

November 12, 1998

President R. Lane Beattie, Co-chairman  
Speaker Melvin R. Brown, Co-chairman  
Members of the Audit Subcommittee  
State Capitol Building  
Salt Lake City UT 84114

**Subject: Survey of the Utah Public Education Career  
Ladder Program (Report #98-09)**

Audit Subcommittee Members:

As requested, we have conducted a survey of the Career Ladder Program (CLP) in the Utah system of public education. The CLP is well-supported by Utah's educational system and appears to serve a purpose in compensating teachers for extra efforts and enriching the school climate for students. However, it does not operate as a true merit pay program that primarily rewards those teachers judged to be outstanding in the classroom. Rather, because of the controversy and divisiveness caused by a merit pay system, the CLP has essentially become a vehicle to compensate teachers for time spent in curriculum development and classroom preparation, for assuming extra duties and responsibilities, and for participation in professional development activities. The current career ladder statute, **Utah Code 53A-9**, is broad and allows for local autonomy and governance of district and school programs and activities. Not surprisingly, the application of the CLP varies considerably among districts and schools. Appendix A provides a brief overview of the history, structure, and funding of the program.

Following is a summary of the three sections in this report:

- ***Rewarding outstanding teachers with merit pay is generally a difficult, unpopular aspect of the CLP. Its use has diminished significantly from 23% of total career ladder funds in 1987 to 12% in 1998, and in many ways what is currently used in this category cannot truly be considered merit-based pay. Some states have abandoned the effort to reward individual teacher performance and instead reward teachers on a block or school basis. If the Legislature desires the Utah CLP to be a more pure merit-based pay system, further study of the issue is likely to be necessary.***

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- *Career ladder funds are widely available to teachers and are used in those areas of the program which have been popular with faculty and administration. Currently, over 80% of all funds are used to compensate teachers for extra duties performed, training received, and preparation days. Use of funds in these areas is allowed by statute and seems to provide a legitimate benefit to teachers and students when properly applied.*
- *Although most career ladder activities appear appropriate, some uses are questionable and may violate program intent that funds should not pay for extra-curricular or administrative activities. The State Office of Education should review these practices and, if necessary, issue more specific guidelines to districts to increase program effectiveness.*

### **Merit Pay Concept of Career Ladder Has Become Marginalized**

The Utah Career Ladder Program (CLP) was, among other things, begun as a method for recognizing and rewarding teachers for superior classroom performance. However, the program has undergone evolutionary change with the elimination of minimum and maximum allocation requirements, changing district needs, as well as difficulties in administering the performance bonus component.

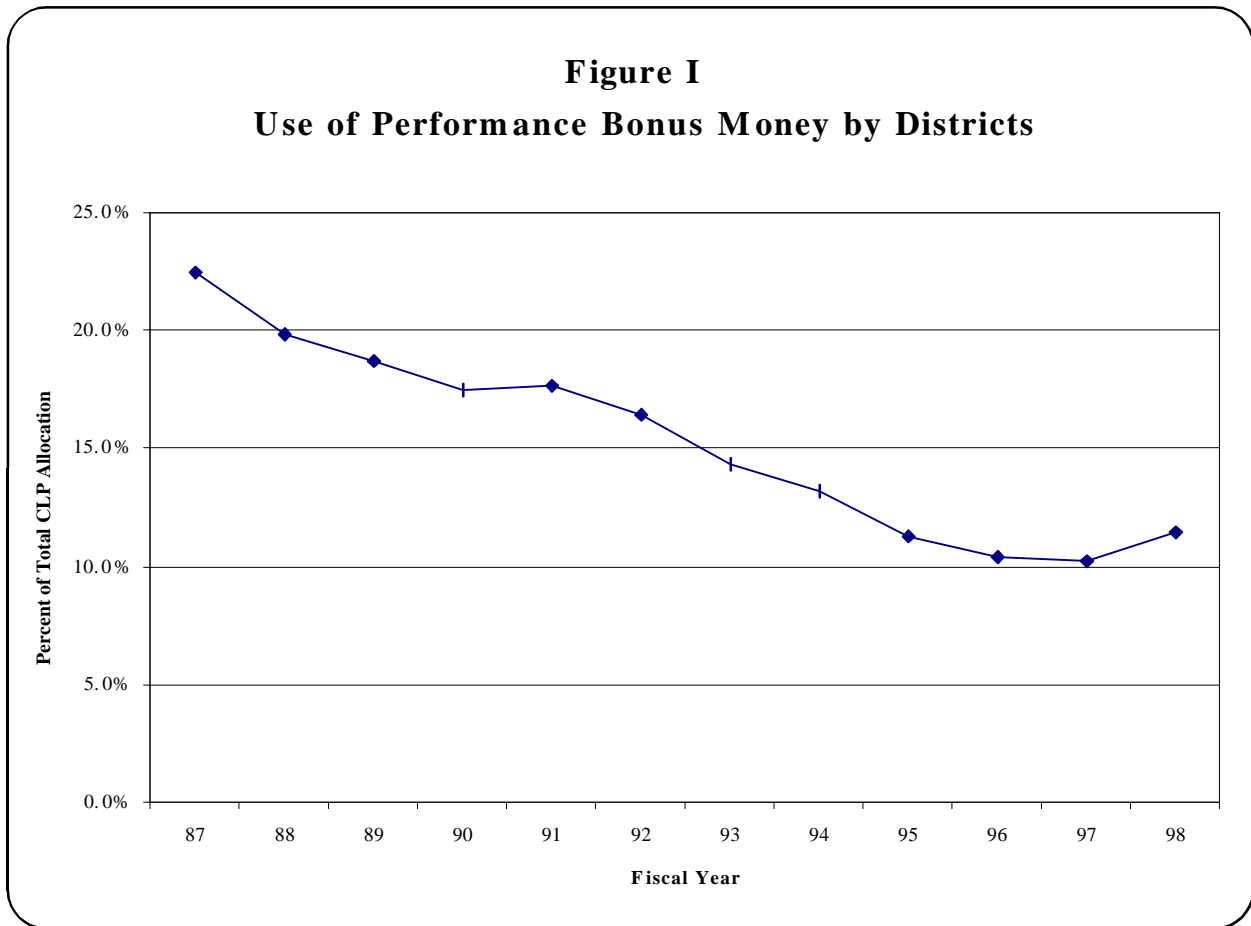
The merit pay component of the CLP has diminished both in terms of its share of the total career ladder allocation and the number of districts using it. As a result, the CLP can not be characterized as primarily an incentive for outstanding performance with stipends going to the “best” teachers. Rather, the program has evolved such that rewards are dispersed broadly to essentially all teachers who wish to participate. While other states we contacted also adopted CLPs, some have abandoned the effort for various reasons and we are aware of only two states that currently have CLPs.

### **Role of Merit Pay/Performance Bonus Has Diminished**

Our survey indicates that the role of the performance bonus or merit pay component in the CLP has diminished. First, the performance bonus component’s share of the CLP budget has fallen over time. Second, the number of districts using this component has also declined. Interviews with administrators and teachers indicate that using the performance bonus component as originally envisioned—to reward teachers for superior classroom performance—was difficult to administer and created a non-collaborative environment. Consequently, districts or schools opted either to discontinue the performance bonus component or modify it to allow for the broad

distribution of performance awards to anyone meeting specific criteria and assuming additional responsibilities.

**Performance Bonus Share of Career Ladder Budget Has Fallen.** According to records maintained by the Utah State Office of Education, the performance bonus component of the CLP has, over time, accounted for a smaller portion of the total program budget. As shown in Figure I, the performance bonus component's share of the total career ladder budget fell from 22.5% in fiscal year 1987 to 11.5% in fiscal year 1998.



**Fewer Districts Use the Performance Bonus Component.** Utah State Office of Education records also revealed that the number of districts using the performance bonus component dropped from 40 in fiscal year 1991 to 18 in fiscal year 1998. Of the 11 districts we visited, seven do not use the performance bonus component in their CLPs. The remaining four districts either use the performance bonus component in some way or give schools the option of using it.

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Still, the performance bonus awards in the four districts cannot be characterized as an outright award for excellent classroom performance. Rather, the performance bonus systems in these districts have been modified to distribute merit pay awards broadly to any teacher who satisfactorily passes an evaluation, meets certain qualifications, and/or who assumes additional responsibilities. Examples of how performance bonus money is used by districts and its broad distribution follow:

- Teachers in the Logan City School District who receive a performance bonus have to meet certain qualifications and obtain satisfactory supervisory evaluations based on classroom observation. Amounts awarded to individual teachers last year ranged from \$115 to \$920.
- Teachers in the Jordan School District receive a performance bonus award after receiving a satisfactory evaluation, classroom observation, and the submission of a “second line of evidence” that is geared towards measuring student achievement.
- South Sanpete District allocated 51% of its career ladder money to the performance bonus category last year. Upon visiting the district, however, we were told that money paid to teachers in this category is basically for the completion of extra duties assumed, so it is much more like job enlargement than merit pay.
- 87% of all teachers in the 18 districts using the performance bonus component last year applied for money under this category. Of those teachers applying, 95% actually received performance bonus money making it very broadly dispersed. In addition, the payout for all teachers receiving a performance bonus award was an identical amount in eight of the 18 districts; so, there was no differentiation based on degree of qualification. For example, all teachers who met the Jordan School District’s performance bonus criteria received a \$420 dollar award.

**Merit Pay Is Difficult to Administer and May Be Detrimental to Collaboration.**

Interviews with teachers and administrators indicate that, as originally envisioned, the merit pay system was difficult to administer and created a non-collaborative school environment. We found similar concerns about merit pay systems designed to “reward the best” in the literature we reviewed. Sources indicate that the complexity of measuring teacher performance, the inherent subjectivity of evaluations, and questions regarding the degree to which student achievement can be attributed to a particular teacher make it difficult to administer performance bonus money.

According to many administrators, teachers, and available literature, awarding bonuses based on performance is a difficult practice and appears to have a demoralizing and divisive effect on teachers. The subjective nature of teacher evaluations makes choices suspect and creates

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dissatisfaction among those not receiving bonuses. Additionally, rewarding a particular teacher is not consistent with the belief that student performance is the joint product of many teachers working together (Kelley and Odden 1995:6). Dissatisfaction may also result because giving the bonus to a particular teacher jeopardizes the belief that “teachers should be considered and treated as equals.” (Malen, Murphy and Hart 1987:3).

### **Few Other States Have Career Ladder Programs**

We contacted five other states that had adopted career ladder as a method of encouraging and rewarding teachers. Of these states contacted, only Arizona and Missouri currently have CLPs while Tennessee, Texas and North Carolina have discontinued theirs. The reasons given for the termination of CLPs in other states included the program costs, teacher dissatisfaction with the evaluation process, and lack of effectiveness.

Several states have developed school-based “accountability” programs in which schools receive monetary rewards for a percentage increase in student performance over time. The rewards may then be distributed among teachers, used for professional development activities, or used in some other way as school improvement funds. School based performance programs are designed to encourage teamwork and collaboration among teachers rather than a sense of competition.

Since terminating their CLPs, Texas and North Carolina have begun school accountability programs to improve school performance and reward teachers. Georgia, Kentucky, South Carolina and Maryland also use school-based performance awards for improvements in student performance over time. In most of the programs, monetary rewards may either be divided among teachers or used for projects to enrich student academic life. However, Maryland’s program relies mainly on the publication of results as an incentive to improve.

Although Utah’s CLP is not a performance-based system that rewards a finite number of educators, it seems to serve a purpose and provide a benefit as described in the next section. However, if the Legislature desires a true merit pay program, further study by the State Office of Education may be necessary.

### **Career Ladder Funds Are Widely Available to Teachers and Are Used in the Most Favored Areas of the Program**

Career ladder money is widely available to teachers and has evolved into a system of compensation for extra duties performed and roles assumed, training and professional development activities, and preparation days. The broad language found in the statute allows the funds to be used in a variety of areas with no stipulation as to minimum or maximum amounts in any particular area. Although the statute does provide basic guidelines, the responsibility and

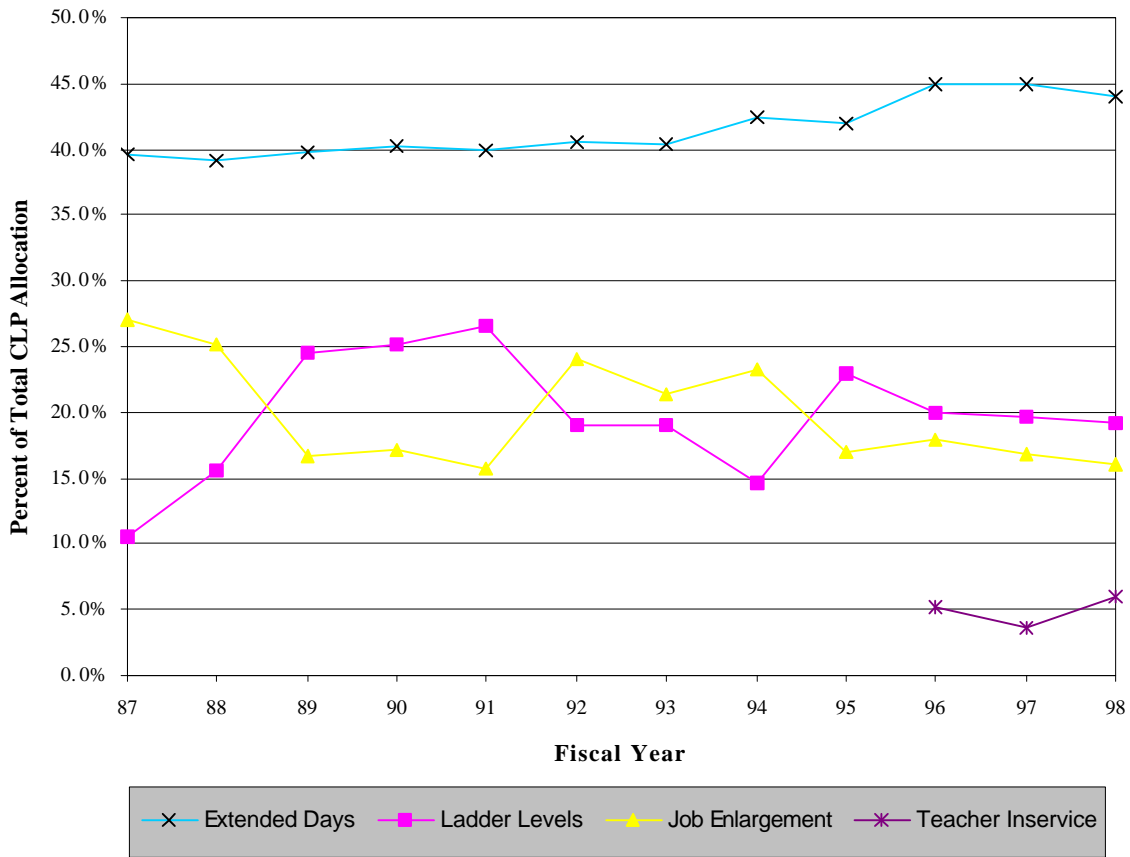
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accountability for program operation are largely concentrated at the local level. Finally, even though the CLP is not a true merit pay program, it is well-supported by the education community because it funds activities that might otherwise not exist and in so doing provides value to the system.

**Use of Funds Is Concentrated in the More Popular and Easily Administered Areas of the Program**

Currently, about 80% of career ladder funds are used in the areas of extended days, ladder levels, and job enlargement. These areas are the most popular among teachers and administrators and are easier to administer than trying to award performance bonus money. The extended day category is particularly favored among teachers because it provides them with planning and

**Figure II**  
**Use of Career Ladder Money by Districts**



preparation time. Figure II shows funding percentages in these categories. Following is a description of these most utilized career ladder funding categories with specific examples of how the money is used:

**Extended Days**

This is the most utilized of all career ladder funding areas with one district (Juab) committing 90% of its total allocation to this category. Extended days are additional, non-teaching days educators may use for various activities, and both administrators and faculty say these days are very valuable because of the extra time they afford. Teacher participation is

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near 100% in this category as these days are generally available to all faculty regardless of tenure. Extended days are basically used in the following ways:

- **Professional Development** - Many teachers attend training sessions, workshops, and conferences in specific areas like math, science, brain research, and discipline techniques. Because of this use, the extended days category often overlaps with the teacher inservice category.
- **Curriculum Development** - Often done as groups by grade or department level, teachers may use these days to review curriculum items, develop enhanced or new material for teaching, and generally plan course work for the upcoming year.
- **General Preparation** - Extended days are also used for basic classroom preparation around the change of quarter including grade computation and preparation for upcoming classes. Some schools also use these days to prepare for parent-teacher conferences and back-to-school nights.

### **Ladder Levels**

This category is the only one that is required by state education policy to be in the career ladder plan. It is essentially a framework or schedule outlining how teachers advance in the CLP and showing what is required to receive certain levels of payout. The framework consists typically of up to four or five levels, and new teachers generally have to pass a one to three year probationary period before they can advance on the ladder levels and begin to receive compensation for fulfilled requirements.

Examples of requirements at different levels include membership on some type of school committee, completion of additional responsibilities as approved by administration, attending workshops, and mentoring new teachers through observation, lesson modeling, and discussion. Payout is progressively greater with each level as the responsibilities are usually cumulative from level to level. Ladder levels essentially incorporate the responsibilities and requirements of the job enlargement, extended days, and performance bonus categories.

### **Job Enlargement**

This category offers extra pay to teachers for extra duties and assignments assumed as approved by the school career ladder committee or principal. Teachers may engage in a variety of activities which should not be extra-curricular or administrative in nature, which typically relate to district and school goals, and which should be performed outside of regular contract time. Determining what constitutes an appropriate job enlargement activity is largely



done at the school level. Some examples of extra duties and job positions are:

- **Tutoring** - Some teachers spend time before and after class working with students who need help in specific subject areas. For example, a science teacher in Carbon District allows students to come after school for the two weeks prior to the end of each quarter to study for and retake tests on which they may have done poorly the first time. This is an opportunity for students to improve their grades and gives those who are serious a second chance.
- **Technology Specialist** - Teachers at various schools are responsible for fixing school computer problems, installing software, training other staff on computer use, ordering computer equipment, etc. With the number of computers in schools, there is evidently enough need for a knowledgeable person to fill this kind of position. In fact, one year-round elementary school in Granite District paid a teacher \$9,500 last year for several weeks spent in his off-track time upgrading 40 computers that had been donated to the school.
- **Spanish Translator** - A teacher in one school translates the weekly school newsletter as well as other notes, letters, and memos into Spanish for kids to take home to parents. This activity is very helpful because the school's Hispanic population is quite high, and it allows parents who don't speak English to be more connected to their kids' education.

### **Utah Code Allows for Local Application of Career Ladder Program Which Creates Considerable Variation**

The CLP statute has general guidelines for how the program may run but passes much of the decision-making responsibility down to districts where it is then shared with schools. Not surprisingly, the CLP has become fairly decentralized, and the philosophy behind use of funds varies considerably by districts and schools based on unique goals, needs, and chosen areas of emphasis (see Figure III). Because of the relatively permissive language in the statute, use of career ladder money does not appear to violate program guidelines, with the exception of some job enlargement activities discussed later that may have little bearing on curriculum development and student achievement.

<b>Figure III</b>					
<b>School District Career Ladder Category Allocation</b>					
<b>(Percent Allocation by Category)</b>					
<b>FY 1998</b>					
	<b>Performance Bonus</b>	<b>Ladder Levels</b>	<b>Extended Days</b>	<b>Job Enlargement</b>	<b>Teacher Inservice</b>
<b>Most</b>	<b>51%</b> (S. Sanpete)	<b>59%</b> (Rich)	<b>90%</b> (Juab)	<b>50%</b> (N. Sanpete)	<b>34%</b> (Carbon)
<b>Least<sup>1</sup></b>	<b>.3%</b> (Grand)	<b>1.8%</b> (San Juan)	<b>12.6%</b> (Kane)	<b>5%</b> (Alpine)	<b>1%</b> (Jordan)
<b>Number (%) of Districts Using this Category</b>	<b>18 (45%)</b>	<b>28 (70%)</b>	<b>40 (100%)</b>	<b>33 (83%)</b>	<b>20 (50%)</b>
<sup>1</sup> Pertains to those districts that allocate some money to the category. With the exception of Extended Days, there are at least some districts that do not allocate money to each of the other categories.					

As shown in Figure III, there is a substantial difference in the percent of money allocated to each category among the districts. In terms of total payout to teachers, we also noted that educators may receive no career ladder money, or, in the case of one Granite District educator, as much as \$11,521 last year. Besides the differences in how money is allocated among categories by each district, there are also differences in philosophy as to how the program should be run in schools as described in the following areas:

**Administration of the Program**

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At some schools, teachers are compensated for their time as members of the career ladder committee for developing program focus and direction, reviewing applications, determining stipend amounts, providing support to teachers for their career ladder activities, and evaluating projects upon completion to see if criteria were met and full payout is warranted. However, other schools do not compensate their teachers for membership on the committee out of belief that this is a necessary part of the program and that all career ladder money should go directly towards projects and activities that improve teaching and benefit students.

### **Use of Career Ladder Days**

Some uses of extended days are fairly consistently applied by districts such as curriculum development and attending workshops and conferences (if not allocated to the teacher inservice category). However, some districts use extended days toward the end of each school quarter for teachers to prepare grades and prepare for the upcoming quarter. Teachers are very supportive of this time because it allows them to perform necessary work which might otherwise have to be done on their own time. Other districts, however, discourage the use of extended days for grade preparation believing that it is too administrative and unrelated to curriculum development to justify being done on career ladder time.

### **Availability of Projects**

Extended days are available to most teachers regardless of seniority. Furthermore, in districts such as Salt Lake and Granite, other career ladder positions and activities are available to all teachers who have passed the required probation period and who are willing to put forth the time and effort to complete the project. In contrast, the CLP in other districts is more closely linked with teacher seniority and reserves those projects that will take more time and represent a greater payout to teachers with more tenure. For instance, the Jordan School District CLP shows five levels of increasing payout to teachers. Each successive level beyond Level I requires two additional years of teaching experience with a minimum of nine years necessary to participate at Level V.

### **Payment of Career Ladder Days**

In many of the districts we visited, teachers accrue career ladder money for extended days at the same hourly rate as their normal contract. Therefore, teachers with more seniority receive a greater share of career ladder money. However, some districts pay teachers a flat rate, regardless of seniority, for these same kinds of activities to create a

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level playing field and a feeling of equality. Examples of how districts address this issue are:

- South Sanpete District pays a flat rate for inservice training days. District officials believe that while more senior teachers may *teach* more effectively and should be compensated accordingly, they don't *learn* any better and therefore shouldn't be paid more for attending training just because they have more tenure.
- In contrast, Carbon District pays a differential rate for extended days based on each teacher's regular hourly rate. The district tried to use a flat rate system in the past, but they experienced firm opposition from faculty because, on average, the teachers in the district have a lot of seniority and stood to lose money with a flat rate.

### **Program Accountability Is Mainly the Responsibility of Local Education Officials**

Because the CLP operates on a decentralized basis, most of the accountability for how it runs is designed to take place at the district and, even more so, school level. The predominantly local governance of the CLP parallels the movement in education to have schools be site-based decision centers. All districts must submit a career ladder plan to the State Office of Education for review by the state career ladder committee. The plan must outline a number of things including the membership of the district career ladder committee, how money will be allocated among and used in the career ladder categories; how the CLP ties into the state strategic plan; a completed description of all ladder levels used; and, an explanation of the evaluation system that will be used to advance teachers in the CLP. This plan is reviewed by the state committee and either approved or returned with a request for additional information or necessary modifications before approval can be granted.

Districts also issue guidelines as to how career ladder money is to be used by schools. For example, some districts specify that use of a certain number of the career ladder days available to teachers will be controlled by the district while use of the other days can be determined at the school level. Also, districts often have goals or focus areas based on surveys and discussion which become focus areas for activities under the CLP.

Much of the determination of what constitutes a legitimate project and how much a project is worth, however, is made by principals and career ladder committee members at the school level. Most schools have a career ladder committee comprised of administrators, teachers, and parents to which teachers must submit their career ladder proposals for review. These committees develop position descriptions, determine value for career ladder projects, and provide some

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oversight through the course of the project. The schools we visited have some type of formal or informal project review and evaluation process at year end to determine if goals were satisfactorily met. Many principals and career ladder committee members indicated that payout to teachers is subject to successful completion of projects and that payment will be adjusted or denied if goals are not met.

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### **The Career Ladder Program Is Well-supported and Seems to Serve a Purpose**

The CLP is generally well-supported among teachers, administrators, parents, and education groups who indicate that it provides a benefit by funding curriculum-related projects that might otherwise not exist. Our visits to schools show that teachers and principals are very much in favor of the program for two basic reasons. First, it recognizes and rewards teachers for their efforts. The amount of money is generally not viewed as significant by educators, especially relative to the time and effort put into career ladder activities, but it is enough to create a feeling of satisfaction and provide an incentive to invest time in the program.

The other valuable aspect of the program is what it can provide for students. Ultimately, the critical factor in judging the success of the CLP is how it affects student education and achievement. Those we contacted clearly feel students do benefit from the CLP through better educated and trained teachers as well as from increased experience through implemented programs and projects. Most feel that to eliminate the program would be unfortunate because some of the focus and incentive to enhance curriculum, attend training, and initiate specific activities that stimulate student achievement would be lost.

It is difficult to measure the direct outcome of the CLP because the benefit of some aspects such as extended days and teacher inservice can generally only be inferred. However, it does stand to reason that teacher time spent in legitimate curriculum and professional development activities can stimulate student growth and achievement.

### **Some Career Ladder Program Applications Are Questionable and Need Review**

Although most of the career ladder activities that were described to us seem legitimate, some uses of job enlargement and extended day money may not be appropriate as they don't seem to be well connected to curriculum development or student achievement.

### **Some Job Enlargement Projects May Violate Program Intent**

As mentioned, extra pay for extra duties is a significant use of career ladder money by most all school districts. Most of the projects that were explained to us seem appropriate and would seem to have an impact on student growth and achievement. However, there is no clear definition, in statute or rule, as to what extra responsibilities should be except that they are supposed to relate to instruction and curriculum and should not be extra-curricular or administrative in nature.

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In visiting schools we found some teachers have been paid career ladder money for a variety of activities, some of which may not be appropriate or at least don't seem to relate well to instruction and curriculum development. Some examples of activities that may not be consistent with program intent include the following:

- One teacher received a small amount of career ladder money for monitoring the hallways between classes to help promote the school's policy on attendance. She said she stands in her doorway during class changeover to greet students, discourage disruptive behavior in the hall, and encourage kids to get to class on time.
- Teachers in one school received career ladder money for organizing the school graduation program which included arranging for speakers, listening to speech rehearsals, arranging the musical numbers, and sending out program invitations.
- A representative of one school district said job enlargement projects were essentially left to the discretion of each principal and could be for just about anything. Examples he mentioned of how career ladder money *could* be used would be to compensate a teacher for "helping out in the lunch room" or for being an advisor to a school club. In fact, a stated requirement on this district's career ladder levels is that teachers are to participate in "extra-curricular" activities. One teacher we contacted at one of the schools in this district received career ladder money last year for being a sophomore class advisor and a dance supervisor for the school's junior prom.

**Tutoring Projects Can Be Effective but May Need Better Design and Oversight.** One specific job enlargement project is to compensate teachers with career ladder money for tutoring students or training other teachers. Teachers arrange to be in their class either before or after school for a set time period to help students who are struggling in particular subject areas, allow them to retake tests, etc. This arrangement seems to be a good use of career ladder money and is clearly related to instruction and curriculum. However, our visits suggest that teachers may be receiving compensation for making themselves available when only a modest number of students actually take advantage of the time. Examples of some of these concerns are:

- Last year a teacher at one school was paid \$1,200 in career ladder money to provide help to other teachers for a new mathematics curriculum being adopted. In the project summary report, this teacher indicated that the position had been "ineffective" because so few teachers utilized the tutoring sessions, even after he tried to make it more accessible, and he suggested that the position not be continued the next year. While there seems to have been a solid effort to make this particular activity work, it was ultimately not a beneficial use of career ladder money.

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- Another PTA official we contacted who was a former parent representative on her local school's career ladder committee indicated concern about this issue. Teachers were paid career ladder money for making themselves available outside of regular class hours if students had questions or problems with school work, but evidently few students took advantage of the time. The idea was good but the benefit was limited.
- Representatives from one school district indicated that they have had some trouble in the past with lax controls over what constitutes a legitimate tutoring session. They have recently revamped their entire CLP to, among other things, avoid paying teachers for sitting in empty classrooms during tutoring sessions.

Tutoring projects seem to be a very legitimate use of career ladder funds, but greater care should be taken to assess need and to maximize the number of participants in the sessions. A principal of one school that does not use career ladder money for job enlargement activities said tutoring sessions can be valuable as long as they 1) involve a specific subject matter, and 2) are designed with a targeted student population in mind that needs the help. Another teacher who conducts tutoring sessions said he tries to get parents involved as much as possible so they will encourage their kids to attend.

### **Some Uses of Extended Days May Need Review**

As noted previously, teachers at some schools are allowed to use extended days in part for reading and grading of papers and tests, completing report cards, and the overall preparation of student grades. For instance, districts such as Salt Lake, Jordan, and Granite allow the use of extended days for these purposes. They believe this practice is justified because teacher time is already so stretched that these things might otherwise have to be done on their own time. One principal from a rural school where extended days are used for grade preparation also defended this practice as legitimate. He said that prior to the CLP, some teachers used to have meaningless activities the last week of the quarter, such as watching a film, so they could use class time for grade preparation.

On the other hand, some districts discourage the use of extended days for basic classroom preparation activities, like grading, because they feel it is too administrative and does not relate to curriculum development. Emery and South Sanpete district officials indicated that schools are urged not to use extended days for these types of activities. In addition, the state

superintendent has expressed concern over this same issue and has indicated a desire to have a requirement that more career ladder days be used by teachers specifically for professional development activities.



There is some concern about the legitimacy of these activities during career ladder time, yet district plans that clearly indicate the intention to use extended days for these purposes are being approved by the state career ladder committee. Although state education policy does not prohibit this practice, career ladder time is not supposed to support administrative activities. The practice of using these days for basic preparation activities should be reviewed by the State Office of Education to determine if it is consistent with program intent.

### **Conclusion and Legislative Options**

It must be noted that the diminishing role of the performance bonus component does not mean that the CLP has failed to reach the goals specified in **Utah Code**. While districts have moved away from using this component, career ladder monies continue to be applied in areas that seem to help teachers learn and develop new skills which, in turn, should benefit students. Still, there is little objective data linking teacher performance to student achievement, and little information exists about the extent to which the CLP has reached Utah's outstanding teachers and improved their performance.

Following are some options which the Legislature may wish to consider:

1. **Reaffirmation of the Performance Bonus/merit Pay Concept** - If rewarding outstanding classroom performance remains a strategic goal, the approach must be reevaluated. It is clear that districts have experienced difficulty and controversy in attempting to establish a merit pay system, which is precisely why it is little used today. If the Legislature wishes to promote the merit pay concept, especially by reinstating mandatory spending requirements, the practical issues of how problematic it is to actually measure and reward outstanding performance in a way that is perceived as fair must first be addressed. One alternative could be to have districts use different forms of observation and assessment in the classroom, require evidence of student achievement, and specify qualifications that teachers must attain, similar to the programs in Logan and Jordan districts, as a way of measuring performance. If the Legislature is interested in a true merit-based pay program, further study of these issues will likely be necessary. However, it is safe to say that performance evaluation needs to be based on objective, observable, and well-communicated criteria in order to minimize the subjectivity that often creeps into the process.

2. **Maintaining the Current Program** - If rewarding outstanding teaching performance is believed to be too difficult and controversial, the Legislature may wish to recognize actual practice among the districts and schools and essentially continue the program as it is. This option recognizes the benefit of current career ladder activities and their potential impact on student development. The merit pay component of the program could even be terminated and the money redirected to more favored career ladder activities. This adjustment might at least bring the public perception of the program into alignment with how money is actually being used, and clarify any misbelief that the CLP is a pure merit pay system. However, if the CLP does remain as it is, the State Office of Education needs to bolster program integrity by 1) clarifying what constitutes legitimate job enlargement projects, 2) encouraging districts to review school tutoring project practices so sessions reach a maximum number of participants, and 3) reviewing the appropriateness of the use of extended days for basic preparation activities such as grading.
  
3. **Elimination of the Program** - Finally, the Legislature may wish to consider whether the CLP should be terminated. If the program is terminated, the Legislature would clearly need to consider the effects on educators and students. At least two options exist here:
  - A. One possibility would be to convert Utah's CLP to more of a school-based incentive program, similar to those in other states, that provides monetary awards to schools who can demonstrate certain levels of student progress and achievement in specific areas. The advantage to this type of program is its emphasis on collaboration and collegiality among teachers rather than the competition that stems from the pursuit of individual awards.
  
  - B. As another alternative, career ladder monies could be converted into a supplement to regular teacher salary with the idea that teachers would continue to pursue career ladder activities as part of their regular pay and not for a separate payout. This option would obviously recognize and reinforce the philosophy of dispersing career ladder money broadly. The possible advantage to this system would be the elimination of time and money spent on administering and overseeing a separate program. However, many educators and administrators we spoke with believe that abandoning the program could hurt teacher morale and could be detrimental to students because the focus and incentive to undertake and complete specific activities would be diminished. Also, the CLP is a very well established program and doing away with it would cause considerable controversy.

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**We hope this letter addresses your concerns. A response letter to  
Education is attached. If there is any additional information you  
further questions, please feel free to contact our office.**

**Sincerely,**

**Wayne L. Welsh  
Auditor General**

**WLW:MDE/lm**

## **Appendix**

## **APPENDIX A**

### **BACKGROUND AND OVERVIEW OF UTAH'S CAREER LADDER PROGRAM**

The 1984 Utah State Legislature adopted a teacher Career Ladder Program to (1) attract and retain good teachers, and (2) improve the quality of schools in Utah. Presently, the Career Ladder Program consists of the following six components:

- **Performance Bonus** - provides compensation to educators who are judged, through a formal evaluation process, to be outstanding in regular classroom performance.
- **Career Ladder Levels** - consists of multiple levels to which an educator is assigned depending on individual qualifications and, in some school districts, tenure.
- **Job Enlargement** - provides additional compensation to educators for instruction and curriculum related responsibilities which are in addition to regular duties and address district or building goals.
- **Extended Contract Days** - provides for additional paid, non-teaching days beyond the regular school year for curriculum development, training, and classroom preparation.
- **Teacher Inservice Training** - specifically designed to pay teachers for participation in professional development activities, although money in the extended days category often covers this as well.
- **Teacher Shortage** - additional money available to attract and retain teachers in districts and schools where recruitment has previously been difficult. To date, this category has never been utilized by any school district.

#### **Funding**

In 1984, the Utah Legislature appropriated \$15,258,938 to support efforts to implement career ladder programs. Funding for the program rose to \$34,332,300 by 1986 where it remained constant until 1992. Since that time, funding has risen yearly to its present level of \$45,226,476. At present funding levels, teachers receive an average of \$1,857 in supplementary career ladder pay with as much as \$11,521 going to one educator last year.

#### **Approval Process**

By law, career ladder plans are developed by local, district or site, career ladder committees consisting of citizens, parents, educators and administrators. Plans are eventually submitted to the State Office of Education for review by the Career Ladder Review Committee. The Review Committee examines each plan to ensure compliance with State Board rules prior to a recommendation to the State Board for approval. Upon approval by the State Board, allocated funds are distributed to districts in 1/12 increments based essentially on teacher and student populations.

## **Agency Response**