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Utah Teacher Merit Awards: A Policy and Research Brief

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The purpose of the Center for the School of the Future is to promote empirically validated practices in public education systems and to encourage cooperative and research relationships between K-12 and higher education institutions.

The Context

Teaching is both an art and a science. The art of teaching is driven by passion, dedication, and an unwavering commitment to make a difference in students' lives. The science of teaching is deeply rooted in empirical research findings that promote the use of research-driven practices that propel student learning.

Even though student learning lies at the core of teachers' work, in most states teachers are not compensated for student learning. Instead, teachers are compensated through a steps (years of experience) and lanes (college credits) salary system. Koppich (2024) traces this system back to the end of World War II, a period when most elementary teachers were women, and most secondary teachers were men. A single pay system that rewards experience and college credits seemed to be an equitable solution to gender pay differences at that time. Although more than 75 years have passed, teacher compensation systems remain the same (Hanushek, 2020).

Compensation is a determining factor for individuals entering or remaining in the teaching profession (Bacolod, 2007). With rising costs of living, especially in Utah, many effective teachers leave education in search of higher salaries. More concerning is the fact that effective teachers in our highest-needs schools often leave the profession. If they do stay, they often transfer to schools with students who are less challenging to teach (Hanushek et al., 2004; Rivkin et al., 2005). Frequent teacher turnover reduces student achievement (Redding & Henry, 2018), increases costs for schools and districts (e.g., recruiting, hiring, training, and coaching programs), increases the likelihood of less-skilled replacements, and interferes with school programs and culture (Sorensen & Ladd, 2020). Teacher retention, especially teacher retention in high-poverty schools, has never been more critical.

Teacher retention in Utah is the major focus of Senate Bill 173. The bill, titled "The Excellence in Education and Leadership Supplement" (hereafter referred to as Teacher Merit Awards) aims to ***increase*** the number of Utah's top-performing teachers who remain in Utah's schools and ***increase*** the number of top-performing teachers who choose to teach in Utah's high-poverty schools.

The purposes of this policy brief are to:

- clarify SB173, Teacher Merit Awards
- summarize research findings on merit teacher pay programs
- separate myths from facts about teacher merit awards
- identify the advantages of teacher merit awards
- provide contact information

Clarifying SB173 - Teacher Merit Awards

Utah's Teacher Merit Awards is a state-funded, five-year pilot program. The purpose of the program is to recognize, reward, and retain the top 25% of Utah's teachers and to incentivize them to teach in our high poverty schools.

The Center for the School of the Future (CSF) at Utah State University will seek **voluntary** participation of Utah's Local Education Agencies (LEAs) for this pilot program. CSF and participating LEAs will be responsible for the administration and identification of teachers for the Teacher Merit Awards.

Who is Eligible?

According to SB173, “eligible teachers" include individuals who work in a participating LEA and who hold:

- “a state board approved license,” and
- “a position that includes a current classroom teaching assignment.”

Eligible teachers include teachers in tested and untested subject areas, K-12.

How are Teachers Evaluated?

To identify Utah’s top-performing teachers, participating LEAs will develop an evaluation system that includes:

1. Student growth measures
2. Professional evaluations
3. Parent surveys
4. Other LEA-chosen measures

How Are Teachers Selected?

CSF will: 1) provide **guidelines** for LEAs to develop its evaluation system for selecting top-performing teachers; 2) review and approve the validity and reliability of LEAs’ evaluation measures; 3) allow LEAs to revise their evaluation system if it is not approved; and 4) validate the final eligibility of LEAs’ proposed teachers. Names of the top-performing teachers in the state will be forwarded to the Utah State Board of Education, and they will release the funds to the LEAs for the monetary awards.

Monetary awards will be rolled out to participating LEAs for distribution during **the 2026-2027 school year**. The identified top-performing teachers verified by CSF will receive these awards each year for three consecutive academic years, 2026-2029. The top 5% of teachers will receive a merit award of $10,000 each year. The next 6-10% of top-performing teachers will receive a merit award of $5,000 each year. The next 11-25% of top-performing teachers will receive a merit award of $2,000 each year. These merit awards double for teachers working in high poverty schools to $20,000, $10,000, and $4,000 respectively.

Research Findings

Teacher Merit Award programs are not a new idea. Some attempts to design merit pay programs like Utah’s Teacher Merit Awards have succeeded; others have not. A review of the research and literature on teacher merit pay systems (see Pham et al., 2021), supported by a Utah Legislative Audit Report on Teacher Merit Awards (Minchey, 2024 at https://le.utah.gov/interim/2024/pdf/00002333.pdf), examined criteria that led to successful and unsuccessful merit award systems. These systems include some that have been abandoned, such as Utah Career Ladders and Denver ProComp, some that have succeeded, such as the Texas Allotment Initiative, and some that have had mixed success, such as, the Washington D.C. IMPACT program.

Below, CSF identifies criteria that have led to successful teacher merit award programs. This list is not exhaustive, but it represents major research findings guiding Utah’s Teacher Merit Awards.

Successful Criteria

- Substantial financial incentives for top-performing teachers
- Double salary incentives for top performing teachers working in high-poverty schools
- Teacher professional development linked to improving teacher effectiveness
- Voluntary participation for LEAs
- Merit awards as a bonus to base salary
- LEAs' option to add evaluation criteria, such as evidence of collaboration among teachers
- Technical support from states and universities

After examining the research on successful and unsuccessful teacher merit pay programs in other places, CSF is developing guidelines for participating LEAs as they create teacher evaluation systems to identify Utah's top-performing teachers. These guidelines will be made available to LEAs in October 2024.

Separating Myths from Facts About Teacher Merit Awards

Some educators and administrators have preconceived notions about teacher merit awards. Teachers, administrators, and teachers' unions may feel wary about attempts to provide bonuses for top-performing teachers, especially if they have heard about or participated in programs that were unsuccessful, misunderstood, or not well-received. Three major myths are identified and accompanied by facts below.

Myth #1: Evaluation systems attached to a teacher merit award incentivize isolation and reduce collaboration.

Fact #1: This has been a problem in some merit award programs. Because professional behavior, teaming, and collaborating are important parts of teacher effectiveness, participating LEAs will be able to include a measure of collaboration as part of their evaluation system (see Successful Criteria above).

Myth #2: The use of students' standardized test scores is unfair because these tests are flawed and/or biased.

Fact #2: No assessment is perfect, and certainly a single test is a limited measure of all that an individual student knows or can do. However, research demonstrates that many student test scores across several years are reliable predictors of future student growth (Fahle et al., 2019). Under SB173, the top-performing teachers will be evaluated on multiple measures, not just standardized test scores (see Clarifying SB173).

Myth #3: Only a set number of teachers in a school or LEA will receive an award.

Fact #3: Utah's Teacher Merit Awards are designed to award the top 25% of teachers in the state, not an individual LEA or school. Thus, any number of top-performing teachers in a single school or LEA may receive the award if they are nominated and validated to be among the top 25% of teachers in the state.

Advantages of a Teacher Merit Award System

The advantages of Teacher Merit Awards extend beyond recognition of Utah's top-performing teachers. Most importantly, Utah's Teacher Merit Awards have the potential of raising student growth and achievement, as merit pay systems have for several LEAs and states (Dee & Wykoff, 2015; Pham et al., 2021; Sorensen & Ladd, 2020). LEAs would benefit from a stable teacher workforce and a positive school culture. LEAs' hiring systems may be improved as LEAs become aware of the state's top-performing teachers. Top-performing teachers might assist LEAs with the teacher induction process as well as with instructional coaching. Long-term contract decisions would be improved with LEAs' knowledge of its top-performing teachers.

Conclusion

The Excellence in Education and Leadership Supplement - Utah Teacher Merit Awards, as outlined in SB173, represents a transformative opportunity for our education system. By recognizing and rewarding teaching excellence, we can address some critical challenges facing the education system today, particularly in our highest-poverty schools. This initiative not only acknowledges the dedication and hard work of Utah's top teachers, but it also incentivizes excellence in teaching and student learning where it is needed most—in the neediest schools with the most at-risk students.

Contact Information

For a timeline of the bill, more information on the bill, or to discuss participation in Utah Teacher Merit Awards, please reach out to Nissa Boman (nissa.boman@usu.edu or 435-797-2185), Project Administrative Assistant to CSF, to schedule time to engage with members of CSF staff.

Forthcoming SB173 Related Research and Policy Briefs:

- What is Student Growth?
- What are Reliable and Valid Assessments?

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