Mastery Charter Schools Teacher Incentive Fund 5 Proposal

"Mastery 3.0 Opportunity Culture Human Capital Management System Redesign Project"

PROJECT NARRATIVE

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I. TIF 5 PRIORITIES AND REQUIREMENTS

Mastery Charter Schools (Mastery) proposes to address the Absolute Priority of the Teacher Incentive Fund 5 (TIF 5) grant competition through the **Mastery 3.0 Opportunity Culture Human Capital Management System Redesign Project** (MOCHCS) described in this application.

ABSOLUTE PRIORITY and REQUIREMENTS 1 & 2:

An LEA-wide Human Capital Management System (HCMS) with Educator Evaluation and Support Systems at the Center.

Requirement 1: Implementation of Performance Based Compensation Systems

Requirement 2: Documentation of High-Need Schools

Status: MET

Please see the Application Requirements Checklist in Appendix A for evidence of where in the narrative we meet the Absolute Priority and Requirement 1; and Appendix B for the High-Need School Eligibility Checklist for Requirement 2.

COMPETITIVE PRIORITY #2: Improving Teacher Effectiveness and Promoting Equitable Access to Effective Educators and Invitational Priority: Promoting Equitable Access through State Plans to Ensure Equitable Access to Excellent Educators

Status: MET

Mastery wholeheartedly supports the Department's commitment to equity in **Competitive Priority 2: Improving Teacher Effectiveness and Promoting Equitable Access**

to Effective Educators, and our proposed project continues one of our organization's core focuses – ensuring that children from low-income families and minority backgrounds have effective teachers. Mastery serves a predominantly low-income, minority demographic, as is clear from the Mastery High Need Schools list in Appendix F, page 1. Our primary purpose is turning around failing schools in low-income communities and in any discussions around new potential schools, our principle is to not seek any schools where the low-income student population is lower than 60%. Additionally, since most of our schools are turnarounds of a struggling district's schools (Philadelphia or Camden), we tend to be located in and serve communities that have historically been and continue to be racially isolated and economically distraught. The student population for each turnaround remains the same as it was under district management, as we prioritize welcoming all children from the neighborhood in student recruitment and enrollment.

It is well-documented that there is inequity in the quality of teachers that students from low-income and minority backgrounds have when compared with their peers. They are taught by teachers who are lower in quality and more likely to be uncertified, to have scored poorly on required exams, and teaching out-of-field than teachers serving a students from a wealthier, lower-minority demographic.[1] Numerous studies point to the shortcomings of the typical teaching staff for the low-income, minority students like the students that Mastery serves, including the greater likelihood that effective teachers leave,[2] and that they are teaching subjects for which they are unprepared[3] This disparity occurs within districts, and even within individual schools; at Mastery, because of the demographic data of our student body, the full student body

[1] Jerald., C.D. (2009)
[2] (Goldhaber et al., (2009)
[3] *U.S. Department of Education (2007*

represents this exact population that is usually subjected to low-quality teachers. Thus, our current efforts as an organization and our proposed enhancements as described in this proposal to dramatically strengthen teacher quality are ultimately geared at increasing the teacher effectiveness for students who traditionally would suffer from this inequity – all of our student population. Our Project Design section dives deeply into the myriad ways we are now and propose to increase access to high quality teachers.

Our efforts also address the **Invitational Priority: Promoting Equitable Access through State Plans to Ensure Equitable Access to Excellent Educators** by aligning to the state plans in Pennsylvania and New Jersey that seek to rectify the inequity. Our project's activities are in line with the actions that the New Jersey state plan proposes (NJ Department of Education, 2015), such as improving human capital data quality and structures to better understand teacher effectiveness and make better human capital decisions. As addressed in Core Focus Area #2: Talent Management Systems and Data Analytics on pages 14-16 and through Core Focus Area #1: Talent Pipeline Development on pages 9-13, we are aligned to the NJ plan's focus on improving the preparation of novice teachers. Our project proposes many activities aligned to those proposed in the Pennsylvania state plan (Pennsylvania Department of Education, 2015), too, specifically improving communications and marketing for recruiting new educators; coordinating with local teacher preparation programs and providing field placements; developing leaders through RELAY NPAF and an internal Apprentice Leader program; improving analysis of human capital data; and providing robust, ongoing professional development in Mathematics and ELA.

II. SELECTION CRITERIA

A. SIGNIFICANCE (20 points)

In determining the significance of the proposed project, the Secretary considers the extent to which the proposed project is likely to build local capacity to provide, improve, or expand services that address the needs of the target population.

Mastery Schools Network (Mastery) is applying for a TIF grant as a network of LEAs with Mastery Charter High School as the lead applicant. Mastery has been operating charter schools in PA and NJ since 2001 and now serves more than 13,000 students K-12 across 15 LEAs with 100% of our 26 schools meeting the definition of "high-need" (as seen in Appendix F). Mastery's area of expertise is turning around formerly failing public schools. Of the 26 schools we currently operate, 20 are turnarounds of district or charter schools that were in the bottom 10% by performance statewide prior to Mastery turnaround. A recent national study on school turnaround models conducted by the Parthenon Group in 2014 found that **Mastery has experienced the strongest growth in proficiency rates for students in reading and math from year one to year five in turnarounds than any other operator of multiple turnarounds in the country** (Parthenon Group, February 2014)[4]. After turnaround we continue to operate those schools as the neighborhood public schools, making Mastery as close a proxy to urban public districts in the charter sector. In fact, each year educators from more than 50 different charter networks and public school districts visit Mastery, attend our "Teacher Effectiveness Institutes" and seek to learn what we do in the areas of school turnaround, educator effectiveness, performance pay, and student achievement. We believe our unique role as neighborhood charter schools in the education landscape makes the work we propose to do with human capital management under TIF meet all of the requirements under the Significance section of this application. As the largest charter network in both the state of Pennsylvania and the city of Philadelphia and the largest Renaissance Charter operator in Camden, NJ we have a direct ability to *build local educator capacity* to provide higher quality academic programs and

[4] The Parthenon Group. (2014, February) Mapping the Landscape of School Turnaround Models. Research report prepared for the Dell Foundation.

outcomes for low-income, minority students in these two urban centers. We will this by directly impacting more than 1,600 educators and 13,000+ high need (low income and/or minority) students served under this grant proposal and indirectly by continuing to play our natural role sharing and training on aspects of our model that work to improve teacher quality and student outcomes.

While our vision and both our current HCMS and our plans for redesign in this application are firmly aligned with Mastery's vision for instructional improvement, it is important to provide some context regarding changes that are in process across the Mastery network at present. After 13 years as a network, we found that after early gains in turnaround schools, our student outcomes were stagnating in mature schools and at the postsecondary level. After intense evaluation of student outcomes and the impact of our prior instructional model, Mastery introduced and implemented "Mastery 3.0" in fall 2014 as a shift in our core school model intended to increase student success. The model makes three significant shifts in our instructional model: *(1) From direct instruction toward a best practice constructivist influenced model; (2) from "No Excuses"/Compliance Focus to a Restorative, Culturally Responsive approach; and (3) from intense scaffolding for students to raising the bar by increasing rigor, shifting the cognitive load more squarely onto students, providing ways to struggle and fail, and increasing our ability to provide responsive individualization at the student level.* As seen in the 3.0 overview slides in Appendix F, we require major investments in teacher and leader supports and higher quality instruction to implement the model in full.

Both philosophically and practically, Mastery believes that we exist not just to run good schools but to impact access to high quality schools for students in the communities we serve. In May 2016, following two years of initial Mastery 3.0 implementation and a yearlong input

process with teachers, leaders, and parents, the Mastery network of schools approved a new five year strategic plan taking us into 2021 (the same time period as the proposed grant). our board chose a clear path to "**Focus on Systems Change in Philadelphia and Camden to change the education system for *all* kids in the cities we serve**." That bold direction means that while we are focused on building world class human capital systems inside Mastery, it is our intent to be able to share what we build and learn with other educators and to help make Philadelphia and Camden an attractive hub for high quality educators to come, teach, lead, and stay. Undergirding our path, are four functional priorities that will drive the work of the organization over the next five years. The top two functional priorities in the plan are to "prove out Mastery 3.0 instructional model" and to "build organizational systems for scale" (see Appendix F for more on the priorities). To prove out our 3.0 instructional model we need to focus squarely on dramatically improving academic outcomes for students in all our participating schools based on major investments in teachers and leaders as drivers of these outcomes.

Mastery has a track record of securing grant funds, scaling new programs, using funds wisely and ensuring we create open source access to our model and programs for other districts and networks. We received a TIF 3 grant in 2010 to focus on development and implementation of our PBCS system at that time - to codify TAS, bring it to full sustainability, and to launch our PBCS for school leaders – the Mastery Management Model (M3) – by working through a cross-school design team process. By the end of TIF 3, 100% of Mastery schools open more than one year had a fully sustained financial structure for supporting PBCS and were implementing the model and 100% of the programmatic elements introduced under the grant were continued after the grant. In this grant proposal we fully fund all of the PBCS payouts to educators in existing schools through non-federal funds as our continued commitment to sustainability. Overall, we

are contributing more than 50% of the funds needed to implement the project we describe and our TIF 5 proposal strengthens PBCS and will support human capital capacity that will enable us to dramatically impact thousands of educators and tens of thousands of the high need students they serve over the next five years.

B. QUALITY OF THE PROJECT DESIGN (45 points)

(1) The extent to which the proposed project is part of a comprehensive effort to improve teaching and learning and support rigorous academic standards for students;

Mastery Charter Schools (Mastery) proposes to refine and improve our existing Human Capital Management System, which uses evaluation and educator support systems to drive decision-making across our network of public charter schools in Philadelphia, PA, and Camden, NJ through the **Mastery 3.0 High Quality Human Capital Management System Redesign Project** described in this application. Mastery currently has the needed infrastructure and basic systems in place on which to build a world-class Human Capital Management System (HCMS) over the next five years with the support of the Teacher Incentive Fund. Human capital decisions are currently driven collaboratively between school leadership teams and the Network Support Team (NST). The NST serves as a lean central office which provides human-capital focused services to all the 15 current LEAs included in this proposal. Human capital decisions at the school level are supported by a clear set of policies and procedures and by NST teams that provide services to schools in the areas of recruitment and hiring, talent management, professional development for teachers and leaders, data collection and analytics, performance compensation, retention, and promotion. All Mastery schools follow a common instructional program that is aligned to the Common Core State Standards (CCSS) and developed by the NST staff with significant site-based teacher and leader design and implementation input. Direct educator supports are then designed and provided by a combination of school and NST-based

staff to individual educators, role-aligned peers, and school-wide. Accountability for all human capital supports in school is held jointly by the school Principal and the Regional Schools Officer supervising each school.

Mastery has long believed that for student outcomes to increase, the organization must fully align every aspect of operation to how it will impact student achievement. An effective HCMS is critical to student outcomes at Mastery as every stage of the process – from recruitment and hiring to professional development to compensation and retention – is firmly believed to have a direct impact on how students learn and achieve each day in the classroom. As shown in Exhibit B.1 below, Mastery believes in a "straight line" approach to aligning expectations in the classroom with how we train and support teachers resulting in higher student outcomes and pay for performance. These tenets are currently a part of the Mastery model. While we believe that this basic framework is still the right path to student achievement, our theory of change under TIF is that the way we operationalize our human capital systems at each stage in the model can be dramatically improved resulting in more evidence based human capital practices driving breakthrough student outcomes.

Exhibit B.1: Mastery Comprehensive Approach to Developing a World Class Workforce

The Human Capital System improvements and additions we propose under TIF are fully aligned to Mastery's comprehensive efforts under our 3.0 instructional shifts as an organization dramatically improve teaching and learning in our schools supporting high need students.

This shift for Mastery to 3.0 as described in the Significance section requires a different way of teaching, a deeper understanding of cultural context in the classrooms and communities we serve, and for teachers and school leaders to truly become content experts in their fields. Everything points to more skilled educators in our schools – at a time when quality educators are increasingly difficult to hire and retain in low-income, urban schools.

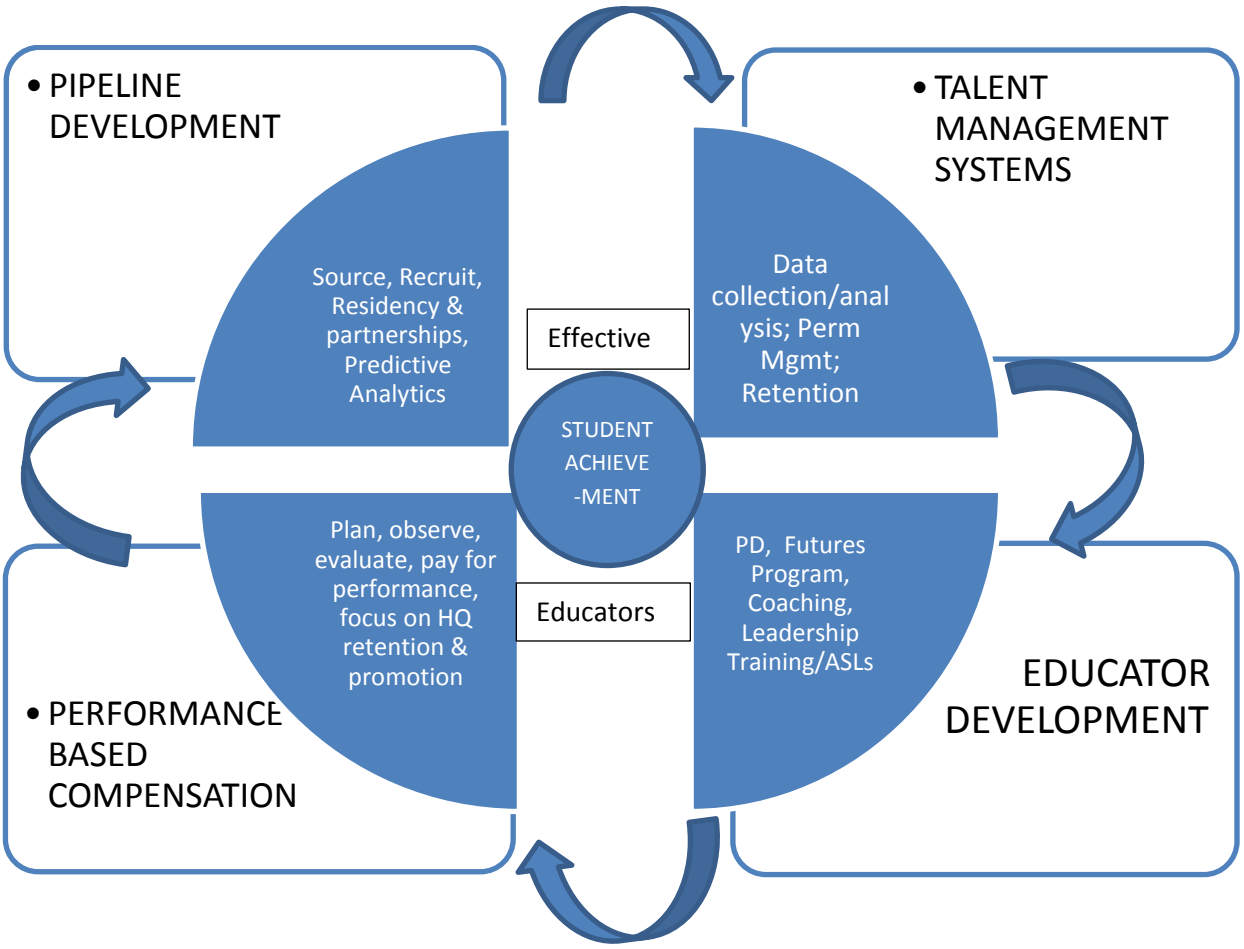
The **Mastery 3.0 Opportunity Culture Human Capital Management System Redesign Project (MOCHCS)** consists of four core focus areas of work that both make up and impact the human capital continuum in Mastery schools aligned to who we are becoming as a network of urban schools, ultimately moving the needle on student achievement and growth. These core areas are aligned to the flow of the MOCHCS cycle as seen in Exhibit B.2 with the first three: Talent Pipeline Development, Talent Management Systems, and Educator Development all culminating in a more effective Performance Based Compensation System (core focus area #4) for all educators at Mastery.

Core Focus Area #1: Talent Pipeline Development

This core area focuses on identifying talent and creating high quality pipelines to ensure the highest quality educators in classrooms and leading our schools each year. In the human capital management system lifecycle, this is the entry point for talent. While we focus much of our energy on developing educators once they are here, we believe one of the highest impact areas would be to increase the quality of the talent pool we attract and hire so we can start further along the continuum of teacher quality. While Mastery currently has a small recruitment team – 1 manager level staff person per 100+ openings -- hiring approximately 300 staff each year, research provided by the Charter School Growth Fund on seven similarly-sized large CMOs noted that the average peer organization had between 10-16 recruitment staff to fill this many

positions each year. In addition, we have low-technology candidate sourcing and tracking tools (e.g. spreadsheets) for a network of our size and we lack consistent, quality predictive analytics based on data from historical hiring and retention. As we grow larger, we find it harder to find and hire a diverse teaching corps with experience in the classroom and to keep up with pipeline data tracking. While we are proud of what we have been able to do on the recruitment and placement end in spite of these challenges, we know we need to build those systems to continue to have the capacity to hire at this rate and to increase the quality of our new hires as our network continues to grow. Through our core focus on Pipeline Development, we will seek to implement the following initiatives under TIF:

Exhibit B.2: Mastery 3.0 Human Capital Management System Process Flow



a) Create signature Pipeline Development programs through teacher residencies in hard to fill subjects & pre-placement partnerships with area colleges: We propose investing in two programs to grow our own pipeline of talent under TIF. First, we would like to invest in expanding a pilot program we have started with RELAY Graduate School of Education by creating Teacher Residencies in secondary math and special education, with a focus on a diverse candidate pool. We piloted the program only in K-2 literacy in 2015-16 with 15 candidates, including 75% candidates of color. We had a 92% success rate converting residents into full time teachers for the coming fall and RELAY residents are averaging 1.4 years of academic growth in one year with the students they supported. Under TIF we would pilot, test, evaluate and scale a secondary residency into a sustainable part of our secondary school model. Second, we would to build formal partnerships with several area colleges to become placement sites for student teachers and to create formal pre-placement programs to encourage placement at Mastery after graduation.

b) Add targeted capacity to the talent team– Recruiting higher quality teachers and leaders is a tenant of the Opportunity Culture theory[5] that is at the core of our project and we recognize we need more people and more specialized staff to do this work. Mastery's current recruitment team is undersized for the number of hires we make each year. Our top three recruiting priorities under TIF will be increasing quality leadership hires, teacher recruiting in hard to fill subjects, and school support/leadership roles focused on supporting teachers. Our proposal includes adding staff on a temporary basis to build capacity on the recruitment team in these three priority hiring areas under TIF, as described in the Budget Narrative.

c) Data analytics to use talent life cycle data to create predictive models for hiring - Mastery's recruitment, data, and academic teams have been informally tracking the factors that may predict

[5] Hassel, BC & Hassel, E.A. (2010)

success for newly hired teachers at Mastery. Using rich data we will be able to track and collect through our proposed Talent Management Systems (see pages 14-16) developed under TIF, we will have a seamless way to track data from candidate stage through to promotion or exit and build a profile of what candidate characteristics lead to better outcomes (retention and student achievement). While this effort is in its infancy, early results have shown that by looking at certain factors such as educational attainment, years of experience, diversity, colleges and graduate schools attended, key coursework taken in college, etc. can suggest a profile or set of pre-entry profiles that are a more likely fit for Mastery schools. For candidates who do not meet the first tier of quality under the recruitment analytics, we will also be able to use the data systems to determine what interventions matter most in terms of having an impact on types of candidates (e.g. does content coaching have the greatest impact on first year teachers' ability to drive student growth?). This can expand our target pool as we will be able to immediately slate new staff into the types of supports that have greatest likelihood of making them effective in delivering student outcomes.. Mastery would also be able to build a similar tool for school leadership positions and both would then inform our Educator Development efforts described later in the narrative.

d) Strategic communications effort to increase our reach in the market - Mastery has not invested in strategic communications to increase our leverage in the marketplace and our brand recognition is lower than smaller networks in our region. We have had some early success with short-term efforts to use social media to target and attract quality talent. Under TIF we would make a small investment in a rebrand on the talent side and use social media and strategic partnerships to extend our access and reach with teaching and leadership candidates.

e) Building incentive programs targeted at hard to fill positions - All of Mastery's teaching positions could be considered hard-to-fill since 100% of our schools are high-need urban schools and 75% are in a turnaround school environment. Compounded with our expansion to opening new schools each year, the recruitment team faces many challenges when filling open positions of any kind and is most similar to large urban districts in terms of our ability to attract and retain all staff to our high need schools and to fill hard to staff subjects as evidenced by several studies, including one on other TIF grantees.[6] Within our network, we can prioritize the hardest to fill positions where we struggle to find and keep high quality candidates: a) Secondary special education; b) b) Secondary Mathematics (grades 6-12); c) Chemistry; d) Physics; e) Secondary Spanish; and f) Upper Elementary Math or Reading (grades 5-8). While some of these areas have been hard to staff for years, secondary mathematics has grown as a challenge for us since we changed to a more rigorous College Preparatory Mathematics (CPM) curriculum in grades 6-12 under our Mastery 3.0 shift. The content knowledge and classroom facilitation skills required by this model mandate highly skilled mathematics faculty. In addition, the entering skill level of our students tends to be low – creating a desperate need for excellent math faculty.

We would like to create an incentive program for these hard to staff positions at the marketing and sourcing stage of recruitment. We have begun research on best practices in the use of fiscal and other incentives, including the size of wage premiums needed to attract top faculty in these areas[7] and would like to spend a research and development window for part of year 1 of TIF prior to launching pilot incentive programs in spring 2017. We will track data in each pilot and use both internal data and review from our external evaluator to determine which

[6] Glazerman & Max (2011); Rivkin, Hanushek, and Kain (2005); Olden, A. & Wallace, M. (2007)
[7] Glazerman, et. al. (2013)

programs provide the highest leverage as incentives to attract and retain quality faculty in these areas.

For school leadership, our needs vary by year and we have no incentive system as part of the recruitment process. Leaders are often relocating (about 35% of leaders who come to Mastery come from another region) and feedback from leaders we have lost frequently notes incentives from other districts as being factors in their departure. We propose a similar cycle of research, pilot phase, evaluation, and permanent phase-in of incentives for high quality leaders in school based roles.

Core Focus Area #2: Talent Management Systems (TMS) and Data Analytics

As Mastery has grown to 26 schools, 13,000 students, and 1,600 employees - and as we continue to grow each year - we need a more sophisticated set of data tools driving our HCMS. A broad range of research on talent in the education sector points to a need to harness human capital data to make talent management a proactive strategy for aligning talent to outcomes and that we cannot truly provide effective teachers in every classroom until we understand and use our human capital data in strategic ways. [8] In fact research also suggests that it is too common in schools to use lagging indicators (test scores, retention rates) to make decisions because school systems lack coherent human capital data to make informed decisions about how to drive toward the outcomes they want. Our TIF proposal seeks to solve this problem. In this section we will refer to the data systems and tools driving the MOCHCS as the "Talent Management Systems" or TMS. This will be the foundation needed to drive a more precise and useful Performance Based Compensation System (PBCS) as detailed in Core Focus Area #4 on pages 19-28.

[8] Starner, T. (2016); The New Teacher Project (2015)

Our TMS encompasses all data systems and tools needed to drive information and data-based decisions about human capital across the network. Mastery currently uses a patchwork of different purchased and self-created systems to create what should be – but in practice is not – a seamless system of employee identification, PBCS-capable payroll systems, recruitment and retention data, performance management, and talent tracking systems. In addition we have a separate system for linking student academic outcomes to teachers and school leaders that does not connect with other parts of our TMS. Under TIF, we intend to implement a new TMS that will launch in phases and ultimately be able to provide all Mastery schools with a comprehensive set of web-based tools to manage the full life cycle in our Human Capital Management System.

We propose to create a three-year process with both internal staff and external contractors to identify the appropriate tools, customize them to Mastery's Human Capital Management needs and our performance based pay system requirements, pilot the tools, and then launch and train all teachers and leaders on use of the system. The data tracked and analyzed through the TMS will be able to impact our HCMS lifecycle in the following ways:

- Recruitment – providing a sourcing and tracking tool to feed into our Pipeline development initiatives via data for predictive analytics
- Talent Development and Management – data tracked and analyzed related to PD and leadership opportunities and their impact on teacher quality/student outcomes. This will also allow us to identify succession planning in schools for Master teachers and leaders and provide valuable data on retention efforts.
- Performance Based Compensation – the TMS will allow us to systematize the current paperwork-heavy systems of teacher and leader observation, feedback and evaluation. The new TMS will allow our Human Capital team to use the data collected from our evaluation system to

more accurately design supports and drive hiring, retention, performance pay, promotion, and recruitment decisions on a macro scale.

The TMS implementation will follow a 30-month schedule with three phases:

(1) Pre-Implementation: Vendor and Tool Selection: Internal implementation team creates RFP for data system vendors, begins process of specialization through development of business rules and process requirements to meet our Human Capital Management System needs.

(2) Phase I implementation: Internal team works with selected vendor on build out and launch of the TMS implementation to streamline employee data collection and analysis

(3) Phase II Implementation: Launch recruitment/sourcing data tools, full talent management suite for tracking educator training and support inputs, promotion trajectory, student outcomes linked to educators, and connection with evaluation and compensation.

At full implementation, the new TMS will allow Mastery schools to be able to identify staffing and personnel trends and needs in schools and across the network in real time. The system would also support improved recruitment, professional development, and retention efforts by giving us clearer pictures of both individual and collective characteristics of Mastery staff and their skill gaps or strengths and to be able to both program for that and to have faculty seek development opportunities based on needs. A critical use of the new TMS would be the ability to even better understand individual educators' impact on student achievement to help with placement and retention – particularly in hard to staff schools and subjects.

Core Focus #3: Educator Development

As part of our overall Human Capital Management System we believe that supporting our educators to become high quality teachers and leaders is at the core of what we do [See Appendix F for sample training schedules). Mastery has always had a deep investment in

teacher professional development. Our schools have early release time every Wednesday for schools to provide on-site PD, we use three weeks each summer to train teachers and leaders, and we have a robust approach to teacher and principal coaching as part of our current model. In Core Focus #3 our target is on further improving instructional quality in high need schools by improving the quality of the teachers and leaders in our system. Based on current pilots in Mastery schools, our review of effective educator development programming in other districts, and the 2015 TNTP study recommendations for teacher development that works, [9] we will make investments in four key initiatives under Educator Development through TIF: (**1) Formal Teacher Leader Program "Mastery Futures"; (2) Master Teacher Collaborative, (3) Apprentice School Leaders; and 4) Content Coaching in Hard to Staff/Low Outcome Areas.**

(1) Formal Teacher Leader Program: Mastery Futures: One area where Mastery struggles to retain high quality teachers is when they are seeking the next step in their career and there is no logical step. Each year we lose approximately 65% of quality teachers who apply to be Assistant Principals but then seek opportunities elsewhere because there are not enough positions available, we find they are not ready to lead in our system and we do not have clear pathways toward an AP position. Feedback from our teachers resulted in our proposal t develop a formal FUTURES program: a cohort-model development program with formal training on the skills needed for leadership and the support of a mentor. Starting with a research and design phase, we would seek feedback from eligible teachers and review best practices in teacher leader programs to build the curriculum and to balance the preparation of teachers to rise into leadership over time while serving in beneficial ways as teacher leaders without leaving the classroom full time. For example, they could receive training on how to run a planning meeting or how to observe a

[9] TNTP "The Mirage" 2015

teacher and give feedback, then try it onsite, allowing them to gain instructional leadership skills without having to exit the classroom. FUTURES would give options to exemplary teachers to expand their skills, feel valued, and still directly work with students while learning new skills.

(2) Master Teacher Opportunity Culture Collaborative: A high priority in Opportunity Culture is in finding ways to keep Master teachers engaged in the classroom full time to both impact more students and to train the next generation of teachers (retention and reach extension). Under TIF we will work with a collaborative our of best Master teachers – ones for whom our MVAS data is consistently exceptional in student growth and achievement – to design a model where we blend higher pay, increased student loads, and the support of junior teachers as both a retention and leadership development opportunity for our best teachers This approach would result in more students being taught by high quality teacher provide a development pathway for junior teachers.

(3) Apprentice School Leaders (ASLs): Mastery has hosted an ASL experience for more than five years. This is intended to be a full-time training year prior to becoming a principal or assistant principal. ASLs are teachers who are intentionally released for a leadership training year. While a good concept in theory, the practice has not led to enough return on our human capital investments due to several factors. First, due to the high level of need in our schools and our recent growth trajectory, no one ASL experience is the same and many ASLs are pressed into service in schools in full time roles prior to the year ending. In other cases, principals do not take ownership of training their site-based ASLs since they do not control their future placement – so they are not willing to make the investment in talent they will likely lose. Finally, there is no structured learning experience for the ASLs with a common rubric for what should be mastered during the year, common training, and metrics for success. We intend to use some TIF

funds to reimagine our ASL program to address these gaps, formalize the expectations and experience for ASLs, and make it a more viable leadership support and training program for aspiring leaders.

Content Coaching in Hard to Staff/Low Outcome Areas – The final programmatic focus under Educator Development is also connected to the concept of educational equity and having high quality teachers in every classroom – particularly those that are traditionally hard to staff or where we have had traditionally weak student outcomes. On page 13 we identified several areas that are hard to staff. In addition, our state testing and nationally normed reference test data since our two states have shifted to Common Core show weaknesses in some hard to staff subjects (6-12 math, Physics, Chemistry) and foundational literacy and math skills in K-2. Under the Mastery 3.0 shift and our recent reorganization with the new strategic plan at Mastery, we are investing in Content Coaching at schools as a way to support teachers and instructional leaders in improving instructional quality in their content area. Under TIF we will expand investments in several of these challenge areas with additional content coaches and evaluate if their direct teacher supports have a differentiated impact on teacher quality in the PBCS and on student outcomes.

Core Focus #4: Revise and Strengthen Mastery's Performance Based Compensation Systems (PBCS) for Teachers and Leaders

Mastery currently implements a Performance Based Compensation System (PBCS) that includes all teachers, principals and other school leaders across our system. Per the federal guidance, our current system meets 100% of the requirements for a PBCS. We use a Teacher Advancement System (TAS) for teachers and the Mastery Management Model (M3) for leaders and will refer to these collectively as our PBCS throughout the narrative. *We are not seeking TIF grant*

support to create a PBCS, but rather to make significant improvements to the sustainable incentive compensation model that exists at the core of our overall Human Capital Management System. PBCS is the capstone of our Human Capital Management system and we believe the changes made in core focus areas 1-3 as well as some dramatic redesign of our current PBCS will lead to both a world class approach to Human Capital at Mastery and help us instill the Opportunity Culture we are seeking to build.

History of PBCS at Mastery: A "step" pay system or automatic bonus system does not exist in Mastery schools. Instead, we operate performance-based compensation systems (PBCS) for teachers and leaders at school sites resulting in increased compensation the following year. The origin of Mastery's PBCS was a pilot of our Teacher Advancement System (TAS) that began in 2008 when we were just one school and was fully implemented under TIF 3 to the sustainable system it is today. Mastery's TAS and M3 systems are unique to Mastery and have evolved over time. Our Human Capital Management System at Mastery has therefore had educator evaluation at the core for more than six years and we have a philosophical and practical orientation to performance compensation as a foundational activity as a network of schools. As we have grown, we have made modifications to the PBCS; however, we are at a point where we need to shift from simply having a PBCS to a redesign aligned to our Mastery 3.0 instructional shift and our strategic focus on developing an Opportunity Culture with human capital. This proposal will describe how TAS and M3 currently work and what fundamental redesign principles we intend to employ under TIF to ensure that the PBCS at the core of our organization actually delivers on its promise – being a key lever to improving instructional quality, equitable access to high quality educators for students, and student achievement. Please note that in our redesign efforts we are contributing more than 90% of the costs of PBCS incentives from Mastery funds under

the project as we have a sustainability mechanism for these payouts for all but our newest schools in their first year of operation under PBCS.

PBCS for Teachers: Teacher Advancement System (TAS): Mastery believes in the use of a 100% performance based pay system for teachers as a way to attract, support, and retain the highest quality teachers – since we know that the top driver of student achievement is access to a high quality teacher. Teachers and school leaders play an important part in the design, feedback, and implementation of the system in our culture of transparency and fairness. At present the system has **four teacher categories** (Associate, Sr. Assoc., Advanced, Master) each with a specific advancement criteria, performance expectation, and salary range. The four components that currently drive performance expectations and determine a teacher's category are Student Achievement (with 45% weight, the most valuable), Instructional Effectiveness (35%), Values and Contribution (10%), and Student Perception (10%). While we briefly describe each of the three performance categories here, detailed information on the TAS is included in Appendix F.

Student Achievement –our PBCS places the highest priority on student outcomes. While absolute measures such as pass rates and test scores are important, we believe that measures of growth are equally or more valuable when evaluating teacher performance. Mastery's Value Added System (MVAS), our signature data system that we developed under TIF 3, compiles all prior performance data on individual students. See Appendix F for sample annotated reports from MVAS and how it works in PBCS for teachers by grade and subject. The inputs for MVAS include the prior two benchmark exams, benchmarks from complimentary subjects, 4Sight exams (PA), NRT data (ACT/Aspire/MAP or TerraNova) from the previous year, and special education status. These results are used to create teacher value add ratings on a 1-5 scale each quarter. A sample quarterly MVAS report in Appendix F demonstrates the wealth of

information available in the MVAS report and information on the performance rating scale for teachers in the system. The predictive models have proven to be both accurate and stable over time and meet established standards for reliability.

MVAS data is used in Mastery schools starting in their second year of operation Where MVAS is not available alternate metrics exist. A chart of the student achievement measures by grade and subject using MVAS or other measures is included in Appendix F.

Instructional Effectiveness: At 35% of the current TAS score, the measure of teaching quality is based on teachers' implementation of the Instructional Standards [see Appendix F] which create a common definition of instructional quality at Mastery and are the basis of our instructional model. These are currently assessed by a series of short (10-20 minutes) and frequent (4 or more in each of 3 observation windows) classroom observations each year. The current observation and feedback cycle is described in Appendix F. After each observation window, teachers receive one summative rating that aligns to performance expectations.

Values and Contribution: The third criterion in TAS helps Mastery schools maintain a strong focus on values alignment at the teacher and leader level. We believe that in order to achieve our ambitious mission, all staff must uphold the Mastery Values (Detail in Appendix F).

Student Perception: This criterion was just introduced to the TAS in the 2015-2016 school year as part of our alignment with Mastery 3.0. It follows research related to the Mastery 3.0 principle of "Build Mindset" that substantiates research showing student mindset as a predictor of student learning. This criterion is assessed through student surveys conducted in grades 3-12 at Mid-Year and End-of-Year. The surveys (Sample in Appendix F) were designed to be quick and easy to complete, and to give actionable information about how teachers are impacting

mindset growth. We see strong positive correlations between positive responses to the student survey questions and student growth (correlations by subject between the student survey and growth as measured by value add metrics averaged 0.45).

Role of Formal Evaluation in PBCS: The Mid-Year Review and End-of-Year Review serve as structured time for supervisors to provide feedback and for teachers to learn about their performance. The current Mid-Year review is a developmental conversation and highlights areas of success and needs for improvement. Based on the four performance criteria and a teacher's current category, we statistically create a rating to place each teacher along the salary continuum in PBCS. During the End-of-Year review all four areas of TAS are discussed, ratings are shared, and teachers receive their resulting performance category rating and salary for the next school year.

While all teachers participate in our PBCS, we consider "high quality" teachers to be those placed in the highest two categories or who receive a promotion via evaluation. All teachers who are renewed receive some form of performance compensation and all incentive compensation is in the form of a higher salary increment the following year (vs. one time bonuses).

TAS Redesign under TIF: Our focus under TIF for redesigning teacher-level performance based pay will focus on two elements: (a) systematizing the observation and evaluation process for equity and impact under the PBCS, and (b) utilizing the proposed Talent Management System to better use and manage educator data to inform the PBCS.

(a) Systematizing Observation and Evaluation under PBCS: As the center of our Human Capital Management System, our ability to make sure teacher observation and evaluation lead to predictable outcomes for teachers in PBCS is key. Our twice-annual INSIGHT teacher survey

data (sample section in Appendix F) reveals growing teachers support for PBCS over time, but where still fewer than half (48% in 2016) of teachers agree that: "At my school, evaluation ratings are accurate reflections of teacher effectiveness." We need to do much more to create a more reliable system for teachers to truly feel the PBCS is a driver of teacher behavior and student outcomes, and a true measure of their impact. While MVAS and other systems make quantitative PBCS decisions possible, at present school leaders still have discretion to adjust payouts up or down based on qualitative factors. This leads to variation in performance comp across campuses and lack of trust in the system by teachers. We need to systematize the process so leaders trust and implement the ratings for equity in the system to occur.

Both teachers and leaders also complain about the cumbersome process currently in place. Our TIF redesign would seek to address these issues. Our second TAS redesign element would focus on changing the way we conduct our observation and feedback cycle. The TIF project would allow us a design window with a task force of teachers and leaders to examine the weaknesses of the observation/evaluation cycle, propose changes, pilot changes, and implement a revised system. Through this process we would also create more consistent guidelines across schools for norming ratings, incentive compensation ranges, off boarding, and improvement plan decisions so evidence, rationale, and decisions are aligned. Finally, under the systematization effort we will also look at our formula under PBCS to determine if we have the correct mix of factors and weighting to properly drive student outcomes and teacher quality.

(b) Utilizing the proposed Talent Management System to better use and manage educator data to inform the PBCS: First, we would streamline the process using the new Talent Management System (TMS) to have more reliable data on all elements of the PBCS so teachers report being more confident in the alignment between performance, evaluation and pay. The new TMS will

allow us to provide a much richer set of current and historical data from multiple sources to inform all four criteria of the TAS ratings along with comparison data sets for similar educators across the network We will be able to create a much richer and more reliable set of recommendations for performance based compensation and continue to address the teacher buy in for the PBCS and our external evaluator will add another layer of validation for the project.

PBCS for Leaders: Mastery Management Model (M3): The PBCS for Mastery's school leaders is called the Mastery Management Model, or M3. Like for teachers with TAS, M3 uses performance rather than seniority to drive performance expectations and determines performance category, advancement, and compensation for this group of staff. M3 has three performance categories (Senior, Advanced, and Master) and three sets of performance criteria (Student Outcomes, Management Standards, and Mastery Values/Contributions – described briefly below and provided in detail in Appendix F.

Outcomes -- These are role-specific, expected results which are tied to an individual's job responsibilities and the Annual Goals for the school (Sample in Appendix F).

Management Standards - The Management Standards are a set of skills and competencies that Mastery school leaders need to be effective. (See Appendix F).

Mastery Values – This portion of M3 is conducted in the same manner as it is for Teachers under TAS.

As a newer system, Mastery plans to fully develop and validate the performance category metrics for M3 performance as part of the TIF 5 effort. Mid Year and End of Year outcomes for staff under M3 for performance compensation decisions follow the same rubric outlined for teachers under TAS (Appendix F).

M3 Redesign under TIF –

M3 is a newer addition to the PBCS environment at Mastery and is in need of more dramatic improvement to play the role we intended: to accurately incent and reward high quality leaders based on outcomes. Our current M3 system is a solid starting point for the basis of our evaluation, support, and compensation decisions for school leaders, but there is much room for growth. Mastery plans to move M3 to a place of comparable maturity and effectiveness that TAS has achieved. We have three areas of program focus in the TIF Redesign of M3: (a) Systematize the performance categories and expectations; (b) Clearly define the Management Standards and create Goal Setting protocols, training, and tracking; and (c) Include a developmental review process in evaluation.

(a) Systematization of M3: The leadership evaluation system under PBCS does not include any weighting system for performance metrics, so this leaves a lot to subjective weighting at the supervisor level. If student achievement is our top priority, we need to determine how the outcomes section of the evaluation weighs in on performance compensation decisions with consistency. One current project that should support the early Systematization of M3 and our ability to more clearly link leadership compensation to student outcomes is our shift in 2016-17 to convert the old Mission Metrics framework (all school wide goals) into two sets of metrics: Annual Goals related to academic outcomes (standardized tests, Fountas & Pinnell, and the ACT) and a school dashboard on non-instructional measures such as student retention, family engagement, etc. The purpose of dividing school leaders' goals into two groups is to intensely focus their attention on the academic measures as the active targets each year. The school dashboard are also important but can be considered more like "maintenance requirements" that a leader is held accountable for and alerts are triggered when any of these non-academic areas fall below the bar and require attention. The annual goals format will keep Principals focused on

student academic achievement as top priority. Proposed Annual Goals and dashboard documents are in Appendix F for review. This shift in accountability will enhance the amount of information a school leader has about their school to take action and aligns with our proposal to introduce a new TMS.

(b) Redefine the Management Standards and Goal Setting Expectations: The Management Standards (Appendix F), while best practice concepts from the fields of effective management in organizations have not been operationalized for school leaders so that we can set SMART consistent goals in each area. This leads to much subjectivity in the goal setting and evaluation in this area. As M3 was created in in 2013 under TIF3, our external evaluator WestEd noted that a next step would be to codify and validate the management standards so they can serve as a clearer proxy for leader quality under a system revision. We must better define these standards, what effectiveness looks like in each, and what are relevant categories of goals to set in each based on a leader's role in a school. Leadership training for leaders at all performance categories related to Management Standards can then be built out around the framework we develop to define success.

(c) Developmental Reviews: We would also like to increase our M3 staff's capability and accountability in goal setting and provide an avenue for self-evaluation to factor into the process. A realistic self-evaluation component (e.g. 360-degree reviews) will become possible after implementation of the new TMS.

Teacher and Leader Input on PBCS Redesign: We have a history of utilizing a cycle of task forces and focus groups, design review teams, pilot phases, and formal roll out of our PBCS. Teachers and leaders were involved in the early design of TAS and M3 and have been engaged more recently with major redesign. For example, when we began to consider a student rating

component in teacher evaluation, we not only looked at research based tools for using student evaluation, but we sought teacher feedback through focus groups early on to look at the proposed tools, talk through the pros and cons of student input. We also ran large scale feedback loops after our initial pilots with student ratings to understand how to best use the data in evaluations and communicate that with teachers. We believe in an iterative process to implementing changes in our network, in particular ones that impact our most important drivers of student achievement: teachers.

For the TIF redesign of our PBCS at Mastery, we will create an interdisciplinary committee of teachers, school leaders, and NST leaders who engage in Human Capital to look at the current systems for TAS and M3, dive into our current teacher and leader feedback data in Insight, and conduct additional focus groups, input sessions, and targeted surveys as needed beyond Insight. As part of the committee, we will schedule regular sessions with only teacher participants to ensure teacher input can have a clear place both inside the interdisciplinary team and as a priority subgroup of the committee.

(2) The extent to which the services to be provided by the proposed project involve the collaboration of appropriate partners for maximizing the effectiveness of project services;

The group of Mastery Charter Schools applying as a consortium of 15 LEAs under TIF is all connected through a common management organization – Mastery Charter High School – also the lead applicant for the grant. We have attached signed management agreements between MCHS and each of the LEAs in this application (Appendix F) as evidence of formal collaboration. Since we already share a common management organization, school model, curriculum, data systems, and common Human Capital Management System we are well-suited to work together on the TIF project plans. In our Management Plan and Budget narrative, we

provide greater detail in individual members of the NST and school based teams who will play roles in planning and implementation of the various project components. We have also noted the creation of a specific TIF Interdisciplinary Human Capital Team (TIHCT) that will be comprised of teachers, school leaders, and NST leaders to provide input on all aspects of design and implementation during the life of the grant and to green light various task forces, focus groups, and additional survey requests as needed for implementation of our HCMS improvements. We consider the 15-member LEAs in this proposal the formal partners and any external capacity added via contracts (TMS vendor, RELAY, external evaluation) will play a supportive role.

(3) The extent to which the proposed project is supported by a strong theory;

Mastery's approach to our Human Capital Management System is based on both research and practical experience running high need, urban schools over 15 years. As an overall frame, we have been influenced by Public Impact's "Opportunity Culture" research (2010) about the mix of Human Capital strategies needed to be able to dramatically increase the number of students who are taught by a high quality teacher. Their premise is that single initiatives cannot solve the teacher quality puzzle and that a combination of "high-performer reach extension, recruitment, and retention, coupled with low performer dismissal" (Hassel & Hassel, 2010, p. 5) can triple the number of students engaging with high quality teachers each year. Our proposal is built on a foundation of focus on this Opportunity Culture philosophy and includes a fifth element by layering in high quality professional development for teachers to dramatically improve the effectiveness of our educators and the outcomes of the students they serve. School leaders also fit into our Opportunity Culture frame as research confirms to the strong impact of a high quality principal on student achievement. Branch, Hanushek, & Rivkin (2013) found that the impact of a high quality principal adds between 2 and 7 years of student learning each year while a low

quality principal has the opposite effect. In addition, the ability of quality school leaders to be able to impact Opportunity Culture by being better at retaining quality teachers, removing low performers, and better developing teachers (Branch, et. al., 2013) further reinforces our decision to simultaneously focus on both teacher and school leader quality. We have taken this theoretical lens of Opportunity Culture and have built our four core focus areas for redesign, revision, or creation under the TIF project in alignment with this research. For each area in the narrative, there are also key pieces of research pointing to why we decided to invest in specific programs such as teacher residencies or Performance Based Compensation and we have cited some of those studies throughout. Our logic model is aligned to our strong theory and our bibliography includes the research and theory influencing our proposal.

(4) The extent to which the proposed project will integrate with or build on similar or related efforts to improve the relevant outcomes (as defined in 34 C.F.R. 77.1(c)), using existing funding streams from other programs or policies supported by community, State and Federal resources.

As described throughout the Project Design section, Mastery already has a firm foundation in place to be able to refine our HCMS to impact educator effectiveness and student achievement using strong theory to support our proposed efforts. The proposed project is fully aligned to the organizational Strategic Plan our Board approved in May 2016 and as evidenced by our budget proposal and will supplement fiscal resources we already intend to spend on these efforts. In particular, the sustainability of our PBCS is so critical to our model, that we are only seeking a small fraction of the total cost of PBCS payouts to teachers and leaders in any year of the grant. The majority of our leveraged funding streams come from basic operating dollars, however, we also intend to leverage some funds from private funders (William Penn Foundation, Philadelphia Schools Partnership, Charter School Growth Fund) where applicable as part of our non-federal contribution to the project.

C. PROFESSIONAL DEVELOPMENT SYSTEMS TO SUPPORT THE NEEDS OF TEACHERS AND PRINCIPALS IDENTIFIED THROUGH THE EVALUATION PROCESS (15 points)

Mastery has a long history of valuing professional development (PD) and teacher supports in our schools. 100% of our schools are considered "high need" and with a large number of new educators, we have consistently chosen to invest in developing talent through PD aligned to our curricular model and vision for increasing student achievement. An example of the continuum of PD supports we currently offer include: (a) time in the school day for common planning time for teachers, (b) weekly PD release time for teachers at the school level, (c) monthly network-wide PD for role-alike educators, (d) quarterly data days to review student, classroom and school level data and design focus plans for the coming quarter, (e.) four weeks of content training options for leaders in the summer, (f) three weeks of summer teacher training, (f) targeted teacher coaching, and (g) an array of optional training from SEED training to Wilson Reading training based on the educator and their interest and need. We have attached our annual PD calendar and summer training calendar in Appendix F as evidence of our commitment to consistent, high quality PD for educators across our network.

The beauty of our System Redesign Project is that we can continue our current focus on PD, implement the four core programmatic additions to our Educator Development model described on pages 17-19 of this narrative, and much more effectively mine disaggregated data from the educator Evaluation and Support systems through our proposed Talent Management System to impact teacher effectiveness. We will have a full lifecycle of data to better target PD. So in our current system where we can use MVAS data to target skill development for teachers by content area, we will now be able to overlay MVAS data with PD participation data, observation feedback and evaluation ratings in one place to better tailor supports to each

educator. At present we do use our MVAS data at the student, classroom and school level to plan each quarter, determine what to reteach or where to focus next, and to create interventions for students through RTII. The addition of a comprehensive TMS that includes observation, evaluation, and educator support data is in great demand by our network of more than 1,600 educators who are already accustomed to using data to drive both teacher and leader learning and student achievement.

As a part of the HCMS revisions proposed in our project, we would also build a professional development matrix from pre-hiring to "master" level for teachers and leaders to better organize our PD offerings and target them to the right educators. We have many useful options for teachers and leaders, but we need to give some attention to describing what we offer so that staff understand what each option delivers, the requirements for each one, and whether or not it is a fit for them. Using the new TMS, we will also be able to gauge the impact of some strands of PD so we can leverage what works and discontinue less effective modules. The matrix will not only provide a needed skeleton behind our PD offerings at Mastery, it will also support the development of required competencies and training sequences for several programs proposed in this application.

Alongside the matrix, Mastery will develop more concrete processes around assigning and tracking participation in professional development. Not only could supervisors or NST leaders quickly identify supports for individual teachers, teachers could also seek out supports based on their self-identified skill gaps.

D. QUALITY OF THE MANAGEMENT PLAN (15 points)

In determining the quality of the management plan for the proposed project, the Secretary considers the adequacy of the management plan to achieve the objectives of the proposed project on time and within budget, including clearly defined responsibilities, timelines, and milestones for accomplishing project tasks.

Mastery Charter Schools are committed to strengthening our Human Capital Management System with educator evaluation and supports at the center. We have not designed the programmatic elements detailed here in order to win a grant, but because we believe it is the most effective way to attract, grow, and retain the highest quality faculty and staff who can achieve optimal results with students. We have piloted and modified our teacher pay for performance model over the past several years at our current schools and have internal survey and focus group evidence from teachers and leaders regarding where we need to go to increase the validity and usefulness of our Performance Compensation systems. We are also committed to sustainability (see Budget Narrative) and you will find that our fiscal requests under TIF are for capacity building to improve our HCMS and PBCS, not to provide a temporary funding stream for our incentive compensation system. In Exhibit 4.1 our project goal with project objectives, measures, and deadlines are included along with key project implementation milestones, timelines, and project owners.

We also have a solid team currently at Mastery with a long track record of successful federal and state grant implementation, including staff with direct experience managing successful TIF grants. Resumes of our project team including some key job descriptions for key, new roles are attached in Appendix D. Key project leaders include:

PROJECT DIRECTOR: Our Project Director, Courtney Collins-Shapiro, is Mastery's Chief Innovation Officer. She has spent much of her most recent 12 years in public education managing more than $60 million in federal competitive grants from USDOE and has previously served as a successful PD for a TIF3 grant. She will focus on grant compliance as the PD part of her time with the CTO in the Program Director role full time.

CTO – this will be a new role at Mastery created to spearhead all efforts related to Human Capital Management (JD in Appendix). The role will serve as the Program Director for the grant 100% time and will be responsible for full implementation efforts across the grant with a day to day focus on the Talent Management System build out and Performance Compensation revision components of the grant.

CEO, Scott Gordon, founded Mastery in 2011. He firmly believes in the value of PBCS and played a key role in shaping the new strategic plan for Mastery where we are laser-focused on internal student academic achievement and improving teacher/leader quality over the next five years.

Deputy Chief Data Management – Peter Lee has been with Mastery for 5 years and has 20 years of experience in data analytics and system design. He has led full-scale systems implemetations, created our MVAS data tool, and has a background in both predictive hiring analytics and performance compensation system analytics that are key to implementation of our proposal.

Chief Schools Officer, Jeff Pestrak, is a secondary science teacher by origin and has served as AP, Principal, CAO, and now CSO over 11 years at Mastery. He has primary responsibility for principal supervision and student outcomes and directly informs our human capital decisions.

CAO, Molly Eigen, Mastery's Chief Academic Officer responsible for all educator development programming at the network. Content Coaches under TIF will report to her team and will advise on PD matrix development and the content/outcome of proposed pipeline programs under TIF.

Additional leadership roles created under the grant are described in the budget narrative and job descriptions are included in the resumes attachment, where applicable. We believe that between the current staff in place at Mastery who have helped create our current HCMS, those on our team now who have helped with the creation of this proposal, and key staff we will add through the TIF grant to focus on the new project work, we have the experience and track record to successfully accomplish our project goals on time and within budget.

EXHIBIT 4.1 – MOCHCS Timelines and Milestones

Project Goal: To redesign our Human Capital Management System using an Opportunity Culture lens to provide world class programs, supports, and performance compensation systems that improve educator effectiveness and increase student achievement.

Project Objective #1: Increase student achievement

Performance Measure (& type)	**PERFORMANCE MEASURE/ OUTCOME Description (Responsible party)**	**Deadline**
Project PM 1.1	75% of schools will increase by 4 or more points on their percentage of state proficiency (Chief Schools Officer - CSO)	August of each year

Project Objective #2: Increase educator quality and retention

GPRA PM 2.1	Percentage of educators (teachers & leaders) in all schools who earned performance-based compensation will exceed 72% over the life of the grant (Chief Talent Officer - CTO)	July each year
GPRA PM 2.2	Percentage of educators in all High-Need Schools who earned performance-based compensation ***This is the same as 2.1 as all Mastery schools are high need* (CTO)	July each year
GPRA PM 2.3	The percentage of teachers and principals who receive the highest effectiveness rating will increase each year during the grant from baseline (8.6% teachers, 16% principals) (CTO)	August each year
GPRA PM 2.4	The percentage of teachers and principals in High-Need Schools who receive the highest effectiveness rating (CTO) – *same as PM 2.3 all schools are high need*	August each year (same as 2.4)
Project PM 2.5	The percentage of *new teachers* who Score 3 or higher on MVAS during year one of employment at Mastery will exceed 50% in Year one, will make 1.5-2 points of growth each year to increase to 60% by year 5 of the grant (CSO)	July each year
Project PM 2.6	The percentage of the overall teaching corps scoring a 4 or 5 on MVAS (CSO) will exceed 15% in year one and will increase by 1-2 points per year to reach 22% by year 5 of the grant	July each year
Project PM 2.8	Percentage overall of teachers retained or promoted each year will exceed the national average of 76% each year of the grant (CSO & CTO)	September each year

OTHER GPRA MEASURES

GPRA #5	The number of school districts (LEAs) 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 = 100% of all LEAs in the grant (Project Director)	October 2016
GPRA #6	The percentage of performance-based compensation paid to educators with State, local, or other non-TIF federal resources will be 90% or greater each year (CFO, CTO, Project Director)	August each year
GPRA #7	The gap between the retention rate of educators receiving performance-based compensation and the average retention rate in each High-Need School will be determined in year 1 and we will set annual targets for decreasing the gap with our Program Officer at that time (CTO)	July each year

Mastery-HCMS KEY PROJECT MILESTONES RELATED TO CORE AREAS

CORE AREA	**Project Milestone**	**Responsible Party** (*Project Director oversight for all initiatives)*	**Deadline**
ALL	Hire all TIF project staff by on time per the budget narrative	CTO (Program Director)	August 2017 or see budget narr.
PBCS	Establish Interdisciplinary TIF Work Team (teachers, leaders, NST)	CTO (Program Director)	November 2016
	Design and begin implementation of TALENT PIPELINE programs (Teacher Residency, Summer Fellows & Pre-Placement)	CTO, Residency Director, Pipeline Partnerships Director	12/17 Design 8/18 Implemented
PIPELINE	Early Phase Recruitment & Retention Incentive Programs for Teachers and Leaders launched	CTO, TIF Recruitment Team	March 2017
EDUCATOR DEV.	Design and begin implementation of all new EDUCATOR DEVELOPMENT initiatives (Content coaching, FUTURES, ASLs)	RSO for ASLs, Futures Director,	
	Select partner for Talent Management System build out	Deputy Chief of Data Management (DCDM)	June 2017
TMS	Full implementation of Phase 1 and Phase II of new TMS	CTO & DCDM	Phase I –6/30/18, Phase 2 6/30/19

PBCS	Teacher Advancement (PBCS) overhaul complete and implemented	CTO & Interdisciplinary TIF PBCS team	August 2018
PBCS	Mastery Management Model (M3) overhaul complete and implemented	CTO & Interdisciplinary TIF PBCS team	August 2018
	Evaluation Report on of Effectiveness of TIF Program Components	CTO & Evaluator	Every September during the grant

E. ADEQUACY OF RESOURCES (5 points)

(1) The extent to which the applicant demonstrates that Performance-based Compensation Systems are developed with the input of teachers and school leaders in the schools and local educational agencies to be served by the grant.

In Section B on page 28 we describe the ways that teachers and leaders are involved in the design and refinement of the current PBCS. Since TIF will be an opportunity for a major overhaul of our performance compensation systems, we describe an interdisciplinary committee specifically for this work to drive educator input. Other examples of our continuing efforts to seek teacher and school leader input on the design and delivery of our PBCS include:

(1) Twice Annual Teacher Survey –INSIGHT Instructional Culture survey is a nationally normed teacher feedback survey given by The New Teacher Project to 100% of teachers at Mastery. Mastery began implementing the INSIGHT survey two years ago and we receive rich data about all aspects of our HCMS from the survey and are able to add customized questions to the original question bank as needed. There are 10 subsets of questions with four directly related to the work proposed in our application: Observation & Feedback, Evaluation, Professional Development and Retention. The report details for INSIGHT (too large to attach to this application) serve as evidence that teachers do indeed have formal, regular input on our human capital systems. We have no teacher union at Mastery so no one person can speak for our staff, so we must find myriad ways to engage faculty voice in valid, transparent

ways and share the results with them.

(2) Regular Feedback Loops – Throughout the year we have a number of measures for teachers to connect with members of the Talent team to weigh in on HCMS issues. Our CEO hosts at least 2 "teacher brown bags" at each school each year to hear from teachers about concerns and kudos, HR Managers schedule office hours regularly at campuses to meet with faculty regarding the observation and evaluation process, and teacher focus groups are regularly convened on issues related to contract changes or aspects of HR such as changes in the PBCS. Our most recent structured input action on PBCS was in fall 2014 when the Talent Team hosted six focus groups and conducted a survey regarding how the original three elements of PBCS were perceived by teachers (achievement, teacher effectiveness, values) and the pilot to introduce student feedback into evaluation. Teacher feedback directly accounted for some decisions regarding how to use student feedback in the evaluations, creation of a revised observation rubric aligned to the new Mastery 3.0 standards, and an 18-month focus on helping teachers better understand and use the MVAS data used in PBCS. Mastery is not a unionized environment so there is no formal teacher body to sign off on this application, however, we focus on making sure we take educator feedback into the decision making process and are quick to respond to teacher concerns.

School leaders have consistent engagement in decisions related to performance compensation. Principals and role-alike Assistant Principals meet every three weeks and have an opportunity to weigh in on any policy decisions that impact the network at that time. Their recent concerns regarding the cumbersome observation and evaluation process and how to streamline data capture and analysis has shaped parts of our Talent Management System and PBCS sections of this application. As with teachers, if there is a large decision to be made for

the network that would require a task force or focus groups, school leaders would always be formally engaged prior to any decision being made.

If we are awarded a TIF grant not only will we convene the interdisciplinary committed of teachers and leaders regarding the PBCS revisions, but we will also create a virtual newsletter to update faculty and staff about progress on the new TIF program and to see broader input on the TIF funded programs as they are designed and implemented.

(2) The extent to which the applicant demonstrates a plan to sustain financially the activities conducted and systems developed under the grant once the grant period has expired.

Mastery has been managing competitive federal grants for the last six years and is fully aware of the intent of grant funds to help build capacity and/or test the efficacy of new programs. Sustainability of grant-funded program is always a part of our plan and the grant funded requests in this application fall into three categories to achieve this end:

(a) One-time investments – A number of the major initiatives like building out the Talent Management System or redesigning the PBCS model require temporary staffing or contract capacity to engage in building or design. The pursuant tools or systems are then left to be managed by existing staff under operating funds.

(b) Increases in staff capacity that can be absorbed in out years as the network size grows: Mastery has grown six-fold in the last five years. Our staffing model includes ramping up on programs early using fundraised dollars and "growing into" our size. For example, we need a functioning Apprentice School Leader program but do not have the resources to support a full time position. Grant funds support the role in the early years and by the end of the grant the organization has grown to a size where we can fund the position. This is a common funding structure in our growing organization and has helped us build successful programs and allowed us to sustain them over time. This model is also employed in our request for funds for PBCS

only at new schools where they have not built the resources to support incentive compensation. After year two, new schools have grown to scale and can afford the PBCS model going forward. (c.) Using a pilot/evaluation model and keeping only what shows evidence of success or find ways to combine program management for cost savings: TIF will allow us to make and evaluate a number of investments in human capital over the next five years. While we are using a strong research base behind each initiative selected and we believe each will have an impact on improving teacher quality in our schools, in an era of sparse resources for public schools, we will likely have to make choices by year 4 about which programs to continue to scale and shift into the operating budget at schools and which are not impactful enough to maintain at scale. For example, if we determine that the Secondary Teacher Residency program is producing a large return on investment in securing quality teachers in high need subjects, but the college pre-placement program is not, we would find it to be a successful result of TIF to scale and sustain the former and discontinue the latter based on data. Another example is that in our budget we have TIF-funded leaders in the early years to support several pipeline programs with these roles shifting to half time in out years as part of the shift to sustainability. As the program design phase is complete and programs are mature, it is often possible for one staff member to do the work that two were needed to complete in the early years. Our budget and budget narrative provide details on our plan for sustainability in each program component of the grant and we view TIF resources as a large investment in capacity building.