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MAKING EDUCATION DOLLARS WORK

Issue Briefs

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NGA Center for BEST PRACTICES

SESSION I

Advancing Education Reform with Limited Resources

During the past 30 years, spending for K–12 education has more than doubled.[1] *On the postsecondary front, state spending has grown by $50 billion during the past 20 years. While public schools and postsecondary institutions rely on a number of different funding sources, states remain the primary investor. In both sectors, the state continues to be the largest single source of revenue, contributing just under half of public school funds and approximately 40 percent of postsecondary funds.*[2]

In spite of the substantial investments made in education, progress has leveled off. For example, student test scores on the National Assessment of Educational Progress (NAEP) have remained relatively unchanged,[3] and the percentage of adults with a college credential has changed little in the past 30 years.[4]

Given the financial difficulties most states currently face, the question of how to get more out of state investments increasingly includes public education, the largest expenditure for every state. While some states have managed to hold education harmless in the wake of the recession, others are considering significant reductions for both K–12 and higher education. These challenges are coupled with both the increasing demands of the global economy and slow revenue growth. As a result, states are demanding greater productivity and efficiency from K–12 and postsecondary education.

The key to improving productivity and efficiency in public education is to examine how the dollars currently allocated are being used and how they might be repurposed and reallocated to achieve cost savings and improve student outcomes in both K–12 and postsecondary education.

While public funding for both K–12 and post-secondary education is complex, governors possess a great deal of influence over education funding through their budget authority. Specifically, governors can push for reform that could not only improve efficiency and productivity, but result in cost savings that could be reallocated to under-funded efforts, allowing their states to keep pace with the changing workforce demands of the economy.

PROMISING PRACTICES

K–12 As governors think about their budgets, they should carefully review state-imposed regulations that add layers of bureaucracy and limit spending flexibility. While there are opportunities for cost savings in all areas of education, 80 percent of public school funding supports salaries for personnel. There are several steps governors can take to ensure that these funds are used strategically, such as reviewing state policies that govern how public school employees are paid and supported.

1. CAREFULLY EXAMINE THE PRACTICE OF PAYING SALARY SUPPLEMENTS TO TEACHERS FOR HOLDING ADVANCED DEGREES. Research indicates that advanced degrees for teachers do not translate into higher student achievement, with one notable exception: master's degrees in math and science have been linked to improved student achievement in those subjects.[5] Currently, 16 states have laws requiring that teachers be paid on what are referred to as "step and lane" salary schedules.[6]

In "step and lane" salary arrangements, teachers are assigned a step and a lane when they are hired; as they gain teaching experience or graduate education, they become eligible for step and lane adjustments that increase their pay. The size of teachers' pay supplements for a graduate degree varies, but as **Table 1** shows, states and school districts spend a substantial amount on these supplements. Actually, the

costs to states and districts are higher than **Table 1** suggests, because the table does not include the additional salary supplements provided to teachers who have doctoral degrees (8.2 percent) or who have a master's degree and additional hours toward another master's degree, doctoral degree, specialist degree, or post-master's certificate.[7]

Several states are working to reverse the policies and practices that perpetuate the use of "step and lane" salary schedules. **Louisiana**, for example, has designed a teacher compensation framework that allows districts to pay teachers for their contributions to student achievement and professional development.

2. INCREASE THE AUTONOMY OF SOME SCHOOLS TO ENCOURAGE INNOVATION. The ability to strategically align funds with student learning goals—something commonly found in charter schools—is essential to turning around a low-performing school. In schools where performance is low, decisions about how to spend funds might be best placed with an effective principal or a school-based committee than with the school district or other more centralized entity.

Through the **Massachusetts Educational Reform Act of 2009**, schools identified as "innovation schools" (schools established for the purpose of improving student achievement) have more autonomy in areas such as staffing and resource allocation.[9] These schools are also able to suspend collective bargaining agreements relative to personnel decisions such as hiring and transferring teachers.

3. MODIFY POLICIES THAT REQUIRE DISTRICTS TO RETAIN STAFF BASED SOLELY ON SENIORITY IN THE FACE OF LAYOFFS, REGARDLESS OF EFFECTIVENESS. Under this practice, the staff retained in the wake of a layoff ultimately cost more to a district over time because they are paid more by virtue of their seniority. In addition, laying off the lower-paid, less experienced teachers means more teachers have to be laid off to meet the budget reduction threshold in a district. While these policies are typically designed locally, 14 states do have seniority layoff policies: Alaska, California, Hawaii, Illinois, Kentucky, Minnesota, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, West Virginia and Wisconsin. Many of these policies are locally bargained; however, state law can restrict what is collectively bargained.

In 2009, **Arizona** passed a law prohibiting seniority from being used in deciding which teachers to lay off. **Colorado** and **Oklahoma** require teacher performance be evaluated to determine who to lay off.[10] Similar measures have been undertaken in **New Jersey**, **New York**, and **Pennsylvania**.

Postsecondary In its guide *Four Steps to Finishing First*, Lumina Foundation for Education suggests that there are several primary strategies governors can employ to restructure postsecondary education costs and graduate many more students from high-quality programs within existing resources. These include:

TABLE 1

Expenditures on Master's Degree Salary Supplements for Teachers and Other School Personnel, 2008[8]

	% OF TEACHERS WITH MASTER'S DEGREE	AVERAGE SUPPLEMENT FOR MASTER'S DEGREE	TOTAL SPENT ON SUPPLEMENTS	% OF TOTAL EDUCATION EXPENDITURE	PER-STUDENT COSTS
ALABAMA	61	$6,666	$202,351,743	2.92	$272
ALASKA	41	$10,329	$34,125,468	2.39	$258
ARIZONA	49	$5,410	$149,046,948	2.33	$125
ARKANSAS	38	$4,183	$56,789,071	1.2	$124
CALIFORNIA	43	$8,977	$1,173,206,554	1.96	$187
COLORADO	54	$5,341	$137,641,681	1.76	$169
CONNECTICUT	74	$6,366	$205,393,986	2.58	$357
DELAWARE	53	$8,986	$39,332,745	2.3	$312
DIST. OF COLOMBIA	51	$5,579	$16,379,295	1.62	$296
FLORIDA	37	$3,496	$230,671,218	1.01	$86
GEORGIA	53	$8,336	$529,583,485	3.21	$313
HAWAII	55	$3,933	$25,272,855	1.19	$141
IDAHO	27	$7,828	$32,055,315	1.56	$116
ILLINOIS	53	$5,914	$422,385,314	1.73	$198
INDIANA	62	$4,988	$191,807,15	1.88	$182
IOWA	34	$5,192	$63,741,719	1.5	$131
KANSAS	45	$4,346	$66,527,855	1.4	$140
KENTUCKY	71	$4,772	$143,867,668	2.3	$220
LOUISIANA	34	$2,860	$44,335,803	0.67	$68
MAINE	34	$3,048	$17,691,413	0.68	$92
MARYLAND	56	$5,482	$187,626,598	1.77	$222
MASSACHUSETTS	60	$5,227	$237,507,838	1.69	$249
MICHIGAN	56	$5,927	$316,418,467	1.68	$183
MINNESOTA	50	$6,995	$184,435,902	2.05	$225
MISSISSIPPI	36	$4,310	$53,178,510	1.43	$107
MISSOURI	51	$4,283	$146,603,923	1.85	$163
MONTANA	34	$7,259	$25,687,016	1.94	$181
NEBRASKA	40	$9,484	$81,286,660	3.02	$279
NEVADA	56	$6,972	$91,788,228	2.76	$202
NEW HAMPSHIRE	42	$4,682	$32,137,405	1.3	$157
NEW JERSEY	42	$4,624	$225,579,179	1.01	$162
NEW MEXICO	41	$3,986	$36,008,112	1.1	$109
NEW YORK	78	$7,109	$1,121,422,848	2.59	$416
NORTH CAROLINA	32	$4,417	$140,151,025	1.09	$97
NORTH DAKOTA	27	$4,212	$8,855,916	1.06	$96
OHIO	53	$7,280	$463,381,961	2.7	$243
OKLAHOMA	33	$2,014	$28,385,502	0.56	$44
OREGON	58	$6,441	$109,520,560	1.95	$193
PENNSYLVANIA	50	$3,171	$199,008,461	0.92	$110
RHODE ISLAND	52	$2,714	$22,027,136	1.09	$134
SOUTH CAROLINA	51	$6,194	$157,754,370	2.48	$222
SOUTH DAKOTA	26	$2,748	$6,249,122	0.16	$52
TENNESSEE	52	$3,717	$122,996,038	1.63	$139
TEXAS	27	$1,423	$124,519,635	0.32	$27
UTAH	33	$4,490	$33,505,600	1.16	$69
VERMONT	45	n/a	n/a	n/a	n/a
VIRGINIA	40	$2,706	$114,530,052	0.81	$92
WASHINGTON	56	$10,777	$330,108,991	3.3	$319
WEST VIRGINIA	61	$3,269	$39,597,424	1.31	$141
WISCONSIN	45	$6,406	$171,358,055	1.79	$196
WYOMING	37	$6,955	$17,851,399	1.4	$209
TOTAL NATIONAL			**$8,611,692,225**		

EXPENDITURES *(may include salary supplements provided to school personnel who are not teachers)*

SOURCE: *Center on Reinventing Public Education, University of Washington, 2009.*

1. FUND POSTSECONDARY INSTITUTIONS ON THE BASIS OF PERFORMANCE. Traditionally, states have funded higher education primarily on the basis of inputs such as enrollments and prior year spending. Governors, however, are increasingly tying state support to an institution's performance—specifically, how well it graduates students. Performance-based funding models should be substantial enough to get the attention of postsecondary institutions and change the way they allocate resources to promote student completion. Research suggests that at least five percent of base state funding—not new money alone—be allocated on the basis of select course and degree completion measures, with a premium for the success of underrepresented students and on year-over-year increases.

Indiana has gradually increased its focus on performance in higher education budgeting and funding under the leadership of Governor Mitch Daniels. In 2009, the governor and legislators approved a plan to increase the share of state higher education funding allocated on the basis of performance measures (e.g., total degree completion and degree completion by low-income students) to 15 percent over the next several years. Additionally, the enrollment component of the state's funding formula is now based on completed credits rather than attempted credits.

2. LEVERAGE TUITION AND FINANCIAL AID POLICIES TO PROMOTE INCREASED PRODUCTIVITY. Governors set the tone for how to balance college affordability against requests from colleges and universities for more tuition revenue.

As state budget revenues continue to decline, they should not be too quick to give away tuition authority—or be reluctant to take it back in the face of large tuition increases.

Some governors have used their tuition authority as leverage to make needed changes in higher education. In **Virginia**, colleges and universities were required to accept a statewide transfer agreement and accountability metrics in exchange for increased autonomy to set their own tuitions.

State student aid programs provide governors another opportunity to encourage students to finish the certificate and degree programs that they start—and to do it as quickly as possible.

Facing a deep budget crisis, **Florida's Bright Futures** scholarship program stopped funding:

— Fees for courses from which students withdraw. Requiring students to repay scholarship money for dropped courses resulted in tens of thousands of fewer withdrawn credit hours;
— Full-time students who don't finish at least 24 credit hours a year. Previously, the scholarship program only required students to attempt 24 credits;
— Students who take more than five years to finish their bachelor's degrees; and
— Course credits taken beyond degree program requirements.

3. ENCOURAGE POSTSECONDARY INSTITUTIONS TO ADOPT BETTER BUSINESS PRACTICES.

During budget and appropriations decision making, governors and legislators should consider asking chancellors and presidents to demonstrate how they are adopting the following types of good business practices:

— Systematic reviews and prioritization of programs (campus operations, academics, and athletics) and use of these critical analyses to eliminate, outsource, restructure, or consolidate low-priority programs and services;
— Joint/bulk purchasing of products and services such as health care, materials, and energy;
— Consolidated back-office operations (e.g. financial aid processing, construction management) across institutions and sectors using common technology; and
— Evidence that institutions are reallocating savings toward increasing their capacity to graduate more students.

In **Ohio**, former Governor Ted Strickland developed statewide college-attainment goals, along with a strategic plan for how to reach those goals with available funding. He asked campuses for explicit plans to save three percent per biennium. At the same time, the state expected to save at least $100 million from efforts to implement a common technology platform, combine "back-office" functions, widen membership in joint purchasing pools, and implement e-procurement.

IDEAS FOR ACTION

— Consider a review of existing K–12 policies and statutes that may undermine productivity, including salaries and supplementary pay, staff retention, and "seat time requirements," that could make it difficult to find cost savings through online learning.[11]

— Review policies that limit the flexibility of schools and school districts to use funds to target low-performing schools and at-risk students.

— Consider using performance measures (e.g., degrees awarded, degrees awarded to low-income and minority students) as part of the regular budgeting process for higher education. State funding for public colleges and universities should be based on measures of student progress and success, not on just enrollment or what other colleges spend.

— Ensure that tuition, appropriations, and state student aid policies work together to promote on-time or even early graduation among colleges and their students. Policies that run counter to this objective (e.g., allowing students to repeat courses multiple times) should be revamped.

— Consider establishing policies that require all public colleges and universities, as part of the budget development process, to identify a specified level of cost savings (e.g., three percent of base funding) and a plan for reinvesting those savings in efforts to boost attainment rates.

SESSION II

Improving Postsecondary Completion and Productivity

Human capital is the key to economic development. Without highly skilled workers, states and territories cannot attract the productive businesses they need. That makes postsecondary education a key element of any governor's growth strategy.

At the same time, many public colleges and universities are struggling to produce more graduates. Overall graduation rates often hover at 50 percent or below, even as tuition continues to rise.[12] Rising prices and stagnant output provide a recipe for declining productivity.

Most colleges have been around a long time. Now, public postsecondary education systems are being challenged to rethink their basic operating model—a model rooted in residential campuses, lecture-based classes, and enrolling students just out of high school—and to enroll and graduate more students while keeping college affordable for the middle class. A growing number of today's students, especially working adults, are demanding a college experience that has fewer frills and a more direct path to a certificate or degree.

The Internet has transformed whole sectors of the economy, and postsecondary education is no exception. Online enrollment is growing rapidly; today, one out of four college students take at least one Web-based course.[13] States are increasingly looking for cost-effective strategies for making online learning more widely available. Unfortunately, public universities do not always align their online course offerings with the economic needs of the state. Expanding access statewide and reaching underserved communities can be difficult and expensive if universities pursue their own, uncoordinated online strategies.

Throughout history, organizations have used technology to become more effective and more efficient. But this has proven difficult in postsecondary education, where costs continue to rise despite heavy investments in computers and information infrastructure. The challenge is to make technology a fundamental part of the teaching and learning process, rather than an expensive add-on.

PROMISING PRACTICES

Some states have adopted innovative models for postsecondary education that can be adapted by governors nationwide to increase the number of college graduates in tough economic times.

Creating Start-Up Universities

Governors should not be limited to expanding or reforming existing universities to meet workforce needs; low-cost options exist for building new institutions.

In 2006, former **Minnesota** Governor Tim Pawlenty helped launch a new branch campus of the University of Minnesota in Rochester, home of the Mayo Clinic. As a start-up university, it had to be nimble and lean. Instead of funding dozens of departments and majors, it limits undergraduate majors to the health sciences. Instead of buying property and building facilities for classrooms and labs, it rents inexpensive commercial space. Instead of building dorms and fitness centers, it allows students to rent apartments and work out at the YMCA. Instead of building a library full of printed books, it offers students the opportunities to use the Internet and interlibrary loan options.

None of these measures has hurt the quality of education in Rochester. Students study in modern facilities with small classes taught by full professors who work together to create an integrated curriculum in partnership with the Mayo Clinic. The total cost to the state was only a $6.3 million increase to the University

of Minnesota's annual budget. Because the operation is so lean, UM-Rochester can fund increased enrollment with student tuition alone.

Harnessing the Power of Online Learning

Indiana has taken a new approach to online learning, partnering with an existing provider rather than shouldering the cost of building its own system. In June 2010, Governor Mitch Daniels issued an executive order creating Indiana's eighth public university: Western Governors University Indiana.

Launched in 1997 by a bi-partisan group of 19 governors, Western Governors University (WGU) is a fully accredited, Web-based, non-profit institution that uses an innovative "competency-based" model to help students earn degrees in education, business, health, and information technology. Rather than earning credits by spending a fixed amount of time sitting in a lecture hall, students proceed at their own pace and graduate when they master their subjects. Each online program is customized to the individual student, who is supported by a mentor with experience in the field.

Daniels' executive order directed state authorities to make state financial aid available to WGU Indiana students, ensure transfer of credit between universities, and to help dislocated workers access online courses and earn degrees. By connecting Indiana to a respected, established online institution, Governor Daniels saved Indiana taxpayers the cost of building a new university.

Redesigning Undergraduate Courses

The non-profit National Center for Academic Transformation (NCAT) is demonstrating how technology can be deployed to bring better results and lower costs to the classroom. During the last decade, NCAT has helped hundreds of colleges use technology to make introductory lecture classes better and cheaper at the same time. NCAT methods help create "hybrid" courses that combine sophisticated learning technology with live, in-person, one-on-one instruction and support. This "best-of-both worlds" approach has dramatically improved learning results and pass-rates in freshman math and science courses and has reduced per student labor costs by as much as 75 percent (see Figure 1).

Now states such as **Tennessee**, **Maryland**, and **Arizona** are taking course transformation statewide. Tennessee launched six experimental projects to redesign the remedial math and reading courses that have previously caused many at-risk students to drop out. The next phase will expand the best results throughout the higher education system. The University System of Maryland asked each of its public universities to redesign a course of their choosing. The Arizona Board of Regents awarded grants to its three state universities to improve courses with previously large enrollments and low success rates.

IDEAS FOR ACTION

— Identify projected high-need employment areas such as health care (working in consultation with labor/workforce agency leaders) and ask the state higher education agency to assess options for meeting demand in these areas. The analysis should include options such as developing "no frills" models (e.g., UM-Rochester) and providing regulatory or financial incentives for colleges and universities to connect students living in rural and underserved areas with online degree programs in high-demand fields.

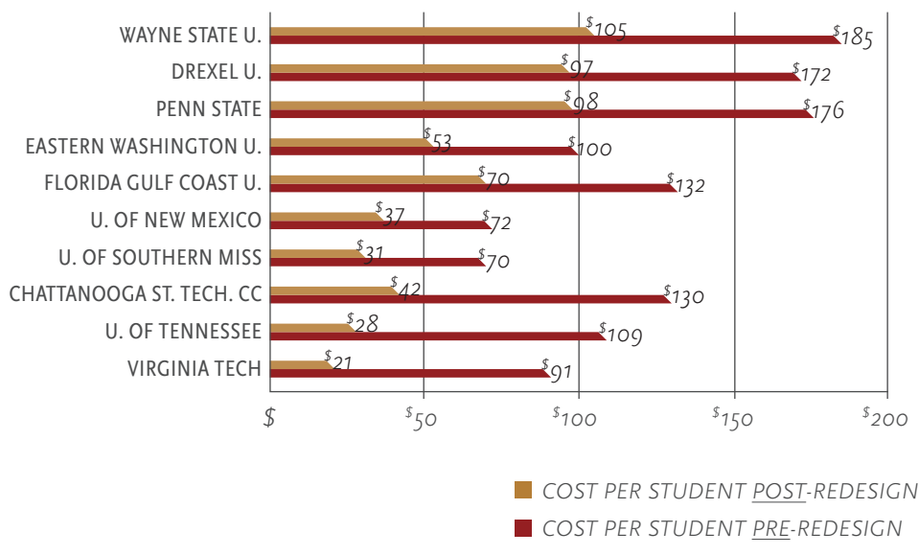
— Ask for a review of potential regulatory obstacles related to student enrollment in online institutions such as WGU, including eligibility for state student aid funds and transfer of credits to and from public institutions in the state.

— Charge a blue ribbon panel of expert faculty with developing a statewide strategy for redesigning entry level courses, including policy changes necessary to promote course redesign. The panel members should be drawn from both two- and four-year institutions that specialize in high-volume, high-risk areas such as math, science, and remedial coursework.

FIGURE 1

Top Ten Course Redesigns Per Student Cost Savings

SOURCE: *The Course of Innovation (Education Sector, 2010)*



SESSION III

Preparing Career- and College-Ready Students

In today's economy, America's students must be able to compete for jobs with students across the country and around the world. Yet, the U.S. has fallen significantly behind. The most recent data show that American students rank 25th in math proficiency, 24th in problem solving, 21st in science proficiency, and 15th in reading proficiency out of 30 industrialized countries.[14] The lack of clear, research-based academic standards has contributed to an increasing percentage of students requiring remediation in postsecondary education.

Increasing student achievement to be on par with top performing countries has the potential to have a significant positive economic impact. In fact, researchers predict that doing so could increase the gross domestic product by up to 36 percent by 2080.[15]

To address this issue, a majority of states are participating in the Common Core State Standards Initiative to create rigorous, focused, and clear academic content standards in English language arts and mathematics for grades K–12. The initiative, a state-led effort coordinated by the National Governors Association Center for Best Practices (NGA Center) and the Council of Chief State School Officers (CCSSO), first established a single set of clear, focused academic content standards that states can share and voluntarily adopt. The standards, which were released in June 2010, are informed by the best available evidence and the highest standards from across the country and around the world to ensure that our children are able to compete with students in top-performing countries.

Designed by a diverse group of teachers, national and international experts, and school administrators, the standards reflect both our aspirations for our children and the realities of the classroom. As of April 2011, 43 states and territories and the District of Columbia have adopted the Common Core State Standards (one additional state has adopted provisionally).

The goal of the initiative is to ensure that all students, regardless of where they live, are prepared to succeed in college and the workforce. Common standards provide students with consistent expectations for what they should know and be able to do at each grade. Teachers and parents will also have the information needed to ensure that students make progress each year and graduate with the skills they need. If implemented well, the standards can promote a consistently high-quality education, help to close achievement gaps, and minimize the need for postsecondary remediation.

PROMISING PRACTICES

Academic content standards alone cannot improve our nation's education performance. Standards-based reform is rooted in the notion that the primary elements of an education system are aligned with content and performance standards to support and guide teaching and learning. State policymakers must consider how to implement the Common Core State Standards throughout all aspects of a standards-based education system, in both the short and long term. This includes areas such as assessments, curriculum and instructional materials, and teacher preparation and professional development.

Assessments

Assessing student progress against academic content standards is a critical ingredient of teaching and learning. Two interstate consortia—the Partnership for Assessment of Readiness for College and Careers (PARCC) and the SMARTER Balanced Assessment Consortia

(SBAC)—were awarded federal Race to the Top grants to develop comprehensive assessment systems that are aligned to the Common Core State Standards. Forty-five states and the District of Columbia are participating in one or both of these consortia and have committed to implementing the new assessments in the 2014–15 school year.

The consortia could change the assessment landscape in states by designing comprehensive systems that include:

— Formative assessments, which are embedded in instructional activities to provide teachers with immediate feedback;
— Interim assessments, which are administered periodically throughout the school year; and
— Summative assessments, which are given at the end of a set of learning activities.

These new assessment systems have the potential to meet the instructional needs of teachers and the accountability needs of policymakers and the public; generate economies of scale by reducing assessment development costs; and allow for real comparisons of student achievement across states.

In the short term, states will need to consider the nature of their participation in the assessment consortia, as well as develop plans for transitioning to the new assessments. In many states, the move to align K–12 assessments with college and career readiness will raise the bar for student performance. Public reaction could include surprise and frustration, as well as doubt that the assessment instruments are reliable, and states should account for this possibility in their planning. **Vermont**, a governing state in the SBAC, plans to transition to the new Common Core State Standards assessment system in four phases. Current accountability measures will
remain tied to the existing state assessment until the 2013–2014 school year. In the meantime, the state will develop an aligned curriculum and implement it in the classroom in advance of the new assessment.[16]

Similarly, **Massachusetts** is planning a gradual transition to its new assessment. The 2011-2012 assessment will include items targeted at selected existing standards that are not found in the Common Core State Standards. The 2012–2013 assessment will include items targeted at selected standards from the new, Common Core aligned curriculum that are not included in the state's old standards. The state plans to have a fully aligned assessment in place by 2013–2014.[17]

Curriculum and Instructional Materials

For the Common Core State Standards to have an impact, there must be an effective curriculum and instructional materials that are aligned with the standards, offering clearly defined instructional goals and incorporating current understandings of cognition and learning.

In 2009, states spent $5.2 billion on textbooks and instructional materials.[18] The existing variation in state academic standards has resulted in textbooks that are often aligned with the standards of the states with the largest market share, such as Texas and California.[19] The Common Core State Standards have the potential to
guide publishers in creating textbooks and other materials that address the content and skills in the Common Core State Standards. Currently, roughly half of the states retain purchasing decisions at the state level, while the other half shift these decisions to the local school districts.[20] In some instances, school districts make textbook purchase decisions based on state guidelines or approval processes. In Illinois, for example, local school boards select textbooks based on requirements in the state law. Nevada school districts select textbooks for approval by the state.

The Common Core State Standards also present states with an opportunity to make use of electronic materials and advances in open source materials. **West Virginia** has legislation in place that requires publishers to provide interactive versions of their textbook materials. Regardless of what level the curriculum and instruction materials decisions are made, state policymakers can encourage the development and use of materials that are high-quality and aligned to the content of the Common Core State Standards.

Teacher Preparation and Professional Development

As in any profession, teachers need quality training to craft and deliver instruction effectively. Governors and other state leaders should consider not only the knowledge and skill base of their teaching force in relationship to the Common Core State Standards, but also the extent to which teacher preparation programs and professional development are
designed to coordinate with the new standards. Because the majority of teacher preparation and professional development programs are housed within schools of education, the state departments of education will need to work closely with institutions of higher education to coordinate the alignment of programs with the Common Core State Standards.

In **Alabama**, the Department of Education is coordinating with the state's teacher education programs to make the Common Core State Standards a key component of their pre-service programs. **Hawaii** has held numerous professional development opportunities for veteran teachers and incorporated ongoing professional development into each phase of their implementation plan.

In late 2010, **Indiana** announced its intention to align its teacher preparation standards with the Common Core State Standards. The newly released development and content standards for teachers and school leaders detail the subject-matter knowledge and skills teachers need to teach effectively in the state's classrooms and principals need to lead the state's schools. Both K–12 and postsecondary education representatives were involved in aligning the standards with the Common Core State Standards.[21]

IDEAS FOR ACTION

The implementation of the Common Core State Standards will require a comprehensive understanding of the differences between existing standards and the Common Core State Standards and the identification of policies that will promote or inhibit implementation. To support effective implementation of the Common Core State Standards in their states, governors can do the following:

— Establish a state leadership team for Common Core State Standards implementation that can inform the governor's approach by examining existing state policies and data to determine if new policies are required and how resources should be redirected.

— Encourage postsecondary institutions to consider adopting policies that require mastery of the Common Core State Standards as a requirement for postsecondary enrollment.

— Communicate with students, parents, educators, and the general public about the new state standards, forthcoming assessments, and what will be required for implementation.

— Establish and communicate clear timelines for implementation for educators, students, and parents detailing the changes that will take place and how those changes will be managed.

— Equip teachers and school leaders with the knowledge and skills required to meet the Common Core State Standards by focusing on preparation, licensure, and professional development.

— Provide teachers and school leaders with the high-quality tools and resources for delivery of the Common Core State Standards to students.

SESSION IV

Measuring and Evaluating Effective Teaching

Research indicates that the one school variable that influences student achievement most is the effectiveness of a student's classroom teacher, not the credentials the teacher holds. Research also indicates there are variances in the effectiveness of teachers both within and between schools.[22] For schools that educate the country's poorest students, the employment of ineffective teachers affects students more profoundly. One year with an ineffective teacher can cost a student up to one and half years' worth of achievement.[23] In contrast, five consecutive years with an effective teacher could essentially eliminate the achievement gap.

To better identify teachers who are more or less effective, states need to make changes in the teacher evaluation process. In a recent survey and analysis of teacher evaluations in 12 school districts in four states, 99 percent of all teachers received evaluation ratings of satisfactory or better, yet 80 percent of principals surveyed indicated that at least one teacher in their school should be terminated.[24]

Although research has shed light on how important the effectiveness of a teacher is, few states have policies for measuring the effectiveness of teachers or for using that information to make decisions about hiring, licensure, or professional development. In the few states that do require annual evaluations, the evaluation process is largely viewed as an exercise in compliance and is rarely used to distinguish performance and improve teaching practice.[25] The data are not used to inform decisions about professional development, employment, tenure, distribution, or re-licensure. The ability to distinguish teacher effectiveness through improved evaluation policies is an important first step toward ensuring that effective teachers are equally distributed and not concentrated in affluent, higher-performing schools.

Evaluating teachers is a complex process that first requires the adoption of standards that detail what effective teachers should know and be able to do. Many states have adopted standards for teachers; however, these standards do not necessarily address the issue of effectiveness and what effectiveness means relative to teacher performance. Effective evaluation also requires the use of validated instruments for observing and scoring teacher practices based on the standards.[26]

Along with observations of teacher practice, other measures of performance should be taken into consideration when determining a teacher's overall effectiveness, including student learning data.[27] Other measures that can be used to determine a teacher's effectiveness could include: peer observations, student and parent surveys, teacher contributions to the school, the willingness and ability to take on leadership roles within the school as a teacher leader, mentor, or coach, and principal recommendations.[28]

PROMISING PRACTICES

Several states are working to improve teacher evaluation as a tool for identifying effective and ineffective teachers and to use evaluations in making decisions regarding professional development, compensation, employment, tenure, distribution, or re-licensure.

Arizona now requires districts to adopt a framework for a teacher and principal evaluation instrument. It also requires the annual evaluation of teachers and principals beginning in the 2012–2013 school year.

The **Colorado** legislature has charged the state board of education with adopting policies to use evaluation data to make decisions related to compensation, promotion, retention, dismissal, and professional development. It also requires that each teacher be provided with an opportunity to improve his or her effectiveness through a professional development plan.

Connecticut is expanding the state's data system to track and report data on student and teacher performance growth. Local school districts must use these data to evaluate teacher performance. The legislation directs the state board to create a Performance Evaluation Advisory Council to develop new guidelines for teacher evaluation that include the use of multiple measures.

Delaware requires the annual evaluation of all education professionals. As one of the first round Race to the Top winners, the state is currently working to infuse student-level performance data into the state's existing Delaware Performance Appraisal System (DPAS II evaluation system).

Louisiana now requires annual evaluations for teachers and principals in public schools, including charter schools. It requires that 50 percent of the evaluation be based on student value-added data. For teachers who teach untested grades and subjects, the state board will establish measures of student growth. The state also requires that professional development decisions for new and veteran teachers be based on the results of their evaluation and address the deficiencies identified in the evaluation. It also requires that professional teacher development plans be focused specifically on improving teacher and principal effectiveness.

Michigan requires districts to adopt and implement an educator evaluation system that uses student growth data as a significant factor in evaluations. It also requires the use of evaluation data to determine personnel decisions such as promotion, retention, the granting of tenure, and full certification.

Ohio's legislature charged the state board to develop a plan to expand the use of peer assistance and review programs in the state. The model program must include professional development for new and underperforming teachers that is focused on the areas in which they need to improve.

In early 2010, **Rhode Island** made significant changes to its policies around teacher evaluation. The changes require the annual evaluation of teachers. It directs districts to use the evaluation process to help teachers grow professionally and continuously improve their teaching practice. The policy also requires districts to use the evaluation data to support tenure and employment renewal decisions.

Tennessee has created a 15-member Teacher Evaluation Advisory Committee that will make recommendations to the state board of education on guidelines and criteria for the annual evaluation of teachers and principals.

IDEAS FOR ACTION

Governors can take a number of steps to improve the evaluation of teachers:

— Governors can push for policy changes that require at minimum, an annual evaluation for all teachers. The evaluation should include at least one classroom observation. First-year teachers, or teachers who change assignment (teach at a new grade level or a new subject for the first year), should be evaluated multiple times during the first year and thereafter if their effectiveness is low. Evaluations should be comprised of multiple measures, including, but not limited to student performance data. State policy should also specify that districts must use valid and reliable evaluation tools and classroom observation protocols to ensure that the evaluation process is fair and consistent across districts.

— State policy should require districts to better target appropriate existing supports such as professional development, mentoring, and coaching to teachers whose effectiveness is rated as low. These supports should be identified by teacher evaluation data and should be individualized to meet the specific needs of teachers.

— Governors can advocate for policy changes that require evaluation outcomes be used to inform decisions about compensation, professional development, employment, tenure, distribution, or re-licensure.

By taking steps such as these to improve teacher evaluations, states and districts can determine the effectiveness of their teacher workforce and make more strategic investments to improve effectiveness.

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[26] VALIDATED REFERS TO THE DEGREE TO WHICH EVIDENCE SUPPORT THE INTERPRETATION OF SCORES DERIVED FROM USE OF AN INSTRUMENT.

[27] WHILE SOME HAVE QUESTIONED THE VALIDITY AND RELIABILITY OF VALUE-ADDED MEASURES (VAM), VAM is being used in several states currently and for a wide variety of purposes. It should be used with caution and not in isolation when using the scores to make high-stakes decisions about employment, licensure, compensation, and tenure. Other measures of effectiveness, including VAM (where available) should be used to make such decisions. See: Evaluating Teachers: The Important Role of Value-Added, Brown Center on Education Policy at Brookings. Available at: http://www.brookings.edu/~/media/Files/rc/reports/2010/1117_evaluating_teachers/1117_evaluating_teachers.pdf.

[28] FOR INFORMATION ABOUT OTHER MEASURES AND INSTRUMENTS AVAILABLE, see Laura Goe's presentation on measuring teacher effectiveness. Available at: http://www.tqsource.org/webcasts/evaluateEffectiveness/Goe_TeacherEffectiveness.pdf.

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