CALIFORNIA BUDGET PROJECT

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CERTIFICATED STAFF PERFORMANCE INCENTIVE AWARDS MISS THEIR TARGET

In 1999, the Legislature enacted the Certificated Staff Performance Incentive (CSPI) Act (AB 1114, Chapter 52 of 1999), which provides $100 million for performance bonuses for certificated staff who work in low-performing schools that have significant growth in Academic Performance Index (API) scores. The Act defines low-performing schools as those with API scores in the bottom 50 percent of the state's schools in the prior year.

The purpose of the CSPI is to provide an incentive to the state's underachieving schools to greatly improve student performance on the API, which is currently comprised solely of the Stanford 9 test. However, due to State Board of Education (SBE) regulations governing the distribution of CSPI awards, some eligible schools with high API growth between 1999 and 2000 will not receive awards, while schools with equal or even lower growth will. The formula used to determine the rankings of CSPI eligible schools favors schools that had lower 2000 API growth targets, which has had the unintended consequence of bypassing many of the schools that the program was designed to serve, the lowest performing schools whose test scores increased substantially between 1999 and 2000.[1]

How Does the State Determine CSPI Award Winners?

In order to be eligible for a CSPI award, a school must have:

- Had a 1999 API in the bottom five deciles;[2]
- Had a 2000 API that met at least twice its growth target;
- Had demonstrated growth on the Stanford 9 between 1998 and 1999;
- Met the required participation rates on the Stanford 9 test; and
- Had all numerically significant subgroups scored at least twice their 2000 growth targets.

The CSPI provides $100 million to provide awards of $25,000 each to approximately 1,000 certificated staff members in schools demonstrating the greatest growth; $10,000 each to 3,750 staff members in schools with the next greatest growth; and $5,000 each to 7,500 staff members in the next greatest growth schools. The California Department of Education (CDE) estimates that the $100 million will be sufficient to provide awards to 210 elementary schools, 57 middle schools, and 32 high schools.[3]

In 2000, 1,185 elementary schools, 129 middle schools, and 32 high schools met CSPI eligibility criteria. The CDE ranked the eligible schools by API growth, according to regulations adopted

[1] A school's growth target is equal to 5 percent of the difference between the prior year API score and the statewide target score of 800. For example, a school with a 1999 API score of 500 would have a 2000 API growth target of 15.

[2] Deciles separate data into ten groups of the same size. In the case of API percentile rankings, a school in decile five is one with a score in the bottom half of schools. Similarly, a school in decile two has a score in the lowest 20 percent of schools.

[3] California Department of Education, *Required Certification for Staff Performance Incentive Act Awards – Due May 1, 2001,* March 9, 2001 letter, downloaded from http://www.cde.ca.gov/psaa/awards/ab1114/ab1114memo.pdf on March 26,2001.

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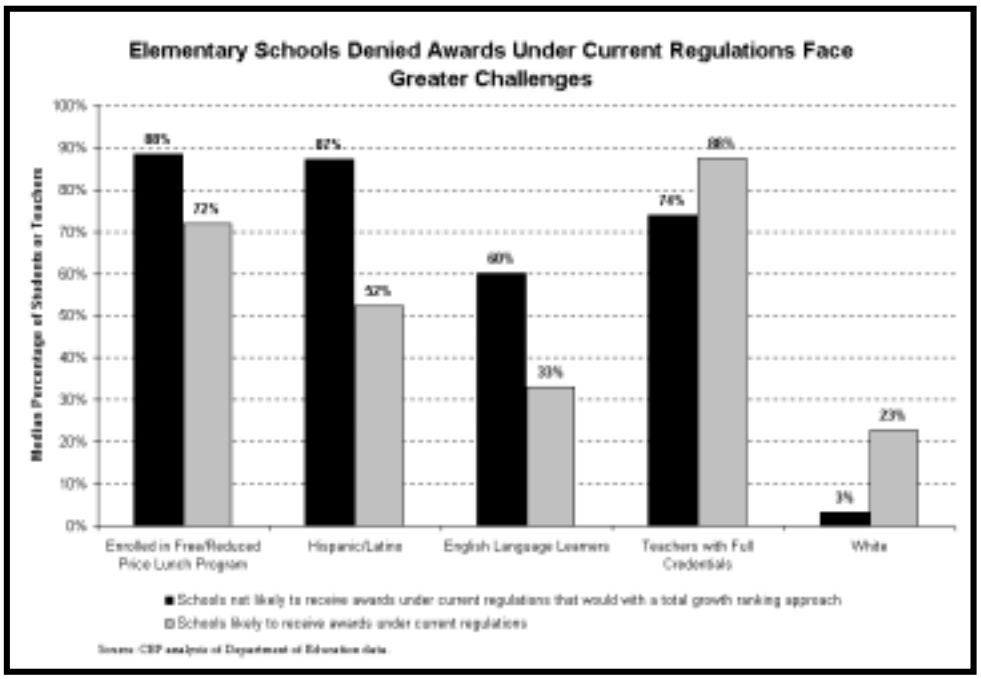
by the SBE, and these ranks were used to determine award winners. It is the SBE's ranking formula that resulted in the perverse outcome of schools with greater total API growth being denied CSPI awards.

Rather than ranking all CSPI eligible schools by their total API growth between 1999 and 2000, the state calculates the rankings by multiplying a school's 2000 API growth target by two and then subtracting this amount from the school's total 1999 to 2000 API growth. All eligible schools are then ranked according to the resulting amount. For example, if a school has a 2000 API growth target of 10 and a total growth of 90, then the amount used to rank the school would be 90 – (2 x 10), or 70.

The problem with this formula is that is biased against schools that have high 2000 API growth targets, which by definition are lower performing schools. To illustrate this, compare the school in the previous example with another school that had a total growth of 90 points. However, in this case the school's 2000 API growth target is 15 rather than 10. The amount used to determine this school's CSPI ranking under current regulations would be 90 – (2 x 15), or 60. Thus, under the current regulations two schools with identical point growth do not have an equal opportunity to win CSPI awards.

The outcome of the regulations is especially troubling given findings of earlier research demonstrating that schools with lower API scores tend to be larger; have greater shares of poor, non-white students; and have fewer credentialed teachers.[4] An analysis of the schools eligible for CSPI awards finds that 35 elementary schools and eight middle schools are not going to receive awards under the current regulations, but would if the schools were ranked by their total 1999-2000 API growth (Appendix A).[5] The analysis also finds that these schools are among



[4] California Budget Project, *What Do the 2000 API Results Tell Us About California Schools?* (March 2001).
[5] The CDE estimates that all eligible high schools will receive awards.

the lowest performing schools in the state, all of which fell in the lowest three deciles on the 2000 API for both elementary and middle schools. They are also larger; have higher shares of poor, non-white students; and have fewer credentialed teachers than schools that will receive CSPI awards under current regulations.

Conclusion

The CSPI was created to target incentive dollars to the lowest performing schools in the state. However, the formula currently used to determine the distribution of CSPI funds has the perverse result of denying funds to many of the very schools that the program was created to serve. This bias against the lowest performing schools exacerbates the inequities of using the API, which currently consists of a single measure – the Stanford 9 test – as the basis for awarding funds. Schools with greater shares of poor, non-white students and lower shares of fully-credentialed teachers score lower on the API, which translates into higher growth targets and, therefore, less opportunity to win an award under the SBE regulations.

The California Budget Project recommends that the SBE require the CDE to rank CSPI eligible schools by their total API growth, rather than by the growth above twice their API target. This would effectively remove the unintended bias against lower performing, CSPI eligible schools resulting from the current regulations. The state must also expedite efforts to expand the API to include more indicators and, more importantly, give schools the resources needed to provide every California child an adequate education.

Appendix A

Schools That Will Not Receive Awards Under Current Regulations, But Would if Rankings Were Determined by Total API Growth		
School Name	**School District**	**County**
Elementary Schools:		
Huron Elementary	Coalinga/Huron Joint Unified	Fresno
Frank West Elementary	Bakersfield City Elementary	Kern
Myra A. Noble Elementary	Bakersfield City Elementary	Kern
Pioneer Drive Elementary	Bakersfield City Elementary	Kern
Valle Vista Elementary	Delano Union Elementary	Kern
Lost Hills Elementary	Lost Hills Union Elementary	Kern
Vineland Elementary	Vineland Elementary	Kern
Ernest R. Geddes Elementary	Baldwin Park Unified	Los Angeles
Evergreen Elementary	East Whittier City Elementary	Los Angeles
California Elementary	Hacienda La Puente Unified	Los Angeles
Kwis Elementary	Hacienda La Puente Unified	Los Angeles
Sparks Elementary	Hacienda La Puente Unified	Los Angeles
Burnett Elementary	Long Beach Unified	Los Angeles
Breed Street Elementary	Los Angeles Unified	Los Angeles
Erwin Street Elementary	Los Angeles Unified	Los Angeles
South Park Elementary	Los Angeles Unified	Los Angeles
Stonehurst Avenue Elementary	Los Angeles Unified	Los Angeles
Maxson Elementary	Mountain View Elementary	Los Angeles
Monte Vista Elementary	Mountain View Elementary	Los Angeles
Tamarisk Elementary	Palmdale Elementary	Los Angeles
Sybil N. Crookham Elementary	Winton Elementary	Merced
San Juan Elementary	Capistrano Unified	Orange
Davis Elementary	Santa Ana Unified	Orange
John F. Kennedy Elementary	Santa Ana Unified	Orange
Home Gardens Elementary	Corono-Norco Unified	Riverside
Park Avenue Elementary	Perris Elementary	Riverside
William McKinley Elementary	Colton Joint Unified	San Bernardino
Ditmar Elementary	Oceanside Unified	San Diego
Edison Charter Academy (Elem.)	San Francisco Unified	San Francisco
Westwood Elementary	Lodi Unified	San Joaquin
Garfield Elementary	Stockton City Unified	San Joaquin
Turnbull Learning Academy	San Mateo-Foster City Elementary	San Mateo
O.S. Hubbard Elementary	Alum Rock Union Elementary	Santa Clara
Terra Bella Elementary	Terra Bella Union Elementary	Tulare
Westfield Village Elementary	Washington Unified	Yolo
Middle Schools:		
Sierra Junior High	Bakersfield City Elementary	Kern
McFarland Middle	McFarland Unified	Kern
Yukon Middle	Hawthorne Elementary	Los Angeles
Washington Middle	Long Beach Unified	Los Angeles
Ralph Waldo Emerson Middle	Los Angeles Unified	Los Angeles
Cahuilla Desert Academy (Jr. High)	Coachella Valley Unified	Riverside
Edison-McNair Academy (Middle)	Ravenswood City Elementary	San Mateo
Richgrove Elementary (Middle)	Richgrove Elementary	Tulare