

USING STIMULUS TO DRIVE CHANGE: OPPORTUNITIES FOR WASHINGTON STATE

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INTRODUCTION

FED UP WITH SLUGGISH LEARNING GAINS and stubborn gaps in achievement between rich and poor kids, the Obama Administration has leveraged the American Recovery and Reinvestment Act of 2009 (ARRA) to create several well-endowed venture funds aimed at entrepreneurial states, school districts, and nonprofits eager to embrace innovation in early learning, K-12, and post-secondary education. Recently released WASL scores highlight Washington State's urgent need to improve educational outcomes. Student achievement has plateaued and gaps between subgroups remain largely unchanged. Similar trends are present in Washington's NAEP scores.

Washington meets the minimum application eligibility requirements for the Race to the Top Fund.

A strong 2010 legislative session and a bold P-20 application would make Washington a legitimate contender.



ARRA provides more than \$100 billion for education to save jobs and support innovation. Most of these resources are non-competitive, flow through established formulae, and have—or will have—detailed guidance on their uses. However, the ARRA also gives Secretary of Education Arne Duncan broad discretion over the distribution of \$5.3 billion in competitive grants that he will deliver through several different funds. Together, these grants compose the largest pot of federal discretionary funds for education in U.S. history and are designed to drive bold education reforms (see Appendix for a detailed summary of ARRA).

The largest competitive fund—Race to the Top—will send \$4 billion to perhaps as few as a dozen states with well-coordinated and aggressive reform plans that touch each of the Administration's four key priorities or "assurances":

- 1) adopting common, internationally benchmarked standards;
- 2) recruiting, retaining, and rewarding highly effective educators;
- 3) building and using pre-K through college data systems that measure student and educator success; and
- 4) turning around the nation's lowest performing schools.

While Washington meets the basic eligibility requirements to apply for a Race to the Top grant, two key barriers to a competitive application remain. First, our teacher evaluation system is wholly inadequate and can't distinguish between the most and least effective educators. Second, state law prohibits intervention in chronically underperforming schools. The upcoming legislative session can remedy these shortcomings.

To win a Race to the Top grant, Washington's application would have to fully explain how the state can deliver innovative education despite a lack of charter schools, which voters have rejected three times. Here, education leaders will have to clearly demonstrate how effective public-private partnerships, which do exist, fill similar roles across the state.

Washington's prohibition on charters might lengthen the odds of a winning application, but it does *not* provide an excuse to step out of the competition.

WASHINGTON'S HISTORIC OPPORTUNITY

The League of Education Voters Foundation (LEV Foundation) sees a historic opportunity to use federal ARRA funds and expertise to accelerate and expand upon state reforms. The 2009 education reform legislation, ESHB 2261, launches a series of bold and critical initiatives, but they come with significant fiscal and design challenges. The federal government stands ready to assist with with resources and expertise.

Thus, Washington's education leaders have a choice. We can either build on ESHB 2261's call for improvement, make a strong case for a federal-state partnership in its implementation, and create the opportunity to be at the center of innovation and learning for the next several years, or we can forfeit the opportunity and face the ESHB 2261 costs with state resources alone during what appears will be a slow economic and fiscal recovery.

LEV Foundation stands ready to convene and mobilize stakeholders around innovative concepts that show strong potential to drive learning and shrink achievement gaps. This issue paper outlines the state of education reform in Washington, summarizes the Obama/Duncan reform agenda, and key grant opportunities, and offers a number of reform concepts that could be adopted by the state or individual districts.

WHAT WASHINGTON HAS ACCOMPLISHED

Washington's willingness to boost the rigor of the K-12 experience is clear. The State Board of Education (SBE) has invested much of the past several years strongly repositioning the system toward college- and career-readiness. The Board's approval of CORE 24, a new set of high school graduation requirements, in July 2008 will better prepare every high school graduate for college, work, and life by increasing minimum graduation requirements from 19 to 24 credits when fully implemented. Drawing on the expertise of Achieve's assessment consortium and national

industry experts, SBE and the Office of the Superintendent of Public Instruction (OSPI) have conducted a top-to-bottom review of the state's math and science curriculum options. In addition to OSPI and SBE's multi-year effort to create new, stronger math and science standards, Washington is participating in the common core standards consortium organized by the National Governors Association and the Council of Chief State School Officers.

Washington's data system is well above average. Washington has made good progress on developing its PreK-20 longitudinal database, CEDARS, which will allow researchers to track students over time and across systems. Starting this fall, CEDARS will link teacher data to student data, collect detailed transcript information, and incorporate student-level college readiness data.

Further boosting the state's chances of receiving ARRA money is a bonus policy that steers National Board certified teachers to high-needs schools. Teachers who earn National Board certification earn an annual bonus of \$5,000 and can earn an additional \$5,000 per year for working in high-needs schools.

The passage of ESHB 2261 redefined Basic Education and set into motion an array of reforms well aligned with President Obama's priorities. ESHB 2261 creates a framework to revamp compensation systems, expand data systems, and deal with persistently underperforming schools. Taken as a whole, ESHB 2261 represents a serious commitment to improve college and career readiness and signals that

Washington is ready to elevate its expectations for educational outcomes. Washington is ready to innovate.

WORK STILL TO BE DONE

In order to receive the first installment of ARRA non-competitive funds, states had to provide written assurance they were making progress in President Obama's four priority areas.

Despite a lackluster application, Washington received the first round of fiscal stabilization funding.

Washington's May 15th application included a brief, uncoordinated list of initiatives, which included full-day kindergarten, Reading Corps, improved instruction for students with dyslexia, and bonuses for National Board certified teachers in high-needs schools.¹

The letter made no attempt to describe how the named programs were part of a comprehensive vision. It also made no reference to the passage of ESHB 2261 and its forthcoming implementation.

The application for the second phase of non-competitive fiscal stabilization funding is more rigorous. In order to receive the second payment, states

PRESIDENT OBAMA'S PRIORITIES

A winning application must demonstrate the state's progress in:

- 1) adopting common, internationally benchmarked standards;
- 2) recruiting, retaining, and rewarding highly effective educators;
- 3) building and using data systems that measure student and educator success; and
- 4) turning around the lowest performing schools.

¹ See www.ed.gov/programs/statestabilization/stateapps/wa.pdf

will have to report on numerous data elements related to the four assurance areas. Going forward, Washington should be careful to review the Administration's expectations for non-competitive stimulus dollars.

The U.S. Department of Education has made it clear that the success of any state applications for competitive funds will take into account how states and districts choose to use the non-competitive funds. Even though the majority of

these resources have simply replaced state dollars lost to the economic downturn, districts and states need to demonstrate a change in course if they seek competitive funds. Specifically, they will need to show more intensive use of student data, more rigorous teacher evaluations and supports, and

more effective approaches to improving chronically low-performing schools.

While Washington is to be commended for its National Board certified teacher program, information on teacher quality is scant. We can't distinguish between our best 10 percent and our struggling 10 percent. ESHB 2261 calls for rigorous evaluations, and as a first step, the Professional Educator Standards Board is working on an evaluation tool for pre-service teachers. Reform advocates will be pushing for legislation in the upcoming legislative session

to strengthen our teacher evaluation system.

While much has been made of Washington's prohibition on charter schools, the bigger issue is Washington's current law prohibiting state intervention in chronically low-performing schools. The SBE has been developing an accountability system that would systemically identify and support struggling schools and require that action be taken to turn them around.

MAKING THE CASE

Washington's education leaders and elected officials have made considerable progress outlining a detailed road map of reforms for the next decade. The most notable of these efforts is the recently enacted ESHB 2261, which launched a coordinated series of initiatives that speak to the Obama Administration's core priorities. Taken together with longstanding programs, these efforts tell the story of a state that recognizes its challenges and is prepared to address them. The opportunity is too great to simply walk away from this competition.

Were Washington successful in a major Race to the Top application, the resulting demonstration could total \$250 million or more over several years—assuming the \$4 billion were distributed to 15 states. Targeted demonstrations of several million dollars or more each, financed through the smaller competitive funds, could also drive important innovations. As educators and their nonprofit partners consider how to invest their design and grant-writing

ACTION NEEDED

- ✓ Apply for and receive Phase 2 State Fiscal Stabilization Funds
- ✓ Strengthen teacher evaluation
- ✓ Establish intervention authority
- ✓ Build stakeholder support



time in upcoming months, they'll need to evaluate where Washington's education history, vision, and momentum best align with the Administration's priorities.

Any Race to the Top application will have to be comprehensive in nature—meaning that it will need to address all four assurance areas. It will also need broad stakeholder support and show how the effort can be scaled up and sustained over time. Below are LEV Foundation's preliminary ideas for Washington's Race to the Top (RTT) application.

STEM initiative to move students to national prominence in math and science

To complement and reinforce SBE's recent work on math and science standards, Washington could launch a Science, Technology, Engineering, and Math (STEM) Center to support ongoing curriculum development and steer more students into critical STEM professions. The Center would cooperate with industry partners, research centers, academia, and museums to develop and deliver rigorous, content-rich professional development to educators across the state. Moreover, the Center would track longitudinal student data, identify schools with outstanding math/science outcomes, and disseminate best practices. The Center would raise public and private funding for appropriate materials and supplies to support 21st century skills. As a home to Microsoft and Boeing, Washington could play a convener's role in the national STEM education movement. A Washington RTT STEM grant could provide needed funding for:

- School districts to purchase curriculum aligned with the new Common Core Math Standards and Washington's revised science standards;
- 20 new STEM high schools;
- 1,000 teachers to obtain math and/or science endorsements;
- Reform pilots, including use of adjunct faculty, differential pay for math and science talent, etc.; and
- Early learning numeracy work.

CORE 24 pilots and increasing post-secondary success

Washington's efforts to align high school exit requirements with college entrance ones took a huge step forward with the adoption of a new graduation framework, dubbed CORE 24. However, there are a number of implementation challenges to work through before graduation requirements are actually boosted to 24 credits. Washington could use Race to the Top funding to get a head start on CORE 24 implementation in high-needs school districts. This work can then be scaled up and sustained over time with state Basic Education funding. A Washington RTT post-secondary success grant could provide needed funding in high-needs districts for:

- Providing a six-period day in middle and high schools;
- Increasing instructional time for struggling students;
- Strengthening guidance systems—*e.g.*, starting Navigation 101 in middle schools;

- Leveraging the College Bound Scholarship Program to increase graduation rates; and
- Using data more effectively to improve interventions to reduce dropout rates.

Turn around low-performing schools

Washington must prove to the Obama/Duncan team that we can systematically turn around the bottom 5 percent of our schools without charter schools. After Washington strengthens its intervention authority language, it needs to finish the design and legal work on a formal comprehensive system that offers real support to struggling schools and intervenes in those cases where academic performance is not improving. When voluntary measures are not improving student achievement, the state could close the school or directly oversee a school transformation model that overhauls staff, programming, and scheduling. A Washington RTT turnaround grant could provide needed funding for:

- Changing governance or leadership;
- Improving comprehensive instructional programs;
- Reorganizing instructional time;
- Selecting new personnel;
- Changing school structures to improve learning opportunities;
- Measuring teacher and principal effectiveness;
- Rewarding effective teachers and principals; and
- Increasing family and community engagement.

CONCLUSION

The importance of developing a compelling response the Race to the Top competition cannot be overstated. It is a huge economic development opportunity. If we are one of the winners in this competition, Washington would become a center of learning and innovation for the next several years. The Obama Administration's data-driven plan for transforming our schools is in perfect alignment with the goals and implementation needs of ESHB 2261. Washington State has a plan, and now, a possible investor.

As an independent and non-partisan organization, LEV Foundation plays a unique role in informing Washington's educational policy and supporting educational reform efforts. In multiple campaigns, the League of Education Voters has shaped education landscape by building a grassroots network of local activists and community leaders to strengthen schools, increase funding, and inform policymakers.

LEV Foundation's advocacy around the Race to the Top application is a natural extension of our work surrounding the Basic Education Finance Task Force. In that work, outlined in *A Way Forward*, we drew two broad conclusions. First, putting more money in Washington's historically underfunded education system is critical. The state cannot expect better than average results from its subpar investment. But, secondly, as we add resources to the system, how we spend them matters.

APPENDIX: SUMMARY OF ARRA

The Four Assurances

The Obama Administration placed education among its top priorities. It has laid out a strong vision for education reform, which calls for significant improvement in four areas which the Obama administration calls the four assurances:

- **Establish a common set of rigorous, internationally benchmarked standards and assessments (and instructional materials and supplies)—all aimed at improving post-secondary attainment.** The Administration sees inefficiency in each state setting distinct standards and creating unique curricula and tests to support them. In June 2009, 46 states, including Washington, agreed to create common standards in math and English language arts through an effort led by the National Governors Association and the Council of Chief State School Officers.
- **Drive reform with data.** Administration officials believe districts have the data necessary to assess the effectiveness of their schools, but they have made too little use of it to date. Making better use of data—to evaluate schools and improve classroom instruction—is the foundation to any substantive reform.
- **Critically evaluate and strengthen teacher and principal**

effectiveness. The Administration has signaled a top-to-bottom review of all systems that select, support, assign, and retain teachers and principals. The Department is looking for more rigorous evaluations of teachers and the schools that train them, more effective induction processes, and innovative ways to compensate educators — especially those teaching in high-need schools in hard-to-fill areas such as math and science.

- **Implement strategies to turnaround the lowest performing schools.** Obama is looking for states to aggressively intervene with chronically underperforming schools—the bottom five percent. Here, Obama’s leadership team sees public charter schools as particularly well positioned to innovate rapidly, alter the length of school days and school years, and try other ways to accelerate learning gains and eliminate achievement gaps.

Non-Competitive Funds

Nationally, the ARRA has targeted more than \$100 billion to PreK-20 education. These funds are mostly non-competitive, and will be distributed to states and local school districts through established formulae. Washington districts will receive the bulk of their funding, directly or indirectly, from the ARRA Fiscal Stabilization Fund, Title I, and IDEA allocations. The Fiscal Stabilization Fund’s education block grant could ultimately provide \$760 million in flexible PreK-20

resources to Washington. Washington's Title I and IDEA allocations are estimated at \$130 and \$221 million, respectively.²

Competitive Funds

ARRA will offer \$5.3 billion in competitive funding through the following funds:

- **Race to the Top (\$4.3 billion).** These funds are awarded by Secretary Duncan to states that maintain K-12 funding at 2006 levels and make significant progress in four areas: 1) adopting rigorous standards and assessment systems; 2) recruiting, retaining, and rewarding effective educators; 3) improving data collection and use; and 4) turning around the lowest performing schools. States must indicate how funding would be prioritized for high-need schools and how the state will evaluate the progress in closing the achievement gap. The Administration has signaled that funding will go to a select group of states, perhaps as a few as a dozen, that can demonstrate aggressive and effective educational improvement. Grant awards will be given out in two rounds.
- **Invest in Innovation Fund (\$650 million).** Duncan and his team want to focus on local efforts that can be “researched and scaled up.” As the title suggests, the fund will reward both proven

² See Burke, Alan. May 14, 2009. *OSPI Update: ARRA and Race to the Top*. Presentation to the Washington State Board of Education.

and emerging approaches. While guidance has not been issued yet for this funding, AARA specifies that recipients will be local school districts, partnerships between a nonprofit organization and one or more school districts, or a nonprofit and a consortium of schools. The awards will be given to districts or other eligible entities that have made gains in closing the achievement gap, according to the law. School districts must also have met annual state performance measures for at least two years in a row, have demonstrated academic achievement improvement for all groups of students, and have made progress in other areas, such as graduation rates and high-quality teachers. The districts must also demonstrate that they can get matching funds through partnerships with the private sector.

- **State Data Systems Grants (\$250 million).** These grants are intended to strengthen states' longitudinal data systems. Prior to ARRA, the federal government had already awarded data grants to 27 states, including Washington.³ Washington has developed a longitudinal database to inform data-driven decisions around educational investments. Washington's database—the Comprehensive Education

³ http://nces.ed.gov/programs/SLDS/fy09_announcement.asp



Data and Research System (CEDARS)—is a statewide warehouse of student, course, teacher, achievement, and graduation information.

- **Teacher Incentive Fund (\$200 million).** These funds are intended to help districts implement innovative principal and teacher compensation models that support recruitment and retention efforts in high-needs schools and subjects. It also will support efforts to develop and implement performance-based teacher and principal compensation

systems in high-needs schools. Goals include: 1) improving student achievement by increasing teacher and principal effectiveness; 2) reforming teacher and principal compensation systems so that teachers and principals are rewarded for increases in student achievement; 3) increasing the number of effective teachers teaching poor, minority, and disadvantaged students in hard-to-staff subjects; and 4) creating sustainable performance-based compensation systems.

