

**FY 2014**

**U.S. Department of Education  
Office of Elementary and Secondary Education  
Academic Improvement and Teacher Quality Programs**

**TEACHER INCENTIVE FUND (TIF)  
PERFORMANCE REPORT  
SUBMISSION GUIDANCE**



Fiscal Year (FY) 2014  
Reporting Period October 1, 2013 – May 31, 2014

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## PURPOSE OF THE PERFORMANCE REPORT

Recipients of multi-year discretionary grants must submit an annual performance report (APR) for each year funding has been approved. The interim performance report (IPR) also assists the U.S. Department of Education (ED) by providing your ED Program Officer with performance and financial data before the start of the next program year. This guidance is intended to assist you in completing the interim and annual performance reports and to help you understand the reporting process. Beginning in FY14, the interim and annual performance reports include a section for TIF program measures and objectives. These measures and objectives are the same for each grant. Part 4 of the report allows for the grantee to report on their individual project measures and objectives. The measures and objectives in Part 2 and Part 4 will help ED determine whether grants have made substantial progress.

**Substantial progress:** Your ED Program Officer will review your interim and annual performance report to determine whether you have made substantial progress during this performance reporting period. This review determines:

- continued funding
- whether it is necessary to place any special conditions on your grant
- whether it is necessary to place your organization on "high-risk" status
- whether it is necessary to provide stricter monitoring protocols

Substantial progress is measured in two ways: (1) Programmatic, and (2) Fiscal. ED must be able to justify continued funding by determining substantial progress and sound management in both programmatic and fiscal aspects of the project.

Programmatic progress is shown by completing tasks on time, meeting project goals, and submitting required information in a timely manner. Your interim performance report contains information derived from ongoing monitoring activities to provide this information for review.

Fiscal progress is of equal importance. You need to show progress by:

- drawing down funds in a timely manner in accordance with your approved budget and expenses<sup>1</sup>
- providing evidence of your committed contribution of non-TIF funds
- providing evidence of a current OMB A133 audit, if applicable
- providing a narrative explaining your budget, including the reason for any changes

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<sup>1</sup>Each TIF grantee must draw down funds in accordance with cash management principles. These cash management principles and other fiscal management requirements are found in the Education Department General Administrative Regulations (EDGAR). Please be sure you are familiar with these regulations, including section 80.20-80.26, 80.40(a) (applicable to state and local government grantees) and sections 74.20 through 74.28 (applicable to institutions of higher education and non-profit grantees).

## **INTERIM AND ANNUAL PERFORMANCE REPORT SUBMISSION AND DUE DATES**

**2010 TIF Grantees (TIF 3)** and **2012 TIF Grantees (TIF 4)** will submit the interim and annual performance reports using the new TIF web-based reporting system. Grantees can access the system at [www.\\_\\_\\_\\_\\_](http://www._____). Instructions for how to access and submit the interim and annual reports via the TIF web-based reporting system are at [www.\\_\\_\\_\\_\\_](http://www._____). If you need technical assistance with the TIF performance reporting system, you can contact \_\_\_\_\_ at \_\_\_\_\_.

### **DUE DATES AND REPORTING PERIODS FOR THE FY2014 INTERIM AND ANNUAL PERFORMANCE REPORTS:**

**Interim Performance Report:** The interim report is due July 1, 2014, and will provide programmatic and fiscal data from October 1, 2013 – May 31, 2014.

**Annual Performance Report:** The annual report is due January 17, 2015 and will provide an update to programmatic and fiscal data from October 1, 2013 – September 30, 2014 (the entire year 1 reporting period).

### **The Interim and Annual Performance Reports include:**

- Grant Performance Report Cover Sheet
- Part 1: Executive Summary
- Part 2: TIF Program Objectives and Related Measures
- Part 3: Budget Information
  - Budget Forms
  - Budget Narratives
- Part 4: Individual Project Objectives and Measures
- Part 5: Additional Information

Grantees can find definitions for some of the terms in this guidance in Appendix A: Definitions.

**NOTE:** Information submitted for the Interim Performance Report will be retained in the TIF web-based reporting system and will be available to update for the Annual Performance Report.

## **GRANT PERFORMANCE REPORT COVER SHEET**

When completing the cover sheet, grantees should read and follow the below instructions and provide complete information for all parts.

**TIF 3 or TIF 4 Grantee:** You will indicate whether you are a TIF 3 Grantee (a grantee that received a TIF grant award in FY2010), or TIF 4 Grantee (a grantee that received a TIF grant award in FY2012), by checking either the TIF 3 Grantee or TIF 4 Grantee box.

1. **PR/Award #:** Your PR/Award Number can be found in Block 2, Award Information, of any of your Grant Award Notifications (GAN) for your TIF grant. For TIF 3 Grantees the PR/Award Number will start with S374A10\_\_\_\_ and for TIF 4 grants the PR/Award Number will start with S374A12\_\_\_\_.
2. **Grantee NCES ID #:** Please enter the current National Center for Education Statistics (NCES) ID number of the grantee. Grantees that are State Educational Agencies (SEA) should enter their state's FIPS (Federal Information Processing Standards) code in item 2. Item 2 only applies to grantees that are Institutions of Higher Education (IHE), SEAs, Local Educational Agencies (LEA), public libraries, and public, charter, and private elementary or secondary schools. Leave blank, if this item is not applicable.

Please go to the applicable website listed below to obtain the grantee's NCES ID number or FIPS code. Depending on your organization type, this number will range from 2 to 12 numeric digits.

- IHEs (IPEDS ID); Public Libraries (Library ID); and Public, Charter and Private Schools (NCES School ID): <http://nces.ed.gov/globallocator>
- LEAs (NCES District ID): <http://nces.ed.gov/ccd/districtsearch/>
- SEAs (FIPS code): To obtain your state's FIPS code, please search on any public school district in your state at: <http://nces.ed.gov/ccd/districtsearch/>. *The FIPS code is the first two digits of the NCES District ID number for any public school district in a state.*

Note: Newly established organizations that do not have an NCES ID number yet should leave item 2 blank. However, once the organization's NCES ID number has been established, it must be entered on all future submissions.

3. **Project Title:** Please enter the title of your TIF project. The title may or may not be different than the grantee name.
4. **Grantee Name:** Please enter the name of the grant recipient. This should be the same as the name in Block 1, Recipient Name, of your GAN.
5. **Grantee Address:** Enter the address for the grant. This should be the same address as the address in Block 1, Recipient Name, of your GAN. If the address has changed, notify your U.S. Department of Education (ED) Program Officer and submit the new address in Part 5: Additional Information.
6. **Project Director Name:** Please enter the name, phone number, and email address of your approved Project Director listed in Block 3 of your GAN. Please note, that changing

the approved Project Director requires prior approval from ED and may only be requested for a grant whose performance period has not ended. See instructions under Part 5 (Additional Information) for requesting a change to the Project Director with the performance report.

**7. Reporting Period:**

- Interim Performance Report: October 1, 2013 – May 31, 2014.
- Annual Performance Report: October 1, 2013 – September 30, 2014 (the entire year 1 reporting period).

**8. Human Subjects (Annual Institutional Review Board (IRB) Certificate):** Annual IRB certification is required if Attachment HS1, Continuing IRB Reviews, was attached to your first GAN provided when you received your grant award. Check "yes" if annual IRB certification is required and attached to the performance report as instructed in Attachment HS1. Check "no" if annual IRB Certification is required by Attachment HS1, but is not attached to the performance report. Please indicate the reason why the IRB certification is not attached (e.g., the research has been completed) under Part 5 (Additional Information) of the Project Status Chart. Check "N/A" if annual IRB certification does not apply to your grant (i.e., no human subjects research is being conducted under this grant or Attachment HSI was not attached to the GAN.)

**9. Performance Measures Status and Certification:** Please check "yes" or "no" in item 9a. to indicate whether complete data (i.e., all of the data that you anticipate will be collected) on performance measures for the current budget period are included in this report in Part 2 and Part 4 of the performance report. If no, please indicate in item 9b. the date when the information will be available and submitted to ED. Complete data must be submitted for any performance measures established by ED for the grant program and for any individual project performance measures that were included in your approved application.

If complete data on performance measures for the entire current budget period have not been obtained when you submit the performance report, please submit available data for the budget period to date with this report, unless instructed otherwise by your program office. Complete performance measures data for the current budget period should be submitted by the date you indicated in item 9b.

Note: Your program office will inform you of the final date by which performance measures data must be submitted to the Department for this program.

**10. Certification:** The grantee's authorized representative must sign the certification for the performance report. If the grantee has any known internal control weaknesses concerning data quality (as disclosed through audits or other reviews), this information

must be disclosed under Part 5 (Additional Information) as well as the remedies taken to ensure the accuracy, reliability, and completeness of the data.

## **PART 1: EXECUTIVE SUMMARY**

Under the Executive Summary, you will provide a one to two page summary of the progress you have made over the reporting period. The Executive Summary is very important because in many cases, you may not have data to report on your TIF program measures. As such, the Executive Summary is the place where you should detail the progress you have made during the performance period. *We will carefully review the information provided in this section to help make decisions regarding substantial progress.*

**TIF 3 Grantees**—The summary should include information on the following:

1. Question 1
2. Question 2
3. Question 3
4. Etc.

**TIF 4 Grantees**—The summary should include information on the following:

[These questions will be updated each year. Here is a sample list of questions]

1. If the project is still in the process of designing the evaluation system and PBCS or if it is in full implementation.
2. Which elements of the project are being implemented/which elements are being developed.
3. Any delays or challenges in implementation.
4. The status and number of schools using the official LEA-wide human capital management system.
5. The impact of the HCMS on human capital management decisions and professional development.
6. If applicable, the total number of schools that participated in the performance-based compensation for teachers.
7. If applicable, the total number of schools that participated in the performance-based compensation for principals.
8. If applicable, the total number of teachers/principals that received a PBCS bonus/salary increases.
9. If applicable, the total amount of TIF incentives paid to teachers/principals.
10. The extent to which the expected targets and performance measures were achieved.

## **PART 2: TIF PROGRAM PERFORMANCE OBJECTIVES INFORMATION AND RELATED PERFORMANCE MEASURES DATA**



Part 2 is where you will report on the progress you have made in meeting TIF program performance objectives and the related performance measures. This section will include the TIF program performance objectives, established under the Government Performance and Results Act (GPRA), also called the “GPRA Indicators”. You will also report on other measures related to TIF program objectives.

## GPRA INDICATORS

The TIF 3 program has two GPRA indicators and the TIF 4 program has four indicators. Part 2 contains the format for reporting data on these indicators and related measures. The measures for the GPRA indicators are set forth in the tables below:

### TIF 3 Grantees—GPRA Indicators

#### GPRA Measure #1

Changes in LEA personnel deployment practices, as measured by changes over time in the percentage of teachers and principals in high-need schools who have a record of effectiveness.

#### GPRA Measure #2

Changes in teacher and principal compensation systems in participating LEAs, as measured by the percentage of a district’s personnel budget that is used for performance-related payments to effective (as measured by student achievement gains) teachers and principals.

### TIF 4 Grantees—GPRA Indicators

#### GPRA Measure #1

The number of teachers and principals, who are rated at the highest level, at least effective, and not effective, as measured by the district’s evaluation system and the number who are not rated.

#### GPRA Measure #2

The number of teachers teaching in a high-need field or subject, such as teaching English

learners, students with disabilities, or STEM, who are rated at the highest level, at least effective, and not effective, as measured by the district's evaluation system and the number who are not rated.

#### GPR Measure #3

The number of teachers and principals who were rated at the highest level, at least effective, and not effective, as measured by the district's evaluation system, and the number who were not rated, in the previous year and who returned to serve in the same high-need school in the LEA.

#### GPR Measure #4

The number of school districts participating in a TIF grant that use educator evaluation systems to inform the following human capital decisions: recruitment; hiring; placement; retention; dismissal; professional development; tenure; promotion; or all of the above.

## INSTRUCTIONS BY QUESTION IN PART 2

Part 2 consists of 15 questions. **Both TIF 3 and TIF 4** grantees should complete this part by following the instructions provided for each item. Note that the instructions will vary by item and that some require you to write a narrative explaining your answer to preceding questions. **If information varies by LEA or district, information must be completed for each district or LEA participating in the grant.** [Will add instructions on how to do this once website design is complete.]

### **QUESTIONS 1-3, 6, AND 7**

- Communicating with and Engaging Stakeholders; Data Management System; and Professional Development Processes; Description of Student Growth Measures; and Description of Observation Measures—please provide a narrative or numeric response to each question. There is no character limit, and you should answer each question as thoroughly and concisely as needed to fully answer each question. In some cases, there are multiple questions in each cell of the table. Please ensure that you answer all of the questions in each cell.

### **QUESTION 4**

- Human Capital Management – **all grantees must complete this question.** While this is most relevant to TIF 4, we are also collecting this information for TIF 3 grantees. This question collects data relevant to GPR measure #4 for TIF 4 grantees: Changes in LEA

human capital management practices, as measured by the number of school districts participating in a TIF grant that use educator evaluation systems to inform the following human capital decisions: recruitment, hiring, placement, retention, dismissal, tenure, promotion, professional development, or all of the above.

#### QUESTION 5

- Description of Evaluation Measures – please provide the weight assigned to each measure and a detailed description of each measure used in your evaluation system(s). For example, if you use classroom level value-added data based on performance from state assessments to comprise 50% of the evaluation for reading and math teachers, you would put 50% in the Percentage Weight cell in the Student Growth Measure column and provide a detailed description about what type of assessment(s) and data are used and what group of teachers are assessed. If there are a group of teachers that are assessed using different assessments or data, such as teachers of non-tested subjects/grades who are assessed using student learning objectives, you can add these additional measures in an Other Measure column. If you have a teacher evaluation system and principal evaluation system that are different, please fill out a chart in question 5 for each system.

#### QUESTIONS 8 AND 9

- Teacher & Principal Evaluation Systems—please place a check mark in the appropriate column for each measure you include in your teacher and principal evaluation systems. The columns indicate whether your grant uses the measure for all eligible teachers or principals or some eligible teachers or principals. No check mark indicates that you do not use the measure at all.

#### QUESTION 10

- Description of Evaluation System – please describe your teacher and principal evaluation systems by providing the narrative. Then, describe the performance categories, how many levels you include, and how they are labeled (e.g. proficient, needs improvement, etc.) by completing the chart in the performance report. Indicate how many levels you include in your evaluation system and how these levels are labeled (where #1 represents the lowest category), and how they align with the TIF categories by checking the Not Effective, At Least Effective, and at the Highest Level boxes. For instance, if your educator evaluation system(s) has five levels of effectiveness, type in the label of those levels from lowest to highest level of effectiveness, and check which box of the TIF categories aligns to the categories in your evaluation system(s). More than one of your levels may be categorized at Not Effective, At Least Effective, or at the Highest Level. **If you have different teacher and principal evaluation systems, fill out a chart for each system.**
  - **TIF 3 Grantees:** If you have fewer than three levels of effectiveness, indicate how your categories align with Not Effective and At Least Effective.

(Note: All questions from this point will ask you to report your responses in terms of what you've indicated in this chart about how your categories align with the TIF categories.)

#### QUESTION 11

- Type of Performance Rating – please indicate whether or not you have a composite measure (or score) generated from your evaluation system(s).

#### QUESTION 12

- Performance Rating – for the current reporting year (see definition for current reporting period in Appendix A: Definitions), please provide the total number of teachers and principals within each aggregate performance category not effective, at least effective, or at the highest level. Note that you will only complete the “overall performance rating” evaluation table (12a) if answered yes that your evaluation system includes a final composite evaluation score. Use the categories that you've indicated align to your categories in Question 10. If each measure has a distinct rating, then please complete Tables 12b-12d.

##### **TIF 3 grantees:**

- Question 12 collects data relevant to GPRA measure #1 for TIF 3 grantees: Changes in LEA personnel deployment practices, as measured by changes over time in the percentage of teachers and principals in high-need schools who have a record of effectiveness.
- Question 12a – Overall Performance Rating– will only be completed if your evaluation system includes a final composite evaluation score. If each measure has a distinct rating, then please include the number of teachers and principals who fall into each category for each measure in the system (in 12b, 12c, and 12d). Please fill out a chart for each additional measure.

##### **TIF 4 grantees:**

- Question 12 collects data relevant to GPRA measure #1 for TIF 4 grantees: Changes in LEA personnel deployment practices, as measured by changes over time in the number of teachers and principals who are rated at the highest level, at least effective, and not effective, as measured by the district's evaluation system and the number who are not rated.
- Question 12a – Overall Performance Measure - Use the categories that you've indicated align to your categories in Question 10. TIF 4 grantees do not have to complete Questions 12b, 12c, or 12d, unless the appropriate data is available.

#### QUESTION 13

- Performance Ratings for Newly Hired Teachers and Principals – please provide the number of newly hired teachers and principals rated as not effective, at least effective, or at the highest level of effectiveness in the current reporting year. Use the categories that you've indicated align to your categories in Question 10. For the purposes of the

performance report, newly hired is defined as any teacher or principal working in the current reporting period hired within the past three school years.

**TIF 3 grantees:**

- o Question 13a – “Overall Performance Rating” – will only be completed if your evaluation system includes a final composite evaluation score. If each measure has a distinct rating, then please include the number of teachers and principals who fall into each category for each measure in the system (in 13b, 13c, and 13d). Please fill out a chart for each additional measure.

**TIF 4 grantees:**

- o Complete 13a. Use the categories that you’ve indicated align to your categories in Question 10. TIF 4 grantees do not have to complete questions 13b, 13c, or 13d, unless you have the appropriate data.

- **TIF 3 grantees do not complete Questions 14 and 15.**

**QUESTION 14**

- Performance Ratings for Teachers & Principals Retained in the Same School—TIF 4 grantees must provide the number of teachers and principals who were not effective, at least effective, or at the highest level in the last reporting period (see definition for last reporting period in Appendix A: Definitions) who were retained in the same school for the current school year. Use the categories that you’ve indicated align to your categories in Question 10. Please fill out a chart for each additional measure.

Question 14 collects data relevant to GPRA measure #3 for TIF 4 grantees: Changes in retention of highly effective teachers, as measured by the number of teachers and principals who were rated at the not effective, at least effective, or at the highest level, as measured by the district's evaluation system, and the number who were not rated, in the previous year and who returned to serve in the same high-need school in the LEA.

**QUESTION 15**

- Performance Ratings for Teachers of High-Need Subjects – Based on data from the current reporting period (see Appendix A: Definitions), TIF 4 grantees must provide the number of teachers and principals who fell into each performance category and taught in a high-need subject. For this survey, high-need subjects are Science, Technology, Engineering, and Math (STEM); courses for students with disabilities (SWDs); and courses for English language learners (ELL). Only 15a is required. If you have information for 15b-d, then you can complete these tables as well.

Question 15 collects data relevant to GPRA measure #2 for TIF 4 grantees: Changes in teacher effectiveness in high-need areas, as measured by changes over time in the number of teachers teaching in a high-need field or subject, such as teaching English learners, students with disabilities, or STEM, who are rated at the highest level, at least

effective, and not effective, as measured by the district's evaluation system and the number who are not rated. Use the categories that you've indicated align to your categories in Question 8.

**PART 3: BUDGET INFORMATION**

Part 3 consists of nine questions all related to the project budget during the reporting period. In this part you will need to report more specifically on the funds expended during the reporting period. Additionally, you must provide an explanation if you did not expend the funds at the rate expected during the reporting period and describe any changes to your budget that affected your ability to achieve your approved project activities or objectives in the budget narrative. Finally, TIF 3 Grantees must report on your required increasing share of performance-based compensation payments and any other match/in-kind contributions that you included in your approved application. Appendix B shows your fiscal responsibilities as provided in EDGAR.

INSTRUCTIONS BY QUESTION IN PART 3

**QUESTION 16A**

- Current Year Budget Expenditures - This table should reflect current year actual and anticipated budget expenditures.

**For the current performance period (see Appendix A: Definitions) budget, use the approved current year amount from your 524 Section A (budget) form.** Note: In the example below, there are a significant amount of personnel and fringe costs being carried over into the next project year. These are largely the current year performance-based incentive payouts, which will be awarded during the fall of 2014. TIF 3 current year for this report is Year 4 and TIF 4 current year budget is Year 2. The current year budget column should align with your most recently-approved budget.

**EXAMPLE**

Cost Categories	Current Year Budget	Expended through 5/31/14	Anticipated additional expenditures from 6/01/14 - 9/30/14	Unexpended Funds	Funds carried over into next project year
Personnel	\$4,000,000	\$1,066,664	\$33,336	\$1,300,000	\$1,600,000

Fringe Benefits 34.50%	\$1,380,000	\$22,999	\$11,501	\$793,500	\$552,000
Travel	\$16,000	\$7,598	\$4,500	\$0	\$3,902
Equipment	\$9,000	\$9,000	\$0	\$0	\$0
Supplies	\$4,200	\$6,308	\$0	\$0	(\$2,108)
Contractual	\$790,000	\$114,777	\$475,000	\$100,000	\$100,223
Other *	\$340,000	\$120,000	\$220,000	\$0	\$0
Subtotal Direct Costs	\$6,539,200	\$1,347,346	\$744,337	\$2,193,500	\$2,254,017
Indirect Costs 8.00%	\$523,136	\$107,788	\$59,547	\$175,480	\$180,321
<b>TOTAL</b>	<b>\$7,062,336</b>	<b>\$1,455,134</b>	<b>\$803,884</b>	<b>\$2,368,980</b>	<b>\$2,434,338</b>

#### QUESTION 16B

- Budget Narrative – Please clearly explain all expenditures for each line item in detail as well as explanations for unspent funds. A sample budget narrative can be found in Appendix C: Sample Budget Narrative. In regard to the current year performance-based incentives, clearly indicate the amount of funds you expect to spend on such payments during the 2013-2014 school year. Provide a brief description to distinguish between funds committed for the increasing share of performance-based payments and other match costs.

#### QUESTION 17

- Expenditures on Performance Awards by Funding Source - This table requires data on funds expended on performance-based awards *paid out* during the current reporting year. You should not report on performance-based awards earned during the reporting year, but paid out in the following reporting year. As such, this table will include lagging data, as most grantees will be reporting on performance-based awards paid out during the reporting year (2013-14) for performance based on the previous (2012-13) school year.

#### QUESTION 18

- Performance-Based Payouts - This table should reflect any funds for incentive payments that were paid with TIF funds in Year 3 (October 1, 2012 – September 30, 2013).

**EXAMPLE**

Cost Category	Initially budgeted year 3 performance-based payment expenditures	Actual Year 3 performance-based payment expenditures
Personnel	\$1,050,000.00	\$1,000,000.00
Fringe (34.5%)	\$362,250.00	\$345,000.00
<b>Total Costs</b>	<b>\$1,412,250.00</b>	<b>\$1,345,000.00</b>

**QUESTION 19**

- Increasing Share of Non-TIF Performance Based Compensation - This table is for **TIF 3 only**. It should reflect the increasing share contributions of Year 3 incentives. TIF 3 Grantees that used TIF funds to make performance-based pay incentives in Year 3 must report the actual amount (and percentage) of non-TIF funds included in these payments (i.e., the increasing share of non-TIF funds). Total incentive payments awarded amount does not include indirect costs.

**EXAMPLE**

Total Incentive Payments Awarded (Year 3)	Total Non-TIF Funds Used (Year 3)	Increasing Share for Year 3
\$1,345,000.00	\$134,500.00	10%

**QUESTION 20**

- Additional Cost Share/Matching Cost - This table should reflect any actual current year matching costs, except for increasing share costs (applicable to TIF 3 only).

**QUESTION 21**

- TIF 3 National Evaluation Grantees Break-Out of “Other” Funds - This table is for **TIF 3 grantees participating in the National Evaluation only**. Grantees participating in the National Evaluation were given an extra \$250,000 per pair of schools participating in the national evaluation. At the time of application, grantees budgeted for these costs under the “Other” budget category. We need to track how these evaluation funds are being spent according to the ED 524 cost categories. Please report on actual expenditures per these categories through 5/31/14.



**EXAMPLE**

Cost Categories	Year 3 Budget	Funds Expended Through 5/31/14
Personnel	\$99,872	\$93,200
Fringe Benefits 34.50%	\$34,455	\$32,154
Travel	\$1,250	\$1,120
Equipment	\$3,495	\$3,450
Supplies	\$560	\$550
Contractual	\$79,000	\$77,955
Other	\$11,600	\$9,853
Subtotal Direct Costs	\$230,233	\$218,282
Indirect Costs 8.00%	\$19,767	\$17,463
<b>TOTAL</b>	<b>\$250,000</b>	<b>\$235,745</b>

**QUESTION 22**

- Percentage of Personnel Budget Expended on Performance Awards - This table is for **TIF 3 only**. This table collects data on GPRA measure #2 for TIF 3: Changes in teacher and principal compensation systems in participating LEAs, as measured by the percentage of a district's personnel budget that is used for performance-related payments to effective (as measured by student achievement gains) teachers and principals.

The numerator should include *all* performance-related payments based on teacher effectiveness (including awards made under TIF and other programs). The denominator should include the entire personnel budget, including fringe. The personnel budget must align with the same period as when the performance payments were made. (For example, if performance awards for SY 2012-13 are made in SY 2013-14, the denominator must be the entire personnel budget for SY 2013-14).

**QUESTION 23**

- Number of Teachers & Principals that Received an Award - This table requires data on the number of teachers that received an award based on performance during the reporting period. Because of the lag in receiving state growth data, you will not be able to report this information in the initial (July) submission. This table will be completed in the final submission (January).

**QUESTION 24**

- Tables *a* and *b* require data on the award ranges for teachers and principals. Because of the lag in receiving state growth data, you will not be able to report this information in the initial (July) submission. This table will be completed in the final submission (January).

#### **QUESTION 25**

- Payouts by Performance Category – please provide your total amount of performance-based payouts for each level or performance category. You should use the information you provided in question 10 to determine how to categorize each level in your evaluation system(s). If you have a different teacher and principal evaluation system and you made performance-based payouts under each system, please fill out a table for each.

#### **GENERAL BUDGET TIPS:**

- TIF 3 Increasing Share: In documenting expected increasing share costs, please refer to the Grant Award Notification (GAN) you received for the Year 3 supplemental award in September 2011. This GAN included an appendix that outlined your increasing share commitment for each year of the project. The increasing share is a program requirement and a condition on your project's GAN.
- Equipment: The Department's definition of equipment is a tangible, personal property with a per unit cost of \$5,000 or more. Items that are under \$5,000 per unit are considered supplies. However, if your organization sets a lower threshold limit for equipment, you should follow your local rules. Also, new equipment not originally approved as part of your budget request requires prior approval from your program officer before purchase.
- Allocability: Please be sure that your expenses are allocable to the TIF program. This is often an issue around equipment costs. Expenditures related to equipment must be prorated according to the amount of time the equipment is used for work directly related to the TIF project.
- Indirect Costs: Please remember that indirect costs agreements typically exclude equipment costs and typically allow grantees to only charge indirect costs to the first \$25,000 of contracts. Please review your organization's indirect cost agreement to properly charge indirect costs to your TIF grant.
- Contractual: If you procured new contracts during this budget period, please confirm whether your organization followed procurement practices and if you received the necessary prior approval from your program officer.
- Contractual: Please ensure that your finance office requires documentation before approving contract invoices and charging costs to the TIF grant. The documentation

provided should support the costs (labor hours, travel costs, supply purchases, etc.) of the contracted work or services.

- Contractual: Please also ensure that the contractor is only performing tasks included in the contract. If you are issuing a contract modification, the modification must be approved before the tasks can commence.

**These contractual issues could be findings in audits if work was done outside the period of performance/tasks included in the contract or if the grantee does not review appropriate documentation before paying invoices.**

The questions following the budget tables must be completed by all grantees. You will provide specific information on the performance awards for effective teachers and principals. For any item requesting award amounts, please round your response to the nearest dollar. For items requesting the number of principals and teachers who received a performance award, please answer using headcount data. Please do not use full-time equivalency (FTE).

## **PART 4: INDIVIDUAL PROJECT OBJECTIVES AND MEASURES**

In Part 4 you will be reporting on your individual project objectives and performance measures. In your application, you stated your project goals and included one or more objectives under each goal. You have worked with your ED Program Officer to refine objectives to be measureable and best capture the results of the work of your project. You do not need to restate your goals.

*Please refer to Appendix D, titled “Individual Project Objectives and Measures Example” to help you understand the instructions below.*

### **GENERAL INSTRUCTIONS FOR PROJECT OBJECTIVES AND MEASURES:**

- Complete a table and explanation of progress for each project objective.
- Fill in the title of the Project Objective
- Under “Performance Measure,” provide the language of the specific performance measure for the stated objective, as outlined in your application. If you have more than 1 measure for the stated objective, add another table for that measure and number it 1b and continue numbering as appropriate.
- Under the “Quantitative Data”:
  - If yearly targets have been set and approved by your ED Program Officer, include the target data for the current project year in the “Target” box;
  - If yearly targets have not yet been set, enter the number “999” in the “Target” box. The data reported in the “Actual Performance Data” box will be treated as baseline data and you will be required to set targets for future reporting periods which must be submitted to your ED Program Officer for approval.

- **For performance measures that are stated in terms of a single number** (e.g., the number of high quality professional development workshops that will be conducted within a specific period) the target and actual performance data should be reported as a single number.
- **For performance measures that are stated in terms of a percentage** (e.g., the percentage of teachers who attain the target level of student growth across all participating schools), the target and actual performance data should be reported as a percentage.
- If you are unable to report on data when the performance reports are due, please put “999” in the “Actual Performance Data” cell and report on any progress toward the objectives in the “Explanation of Progress” section.
- Use the “Explanation of Progress” field to:
  - Indicate what data were collected and how they were analyzed;
  - Identify and explain any deviations from your approved evaluation plan, including changes in design or methodology, or the individual or organization conducting the evaluation;
  - Provide information demonstrating that you are making progress towards meeting each performance measure, including a brief discussion of the activities and accomplishments for the reporting period that relate to each project objective;
  - Indicate how you used the data and information from your evaluation to monitor the progress of your grant and, if needed, to make improvements to your original project plan; and
  - If expected data were not attained, expected progress was not made toward meeting a performance measure or project objective, or a planned activity was not conducted as scheduled, describe the plan for addressing the problem or issue.

## PART 5: ADDITIONAL INFORMATION

- If applicable, please provide a list of current partners on your grant and indicate if any partners changed during the reporting period. Please indicate if you anticipate any change in partners during the next budget period. If any of your partners changed during the reporting period, please describe whether this impacted your ability to achieve your approved project objectives and/or project activities.
- *If instructed by your program office*, please report on any statutory reporting requirements for this grant program.
- Describe any changes that you wish to make in the grant’s activities for the next budget period that are consistent with the scope and objectives of your approved application.

- If you are requesting changes to the approved Project Director listed in Block 3 of your GAN and/or to other approved key personnel listed in Block 4 with a proposed effective date during the remainder of the current budget period or the next budget period, please indicate the name, title and percentage of time of the requested key personnel. Please indicate whether the proposed Project Director or other key personnel change would be effective during the current or next budget period. Additionally, please attach a resume or curriculum vitae for the proposed key personnel when you submit your performance report.

Note: Do not report on any key personnel changes that were already made during the current or previous budget period(s). Departmental approval must be requested and received prior to making key personnel changes.

- Provide any other appropriate information about the status of your project including any unanticipated outcomes or benefits from your project.

## APPENDIX A: DEFINITIONS

Term	Definition
<b>Budget Period</b>	A specific interval of time for which Federal funds are being provided from a particular fiscal year to fund a recipient's approved activities and budget. The start and end dates of the budget period are shown in block #6 of the Grant Award Notification (GAN).
<b>Current Reporting Year/Period</b>	This is the period October 1 – May 30 for interim reports and October 1 – September 30 for annual reports of the year being reported on. This will be the same year that is being implemented when the interim performance report is due (July 1 <sup>st</sup> ), and the previous year when the annual performance report is due (January 17 <sup>th</sup> ). For instance, the current reporting year for the interim performance report due July 1 <sup>st</sup> , 2014 is October 1, 2013 – May 30, 2014. The reporting period for the annual performance report due January 17, 2015 is October 1, 2013 – September 30, 2014.
<b>Evaluation</b>	<p>Each TIF project must have a rigorous, transparent, and fair evaluation system for teachers and principals that differentiate effectiveness using multiple rating categories that take into account student growth (as defined in the TIF NIA) as a significant factor, as well as classroom observations conducted at least twice during the school year. The evaluation process must: (1) Use an objective, evidence-based rubric aligned with professional teaching or leadership standards and the LEA's coherent and integrated approach to strengthening the educator workforce; (2) provide for observations of each teacher or principal at least twice during the school year by individuals (who may include peer reviewers) who are provided specialized training; (3) incorporate the collection and evaluation of additional forms of evidence; and (4) ensure a high degree of inter-rater reliability (i.e., agreement among two or more raters who score approximately the same).</p> <p>Please note that a formal observation must include the four key components of the evaluation system (listed above).</p>
<b>High-Need School</b>	A school with 50 percent or more of its enrollment from low-income families, based on eligibility for free or reduced-price lunch subsidies under the Richard B. Russell National School Lunch Act, or other poverty measures that LEAs use (see section 1113(a)(5) of the ESEA (20 U.S.C. 6313(a)(5)). For middle and high schools, eligibility may be calculated on the basis of comparable data from feeder schools. Eligibility as a high-need school under this definition is determined on the basis of the most currently available data.

<b>Last Reporting Period</b>	The full reporting period or year is October 1 – September 30. The last reporting period is the year or period previous to the current reporting year or period. For instance, if the interim report is due July 1, 2014 for October 1, 2013 – May 30, 2014, then the previous reporting period is October 1, 2012 – September 30, 2013.
<b>Newly Hired Teacher/Principal</b>	A teacher or principal that has been employed at a school for three years or less.
<b>Other Personnel</b>	All school-level staff who are not included in the definition of teacher or principal. Examples of these other staff who could be included in the PBCS are counselors, librarians, media specialists, social workers, janitors, cafeteria workers, bus drivers, and clerical staff.
<b>Performance Based Compensation System (PBCS)</b>	A PBCS recognizes different levels of effectiveness, skill, and performance by providing different levels of compensation. A PBCS under the TIF program refers to a system of pay that is not exclusively defined by degrees earned or longevity in a job but rather by quality and effectiveness of performance. (See the TIF FAQs, pages 9-11, for more detailed information.)
<b>Principal</b>	For the purposes of TIF, a “principal” is defined as those individuals who are considered principals under applicable State and local law or policy.
<b>Reporting Period</b>	The reporting period is the current performance year and is typically Oct 1st - Sep 30th.
<b>Stakeholder</b>	Teacher, administrator, other school personnel, or a member of the community at-large.
<b>Teacher</b>	For the purposes of TIF, the term, “teacher” may include not only classroom teachers but also resource teachers and other staff, such as paraprofessionals and classroom aids, who provide direct instruction. The term “teacher” is not defined in Federal statute or regulation and, therefore, the term encompasses those individuals who are considered teachers under applicable State and local law or policy.

## APPENDIX B: GENERAL GRANTEE FISCAL RESPONSIBILITIES

The Education Department General Administrative Regulations (EDGAR) provides guidance on the following provisions from EDGAR addressing fiscal responsibility. If you have any questions about these guidelines, ask your general counsel or ED Program Officer. You may access EDGAR at: <http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html>.

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For grantees who implement a system of performance-pay in partnering districts or charter schools (usually non-profits and state education agencies):

**EDGAR, §80.40(a)-Monitoring by grantees**, states, “Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.”

The term "grantee" refers to the fiscal agent of the award. If you are a non-profit organization that has partnered with districts and/or charter schools, or you are a state education agency that is implementing this system of pay for performance in local districts, YOU as the grantee/fiscal agent are responsible for monitoring all activities under the grant. Specifically, sub-granting is not allowed under the TIF program. It is extremely important that you obtain documentation on expenditures and related activities on a routine basis to avoid audit findings that you lack the fiscal management to receive additional federal funds.

For ALL grantees:

**EDGAR, §74.20-Purpose of financial and program management**, states, "Sections 74.21 through 74.28 prescribe standards for fiscal management systems, methods for making payments and rules for

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- (a) Satisfying cost sharing and matching requirements;
- (b) Accounting for program income;
- (c) Approving budget revisions;
- (d) Making audits;
- (e) Determining allowability of cost; and
- (f) Establishing fund availability”

Specifically: EDGAR, §74.21(b)(1), states (in part), "Recipients' financial management systems shall provide for the following:

- Accurate, current, and complete disclosure of the financial results of each federally-sponsored project in accordance with the reporting requirements established in §74.52...
- Records that identify adequately the source and application of funds for federally-sponsored activities.
- Effective control over and accountability for all funds...(and) shall adequately safeguard all assets and assure they are used solely for the authorized purpose.
- (Cost) Accounting records...that are supported by source documentation.

Written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the provisions of the applicable Federal cost principles...”



## APPENDIX C: EXAMPLE BUDGET NARRATIVE

### Budget Narrative

The table below provides an explanation of expenditures and unspent funds according to cost categories.

Cost Categories	Explanation of Expenditures	Explanation for Unspent Funds
Personnel and Fringe Benefits	<p>Salaries and fringe benefits for TIF program staff including 1.0 FTEs for: program director, program manager, 3 program specialists, data management director, and administrative assistant.</p> <p>Salaries and fringe benefits for TIF program staff including 0.5 FTEs for: professional development coordinator (evaluation system) and communications manager.</p> <p>Salaries and fringe benefits for TIF program staff including 0.25 FTEs for: principal leadership coordinator.</p>	Employee salaries are determined according to placement within the market range established by Westat Public Schools. Unfilled positions that occurred during the performance reporting period included an administrative assistant position (vacant for 3 months) and program manager position (vacant for 6 months). In addition, all peer evaluators have not yet been hired.
Travel	<p>TIF regional event in March for professional development (attendees included the TIF program director, program manager, and the data management director</p> <p>Other expenses included airfare, hotel, and per diem reimbursement for a cadre of 5 of the TIF Principals and Assistant Principals Team Staff (7 members of the cross-district data management team to attend the 25<sup>th</sup> Annual Management Information Systems Conference in San Diego (February 1-17, 2013). This conference, sponsored by the Institute of Education Sciences, focused on “best practices, innovative ideas, current issues, and practical how-to advice about management information systems for K-12 education.” Attendance at this conference facilitated the evaluation work within our district</p>	Travel expenses were less than anticipated. We budgeted for the TIF Project Director’s Meeting in March and have not yet participated. Funds will remain in travel for possible meeting later in Year 1.
Equipment		Funds have been set aside for the purchase of video equipment for filming best practices inside classrooms as well as videos for teacher

		professional development. These funds will be spent once the coordinator has identified the correct systems needed for our software capabilities.
Supplies	<p>Supply expenses included:</p> <p>Professional resources for professional development developers and attendees (e.g., <i>Looking in Classrooms</i>; <i>Handbook on Differentiated Instruction</i>; <i>Teacher as Assessment Leader, Developing and Validating Multiple-Choice Test Items, Writing test Items to Evaluate Higher Order Thinking, Cooperative Learning and Higher Level Thinking, Designing and Assessing Educational Objectives, Skillful Teacher, Building Academic Vocabulary</i>)</p> <p>Computer equipment for the peer evaluator team (e.g., tablets)</p> <p>Communication supplies: DVDs, DVD envelopes, batteries, folders, dividers, printing costs</p>	Some of the communication supplies were below expected costs, saving the district some money and are included in carryover.
Contractual	<p>Contractual services included program evaluation; development of the observation model (vendor: <i>Vendor 1</i>); development and implementation (vendor: <i>Vendor 2</i>); development of the Decision Support System (vendor: <i>Vendor 3</i>); assessment development (vendor: <i>Vendor 5</i>); professional development design and delivery for PLC Academy (vendor: <i>Vendor 6</i>); and validation, modification, and refinement of the <i>Observation Instrument</i> (vendor: <i>Vendor 7</i>). All contracts were procured through Westat Public Schools' procurement procedures. Documentation includes RFPs, task orders / scope of work; invoices.</p>	<p>The adjusted timeline for the implementation of the data management system resulted in a carry-over of funds.</p> <p>A portion of what was expected to be contractual services was taken care of by internal staff instead (Career Pathway Leadership Academy, PLC Academy, professional development design and delivery).</p>
Other	Substitute costs for teachers.	The need for substitute teacher reimbursement was less than anticipated. However, there will be further work that will require a cadre of teachers to be released from the classroom

## APPENDIX D: INDIVIDUAL PROJECT OBJECTIVES AND MEASURES EXAMPLE

Project Objective 1: Thirty teachers with development needs in the area of classroom management will learn to use classroom management strategies to improve student achievement. All teachers will demonstrate mastery at 90% or higher on all competencies as measured by the “Classroom Management” rubric in the district’s Teacher Observation Tool.

1.a. Performance Measure	Quantitative Data	
Number and percent of 30 teachers who demonstrated mastery at 90% or higher on all competencies as measured by the teacher observation tool.	Target	Actual Performance Data
	100%	67%

### Explanation of Progress:

1.a. During this performance reporting period, Sample District provided classroom management training to 30 teachers who were identified, through the classroom observation process, to have needs in this area. This training consisted of 5 Saturday workshops of 3 hours each over a 10 week period from December 4, 2011 through February 12, 2012. Each participating teacher was also observed twice in the teacher’s classroom during the training period. During the observations, the trainer/coach observed teacher practice and, during a post-observation conference, provided constructive feedback. At the end of the training, each participant was observed during a summative process using only the “Classroom Management” component of the official Teacher Observation Tool.

Of the 30 teachers who were observed during this summative process, 20 received a score of 90% or higher. While our target was 100%, we are making substantial progress towards meeting the project measure and objective. The 30 teachers identified to participate in the training all made substantial improvement in their classroom management skills, as evidenced by the teacher observation tool. The 10 teachers that missed the target scored between 72% and 88%. These 10 teachers will receive additional support in the next performance period, including additional coaching and the ability to participate in a modified version of the Saturday workshop sessions. By providing this extra support, we expect that these remaining teachers will score 90% or higher on the “Classroom Management” component of the Teacher Observation Tool in the subsequent reporting period.

**Public Burden Statement:**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 46 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is required to obtain or retain benefit (Public Law 112-74-4 Consolidated Appropriations Act, 2012). Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Education, 400 Maryland Ave., SW, Washington, DC 20210-4537 or email [ICDocketMgr@ed.gov](mailto:ICDocketMgr@ed.gov) and reference the OMB Control Number 1810-XXXX. Note: Please do not return the completed TIF APR to this address.