPPAGA surveyed the state's 67 school districts to identify those that used differentiated pay programs to address staffing shortages in traditionally hard-to-staff schools or critical teacher shortage areas during the 2005-06 school year, the most recent year for which complete data were available.

Background-

Teacher pay systems are established by the state's 67 school boards and are typically subject to collective bargaining. The systems usually base teacher salary levels on seniority, with teachers with more years of service earning higher salaries. Teachers who have additional credentials and have earned degrees, and those who perform extra duties such as serving as team leaders, grade-level chairs, or department chairs may also receive higher pay.

These pay systems do not address teacher staffing conditions. In recent years, districts have had difficulty recruiting qualified teachers in certain subject areas such as math, science, and exceptional student education. In addition, districts often have

¹ Sections.1012.22 and 1012.27, F.S.

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difficulty staffing schools with high rates of poverty and low student performance. These challenges in recruiting qualified teachers could increase as the result of the 2001 No Child Left Behind Act. This act authorizes the federal government to require that teachers in all subject areas be "highly qualified" and requires that hard-to-staff schools have the same proportion of experienced teachers as other district schools. The act also authorizes the federal government to withhold funding if schools fail to meet these requirements.

To address these challenges, the 2006 Florida Legislature passed ss. 1012.22(1)(c)5. and 1012.27(2), Florida Statutes. These statutes require districts to develop differentiated pay schedules based on district-determined factors, including, but not limited to, additional responsibilities, school demographics, critical teacher shortage areas, and job performance difficulty. Most districts already have salary supplements for teachers and administrators with additional responsibilities.

Findings -

How many districts offered differentiated pay policies during the 2005-06 school year?

As shown in Exhibit 1 below, 17 of Florida's school districts used differentiated pay to recruit or retain teachers for hard-to-staff schools and critical teacher shortage areas during the 2005-06 school year. Thirteen districts offered differentiated pay to recruit and retain instructional personnel for traditionally hard-to-staff schools, while seven districts offered differentiated pay for critical

teacher shortage areas. Overall, the districts were more likely to offer differentiated pay to instructional personnel than to school administrators. Eleven districts offered differentiated pay only to instructional personnel, while one offered this incentive only to school administrators, and five offered differentiated pay to both groups.

How have districts used differentiated pay to recruit teachers for hard-to-staff schools?

Thirteen districts offered differentiated pay systems to recruit and retain teachers for traditionally hard-to-staff schools during the 2005-06 school year. Since these systems were designed to meet district-specific needs, the districts defined hard-to-staff schools differently. Some districts used the percentage of students receiving free and reduced lunch to identify the schools that would offer differentiated pay, while others used state accountability measures such as schools receiving grades of "F" under the A+Plan. Three districts used the geographic location of schools, offering differentiated pay to staff in schools located away from the district's major population areas.

As shown in Exhibit 2, the average amount of differentiated pay these districts awarded during the 2005-06 school year ranged from \$560 to \$9,200. Six districts awarded differentiated pay as a raise while seven paid it as a bonus. In each of these districts, teachers were eligible for differentiated pay only for as long as they continued working at the identified hard-to-staff schools.

Exhibit 1
Thirteen Districts Used Differentiated Pay for Hard-to-Staff Schools;
Seven Used Differentiated Pay for Critical Teacher Subject Areas

Differentiated Pay Type	Instructional Personnel Only	School Administrators Only	Instructional Personnel and School Administrators	Total
Hard-to-Staff Schools Only	4	1	5	10
Critical Teacher Shortage Areas Only	3	0	0	3
Both Hard to Staff Schools and Critical Teacher Shortage Areas	4	0	0	4
Total	11	1	5	17

Source: OPPAGA survey of school districts.

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The two districts that provided the largest differentiated pay raises (\$8,678 and \$9,200) structured their differentiated pay compensation differently than the other districts. These two districts required teachers to work an extended day and an extended calendar in the hard-to-staff schools. The amount of differentiated pay these teachers received was determined by their hourly pay times the additional hours they worked.

Exhibit 2
Most Districts Awarded Between \$1,000 and \$4,000 in Differentiated Pay for Hard-to-Staff Schools

	Hard-to-Staff Schools				
District	Average Award Amount	Number of Instructional Personnel			
Dade	\$9,200	2,827			
Palm Beach	8,678	413			
Sarasota	5,000	17			
Duval	4,307	412			
Orange	3,900	236			
Hillsborough	3,000	1,162			
Gilchrist	2,191	3			
Martin	2,160	121			
Putnam	1,588	17			
Bay	1,000	78			
Collier	764	460			
Osceola	740	50			
Seminole	560	720			
Total		6,516			

Source: OPPAGA survey of school districts.

The districts reported that the differentiated pay they offered was successful in recruiting teachers to hard-to-staff schools. As shown in Exhibit 3, each of the 13 districts indicated that the differentiated pay was either successful or very successful in recruiting teachers to the schools. These districts generally measured the success of their differentiated pay program by a reduction in the number of unfilled vacancies year to year.

Districts also generally reported that differentiated pay was effective in retaining teachers for hard-tostaff schools. Exhibit 3 shows that 9 of the 13 districts reported that differentiated pay was successful in retaining teachers. Of the remaining districts, one reported that the system had no impact on retaining teachers and three districts reported that program success could not yet be determined (the programs had been implemented for less than two years in these districts).

Exhibit 3
Districts Generally Report Differentiated Pay Was
Effective in Recruiting and Retaining Teachers for
Hard to Staff Schools

	Number of Districts			
Effectiveness	Recruit Teachers	Retain Teachers		
Very Successful	4	0		
Successful	9	9		
Neither	0	1		
Unsuccessful 1	0	0		
To Be Determined	0	3		
Total	13	13		

¹ No district reported the use of differentiated pay as unsuccessful or very unsuccessful.

Source: OPPAGA survey of school districts.

How have districts used differentiated pay for critical teacher shortage areas?

Seven districts reported offering differentiated pay in 2005-06 to recruit and retain teachers in critical teacher shortage areas, which included math, science, and exceptional student education. These districts defined critical shortage areas somewhat differently. Although districts offered differentiated pay for secondary math, science, and exceptional student education teachers, five districts did not award differentiated pay for all exceptional student education areas. For example, one of these districts offered differentiated pay for teachers assigned to trainable mentally handicapped classrooms but did not offer differentiated pay for teachers assigned to varying exceptionalities classrooms.

The districts also varied in their method for awarding differentiated pay to teachers in critical shortage areas. Six districts awarded differentiated pay as temporary or permanent raises, while one awarded differentiated pay as bonuses.

The differentiated pay levels awarded for critical teacher shortage areas varied, but were generally lower than amount awarded for hard-to-staff schools. As shown in Exhibit 4, the average awards by district ranged from \$556 to \$4,890. Most districts offered awards ranging between \$1,000 and \$3,000.

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Exhibit 4
Most Districts Awarded Between \$1,000 and \$3,000 to Instructional Personnel for Critical Teacher Shortage Areas

	Critical Teacher Shortage Areas				
District	Average Award Amount	Number of Instructional Personnel ¹			
Palm Beach	\$4,890	101			
Gilchrist	3,401	3			
Clay	2,892	127			
Indian River	2,568	7			
Calhoun	2,087	10			
Dade	1,250	753			
Seminole	556	857			
Total		1,858			

 $^{^{\}rm 1}$ Critical Teacher Shortage Area awards apply only to instructional personnel.

Source: OPPAGA survey of school districts.

As shown in Exhibit 5, four of these districts reported that differentiated pay was effective in recruiting teachers for their critical teacher shortage areas. Of the remaining three districts, one reported that its program was unsuccessful, while two districts had not determined effectiveness. Districts generally measured program effectiveness by the reduction in the number of unfilled teaching vacancies. In terms of retaining teachers in critical shortage areas, three districts reported that their differentiated pay was effective, while one reported that their program was unsuccessful and two districts reported that their programs had not yet been evaluated.

Exhibit 5
Participating Districts Report Varying Degrees of
Effectiveness Using Differentiated Pay to Recruit and
Retain Instructional Personnel for Critical Teacher
Subject Areas

	Number of Districts			
Effectiveness	Recruit Teachers	Retain Teachers		
Very Successful	0	0		
Successful	4	3		
Neither	0	1		
Unsuccessful	1	1		
To Be Determined	2	2		
Totals	7	7		

Source: OPPAGA survey of school districts.

Agency Response

In accordance with the provisions of s. 11.51(5), *Florida Statutes*, a draft of our report was submitted to the Department of Education to review and respond. The department did not provide a written response to this report.

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Appendix A

A Detailed Look at the Districts That Provided Differentiated Pay in School Year 2005-06, Who Received It, and What It Cost

The following tables provide more detailed information about the 17 districts which offered differentiated pay in school year 2005-06, including the number of teachers and administrators receiving differentiated pay, the average amount they received, the total cost to the district, and the source of funding used. Table A-1 profiles the differentiated pay program offered by the 13 school districts to recruit and retain instructional personnel. During the 2005-06 school year, these districts awarded an average of \$5,682 in differentiated pay to 6,516 instructional personnel. As some districts were unable to provide exact award amounts, they used estimates based on the 2004-05 award amounts.

Table A-1
Instructional Personnel: Hard-to-Staff Schools

	Total Number of Instructional Personnel Who Received Differentiated Pay for Hard-to-Staff Schools	Average Award Amount to Instructional Personnel for Hard-to-Staff Schools	Total Amount Awarded to Instructional Personnel for Hard-to-Staff Schools	Success: Recruit Teachers	Success: Retain Teachers
Bay	78	\$1,000	\$ 78,000	Successful	Successful
Collier	460	764	351,440	Very successful	To be determined
Dade	2,827	9,200	26,008,400	Successful	Neither
Duval	412	4,307	1,774,484	Successful	Successful
Gilchrist	3	2,191	6,573	Successful	Successful
Hillsborough	1,162	3,000	3,486,000	Very successful	Successful
Martin	121	2,160	261,360	Successful	Successful
Orange	236	3,900	920,400	Successful	Successful
Osceola	50	740	37,000	Successful	Successful
Palm Beach ¹	413	8,678	3,584,014	Successful	To be determined
Putnam	17	1,588	26,996	Very successful	Successful
Sarasota	17	5,000	85,000	Very successful	Successful
Seminole	720	560	403,200	Successful	To be determined
Statewide Total	6,516	\$5,682	\$37,022,867		

¹ There are two programs Palm Beach is using. This number reflects one program (the Pilot Program). The Glades supplement provided 753 teachers a \$2,200 supplement.

Source: OPPAGA survey of school districts.

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Table A-2 profiles the differentiated pay program that seven districts offered to recruit and retain instructional personnel for critical teacher shortage areas for the 2005-06 school year. During the year, these districts awarded an average of \$1,253 in differentiated pay for critical teacher shortage areas to 1,858 instructional personnel. As some districts were unable to provide exact award amounts, they used estimates based on the 2004-05 award amounts.

Table A-2 Instructional Personnel: Critical Teacher Shortage Areas

	Total Amount Awarded for Raises	Total Number of IP Who Received Differentiated Pay for Critical Teacher Shortage Areas	Average Award Amount to Instructional Personnel for Critical Teacher Shortage Areas	Total Amount Awarded to Instructional Personnel for Critical Teacher Shortage Areas	Success: Recruit Teachers	Success: Retain Teachers
Calhoun	\$ 20,870	10	\$2,087	\$ 20,870	To be determined	Successful
Clay	367,284	127	2,892	367,284	Successful	Successful
Dade	188,250	753	1,250	941,250	Successful	Neither
Gilchrist	10,203	3	3,401	10,203	Unsuccessful	Unsuccessful
Indian River	n/a	7	2,568	17,976	To be determined	To be determined
Palm Beach	n/a	101	4,890	493,890	Successful	Successful
Seminole	n/a	857	556	476,492	Successful	To be determined
Statewide Total		1,858	\$1,253	\$2,327,965		

Source: OPPAGA survey of school districts.

Table A-3 profiles the differentiated pay program six districts used to recruit and retain school administrators for hard-to-staff schools for the 2005-06 school year. For the 2005-06 school year, these districts awarded an average of \$3,990 in differentiated pay to 102 school administrators for hard-to-staff schools.

Table A-3
School Administrators: Hard-to-Staff Schools

	Total Amount Awarded for Raises	Total Number of School Administrators Who Received Differentiated Pay for Hard-to-Staff Schools	Average Award Amount to School Administrators for Hard-to-Staff Schools	Total Amount Awarded to School Administrators for Hard-to-Staff Schools
Bay	\$9,450	3	\$3,150	\$ 9,450
Broward	n/a	5	5,500	27,500
Duval	n/a	24	4,000	96,000
Hillsborough	\$240,000	48	5,000	240,000
Martin	n/a	4	1,395	5,580
Orange	n/a	18	1,583	28,494
Statewide Total		102	\$3,990	\$407,024

Source: OPPAGA survey of school districts

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Table A-4 provides an overview of the funding sources used by districts for differentiated pay program for the 2005-06 school year. Most districts used one funding source for their hard-to-staff school and critical teacher shortage area differentiated pay programs.

Table A-4 Funding Sources

		Federal	State FEFP	State Non-FEFP	Local and District	Other Funds	Number of Funding Sources
Hard-to-Staff	Bay		V		'	'	1
Schools	Broward	√	√		V		3
	Collier				V		1
	Dade	√					1
	Duval		√			V	2
	Gilchrist		√	V	V		3
	Hillsborough	V					1
	Martin				√		1
	Orange		√				1
	Osceola		√				1
	Palm Beach				V		1
	Putnam				√		1
	Sarasota				√		1
	Seminole	√	√				2
	Statewide Total	4	7	1	7	1	
Critical Teacher	Calhoun		V		V		2
Shortage Areas	Clay		√				1
	Dade		√				1
	Gilchrist		V	√	V		3
	Indian River		V				1
	Palm Beach	V					1
	Seminole	V	V				2
	Statewide Total	2	6	1	2	0	

Source: OPPAGA survey of school districts.

The Florida Legislature

Office of Program Policy Analysis and Government Accountability



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