



THE SECRETARY OF EDUCATION
WASHINGTON, DC 20202

**TO THE ATTENDEES
AT THE PACE/FULL CIRCLE FUND CONFERENCE,
"LEARNING ABOUT NEW FORMS OF TEACHER COMPENSATION"
Oakland, California
March 30, 2009**

I appreciate that the PACE/Full Circle Fund conference on "Learning about New Forms of Teacher Compensation" is ready to take up the challenge of thinking differently about how we compensate and reward teachers.

As we strive to improve our nation's schools and school systems, attracting and retaining the best and brightest to the teaching profession must be a central component to any strategy. We must invest in teacher quality initiatives that get great teachers and educators in every classroom, especially in our underserved schools and communities. Models that embrace performance pay, including policies that make it easier to recruit talented teachers in hard to staff subjects and to provide incentives for teachers who successfully take on the most challenging assignments, are an important step to accomplishing this goal.

Compensation is not the whole story here. Working conditions, leadership, and meaningful professional development matter too. But a commitment to reward teachers for their professionalism and performance is an essential element in a comprehensive strategy to give every student the opportunity to succeed in school and after. The stimulus bill is an unprecedented opportunity to not just help save and create jobs, but also support this reform. We are significantly expanding the resources available to improve teacher quality, including a \$200 million increase in the Teacher Incentive Fund and a new \$650 million Invest in What Works and Innovation fund. The competitive grants we will award under these two programs will offer real opportunities to help fund some of the districts across the country, including potentially school districts in your state, to design compensation systems that direct additional pay to those teachers who make the greatest difference in their schools.

Today's conference is an opportunity to collectively rethink and reform teacher compensation in California. Union officials, district administrators, business leaders, and community representatives have come together today to talk about these tough issues. All of you bring your own values and perspectives to the conversation, and I congratulate you on your willingness to engage one another in dialogue about how new forms of teacher compensation can help us to get the results we expect from our schools and our students.

The single most important thing we can do to keep our promises to the young people enrolled in our schools is to make sure that every child is in a classroom with a great teacher, every day and every year. We appreciate the work that PACE and Full Circle Fund have done to organize this conference, and we salute your commitment to improving the quality of education for students in California. We wish you well as you move forward with this important work.

/s/

Arne Duncan