



## **Value-Added Model and the Teacher Incentive Fund: Frequently Asked Questions about VAM and TIF Winter 2012**

### **What is TIF?**

The TIF (Teacher Incentive Fund) is a five-year federal grant designed to improve student achievement in high-need schools by supporting new forms of educator compensation, career ladders for teachers, and professional development opportunities. Six school districts in Oregon that were awarded TIF funding in 2010 have completed their design of new models for performance-based compensation systems. The new models must use multiple measures of teacher performance including a measure of student achievement gains, such as a value-added model (VAM).

### **What is VAM?**

VAM uses individual student characteristics and past test score results to predict growth for each student in a given year. The model then compares actual growth to predicted growth. A high VAM percentile ranking indicates that, on average, students at that school are achieving more growth than similar students in comparable schools.

### **What is the purpose of VAM?**

The purpose of VAM is to evaluate teacher or school effectiveness by tracking students' test score growth from one grade to the next. VAM provides a method for measuring student growth, and uses statistical models to account for variables beyond a teacher's control.

Teacher effectiveness in the classroom is essential to student learning, and variables beyond a teacher's control play a major role in a student's ability to learn, such as socio-economic factors and achievement in prior grades in school. VAM accounts for these and other variables in assessing teacher and school effectiveness.

### **How will VAM be used in Chalkboard's TIF districts?**

TIF encourages innovation at the local level where teachers themselves work with experts to design VAMs that measure their performance based on student growth. In 2011, the six Oregon TIF districts all designed school-based VAMs. That means that individual teachers will not be evaluated using teacher- or classroom-based value-added measures. Rather, districts are using a school-level measure and eligible teachers in schools that meet VAM targets will receive financial bonuses from the district. Payments will be made using federal TIF funds.

### **How is VAM different from AYP?**

Adequate yearly progress (AYP) measures student performance by grade against a predefined target. It shows whether students met or did not meet targets. By contrast, VAM measures student growth, gauging progress from one grade year to the next. With VAM, no school is punished for having students who have traditionally struggled, as long as those students make gains comparable to similar students in other schools.



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AYP does not take into consideration the preparedness of students entering a grade. Therefore it does not account for prior differences in student performance, and places undue responsibility on teachers to close inherited achievement gaps. Moreover, AYP can inadvertently overstate performance by students who actually progressed very little in a year but who began the year with a high level of proficiency.

### **What teacher performance measures are used in TIF districts?**

TIF requires rigorous, transparent, and fair evaluation systems for teachers that differentiate levels of effectiveness. To achieve this, TIF requires use of two or more measures to evaluate teacher effectiveness, one of which must be a measure of student achievement gains such as VAM. TIF requires that financial bonuses will be awarded to eligible teachers based on these measures of teacher effectiveness. Each school district has worked with teachers to determine a formula for teacher bonuses based on the measures of teacher effectiveness.

### **What is the second teacher performance measure besides VAM?**

TIF grantees are required to use a teacher evaluation system that includes multiple classroom observations. Oregon districts participating in TIF are committed to strong inter-rater reliability, meaning that evaluation will be consistent across a district regardless of the specific individual conducting the evaluation. Districts have the option of establishing additional measures of teacher effectiveness.

### **Why is VAM considered controversial?**

The primary criticism of VAM is that it cannot completely account for all variables that influence student performance, and therefore is a flawed model for measuring the effectiveness of classroom instruction. VAM is also limited by relying on measures that can be run through the statistical model, i.e. test scores.

No model, including VAM, is perfect. However, VAM introduces a much more sophisticated measure of student performance than does AYP.

In Oregon, TIF encourages innovation at the local level where teachers themselves have helped design the models to measure student growth. VAM also is introducing a higher level of objectivity into school and teacher evaluation.

### **How is the Chalkboard Project applying VAM?**

Chalkboard's CLASS program, created in 2007, established a solid foundation for its participation in TIF. CLASS is a comprehensive model that is not focused exclusively on compensation. TIF adds emphasis to the compensation component of CLASS, but it does not do away with the other three components: teacher evaluation systems, career paths, and professional development.



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Oregon districts participating in TIF are required to use VAM as one of their two measures of teacher effectiveness. In 2011, these six districts all designed school-based models of VAM. That means that individual teachers will not be evaluated using teacher- or classroom-based VAM measures. Rather, eligible teachers in schools that meet VAM targets will receive financial bonuses from the district. Payments will be made using federal TIF funds.

### **What does Chalkboard hope to achieve by participating in TIF?**

Participating districts are putting into place policies and opportunities for educators that will outlast the federal experiment. Chalkboard values the opportunity to incubate promising practices with the hope that the work will inform CLASS and future policy discussions at the state and national level.

### **What are early VAM results for Oregon?**

The program is in the very early stages, so it is too soon to know. Districts completed and submitted their designs for federal approval in spring 2011. The first year of implementation is right now, during the 2011-2012 school year. Evaluation of this first year will be conducted in the weeks following the Oregon Department of Education's release of student performance data (OAKS) in the fall of 2012.

For additional information, please refer to:

- Value-Added Model (VAM): A Statistical Method for Measuring Student Growth, Winter 2011 (<http://chalkboardproject.org/wp-content/uploads/2012/01/VAM-Student-Growth-illustration.pdf>)
- Demystifying the Teacher Incentive Fund, Autumn 2011 (<http://chalkboardproject.org/wp-content/uploads/2010/12/TIF-myths-Fall-11-final1.pdf>)
- CLASS/TIF Compare and Contrast Chart, Autumn 2011 (<http://chalkboardproject.org/wp-content/uploads/2011/11/Comparison-TIFCLASS.pdf>)
- CLASS/TIF Mission Critical Elements, Summer 2011 (<http://chalkboardproject.org/wp-content/uploads/2012/01/Mission-Critical-Diagram.pdf>)
- Cycle of Implementation CLASS/TIF: Year 2, Summer 2011 (<http://chalkboardproject.org/wp-content/uploads/2012/01/Cycle-of-Implementation.pdf>)
- Teacher Incentive Fund FAQ, December 2011 (<http://chalkboardproject.org/wp-content/uploads/2010/12/TIF-grant-QA-revised-Dec-11.pdf>)
- Explanation of VAM ("oak tree model, from VARC) (<http://varc.wceruw.org/tutorials/Oak/index.htm>)