



## Teacher Incentive Fund

**FY 2009 funding:**  
**\$97 million**

**American Recovery and Reinvestment Act:**  
**\$200 million**

**Grantees:**  
**Districts, states, and nonprofits**

**Type of Grant:**  
**Competitive**

**For more information visit**  
**[www.ed.gov](http://www.ed.gov)**

### **Purpose:**

The Teacher Incentive Fund (TIF), established in 2006, supports performance-based teacher and principal compensation systems in high-need schools, primarily through grants to school districts and consortia of school districts. Under the compensation systems in place in virtually all school districts, teacher salaries increase based on teachers collecting graduate credit for additional study, increasing number of years on the job, or moving out of the classroom into an administrative position. Such pay systems fail to take into account classroom effectiveness, the challenges that teachers face to accelerate student learning in high-poverty schools, and the shortages in those schools of instructors who teach hard-to-staff subjects like math, science, special education, and English as a second language. The typical pay systems often place high-poverty schools at a disadvantage in recruiting effective teachers. TIF supports a variety of performance-based teacher and principal compensation systems that reward teachers and principals for increases in student achievement and boost the number of effective instructors teaching in hard-to-staff subjects and in high need schools. To qualify for a TIF grant, applicants must agree to establish a compensation system that provides teachers and principals in high-need schools with differentiated levels of compensation based on student achievement gains, as well as on classroom evaluations.

### **Current operation of program:**

In FY 2008, TIF awarded 34 grants supporting projects in urban and rural areas.

Proposed program requirements will be available in the Federal Register and on the Department of Education's website. We anticipate publication of the notice in August 2009.