Reform Plan Criteria

(D)(2) Improving teacher and principal effectiveness based on performance *(58 points)*

The extent to which the State, in collaboration with its participating LEAs (as defined in this notice), has a high-quality plan and ambitious yet achievable annual targets to ensure that participating LEAs (as defined in this notice)—

(i) Establish clear approaches to measuring student growth (as defined in this notice) and measure it for each individual student; *(5 points)*

(ii) Design and implement rigorous, transparent, and fair evaluation systems for teachers and principals that (a) differentiate effectiveness using multiple rating categories that take into account data on student growth (as defined in this notice) as a significant factor, and (b) are designed and developed with teacher and principal involvement; *(15 points)*

(iii) Conduct annual evaluations of teachers and principals that include timely and constructive feedback; as part of such evaluations, provide teachers and principals with data on student growth for their students, classes, and schools; *(10 points)* and

(iv) Use these evaluations, at a minimum, to inform decisions regarding— *(28 points)*

    (a) Developing teachers and principals, including by providing relevant coaching, induction support, and/or professional development;

    (b) Compensating, promoting, and retaining teachers and principals, including by providing opportunities for highly effective teachers and principals (both as defined in this notice) to obtain additional compensation and be given additional responsibilities;

    (c) Whether to grant tenure and/or full certification (where applicable) to teachers and principals using rigorous standards and streamlined, transparent, and fair procedures; and

    (d) Removing ineffective tenured and untenured teachers and principals after they have had ample opportunities to improve, and ensuring that such decisions are made using rigorous standards and streamlined, transparent, and fair procedures.

The State shall provide its detailed plan for this criterion in the text box below. The plan should include, at a minimum, the goals, activities, timelines, and responsible parties (see Reform Plan Criteria elements in Application Instructions or Section XII, Application Requirements (e), for further detail). Any supporting evidence the State believes will be helpful to peer reviewers must be described and, where relevant, included in the Appendix. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.

Recommended maximum response length: Ten pages

D.2.i. Measuring Student Growth

With the ABCs of Public Education (ABCs) Accountability System, the Lexile/Quantile framework, and a statewide license to use the Education Value-Added Assessment System (EVAAS), NC has well-established and clear approaches to measuring student growth and measuring it for individual students. The State provides teachers, parents, and students information about student performance through various communication vehicles (see Section C2), including a public school and district report card website. NC also provides financial incentives to teachers and principals based on measures of student growth.

Background

In 1995, NC established one of the nation's first modern statewide school accountability programs, the ABCs of Public Education (ABCs), to create a new lens through which to focus on the State's goal of improving growth in individual student achievement. Since that time, the ABCs program has provided NC with a school-level accountability system that supports data-driven decision-making, allowing NC teachers, parents, schools, LEAs, State-level policymakers, and local communities to better target school improvement efforts (see Section C2 for more details). The ABCs provide teachers and parents with information about individual student performance on statewide end-of-grade and end-of-course tests, including norm-referenced scale scores and criterion-referenced Lexile (reading) and Quantile (math) levels. The ABCs program also includes financial incentives in the form of bonuses for all professional staff in schools that meet or exceed expected growth. Since the ABCs program was well-established long before the advent of the Federal No Child Left Behind (NCLB) legislation in 2002, NC needed only to add AYP measures and requirements for schools to disaggregate data by student subgroups to comply.

In 2007, to expand the toolset available to NC teachers to support their understanding of individual student growth trajectories, the General Assembly funded a statewide license that grants access for all LEAs to the SAS Institute's Education Value Added-Assessment System (EVAAS). This powerful tool (described in detail below) uses historical test data to measure individual student progress over time, diagnose opportunities for growth, and predict the probability that a student will succeed in specific courses, based on her or his prior test scores.

ABCs Model for Measuring Individual Student Growth. Since initial implementation of the ABCs, the State has raised standards in math and reading and strengthened the basic ABCs model. In 2006, with support from USED, NC made significant changes to the ABCs program by implementing new growth formulas. To ensure transparency and public confidence in the model, details about the formulas and procedures are available publicly on NCDPI's website, and school- and LEA-level results of annual testing (known as the "ABCs accountability report") also are available to the public online. In addition, individual student-level results are provided separately and securely to each student's teachers and parents (see Section C2 for more information, particularly regarding the Lexile/Quantile framework).

At the school level, the current ABCs accountability system publicly reports performance, growth, and AYP measures for the school overall and for NCLB-defined subgroups that have more than 40 students. These measures are based on the following statewide assessments:

- End-of-grade tests, administered in reading and mathematics in grades 3 through 8 and in science in grades 5 and 8;
- End-of-course tests, administered to high school students in eight subject areas: Algebra I, Algebra II, Biology, English I, Geometry, US History, Civics and Economics, and Physical Science; and
- Alternative assessments, available for certain students with disabilities.

Performance measures place students in one of four achievement levels, with Level III considered "at grade level" and Level IV considered "above grade level." The performance composite for a school is the proportion of individual test scores at or above Achievement Level III.

An individual student's academic growth measure is calculated as change from a baseline average of the prior two years' assessments. If only one year's EOG test data are available, the expectation for change is based on only one prior assessment. An individual student is expected to perform on the EOG test for the current year as well as or better than she or he did, on average, in the prior two years. This expectation is determined by placing students' scores on a c-scale (a "change scale," to which a student's developmental scale score is converted), with an adjustment for regression to the mean.

A school's AYP status is determined by whether the students in the school, as a whole and in each identified subgroup with 40 or more students, meet the performance standards set by NC in compliance with Federal guidelines. For public reporting, NC schools are classified based on the set of criteria shown in Table 21.

Table 21: NC School Classification Matrix

Performance Level (% of students scoring at or above Achievement Level III)	Academic Growth		Schools making: Less than Expected Growth
	Schools making: Expected or High Growth		
90% - 100%	AYP met	Honor School of Excellence	No recognition
	AYP not met	School of Excellence	
80% - 89%	School of Distinction		
60% - 79%	School of Progress		
50% - 59%	(Priority School)		Priority School
Less than 50%	(Priority School)		Low Performing School

Education Value-Added Assessment System (EVAAS). In 2007-08, the General Assembly funded a statewide license that enables all NC LEAs, schools, and teachers to access the Education Value-Added Assessment System (EVAAS), a software tool created by Dr. Bill Sanders at SAS Institute in Cary, NC. EVAAS extends the information available to educators via the ABCs about individual student growth. Users of EVAAS can produce reports that predict individual student success on EOG and EOC tests, reveal patterns in subgroup performance, and estimate the impact of teachers and schools on student achievement. EVAAS adds dimensions to the ABCs growth measure by analyzing multiple aspects of a student's academic history. The software uses historical test data to calculate a precise measurement of student progress over time, as well as a reliable diagnosis of opportunities for growth, based on up to five years of data for an individual student. One function predicts the probability that individual students will succeed in specific courses,

based on analyses of their prior test scores. Schools are using this predictive analysis to inform placement decisions into mathematics courses, an innovation that has led to increases in earlier enrollment in Algebra I. Teachers also use EVAAS's ability to identify students who are at risk of academic failure to customize instruction for them to accelerate their academic growth. Recent RAND Corporation assessments support the EVAAS approach to value-added measurement (McCaffrey *et al.*, 2008a & b; Lockwood & McCaffrey, 2007); further information about EVAAS is provided in Appendix 31.

D.2.ii. Evaluation

North Carolina's Educator Evaluation System (Evaluation System), which was designed and developed with teacher and principal involvement, is a rigorous, transparent, and fair evaluation system for teachers and principals that uses multiple rating categories. Between 2010-11 and 2012-13, with continued input from teachers and principals, the state will integrate a system for differentiating teacher and principal effectiveness that takes into account data on student growth as a significant factor.
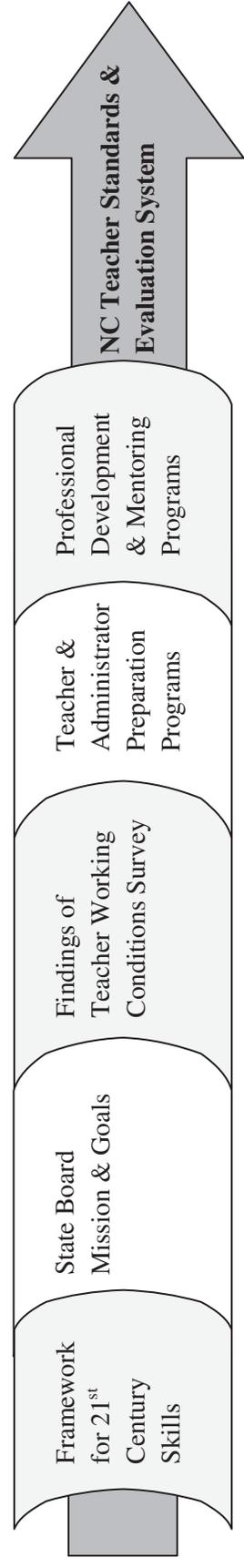
NC Educator Evaluation System for Teachers and Principals

NC is deeply committed to implementing a rigorous, transparent, and fair evaluation system for teachers and principals statewide that combines measures of student growth with other research-based indicators to help ensure that every student has effective teachers and that every school has an effective principal. In order to ensure that educators and the public view this system as credible, over the past several years the State has partnered with teachers, principals, and a variety of other stakeholders, all of whom have provided and continue to provide ongoing and substantive input, to develop and implement the Evaluation System. During the 2008-09 school year, NC began statewide roll-out of the Evaluation System, which includes a new set of professional standards for teachers and principals, along with new statewide evaluation processes aligned with those standards.

Aligned Standards.

The Standards underlying the Evaluation System are aligned with the State Board's goals (see Section A1; also see Appendix 1), research results from the NC Teacher Working Conditions Survey, program approval criteria for Schools of Education and MSA Programs, and professional development and mentoring programs. The standards reflect the complexity of education in the 21st

century by emphasizing the important roles of leadership, teamwork and collaboration, higher-order thinking, authentic assessment, and technology-infused learning. NC is the only state with an evaluation system that is aligned across so many levels of education, including teacher preparation and school administrator programs in the UNC System's colleges of education, which recently completed a review and reform process to align their programs with the State teacher and principal standards. The following graphic illustrates the alignment of NC's system of educator standards, preparation, support, and evaluation:

Figure 8: NC's Aligned Educator Standards & Evaluation System

Evaluation Tools.

The Educator Evaluation System currently includes a *Teacher Evaluation Process* and a *Principal Evaluation Process*, and evaluation instruments are being field-tested for assistant principals and superintendents. The State Board requires all LEAs across NC to implement the Evaluation System instruments. Superintendents evaluated all principals using the Principal Evaluation Process beginning in 2008-09. The implementation of the Teacher Evaluation Process began with 13 districts in 2008-09 and 39 districts in 2009-10. The remaining 63 districts will put the Teacher Evaluation into practice in 2010-11.

Teacher Evaluation Process. The teaching standards and the Teacher Evaluation Process were developed by the NC Professional Teaching Standards Commission, whose membership includes classroom teachers, school and district administrators, education faculty, and the president of the teachers' association; feedback from focus groups across NC informed this development process. The Teacher Evaluation evaluates teachers on the following five standards:

1. Demonstration of leadership;

2. Establishment of a respectful environment for a diverse population of students;

3. Knowledge of content taught;

4. Facilitation of learning; and

5. Reflection on practice.

A sixth standard – *Measures of Student Growth* – will be added before the 2010-2011 school year to strengthen the existing Teacher Evaluation (see **Integration of Student Growth Measures**, below). Evaluations occur four times a year for probationary teachers and annually for career-status teachers.

Principal Evaluation Process. The Principal Evaluation Process was developed by a task force composed of administrators, business representatives, legislators, and members of professional organizations. Like the Teacher Evaluation Process, it incorporates standards that cover multiple facets of leadership (strategic, instructional, cultural, human resources, managerial, external development, and micro-political). A unique component of the Principal Evaluation is its integration of Teacher Working Conditions Survey data as an artifact, which evaluators (superintendents) can use to help principals focus on how best to improve teaching and learning conditions. The importance of student achievement and growth is woven throughout both instruments; as with the Teacher Evaluation, an additional *Measures of Student Growth* standard will be added to the Principal Evaluation process, as detailed below.

Integration of Student Growth Measures.

On both the Teacher and Principal Evaluations, an educator's mastery of aspects of each standard is rated as *Not Demonstrated, Developing, Proficient, Accomplished,* or *Distinguished.* Both the Teacher and Principal Evaluations were designed primarily to support professional growth. The tools also help to differentiate teachers and principals by identifying those at the top end who may be candidates to serve as mentors or Professional Development Leaders (see Section D5), as well as those at the lower end who are in need of remediation or possible dismissal. (See Appendix 32 and Appendix 33 for the NC Teacher and Principal Standards and Evaluation Rubrics). While the Teacher and Principal Evaluations each currently embed student growth as a component of several

standards, beginning with the 2010-11 school year, and with continued input from teachers and principals, the State will integrate into both evaluations additional standards that will formally factor student growth data into the evaluation process (see Sections D.2.iii-iv below).

D.2.iii and D.2.iv. Initiatives to Improve Effectiveness Based on Performance

North Carolina conducts annual evaluations of teachers and principals using the NC Educator Evaluation System that include timely and constructive feedback. Beginning in 2010-11, as part of such evaluations, teachers and principals will be provided with data on student growth for their students, classes, and schools. These data will measure how well teachers and principals meet new *Measures of Student Growth* standards, as defined in the Teacher and Principal evaluations. North Carolina uses these evaluations to inform decisions regarding the following:

- Development of teachers and principals through the provision of relevant coaching, induction support, and professional development;
- Promotion and retention of teachers and principals;
- Granting of tenure and full certification to teachers and principals; and
- Removal of ineffective tenured and untenured teachers and principals after they have had ample opportunities to improve, all using rigorous standards and streamlined, transparent, and fair procedures.

Beginning in 2010-11, the State will introduce an achievement-based compensation model for teachers and principals in the state's lowest-achieving schools. In addition, LEAs without compensation plans will be able to use RttT funds to adopt one of five current LEA-level compensation models. Finally, NC will build on current compensation pilots to provide opportunities for highly effective teachers and principals to obtain additional compensation, and NC Educator Evaluation System results will inform decisions to give teachers and principals additional responsibilities as Professional Development Leaders (see Section D5).

NC recognizes and understands that a teacher's influence is the single most important measurable influence of the school experience on student academic progress. As a result, we believe that evaluations of teacher and principal effectiveness must contain, as a major component, assessment of a teacher's or principal's effect on the academic growth of her or his students. Given NC's long experience in developing both student and educator evaluations, as noted above (Section D.2.ii), we understand the challenges of designing and implementing a rigorous, transparent, and fair system for evaluating teachers and principals that uses student growth measures as a major component. We base this understanding on our own history of educator evaluation systems, the innovative approaches that are being implemented and evaluated in some NC districts and projects, and the measurement and psychometric expertise contributed by

the UNC system, NCDPI, and the SAS Institute (a NC-based, private-sector world leader in analytics, and developer of the EVAAS system described above). We acknowledge numerous concerns, including the following:

- The use of student growth data based upon assessments that are subject to future changes;
- Evaluation of teachers of untested subjects and lack of valid longitudinal data for many grades and subject areas (*e.g.*, Martineau, 2006; Milanowski *et al.*, 2009);
- Non-random assignment of students to teachers (*e.g.*, Rothstein, 2009);
- Student cohort effects (*e.g.*, Raudenbush, 2004);
- Teacher peer effects (*e.g.*, Alicias, 2005; Lockwood *et al.*, 2007); and
- School context and leadership effects; and other issues (Board on Testing and Assessment & National Research Coalition, 2009).

In light of these concerns, we understand that we must develop and implement a system that is rigorous, transparent, and fair, so that it will be accepted by all constituents. Therefore, we plan to proceed with a thoughtful, data-informed, and stakeholder-engaged process for efficiently incorporating student growth measures into educator evaluations, a process to which we will refer as the NC RttT Educator Evaluation Plan.

NC RttT Educator Evaluation Plan

The NC RttT Educator Evaluation Plan is comprised of three major parts:

1. Adding a student growth component to the Educator Evaluation process (see Appendix 4 for NC State Board Resolution that commits NC to using student achievement growth data in the teacher and principal evaluation processes);

2. Fully implementing an Educator Evaluation process that includes student growth measures as essential and significant components of both the Teacher Evaluation Process and the Principal Evaluation Process; and

3. Conducting a thorough, data-informed planning and evaluation process – via a *Teacher Effectiveness Workgroup* – with all relevant constituents represented to a) determine the most rigorous, transparent, and fair way to incorporate student growth

measures in all teacher and principal evaluations and b) study teacher compensation models in place across the state and evaluate their fairness, validity, and reliability.

1. *Adding a student growth component to the NC Educator Evaluation System processes*

Measurements of student growth will be incorporated into the Educator Evaluation System process in two stages.

Stage One. An emphasis on student growth already is threaded throughout the Teacher Evaluation Process, and it is a particular focus of Standard IV: "Teachers facilitate learning for their students" and Standard V: "Teachers reflect on their practice." Similarly, student growth is cited as an important artifact for several standards evaluated by the Principal Evaluation Process. To further emphasize that student growth data are essential parts of the evaluation process, beginning in the 2010-11 school year, the Teacher and Principal Evaluations will be expanded, respectively, to include additional sixth and eighth standards that require specific documentation of a teacher's or principal's impact on student growth. During *Stage One*, assessment of this standard will require *inclusion of two or more examples of student growth data* (see Table 22, below). LEAs will have the discretion to determine which data will be used, but the data must come from a broad list of eligible data sources.

For principals and for teachers of tested subjects, eligible data will include:

* ABCs growth measures (scale scores and/or Lexile/Quantile scores), which employ a pre- and post-test method of measuring growth;
* EVAAS results; or
* Career Technical Education Assessment System results for career and technical education students.

For all teachers (including teachers of non-tested subjects), eligible data also will include:

* Annual Measurable Achievement Objectives results for Limited English Proficient students;
* Measurable Individual Education Plan goals for students with disabilities; or

- One of the measures currently being piloted in individual LEAs – These LEA-developed measures include pre- and post-course tests for currently non-tested courses, and the Student Learning Objectives (SLO) model currently employed in one LEA (Charlotte-Mecklenburg) through a Teacher Incentive Fund (TIF)-LEAP grant in collaboration with the Community Training and Assistance Center. The pre-/post-test/SLO approaches allow teachers and administrators to conduct rigorous, objective measurements of student progress toward goals related to the NC Standard Course of Study for courses in which a standardized state assessment and/or baseline data from which to measure growth are not available. Through the SLO process, teachers and administrators work together to identify specific Standard Course of Study-related areas of focus for each class, and LEA central office staff audit the plans and their implementation to ensure that they are appropriate and are implemented with fidelity. Progress toward meeting SLOs is measured using standardized tests or school- or district-developed tests.

Stage Two. Beginning in the 2012-13 school year, after the completion of a study by the Teacher Effectiveness Workgroup (detailed below) and upon adoption of that Workgroup's recommendations for incorporating student growth measures in educator evaluations, the State will adopt a *uniform, statewide set of acceptable measures of pre-approved student growth data*. The Effectiveness Workgroup will utilize feedback and analyses of the various approaches to measuring student growth (listed above in *Stage One*) to determine the most appropriate measure (or mix of measures) to include for both tested and non-tested subjects. That is, results from multiple LEA-level applications of student growth data to teacher and principal evaluation during *Stage One* of the process will provide the variety of data and experiences necessary to inform the State's transition to a uniform approach during *Stage Two.*

Table 22: Student Growth Data for Inclusion in Teacher and Principal Evaluations

School Year	Function/Role	Principals	Teachers (Tested Subjects)	Teachers (Untested Subjects)
Stage One: 2010-2012	Inclusion of a new standards as part of the Principal &Teacher instruments.	ABCs growth; EVAAS results; Career Technical Education Assessment System	ABCs growth; EVAAS results; Career Technical Education Assessment System; Annual Measurable Achievement Objectives (for LEP); Individual Education Plan goals (students with disabilities); local pre-/post tests; Student Learning Objectives	Annual Measurable Achievement Objectives (for LEP); Individual Education Plan goals (special needs); local pre-/post tests; Student Learning Objectives
Stage Two: 2012-2014	Finalization of state-approved measures of student growth	*TBD, based on results of Teacher Effectiveness Initiative study of options utilized during **Stage One***		

Currently, beginning teachers are required to reach the level of proficient or better for each standard of the NC Educator Evaluation System within their first three years; proficiency within two years is required for teachers who transition from beginning status and hold a continuing license. After adoption of the student growth component in 2010-11, the definition of an *effective teacher or principal* will be an educator whose students' growth (in the aggregate) meets expectations (one year of expected growth) *and* whose ratings on the other standards that comprise the NC Educator Evaluation System are at the level of *proficient* or higher. The definition of a *highly effective teacher or principal* will be an educator whose students' growth (in the aggregate) significantly exceeds expectations (more than one year of expected growth) *and* whose ratings on all other standards that comprise the NC Educator Evaluation System are at the level of *accomplished* or higher (Figure 9). Rather than assigning arbitrary weights to each standard and attempting to attach a numerical value to a teacher's or principal's evaluation, this approach values *all* standards as essential and requires teachers and principals to attend to *all* aspects of their roles; failure to meet a certain level of performance on *any* standard (including the *Measures of Student Growth* standard) will result in a series of interventions that, if improvement does not occur, can end in dismissal (discussed below).

EFFECTIVE = Student Growth (meets expectations) + Other NCEES standards (all *Proficient* or higher)

HIGHLY EFFECTIVE = Student Growth (significantly exceeds expectations) + Other NCEES standards (all *Accomplished* or higher)

Figure 9: Effective and Highly Effective Teachers and Principals in NC

We are sensitive to concerns that achievement data for one year in isolation is often inadequate for representing fairly a teacher's or principal's typical contributions to student learning. Therefore, student growth data will be considered formally by an evaluator only once enough data are available to indicate potential trends (*e.g.*, three consecutive years of test scores in the same subject area). Evaluators can, however, require personal development plans (see *Removal of ineffective teachers* and *Removal of ineffective principals*, below) for teachers and principals based on two consecutive years of data indicating inadequate student growth.

Annual reporting to the public about teachers will include school- and LEA-level reports of the following:

1. The proportion of teachers whose students demonstrate expected growth and the proportion whose students' growth significantly exceeds expected growth;

2. The proportion of teachers who are at each level (not demonstrated, developing, proficient, accomplished, distinguished), by NC Educator Evaluation System standard; and

3. The proportion of teachers who move beyond the "Developing" level within the required timeframe.

Similarly, reporting about principals will include LEA-level reports of the following:

1. The proportion of principals whose students on average meet or significantly exceed expected growth;

2. The proportion of principals who are at each level, by Educator Evaluation System standard; and

3. The proportion of principals who move beyond the "Developing" level within the required timeframe.

These reports will be integrated into the current online NC School Report Cards, which already display annual school-level and LEA-level information about quality teachers and administrators.

2. Full implementation of the expanded NC Educator Evaluation System processes

NC will utilize a range of strategies to support full implementation of the NC Educator Evaluation System. These strategies are listed in Table 23 below, and are described in the subsequent subsections.

Table 23: Strategies for Fully Implementing NC Educator Evaluation System

Strategy	Brief Description	Responsible Parties
NC Educator Evaluation System Support Personnel	Orient teachers and principals to the revised evaluation standards and provide guidance for student data analysis	Professional Development Leaders (see Section D5)
Development of teachers and principals	Link new and existing professional development opportunities to specific evaluation standards; encourage pursuit of national licensure	NCDPI
Granting tenure (Career status) and full licensure	Results of multiple evaluations included in review process	LEAs
Removal of ineffective teachers and principals	Application of minimum Educator Evaluation System minimum standards to licensure process	State Board
Teacher and principal compensation	Application of measures of student achievement to compensation in lowest-achieving LEAs	State Board

NC Educator Evaluation System Support Personnel. The primary lever for ensuring full implementation of the expanded NC Educator Evaluation System processes will be the development of NC Educator Evaluation System Support Personnel, one of the roles to be included among the responsibilities of the Professional Development Leaders, outlined in Section D5, and, for the lowest-achieving schools, as part of the duties of the District and School Transformation teams (Section E2). The role will be phased in during the 2010-11 school year and will conclude by the end of the 2013-14 school year. These Support Personnel will work to deepen educator knowledge of the NC Educator Evaluation System standards, the evaluation system, teacher working conditions, and the emerging student growth standards. A critical component of this professional development will be support for teachers in learning how to

interpret data on the academic growth of their students, as well as how to use that data to inform their instruction. Similarly, administrators will receive support for and training in how to help their teachers use student data to improve their instruction, so that they can carry on the work of the Support Personnel after they conclude their work. In addition, the Support Personnel will work to educate superintendents, principals, parents, community groups, business leaders, and others about the new evaluation system. They also will play a support role for observed teachers by providing detailed feedback after their observations. Finally, they will help evaluators learn how to utilize technology as part of the observation and evaluation process.

Development of teachers and principals. Along with the support provided to educators via the Support Personnel, NC will provide professional development tools and resources linked to each element of the Educator Evaluation System, as described more fully in Section D5. Additional coaching and induction support already is being provided for the lowest-achieving schools and LEAs, as described in Section E2, and beginning with the 2010-11 school year, this support will be informed directly by Educator Evaluation System results. Finally, NC will continue to support teacher pursuit of National Board Certification (as detailed in Section A3) and will extend support to principals who pursue Advanced Certification for Educational Leaders, once that program is launched in 2011.

Granting tenure (Career status) and full licensure. Teachers eligible for full licensure (referred to in NC as SP2, or Continuing licensure) must meet the definition (above) of an effective teacher. After completing their fourth year of teaching, teachers can be considered for Career status (NC's equivalent to tenure) by their local Boards of Education. In making Career status decisions, local Boards will consider the following state guidelines: in addition to meeting the definition of an effective teacher, eligible teachers also should have been evaluated at least 16 times using the Teacher Evaluation; and they must be offered employment by the granting LEA (*i.e.*, offered a contract) for the following year.

Removal of ineffective teachers.

- By State Board policy, beginning in the 2010-11 school year, teachers in any LEA who do not achieve a rating of proficient or higher on all Educator Evaluation System standards by the end of their third year (for Beginning educators) will not be eligible for Continuing licenses, and they may not continue to teach.

- In all LEAs, teachers with Continuing licenses who are rated as developing for one year on any of the Educator Evaluation System standards will be placed on a monitored growth plan. If they do not become proficient by the end of the second year, they will be placed on a directed growth plan for a period of no more than one year. If they still do not become proficient, then the teacher will be dismissed.

- At the beginning of each school year, principals and teachers (both Beginning and Continuing) will review together student achievement data from the prior year. Beginning in 2012-13, if aggregated student data for a teacher are below expected growth, the principal and teacher will devise a professional development plan that includes strategies for improvement. Evaluators, supervisors, and coaches will be able to use Educator Evaluation System and student growth data to identify professional development tailored to the needs of the individual educator in order to have a positive and significant effect on student achievement. Should a teacher experience three consecutive years of student growth that is lower than expected, then the teacher will be placed on a directed growth plan for a period of no more than one year. If the teacher does not become proficient within that time, then the teacher will be dismissed.

Removal of ineffective principals. Superintendents evaluate principals annually using the PEP. At the beginning of the year, each principal brings to a conference her or his school improvement plan, student achievement data, Teacher Working Conditions survey results, SMART (Specific, Measurable, Attainable, Relevant, and Time-Bound) goals, and any other pertinent data requested by the superintendent. From these data, measureable goals are written for the year, reviewed mid-year, and evaluated at the end of the year. If a principal is ineffective for two consecutive years, her or his Superintendent may either place the principal on a directed growth plan, recommend that her or his contract not be renewed, or recommend dismissal.

Teacher and principal compensation. The ABCs legislation described in Section D2.i provides for incentive bonuses for each licensed staff person in schools that meet targets for expected growth (up to $750 per teacher and principal) and high growth (up to $1,500). NC also funds and supports LEA-level approaches to providing incentives to individual teachers based on their students' growth.

As NC fully develops and implements the Educator Evaluation System, we will engage in a parallel process to move from school-level compensation to classroom-level compensation in support of the Evaluation System's ultimate goal of improving student achievement. This process already is underway in a few LEAs. In the past two years, the Collaborative Project (a partnership of the Public School Forum of NC and the NC Science, Mathematics, and Technology Education Center) has linked financial incentives for individual teachers and principals to the ABCs growth measure with a goal of increasing teacher and principal effectiveness in several low-performing districts. Other programs linking incentives to student growth and teacher and principal evaluations are being implemented in four of the five largest school districts in the State, including Charlotte-Mecklenburg, Guilford, Cumberland (all of which are Teacher Incentive Fund sites), and Forsyth. (See Appendix 34 for further description of the Teacher Incentive Fund Grantees and Collaborative Project.)

NCDPI has been monitoring these approaches to determine which models successfully improve teacher and principal recruitment, retention, and effectiveness. NC will use RttT support to apply some of the lessons learned in the following two ways.

- *Compensation in the Lowest-Achieving Schools*

Phase I (2010-12) – NC will use RttT funds to award incentive bonuses of $1,500 dollars each to all certified teachers, principals, and assistant principals in schools currently identified by the State as lowest-achieving (see Section E2) whose performance *exceeds* ABCs accountability system student growth targets. These bonuses will be *above and beyond* any such bonuses awarded as part of the statewide ABCs program.

Phase II (2012-14) – Beginning in the 2012-13 school year, the incentive bonus program for the lowest-achieving schools will *transition from a school-level to a classroom-level program* for classroom teachers. Teachers whose students exceed expected growth *at the classroom level* – based on the adoption of a uniform, statewide set of acceptable measures of pre-approved student growth data *for all subject areas*, as noted above and as explained in component 3 of the Educator Evaluation Plan, below – will be eligible for the $1,500 award. Principals, assistant principals, and certified staff who are not assigned to specific classrooms

(*e.g.*, media specialists and others) will continue to be eligible for the awards based on school-level measures of growth. As in Phase I, these awards will be *above and beyond* any other earned bonuses.

Both phases of this program will be open to all schools identified as lowest-achieving at the start of the 2010-11 school year, and all of those schools will remain eligible throughout the RttT award period, even if a school exits the lowest-achieving designation during that period, as an additional incentive for retention of effective teachers.

- *Adoption of Current LEA-Level Compensation Models*

Concurrent with the plan for providing compensation to teachers in the lowest-achieving schools, all LEAs, regardless of their achievement-level designations, will have the option to use a portion of their RttT funding to adopt one of the compensation models already in place in some of the State's LEAs (including projects funded by several Teacher Incentive Fund grants to LEAs and the Collaborative Project funded by NC, as noted above and described in greater detail in Appendix 34). LEAs with one of these compensation systems already in place will be able to use a portion of their RttT funding to expand their current programs. The process for adopting one of these plans will require the approval of participating teachers, principals, and other stakeholders of the school(s) or LEA involved. These plans could be used to support strategic staffing models to address issues of inequitable distribution of teachers and principals across an LEA, as described in Section D3.

At the end of the RttT award period, the State will assess the success of each compensation programs (see Component 2 of the Teacher Effectiveness Workgroup plan, below), and those determined to be successful (based on their impact on improvement in student achievement and on retention of effective teaches and principals) will be considered for continuation.

3. *Going forward: Improving the continued use of student growth measures in educator evaluations*

To develop the plan for improving use of student growth data in educator evaluations, between 2010 and 2014 NC will sponsor a Educator Effectiveness Workgroup, comprised of classroom teachers, school and district administrators, university faculty and other leading researchers with technical expertise, and representatives from organizations that represent these stakeholders (including the

NC Association of Educators and the NC Association of School Administrators). The Effectiveness Workgroup will be charged with developing several models for the final uniform statewide approach (as described in *Stage Two* above) that will be rolled out initially in a limited number of LEAs for the 2011-12 school year. The Effectiveness Workgroup will make recommendations based on its own research, evidence from the *Stage One* inclusion of student growth data in teacher and principal evaluation (described above), and input from focus groups convened to evaluate potential approaches for uniform statewide adoption. The Effectiveness Workgroup also will connect with other relevant research programs, such as the Bill & Melinda Gates Foundation-funded Measures of Teacher Effectiveness Project, for which Charlotte-Mecklenburg is one of the test districts. Based on analyses of the limited rollout in 2011-12, the Effectiveness Workgroup will present to the State Board by Summer 2012 final recommendations that, upon approval, will be implemented statewide the following school year.

The Effectiveness Workgroup will address both the *technical* and the *policy design issues* involved in including measures of student growth data in the Educator Evaluation System. The technical development process will evaluate approaches to estimating the amount of learning taking place in each classroom and separating out each teacher's contribution to that learning. The policy development process will explore and resolve broader questions about how these learning estimates should be used and how to deal with data gaps or other issues. Questions to be addressed include the following:

1. How best to assess teacher effectiveness a) in untested subjects, b) of initially licensed teachers (who have not yet developed a substantial history of student growth data), and c) of teachers of students with disabilities;

2. How teacher effectiveness can best be incorporated into a system of teacher incentives;

3. How information on teacher effectiveness can best inform decisions about professional development plans, teachers' roles as coaches and mentors for colleagues, and other aspects of teachers' career paths; and

4. What type of value-added model can most precisely and reliably estimate teacher effectiveness in NC.

From 2012-13 (*i.e.*, the beginning of full statewide implementation) forward, ongoing evaluation of NC Educator Evaluation System results across schools within and across LEAs, including the degree to which results accurately reflect variations in student outcomes,

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will help to ensure the validity and consistency of the instrument's implementation statewide. We are particularly interested in evaluating the relationship between principals' and teachers' evaluation results, incentive programs, and student achievement growth data. These results also will help to inform evaluations of the impact of professional development (see Section D5).

Finally, the Effectiveness Workgroup will be charged with reviewing all new and current compensation programs and evaluating the degree to which each provides a valid, fair, and reliable way to compensate teachers and administrators on multiple measures of professional growth (experience, education, and other professional designations) and student growth and learning. The NC Network of Grantmakers also has conveyed their interest in supporting this effort. Through this process, we will carefully consider key issues, such as ensuring that incentives align with NC and LEA needs, assessing fairness to educators at different points in their careers, managing the overall costs as compared to the current system, and determining ways to continue the most successful programs at the end of the RttT grant period.

Supporting technology

All three initiatives of the NC RttT Educator Evaluation Plan will benefit from a number of supporting technologies described in other sections of this proposal. One data collection application will support online recording and aggregation of NC Educator Evaluation System results at the school and LEA levels. The tools that will be used in online professional development activities (described in Section D5) also will support the implementation of the enhanced Educator Evaluation System. Finally, NC has applied for ARRA and other funding to efficiently scale communications fiber based throughout the state to higher bandwidth requirements to ensure that all LEAs and schools have access to these tools (see Section A2).

Implementation timeline

Several NC RttT Educator Evaluation Plan elements – the development and distribution of teacher leader/principal teams, results analyses, and online delivery of services – will be implemented statewide (see Table 24 below for timeline). The Support Personnel roles will be prioritized for: 1) high-need, low-performing districts not currently served by District and School Transformation teams

(Section E2) that lack the capacity to provide adequate support for developing teachers; and 2) districts whose relative remoteness makes it difficult for them to recruit from a broad pool of teachers.

Evaluation.
Specific questions, data sources, and timelines governing the evaluation of this process are included in Appendix 7.

Table 24: NC RttT Educator Evaluation Plan Implementation Timeline

ACTIVITIES	2010	2011	2012	2013	2014
Develop strategic plan for statewide coverage for Teacher and Principal Leaders who take on Support Personnel role • Generate job descriptions, recruitment, and training for Support Personnel — Sept 2010 – Feb 2011 • Develop Teacher Evaluation Workgroup (TEW) membership, guidelines, and detailed implementation plan • Disseminate e-Platform, online webinars, podcasts, professional development tools and content tied to the Educator Evaluation System • Fully implement the Teacher Evaluation Process statewide	■				
Deploy Support Personnel to target LEAs (phase out in 2014)	■■■■■■■■■■■■■■■■				
Conduct Teacher Effectiveness Workgroup first-year evaluation			Feb – July 2012 ■		
Publish aggregated Educator Evaluation System results for all LEAs			July 2012 ■		
Implement limited rollout of Teacher Effectiveness Workgroup compensation recommendations			■■■■■	July 2012 – June 2013 ►	
Develop career plans for developing teachers and make coordinated professional development available based on Educator Evaluation System results and Support Personnel recommendations in all high-need LEAs			■■■■■■►		
Fully implement Teacher Effectiveness Workgroup recommendations statewide and conduct first-year evaluation of initial adopters			■■■■■■►		
Publish validity and reliability results for Educator Evaluation System evaluations					■
Conduct final evaluation of Teacher Effectiveness Workgroup recommendations					■

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Performance Measures for D(2)		Actual Data: Baseline (Current school year or most recent)	Baseline data and annual targets			
Criteria	**General goals to be provided at time of application:**		**End of SY 2010-2011**	**End of SY 2011-2012**	**End of SY 2012-2013**	**End of SY 2013-2014**
(D)(2)(i)	Percentage of participating LEAs that measure student growth (as defined in this notice).	100	100	100	100	100
(D)(2)(ii)	Percentage of participating LEAs with qualifying evaluation systems for teachers.	45	100	100	100	100
(D)(2)(ii)	Percentage of participating LEAs with qualifying evaluation systems for principals.	100	100	100	100	100
(D)(2)(iv)	Percentage of participating LEAs with qualifying evaluation systems that are used to inform:					
(D)(2)(iv)(a)	(a) Developing teachers.	45	100	100	100	100
	(b) Developing principals.	100	100	100	100	100
(D)(2)(iv)(b)	(c) Compensating teachers.	8	25	25	TBD	TBD
	(d) Compensating principals.	8	25	25	TBD	TBD
(D)(2)(iv)(b)	(e) Promoting teachers.	45	100	100	100	100
	(f) Promoting principals.	N/A	N/A	N/A	N/A	N/A
(D)(2)(iv)(b)	(g) Retaining effective teachers.	45	100	100	100	100
	(h) Retaining effective principals.	100	100	100	100	100
(D)(2)(iv)(c)	(i) Granting tenure and/or full certification (where applicable) to teachers.	45	100	100	100	100
	(j) Granting tenure and/or full certification (where applicable) to principals.	100	100	100	100	100
(D)(2)(iv)(d)	(k) Removing ineffective tenured & untenured tchrs.	45	100	100	100	100
	(l) Removing ineffective tenured and untenured principals.	100	100	100	100	100

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Performance Measures for D(2)	Actual Data: Baseline (Current school year or most recent)	End of SY 2010-2011	End of SY 2011-2012	End of SY 2012-2013	End of SY 2013-2014
General data to be provided at time of application:					
Total number of participating LEAs.	115				
Total number of principals in participating LEAs.	2,399				
Total number of teachers in participating LEAs.	99,730				