

Report on Act 37 of 2013

Section 19a. School Employees; Merit Pay; Analysis

REPORT

**December 15,
2013**

**Report/Recommendations to the House
Committee on General, Housing and Military
Affairs, the Senate Committee on Economic
Development, Housing and General Affairs, and
the House and Senate Committees on Education**

Submitted by Secretary of Education

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Legislation

Act No. 37 (S.14) of 2013: *An act relating to payment of agency fees and collective bargaining service fees*

Summary

This act amends Vermont's five labor relations acts to require that employees of a bargaining unit who do not choose to join the union representing the bargaining unit pay an agency or collective bargaining service fee to the union. The act also requires union members to vote annually whether to allow nonunion members to vote on the ratification of any collective bargaining agreement. Finally, the act requires the Secretary of Education to file a report on whether there would be any benefit in allowing school employee contracts to contain merit pay provisions.

Specifically, Section 19 (a) states:

(a) The Secretary of Education shall analyze whether and in what ways public education in Vermont would benefit from including merit pay provisions in school employee contracts under 16 V.S.A. Chapter 57 and 21 V.S.A. Chapter 22. Among other considerations, the Secretary shall examine whether merit pay would improve the quality of education and increase opportunities available to Vermont students.

(b) The Secretary shall consult with members of the House Committee on General, Housing and Military Affairs, the Senate Committee on Economic Development, Housing and General Affairs, and the House and Senate Committees on Education, with stakeholders, and with other interested parties.

(c) On or before January 15, 2014, the Secretary shall submit a report to the committees identified in subsection (b) of this section regarding the analysis, including the factors considered, the results of the analysis, whether merit pay provisions would benefit Vermont students, and recommendations, if any.

Summary of Secretary's Findings

Both the governance structure and the state's education funding system are not conducive to requiring school districts to award merit pay bonuses to educators at Vermont public schools.

Additionally, there is no evidence at the state or national level that merit pay has had a positive impact on student outcomes.

Funding and Governance Structure

Following Act 60 of 1997 and Act 68 of 2003, Vermont instituted a statewide funding system in which education spending is collected at the state level and then distributed to school districts. Local districts develop a budget, the budget is voted on annually and

that figure is reported to the Agency of Education. Tax rates for various towns are set in part based by this local and statewide figure. Simplified, this means that decisions made at local districts and voters are paid for collectively by all towns.

This separation from local spending decisions means that, conceivably, districts could implement merit pay bonuses and those decisions could have a financial impact on another town. Additionally, different districts may make different spending decisions on merit pay (frequency, amount, rubric for awarding it) that could vary from another district, but the financial impact would be felt by all.

Any decision to offer school-based merit pay within a school district should be a local decision, and would require a separate funding source at the local level.

Vermont's governance structure, in which 282 school boards govern the education of 80,000 students, translates to a system in which teacher and school employee contracts are negotiated at the local level in various configurations.

It would be a virtual impossibility to implement a system of merit pay bonuses across the state. Rather, local school boards determine educator salaries, benefits and working conditions, and come to these contract agreements with their local education staff.

Improving Student Outcomes

From both state and national research, we know of many factors that do have a direct impact on student outcomes.

As found in extensive research done in 2009 here in Vermont by the then Department of Education, *Roots of Success*¹, the achievement gap between students based on socio-economic status is our single most significant analytical tool to address.

A combination of quantitative and qualitative research methods was employed to identify the characteristics common to effective schools. Through a large-scale survey of more than 2,000 Vermont teachers in 87 schools across the state as well as intensive site visits to three schools that are "beating the odds" (schools whose Reading and Mathematics scores on state assessments defy expectations and exceed those of other schools with similar demographics), the panel discovered a set of attitudes and beliefs as well as specific school practices that are associated with student, particularly low-income, success. These characteristics form the foundation for school effectiveness and are essential to ensuring that all children, regardless of background or socioeconomic status, reach their full potential.

Merit pay was not identified as a method of improving student outcomes.

¹ http://education.vermont.gov/documents/educ_pub_effective_practices.pdf

This research, and the philosophy of state and national interventions, is consistent with the practices we are currently implementing to support Vermont schools.

Teacher and Leader Effectiveness Initiative

Developed by educators, administrators, education association representatives and the (then) Department of Education, the Vermont Guidelines for Teacher & Leader Effectiveness² were approved by the Vermont State Board of Education in 2012. They outline essential elements of a high-quality teacher and leader evaluation system, and provide guidance as districts work to design or improve their evaluation systems.

Building upon research and the work of other state Departments of Education (DOE) and National Education Association (NEA) affiliates, the Task Force developed a framework for teacher and principal evaluation, with the ultimate goal of improving student growth and learning.

Currently the Task Force is working on developing differentiated pathways for recognition, support and improvement and developing guidelines for continuous monitoring, support and improvement of a successful teacher evaluation system.

Recommendations

Because of the reasons outlined above, the Secretary makes no recommendations to make changes to 16 V.S.A. Chapter 57 and 21 V.S.A. Chapter 22.

² <http://education.vermont.gov/new/html/mainprodev.html>