

1 Appendix: Robustness Checks & Minor Regressions

Table 1: Alternative Specification of Teacher Effort Decision[†]

Variable	Coefficient (Std. Dev.)
Log Number of teachers	0.2793 (0.1308)
Expected bonus/100	-0.4965 (0.0887)
Expected bonus ² /10,000	0.0231 (0.0031)
% Class minority	0.3923 (0.1784)
% Class parent HS or less	0.2761 (0.1265)
Male	-1.2671 (0.1308)
Minority	0.3851 (0.0845)
Experienced	4.40844 (0.1253)
Certified	1.6334 (0.1214)
Class size	0.0013 (0.0009)
School size	-0.0031 (0.0009)
Rural school	0.3553 (0.0888)

[†]Dependent variable is days of teacher absence. Estimation included district, year, and grade fixed effects.

Table 2: Testing for Free-Rider Effects using Reduced Form[†]

Variable	Coefficient (Std. Dev.)
Log Number of Teachers	-0.1084 (0.0357)
Last year reading score	0.7363 (0.0008)
Male	-0.2866 (0.0129)
Minority	-1.7060 (0.0169)
Gifted Class	0.8000 (0.1333)
% Class minority	-1.3992 (0.0395)
Class Size	-0.0009 (0.0021)
Teacher male	-0.2008 (0.0248)
Teacher minority	-0.0331 (0.0202)
Teacher certified	0.284 (0.0298)
Teacher experienced	0.6749 (0.0259)
School size/1000	-0.0400 (0.0051)

[†]Estimation included school, year, and grade fixed effects. Student achievement is EOG reading exam scores.

Table 3: Year-by-Year Regression of Free Rider Effect [†]

Year	Coefficient on J (Std. Dev.)
Before Incentive Policy	
95-96	-0.0031 (0.0517)
After Incentive Policy	
96-05	0.0473 (0.0116)
Year-by-Year	
96-97	0.1640 (0.0771)
97-98	0.0589 (0.0242)
98-99	0.0180 (0.0525)
99-00	0.0149 (0.0373)
00-01	0.1127 (0.0304)
01-02	0.0323 (0.0321)
02-03	0.0511 (0.0252)
03-04	0.0190 (0.0393)
04-05	0.0518 (0.0341)
05-06	0.0624 (0.0311)

[†]Dependent variable is days of teacher absence. The parameter estimate presented in the table is the log of number of teachers at the school Estimation included teacher and class demographic variables and district, year (where appropriate), and grade fixed effects.

Table 4: Teacher Effort Decision Estimates Using Pre-Incentive Data

Variable	Coefficient (Std. Dev.)
Number of Teachers	-0.0113 (0.0153)
Expected bonus	-0.0164 (0.0100)
Expected bonus ² /10,000	0.0845 (0.0687)
Teacher male	-1.2526 (0.4654)
Teacher minority	0.2827 (0.2914)
Teacher certified	1.0453 (5.0335)
Teacher experienced	1.9652 (0.4184)
Class Size	-0.0899 (0.0182)
School size	0.0021 (0.0015)
Rural school	-1.1018 (0.2984)
Observation	10,046

[†]Dependent variable is days of teacher absence. NCERDC 1994/95-1995/96 data. Estimation included district and grade fixed effects.

Table 5: Effect of Incentives Using Pre-Incentive Data

Variable	Coefficient (Std. Dev.)
Number of Teachers	-0.0003 (0.0003)
Expected bonus	0.0004 (0.0003)
Expected bonus ² /10,000	0.0026 (0.0022)
Last year reading score	0.7906 (0.0024)
Male	-0.0679 (0.0041)
Minority	-0.1270 (0.0053)
Parent HS or less	-0.1302 (0.0045)
Teacher male	-0.0422 (0.0086)
Teacher minority	0.0068 (0.0074)
Teacher certified	-0.1057 (0.0372)
Teacher experienced	0.0284 (0.0086)
% Class minority	-0.0237 (0.0139)
% Class w/ Parent HS or less	-0.0013 (0.0115)
Class Size	-0.0036 (0.0009)
School size	4.13e-6 (3.18e-5)
Rural school	-0.0081 (0.0054)
Observation	84,766

[†]Dependent variable is standardized reading EOG scores. NCERDC 1994/95-1995/96 data. Estimation included district and grade fixed effects.