

3-29-2017

National Board Certified Teacher Incentive Bonuses: Senate Bill 555

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Citation

McKenzie, S. C., & Ritter, G. W. (2017). National Board Certified Teacher Incentive Bonuses: Senate Bill 555. *Policy Briefs*. Retrieved from <https://scholarworks.uark.edu/oepbrief/3>

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Summary Points

- **SB 555** would modify the incentive bonuses paid to future Board-certified teachers.
- **7%** of Arkansas teachers are currently Board-certified.
- Current Board-certified teachers would continue to receive an annual bonus of \$5,000 for the remainder of the ten year term since certification.
- **30%** of Arkansas' Board-certified teachers work in high-poverty schools.
- Under SB 555: Board-certified teachers in **high-poverty schools** would receive **\$10,000** annually for 10 years.
- Under SB 555: Board-certified teachers in non-high-poverty schools would receive \$2,500 for 5 years.
- Local bonuses for Board-certified teachers are offered by many public school districts.

National Board Certified Teacher Incentive Bonuses: Senate Bill 555

National Board Certification is a voluntary process that, according to the National Board for Professional Teaching Standards, certifies that they "have developed and demonstrated the advanced knowledge, skills, and practices required of an outstanding educator." Currently, National Board Certified (NBC) teachers in an Arkansas public school receive an annual bonus of \$5,000 for up to 10 years.

In this brief, we examine NBC in Arkansas and Senate Bill 555, which proposes the modification and enhancement of NBC incentive bonuses for teachers receiving certification after January 2018.

Introduction

National Board Certification for teachers began over 25 years ago, and is modeled after the practice in the medical and legal fields, where Board certification identifies practitioners as having met an exceptional level of expertise. Arkansas' teacher licensure system sets the basic requirements to teach, while completion of National Board Certification (NBC) is a voluntary professional certification process developed by the National Board for Professional Teaching Standards.

Proponents of National Board Certification for teachers cite research that indicates the students of NBC teachers show greater academic growth than other students, and demonstrate higher quality teaching practices. It is not yet clear, however, if the process of becoming certified increases teacher effectiveness, or if more effective teachers are simply more likely to self-select to pursue certification.

There are no studies measuring the impact of NBC teachers on Arkansas students,

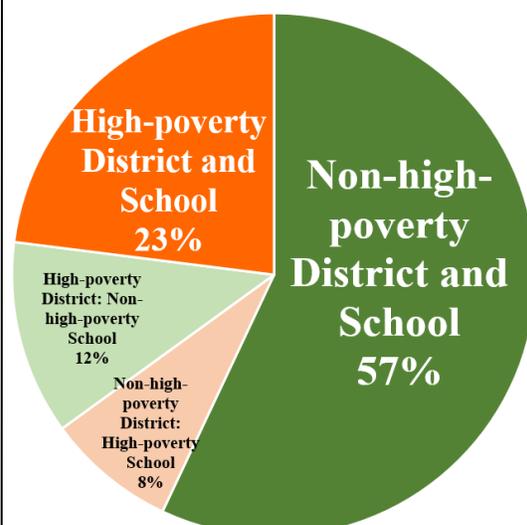
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but teachers achieving Board certification receive significant financial rewards.

Arkansas began supporting Board certification in 1997 with Act 1225 requiring that the state department of education pay half the participation fee and up to three substitute days for teachers participating in the program. Subsequent legislation covered the complete cost of certification, expanded the definition of 'teacher' to include school administrators and educators working in higher education teacher preparation programs, and increased the NBC bonus to \$5,000 annually for ten years.

Figure 1. Percentage of Arkansas Board-certified Teachers (n=2,172) by District and School Poverty*, 2013-14



*High-Poverty is defined as at least 70% of students on Free/Reduced Lunch.

Given that the average teacher salary in Arkansas for 2015-16 was \$48,976, Board certification increases the average teacher's salary by 10%. In addition to the bonus provided by the state, many districts offer additional local stipends to NBC teachers.

NBC in Arkansas

Arkansas' support of Board certification is reflected in its ranking as one of the top ten states in the nation for the percentage of teachers with Board certification. There are 2,901 Board-certified teachers in Arkansas, which is about 7% of the total public school teaching population. Certification rates peaked in 2012, with 312 teachers achieving certification. Certification rates have been declining, however, and in 2016, only 22 Arkansas teachers received Board certification. Over 90% of the Arkansas NBCs have received certification after 2005, when the incentive increased to \$5,000 annually.

Regionally, NBC teachers are more likely to work in the Northwest and Central regions of the state. More than 8% of the teachers in these regions are Board-certified, while only 3% of teachers in the southern regions are Board-certified.

As can be seen in Figure 1, **the majority of NBC teachers in Arkansas work in schools and districts where students are not highly economically disadvantaged**, defined as at least 70% of students being eligible for Free/Reduced Lunch, which is a proxy measure for poverty.

NBC teachers in Arkansas are far more likely to work with the most-advantaged students: 22% of NBC serve students in the most advantaged 10% of Arkansas districts, while only 2% of NBC teachers work in the poorest 10% of districts.

NBC Incentives Nationally

Arkansas is one of 27 states to provide additional compensation to teachers with Board certification. Among states like Arkansas that provide a bonus, Mississippi pays the highest annual stipend at \$6,000, followed closely by New Mexico at \$5,800. Other state compensation for NBC teachers include being placed on a higher salary schedule (Oklahoma), an annual salary increase (Nevada), and making funds available to NBC who agree to provide mentoring or professional development (Illinois).

A third of the states that provide additional compensation for NBC teachers provide additional compensation for NBC teachers who teach in **high-need schools**. In Colorado, NBC teachers receive an annual stipend of \$1,600, but those teaching in a high need school receive \$4,800. In Hawaii, Washington, and Wisconsin, NBC teachers in high need school receive double the stipend of those teaching in other schools.

SB 555

With the goal of incentivizing some of Arkansas' best teachers to work with the students most in need of effective instruction, SB 555 offers **differentiated bonuses** for teachers. The change only applies to teachers receiving Board certification (or NBC teachers who move into the state) after January 2018. Teachers who are currently Board-certified will not be impacted by SB555 and will continue to receive \$5,000 per year for the remainder of the ten year period. Teachers in high-poverty schools may, however, elect to receive the new bonus amounts.

Timeline of National Board Certification Incentives in Arkansas

1997 Act 1225: Department of Education pays 1/2 of the fee (~\$2,000) and up to three days of substitute pay(~ \$200)

1999 Act 58: Department of Education will pay the **full** participation fee, substitute pay for up to three days, and an annual bonus of \$2,000 per year.

2001 Act 2010 increased annual incentive bonus to **\$3,000** and allowed school principals and assistant principals to be eligible for the incentive.

2003 Act 1803 increased annual incentive bonus to \$4,000 in 2004 and to \$5,000 in 2005 and beyond.

2009 Act 1326 allowed the NBC bonuses to be included as salary for the purposes of the retirement system (unfunded).

2009 Act 1449 allowed the NBC bonuses to be awarded to teachers in teacher preparation programs at state-supported institute of higher education.

2017 SB 555 differentiates the NBC bonus:

- Teachers at high-poverty schools in high-poverty districts will receive an annual bonus of **\$10,000 for a period of 10 years**
- Teachers at high-poverty schools in non-high-poverty districts will receive an annual bonus of **\$5,000 for a period of 5 years**
- Teachers at non-high-poverty schools will receive an annual bonus of **\$2,500 for a period of 5 years**

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Under the proposed structure, Board-certified teachers would receive different bonuses based on the type of schools and districts in which they teach.

School/ District where NBC is teaching	High-poverty school in a high-poverty district	High-poverty school in a non-high-poverty district	Non-high-poverty school
Annual Bonus	\$10,000	\$5,000	\$2,500
Term	10 years	5 years	5 years

At What Cost?

The Bureau of Legislative Research was unable to determine the fiscal impact of SB555, due to the fact that it is difficult to predict how many teachers will become Board-certified each year and where they will be teaching. Using prior patterns of NBC teacher placement presented in Figure 1, however, we can create a cost comparison of the current and differentiated incentive structures.

Over the past four years, approximately 100 Arkansas teachers achieve Board certification each year. Under the current incentive structure, each cohort would cost the state \$500,000 annually, or \$5 million over ten years. Under the new incentive structure in SB555, the 69 teachers in non-high poverty schools would receive \$2,500 for 5 years, the 8 teachers in high-poverty schools in non-high-poverty districts would receive \$5,000 for 5 years, and the 23 teachers in high poverty schools in high poverty districts would receive \$10,000 a year for 10 years. These bonuses would total \$3,362,500, over **\$1.6 million less than under the current incentive structure**.

Of course, more teachers in high-poverty districts might elect to become Board-certified, or more NBC teachers might choose to teach in high poverty schools, which would increase these costs. Not until the current state of affairs is reversed, however, and 67% of NBC teachers teach in high-poverty schools will the incentives reach current costs.

Summary

Nearly half of Arkansas’ districts and over 40% of schools meet the definition of ‘high-poverty’ under SB555. Over 40% of Arkansas’ students attend these schools that often experience low performance and student growth.

We believe that the significant increase in the annual bonus for Board-certified teachers working in high-poverty schools could create important learning opportunities for both students and staff. The \$10,000 annual bonus is nearly a 25% increase in average teacher pay for high-poverty districts. This large bonus may incentivize current teachers to achieve Board certification and perhaps develop further expertise in their craft. The large bonus may also motivate those who are already Board-certified to remain in high-poverty schools, providing quality leadership increasing stability in the staff. In addition, teachers who are relatively new to the profession may elect to work in these districts for the incentive, and over the 10-year period adding to the economic and cultural development of the surrounding community.

While we don’t imagine many current NBC teachers will make major geographic moves due to the differentiated bonuses, in the future, board-certified teachers may elect to make a small change to receive the larger bonus. Instead of teaching in non-high poverty schools, Board-certified teachers may opt to teach in a local high-poverty school and that could provide increased opportunities and greater educational equity for students.

We are excited to see policymakers using existing funds to leverage human resources in a way that may increase educational opportunities for our state’s most at-risk students.



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