Confidential Draft

Students First

Renewing Hope for California's Future

Governor's Committee on Education Excellence

November 2007

Our Approach

In April 2005, Governor Schwarzenegger established The Governor's Committee on Education Excellence "to analyze current impediments to excellence, explore ideas and best practices relevant to California, and recommend changes and reforms. ... " The Committee was specifically charged to focus on four inter-related topics: governance, finance, teacher recruitment and retention, and administrator preparation and retention.

For over two years, the Committee has held meetings across the state and spoken with numerous stakeholders, policymakers, and researchers from California and throughout the nation to learn from their ideas and experience. The Committee also has benefited from an extensive array of research on education, prior studies of the California education system, and reports from other states and cities seeking to dramatically reform their school systems. The breadth of these inputs demonstrated the magnitude of the challenges facing our education system and extended the scope of our inquiry.

Despite the remarkable diversity among our members, our Committee has achieved this report by consensus; remarkably, there has been little philosophical difference among members regarding our purpose, our principles, or the bases of our recommendations. We believe that this report sets the foundation for a system of schools that will meet the needs of Californians today and into the future, with the expectation that the system will continue to improve to meet the needs of future generations.

The Committee

Ted Mitchell *(Chairman), President and CEO*, New Schools Venture Fund

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Robert Manwaring, *Policy Director*

Our Committee gratefully acknowledges the generous support of The Broad Foundation, The Doris and Donald Fisher Fund, the Bill & Melinda Gates Foundation, The William and Flora Hewlett Foundation, and the Stuart Foundation, without which we could not have conducted this inquiry and offered these recommendations with such independence.

Our Committee is grateful for the myriad contributions to its work made by Jennifer Anastasoff, Laura Brown, Rebecca Chamow, Samantha Dobbins Tran, Linda Forncrook, Jessica Garton, Scott Hill, Richard Seder, Jules Stein, Thomas Timar, and Deborah Woo; and for the editorial and design services of KSA-Plus Communications.

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October 11, 2007

Honorable Arnold Schwarzenegger
Governor of the State of California
Sacramento, California 95814

Dear Governor Schwarzenegger,

When you created our committee two years ago, you provided us with an ambitious and challenging charge of recommending changes and reforms that would lead to a more effective education for California's students. We have taken that charge to heart, as well as your repeated urging to be bold. You asked us to analyze current conditions, best practice, and research and bring those findings, along with our own expertise and experience, to bear on recommended solutions. As we progressed through our work, we found that it was common sense that dictated a surprising number of our findings. California's current system is best characterized as irrational: it does not support the things we know will improve student achievement, and at times even impedes them.

We have developed a proposal for bold, coherent, systemic reform that addresses not just the individual problems and structures of our education system, but the critical inter-relationships among our four charge areas – governance, finance, teachers, and administrators – that must be maintained if our system is to deliver the high quality education all Californians need and deserve.

We are pleased to present to you the attached report, which presents the findings and recommendations of our study. We thank you for the honor of serving you and our state in this important endeavor.

Theodore Mitchell, Chair
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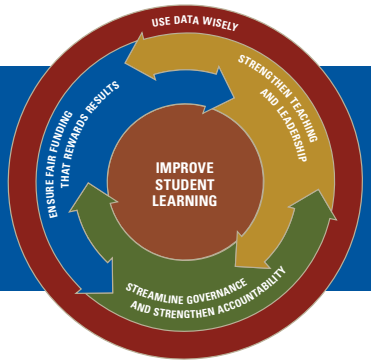


Executive Summary

Adopting the recommendations in this report will take a combination of common sense and courage.

Common sense says that the learning needs of students should come first, whether it's making policy or teaching math. California's diverse student population cannot be served by a one-size-fits-all model. Students come to school with differential learning needs that require different levels of resources to help prepare them for college and careers. Those closest to the students — principals, working closely with teacher leaders — should get to make key decisions that impact student learning, such as who should teach, how to allocate resources, and how to organize the school day.

> "California will spend $50 billion on K–14 education this year. ... What do we get for that money? We get many wonderful and dedicated teachers. We get many children who are doing terrific. But $50 billion, and we still have 30 percent of high school students not graduating. That is a human disaster. Fifty-billion dollars, and we still have hundreds of schools that are failing. That is an institutional disaster. Fifty-billion dollars, and the majority of our students cannot even perform at their grade level. That is an educational disaster."
>
> — **Governor Schwarzenegger**, *January 2005 State of the State Address*

Common sense says that we ought to have a system that rewards success, provides assistance to improve, and is intolerant of failure. The way to attract and retain the best and brightest into teaching and school leadership is to treat them like professionals, with safe and productive working conditions, as well as opportunities to grow on the job, work with their peers, and be rewarded for professional growth and student success.

Common sense says that Sacramento should stay the course with the high academic standards it has set for each student, but should avoid micromanaging how funds are spent in classrooms; the current hodge-podge of categorical programs, each with its own red tape and personnel, is a recipe for inefficiency.

Common sense says that we ought to make decisions based on what works, not what is fashionable or politically advantageous. That means having modified assessments and an accurate data system that can monitor the year-to-year progress of every student.

California's current system turns common sense on its head. Too often, students are an afterthought. How else to explain a 100,000-section Education Code in which the words "student achievement" rarely appear? How else to explain how such a system can survive and, in fact, grow when less than one-quarter of students statewide are mastering reading, math, and other subjects? How else to explain our tolerating some high schools where, year after year, less than half of 9th-graders ultimately earn a diploma, and even fewer actually are prepared to succeed in college or on the job?

The Public Understands

84% Believe that better use of existing funds would lead to higher quality.

71% Believe that school districts in lower-income areas should receive more resources.

65% Believe that additional state funding would lead to higher quality.

64% Believe that increases in teacher pay should be based on merit, including student performance, rather than seniority.

53% Believe that California ranks below average (39 percent) or near the bottom (14 percent) compared to other states on test scores.

52% Believe that the quality of California K–12 education is a big problem. Teacher quality is at the top of the list that needs improvement.

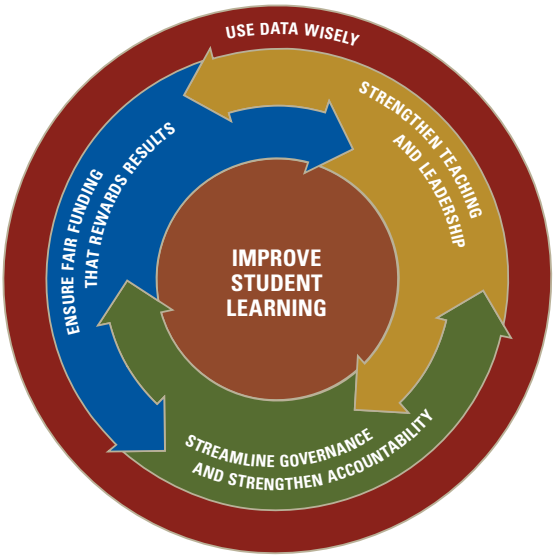
Source: Public Policy Institute of California statewide surveys, 2005 and 2007

A student-centered system does not force good teachers and principals to work around the rules to get results. Such a system does not pay all teachers and principals the same, even though, year after year, some get better results than others. A student-centered system tries to replicate the success of high performers.

It is said that insanity is doing the same thing over and over and expecting different results. It is time to say "enough" and to fundamentally rethink how we have organized ourselves to educate the 6.3 million children whose future depends on our effectiveness. It is time to replace a system that gets in the way of effective teaching and successful learning with one that supports our best educators and their students. Specifically, the Committee recommends action on four inter-related priorities and a fifth key foundation. (See *Four Inter-Related Priorities* on next page.) Taken together, this systemic overhaul will reduce the achievement gap and create a constantly escalating cycle of ***continuous improvement*** in our education system. Therefore, it is essential that our proposed reforms be considered as a coherent, comprehensive package. Cherry-picking proposals could make the current intolerable situation even worse. For instance, simply spending more money on ineffective programs without measuring results and rewarding success will exacerbate inefficiencies. Giving principals and teachers more authority without first ensuring they are well-prepared to wield it effectively would be irresponsible.

This is where our political leaders will have to demonstrate uncommon courage. Everyone professes to put students first. But collectively, the results suggest otherwise. Each of the state's top-down education programs has a constituency that may feel threatened by the kinds of sweeping changes we propose. To them, we say, stand by common sense and research. The time has come for student interest to trump adult self-interest.

Common sense and courage — a potent combination that can transform our flawed system, prepare our children for the opportunities ahead, and in the process, allow our state to reclaim its proud legacy as an education leader.



Four Inter-Related Priorities

1. Strengthen teaching and leadership.

- Make teaching and education leadership true professions:
  - Give teachers advanced career opportunities without leaving the classroom, including mentoring and site leadership roles.
  - Have peers and leaders use professional standards and performance outcomes to evaluate teachers and principals. Let good teaching and leadership drive out bad.
  - Target professional development to school priorities and student needs.
  - Grant professional compensation based in part on student-performance gains, skills, and responsibilities.
- Deregulate professional preparation.
- Close the gap in teacher and principal effectiveness among schools.

2. Ensure fair funding that rewards results.

- Invest more resources in students, particularly in those at the lowest end of the achievement gap who have been least well-served by the system in the past.
- Deregulate finance, and link local control to outcome-based accountability:
  - Use student-centered budgeting to get additional funds to students with the greatest needs:
    - Drive fiscal accounting to school level to ensure equity.
    - Correct incentives to ensure students' progress is not held back.
  - Eliminate almost all categorical program mandates; allow local choice to drive program selection.
- Create local incentives to reward teaching and leadership excellence.

3. Streamline governance and strengthen accountability.

- Refocus accountability on ***improving outcomes*** and meeting proficiency targets for all students and subgroups.
- Enhance assessments to measure growth of student achievement.
- Expand local control to increase efficiency: Combine resource flexibility with greater accountability, and encourage greater school autonomy.
- Have county offices provide support to address district needs and state-delegated roles.
- Create a school inspection system to identify problems and support improvement.
- Empower county superintendents through their established service regions to enforce district accountability and intervention.
- Enhance sanctions for school failures, with zero-tolerance intervention.
- Designate the Superintendent of Public Instruction as the independent guarantor of success, overseeing accountability (post-2010):
  - Expand and manage data/evaluation systems.
- Create an independent data commission until the Superintendent role changes.
- Have the Secretary of Education manage policy, program, and funding (post-2010):
  - Have the California Department of Education support instructional delivery and stop monitoring process compliance.
- Have the State Board of Education become advisory to the Governor and Secretary.
- Empower parents to help improve learning quality, and give them real choices.

4. Use data wisely.

- Make performance, program, and financial information transparent, and provide it to parents, educators, communities, and the state.
- Create comprehensive data systems that link student, teacher, school, district, and state data, with capacity to link to college, work, and social services data.
- Create capacity to analyze data and programs and to support districts' needs:
  - Evaluate programs to ensure effectiveness before continuing them.

Plus, create a foundation for continuous improvement.

- Prepare our children for success from the earliest age:
  - Implement mixed-delivery, statewide preschool for all 3- to 4-year-olds in poverty.
  - Make kindergarten full-day and change entry date.

Introduction

Since the early days of the Gold Rush, waves of immigrants have come to California for our promise of opportunity, prosperity, and innovation. From our beginnings as a state, that promise has been tied inextricably to the promise of a public education that offers opportunities for advancement and improvement, sets the stage for our individual and collective prosperity, and supports the innovation and creativity that are our heritage. While much has changed since 1848, much has remained the same: The California Dream continues to draw families in search of opportunity and prosperity; our state continues to be characterized by innovation; and above all, we continue to rely on public education as a primary engine for growth. With this understanding, we have a moral and economic obligation to provide genuine access to quality public education for all California students.

But today, California's K–12 education system is fundamentally flawed. It is not close to helping each student become proficient in mastering the state's clear curricular standards, and wide disparities persist between rich and poor, between students of color and others, and between English learners and native English speakers. Our current system simply is not preparing every student to be successful in college or work; it is not producing the results that taxpayers and citizens are counting on and that our children deserve. It's not fair to our state. It's not fair to our students. We must act now to make fundamental changes to a system that impedes our students, imperils our communities, and threatens our future.

That is the bottom-line conclusion of our two-year review of California's K–12 system. We need to be clear at the outset: ***This is a problem of systems, not individuals.*** It's not that students lack the essential commitment, initiative, or talent to succeed. Most have these qualities. It's not that countless talented, committed teachers, principals, and school staff aren't working hard. Most are. It's not that we don't have examples of great schools throughout the state that are beating the odds and providing high-quality education to most of their students. We do. It's not that we aren't experiencing some signs of improvement. We are.

The System Is the Problem

The core problem is that successful students and educators all too often are succeeding ***in spite of*** the system — a system that is hobbled by red tape, riddled with inefficiencies, and impossible for parents and students to understand. Research from the Getting Down to Facts Project (an unprecedented 18-month effort involving researchers from 32 institutions studying the state's K–12 education system) concluded that California's system of school finance and governance is broken. Our students, teachers, administrators, and other professionals work within a system that actually

impedes their best work, neither recognizes nor rewards success, and too often stifles innovation and the spread of effective practices. Additionally, the current system:

- Raises bureaucratic impediments to effective instruction.
- Does not ensure that sufficient resources reach students according to their needs.
- Fails to provide educators with the preparation and support that gives them what they need to succeed.
- Has no incentives to reward achievement and, in fact, creates reverse incentives that reward low performance.
- Minimizes the decisions that can be made by those nearest to the students (teachers and principals), who best know what is needed.
- Lacks the kind of data and information needed to drive continuous improvement for every student and to help parents and families make informed choices.
- Fails to create a culture of genuine accountability and continuous improvement toward higher student outcomes — meeting and then exceeding our current expectations.
- Does not align authority with accountability.
- Does not effectively engage parents and communities in their children's education.

Not surprisingly, with such conditions, California's academic performance ranks toward the bottom of the 50 states and toward the bottom of the industrialized world. (See *How California Compares* on next page.)

All of our students are being short-changed. Students from low-income families, many of them children of color and/or English learners, are losing the most. California has created a pattern of disparities — an achievement gap — in public schools that not only limits the opportunities for these students, but reinforces and enlarges the existing social inequalities confronting them — exactly opposite of the intended function of public education in a democracy. We pay lip service to the idea that all students can achieve at high levels, and although individual educators succeed in their classrooms and schools, our system, as a whole, does not deliver on that belief; rather, our system seems to accept as inevitable some level of achievement gap for many students.

Schools Getting It Done in Spite of the System

Many schools find ways to succeed despite the systemic constraints. These are just a few of those exceptions.

Ralph Bunche Elementary, Compton Unified: The students are 99 percent Latino or Black, 40 percent English learners, and 95 percent economically disadvantaged. A 27-year-old former Teach for America principal worked with dedicated teachers to apply a high-expectations, no-excuses, standards-focused approach to engineer a dramatic turnaround. In 1999, Bunche had an API of 445, one of the lowest in the state. By 2006, the API score was 868, making Bunche Elementary the fastest growing school in the state, with an API score above the state's academic target and in the top 20 percent.

Hughes Middle School, Long Beach Unified: Even successful schools have work to do. While Hughes has long been a high-achieving school and winner of numerous accolades, it has had significant achievement gaps. For example, in 2002–03, 75 percent of White students were proficient in 8th-grade English Language Arts, compared to only 30 percent of Black students. Using multiple tools focusing on staff development and student empowerment, the school has cut the White-Black gap by 10 percentage points.

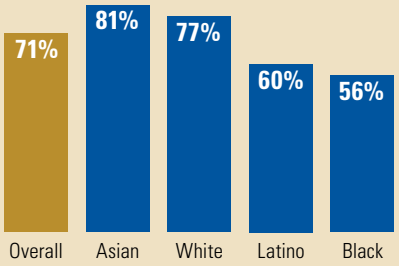
The Preuss School, UCSD, San Diego: The state's first charter high school to be located on a university campus, the school prepares low-income students whose parents lack a college degree for the University of California system and other college opportunities. In a school serving only socio-economically disadvantaged students, Preuss combines a focus on teaching excellence and deep community partnerships with great flexibility and rigid accountability to achieve impressive results: Its 2007 API score was 877, and it has been honored by the California Department of Education.

Gateway High School, San Francisco: The school makes a rigorous college preparatory education available to "all kinds of minds" (to borrow a phrase from Dr. Mel Levine) and especially to students with learning disabilities. Among a student population of uncommon ethnic and racial diversity, 25 percent of Gateway's students have a learning disability — two and a half times the rate in a typical public school. Gateway is recognized as a California Distinguished School: Its 2007 API was 739, and its API for low socio-economic students was 728.

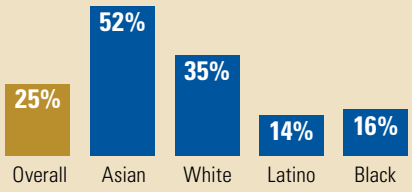
How California Compares

Compared to their peers in other states on national assessments, and measured against the state's expectations, California students consistently struggle. For example, on the 2007 National Assessment of Education Progress (NAEP) — widely recognized as the most accurate national barometer for state-by-state comparisons — California ranked sixth lowest in 8th-grade math in comparison to the 49 other states and the District of Columbia. Perhaps more telling, the average California student is competitive with just the bottom quarter of students in Massachusetts. And 70 percent of Latino students in Texas score higher than the average Latino student in California. The story is at least as bad by many other measures.

Only 7 in 10 Graduate High School in 4 Years, With Large Gaps



Yet Few Graduate College Ready*
California: Class of 2005



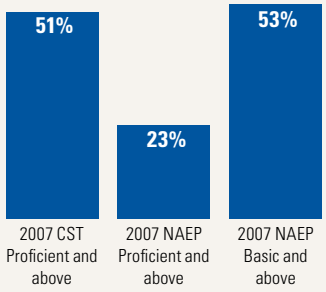
*Includes 9th-graders who have completed the A-G course sequence with a "C" or better in each class four years later.

Source: Education Trust-West analysis of CDE data, using the Manhattan Institute methodology

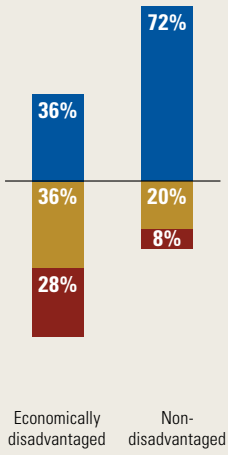
Less Than 1 in 4 Meet National Standards; Low-Income Students Are Far Behind

Reading/ English Language Arts

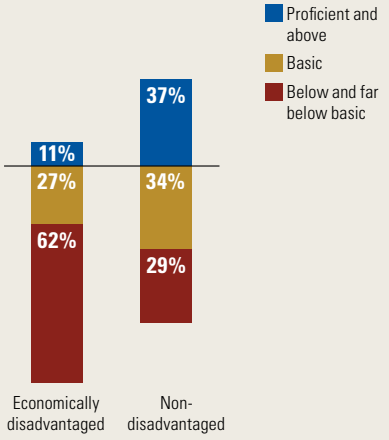
Grade 4 Overall Reading/ELA Performance
California Standards Test (CST) and NAEP



2007 California Standards Test (CST)
Grade 4 Reading/ELA



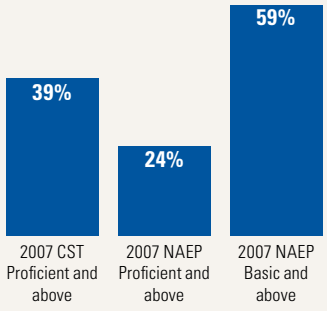
2007 NAEP — California
Grade 4 Reading/ELA



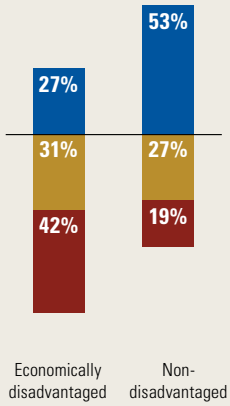
Source: California Department of Education and National Center for Education Statistics

Mathematics

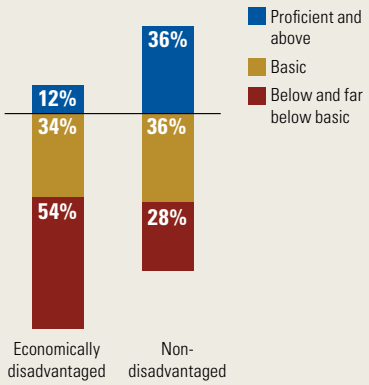
Grade 7 and 8 Overall Math Performance
California Standards Test and NAEP



2007 California Standards Test (CST)
Grade 7 Math

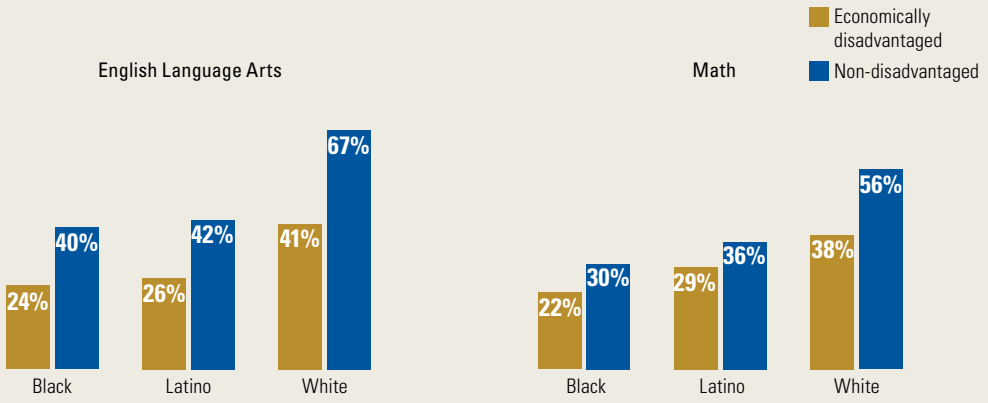


2007 NAEP — California
Grade 8 Math



Source: California Department of Education and National Center for Education Statistics

Even Middle-Class Black and Latino Students Trail Low-Income White Students on CST
Percentages of economically disadvantaged and non-disadvantaged students scoring at proficient and above, 2007



Source: California Department of Education

Comparing California to Other States

NAEP results show that California's overall results rank low among the states

48th 4th grade reading
47rd 4th grade math
43rd 4th grade science (of 44 states)

48th 8th grade reading
45th 8th grade math
42nd 8th grade science (of 44 states)

Source: California Department of Education and National Center for Education Statistics

And all student groups lag behind similar students in other states

4th grade reading:

29th Whites
29th Blacks
43rd Latinos

8th grade math:

35th Whites
33rd Blacks (of 40 states)
38th Latinos (of 42 states)
37th Children of college graduates (of 49 states)

Source: California Department of Education and National Center for Education Statistics

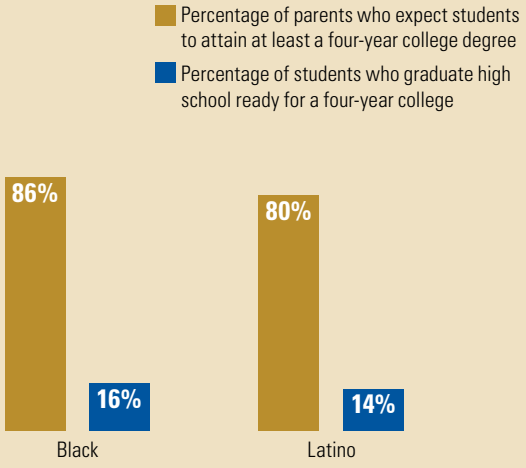
Overcoming the "Reality Gap"

One of the greatest challenges to changing our system is to overcome the "reality gap" between Californians' expectations and what is actually occurring. Perhaps the most compelling example is that 80 percent of Latino parents and 86 percent of Black parents want their children to go to at least a four-year public university; in reality, only 14 percent of Latino and 16 percent of Black students are that well-prepared; significantly fewer actually enter the university, and fewer still actually complete their degree.

This perplexing failure to perceive problems close to home does not seem to vary much with results. Over 55 percent of students who have repeatedly failed the high school exit exam still say in surveys that they expect to go to college, according to the HumRRO report on the exam. Communities whose schools have been chronically ineffective nevertheless give their schools passing marks when asked.

By increasing the system's focus on facts, our Committee hopes that the reality gap can be diminished over time in a way that causes shortcomings in student learning to be addressed effectively. Part of the solution will be to help parents and the public understand the reality of our plight and engage them to actively participate in the changes needed to bring their hopes to fruition.

High Expectations vs. Reality



Source: New American Media poll and Education Trust-West analysis, 2006

Our neediest students are not the only ones being deprived. The state's highest achievers are not being sufficiently challenged, encouraged, and enriched. While students in our wealthiest communities are doing okay, they are not improving at a rate that socio-economic conditions would predict, and they trail their peers in other states and nations.

As sobering as these findings are, we are equally convinced that major improvements are possible, that California's schools can educate students who master the state's high academic standards and are genuinely ready for college and work, and that all California's children can receive the kind of education they need and deserve.

No More Piecemeal Reforms

For decades, we have pursued wave after wave of "silver bullet" reforms, with shamefully little to show for billions of dollars of investment. Because the entire K–12 public education system is structurally flawed, more *a la carte* improvements will not make much difference. Instead, policymakers and the public should commit to a systemic and coherent approach to reform that rejects business as usual. Indeed, we see acceptance of continued piecemeal changes as part of the problem, not a solution for either the short or long term. To make systemic, structural change possible, we need to overcome partisan agendas and institutional self-interest and focus on creating a new system of public education that truly can meet our aspirations.

As the Committee reviewed an array of research and resource materials, we were struck by the congruence between the initial principles we were developing and those we encountered in other change efforts across the nation. There is strong agreement that an education system must be student-focused and that we must promote equity through high standards for every student by providing both an excellent teacher in every classroom and a great principal for every school. Many would assert, as we do, that funding must be fair and stable and that authority to make finance decisions should be aligned with

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accountability for those decisions. Recognizing that those who are closest to students can best gauge and meet their needs, we join other prominent voices that support local control and seek to empower parents within a system in which everyone must be held accountable for results.

A system should not be judged by what it claims are its beliefs, but by how well it implements them. Too many have given lip service to these initial principles, claiming to hold them as their own; but the reality is that California's education system does not apply them with any rigor or consistency. We have been stunned by the structural inability of our system to actually focus on students — an inability based on our failure to provide appropriate resources, authority, capacity, and incentives for education professionals charged with the real work of teaching and learning. If we are to realize the promise of these broad initial principles, we require not just talk, but action, organized around a set of operational principles that create not a static system, but one that is dynamic, promoting a focus on students and a cycle of continuous improvement.

Operational Principles

1. Educational policies and practices must be judged by their impacts on student outcomes against the state's high standards and must be organized to support continuous improvement in student achievement for each student in California and to ensure that all students reach proficiency. We have a special responsibility to close the achievement gap and thereby ensure that disadvantaged students do not continue being underserved.

2. Accountability drives excellence by rewarding success and promoting continuous improvement. But accountability, authority, incentives, and transparency must go hand in hand, and separating these components is likely to lead to bad outcomes.

3. Local educators should have the latitude and the support to make decisions on how to spend resources that support students' differential needs, and they should be held responsible for results that meet state standards and expectations for our students.

4. Education professionals must be trained and supported in ways that build their capacity to carry out their roles effectively.

5. Education funding must support the attainment of our educational goals for all students. To do so, it must recognize that individual students have differential needs that generate different costs and require differential funding. To the greatest extent possible, funding should follow those students who generate those funds.

6. Incentives should be aligned with objectives at every level, and disincentives to high performance should be removed. Districts, schools, and individuals should be rewarded for improving student achievement, should be supported in efforts to do better, and should be held accountable when they consistently fail to meet the needs of students.

7. The state must have reliable, timely, and valid information about performance and school outcomes, as well as the analytical capacity to evaluate that information; this must be an integral part of making the school system an evolving and improving system.

8. Innovation, coupled with rigorous evaluation, drives improvement. It must be encouraged and supported to reveal best practices that can be emulated across the system.

If we are to turn these principles into reality, we require a different approach. We need to be willing to enforce their implementation. The Committee's recommendations in the following pages are designed to do just that. They are the practical, tangible signposts that would signal to us that, this time, the system is actually "walking the talk." Otherwise, we will continue to be comforted by high-minded rhetoric about "students first," while another generation of children falls behind.

Changing the Culture To Focus on the Continuous Improvement of Student Learning

California's education system must be student-focused in every aspect, with all actions driven by the only goal that really matters: continuous improvements in student achievement. By this, we mean that growth targets must be ambitious enough so that students reach proficiency before they leave school and that schools should never settle for less than ongoing improvement. This is in stark contrast to our current system, which performance suggests is focused more on adults than on students. How else can we explain why we have tolerated so many failing schools for so long? All schools, even the most successful, must respond to the constantly evolving challenges our students will face by always striving to improve. That is what accountability, when done right, is intended to achieve.

Changing the system to focus on student success means embracing comprehensive, coherent changes that support high academic achievement by simultaneously addressing four interconnected priorities:

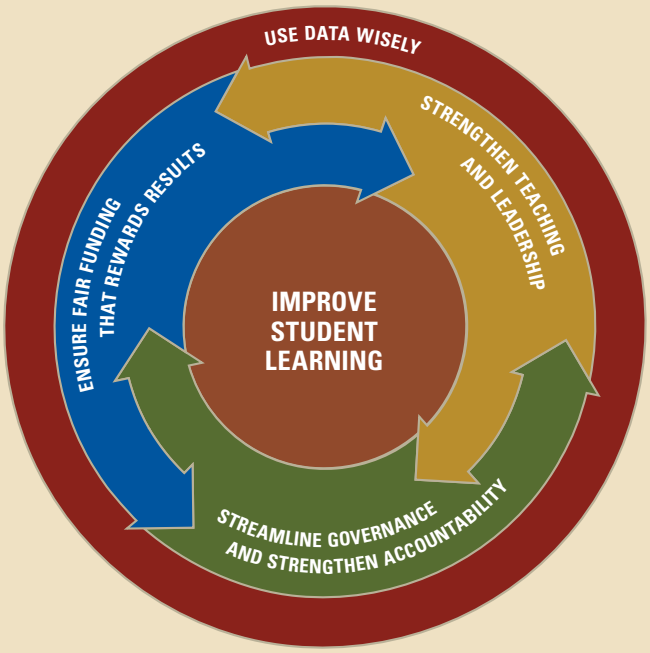
1. Strengthen teaching and leadership.

Putting students first means that every student in every classroom is taught by an excellent and effective teacher. This is by far the most effective way to improve student learning and close the achievement gap, and it will require extensive changes in how we prepare, recruit, train, compensate, and hold teachers and administrators accountable for steady gains in student learning as measured by the state's high standards. In turn, having every school and district led by a highly effective administrator will create the conditions that will help ensure that good teaching and learning is happening in every classroom for every student. These

Improvement Cycle

The challenge to California's schools is to generate consistently higher levels of student achievement to meet our high standards and prepare students for success. Improvement begins with local communities and educators making decisions about how best to raise student achievement, then deploying resources to support those decisions, and then monitoring how well students do. Based on their assessment of what worked and what didn't, educators then emphasize programs that work and take corrective action on ineffective programs — and the cycle begins again.

Plan, act, review, plan, act, review — this is what we call the cycle of continuous improvement, in which the components are strengthened teaching and leadership, fair and flexible funding, and local decision making coupled with strong accountability. The cycle is powered at every step by data and information systems that allow professionals, parents, and all stakeholders to monitor progress, make better decisions, and hold the system itself accountable.



professionals should be held accountable for steady gains in student learning and should earn increased autonomy and additional resources based on the performance of their schools.

2. Ensure fair funding that rewards results.

Putting students first means that state resources must follow the student and that those who need more support will get it. Fiscal incentives should be aligned to support achievement and reward excellence, promote behavioral changes, and support a focus on achievement. Just pumping more money into a system that structurally impedes success will not deliver the results our children deserve and our future requires.

3. Streamline governance and strengthen accountability.

Putting students first means: reducing the burdensome red tape that distracts from a relentless focus on quality classroom instruction; delineating roles appropriate to each player's responsibility for student success; providing those players (state, district, school) the authority, flexibility, and capacity to do their jobs effectively; and then holding all players accountable for ensuring that ***all*** students learn at higher levels.

4. Use data wisely.

An indisputable fourth priority, perhaps the first because it undergirds each of the other three, is an investment in a world-class system of data and information that will turn the flywheel of continuous improvement; the education system itself must "learn." Without good information, we cannot help our schools and districts improve. Among the many ironies the Committee confronted in its work, none is greater than that California, global home of the information economy, has woefully inadequate education data systems that lag behind those of nearly every other state in the nation. Our systemic reform proposals depend on much better data and information — to help improve classroom instruction, to empower parents to make better choices for their children, and to allow the public to hold the system accountable for steady improvements, year by year and school by school.

Use Data Wisely

The Importance of Good Information

Creating a culture that focuses first and foremost on student learning requires putting in place systems that allow all stakeholders to see where learning is occurring — or not — and why. Clear, accurate, and reliable data are the cornerstone of those systems. When properly interpreted and used, they provide the information that is essential to effective decisions. Students need good information to know where they stand and what they must do to prepare themselves for high school graduation and postsecondary opportunities. Parents need good information to make wise decisions about where to enroll their children and how to support their learning at home. Teachers need good information to adjust their instruction to meet the needs of each student. Principals need good information to lead their schools — to inspire and provide instructional support to staff, to conduct fair evaluations, to determine how best to allocate resources, and to speak knowledgeably to parents and other members of the community.

District, county, and regional leaders need good information to hold schools accountable for success, to know where additional support is needed, and to intervene more directly, if necessary. State officials need good information for the same reasons — as well as to develop sound policies, identify and share best practices, and meet their ultimate responsibility to provide each student with a high-quality education. Finally, taxpayers and the general public need good information to know whether the system is spending public funds effectively and delivering on its promise to educate each child to high levels. To support these needs, we make several recommendations throughout this report, highlighted in similar fashion. In particular, however, we specifically recommend the following as a foundation for the state's education system:

Implement and Financially Support Student and Teacher Information Systems

The state has made significant progress developing a K–12 student longitudinal data system and a positive start on a new teacher data system; these will allow professionals, parents, and policymakers to better track currently available student achievement data and teacher demographics. But this is only a beginning. The state needs a broader information system that monitors student success from the early years all the way into college and the workplace, so that we better understand what's working and what's not — and for whom. Such a system will integrate academic, health, and social service data, allowing professionals from all three sectors to share information about students while ensuring appropriate security and privacy protections. To maintain the integrity of the data, this system must be managed by an entity that has no vested interest in its outcomes. The state has been planning such a system for years but has delayed implementation. ***This system must go forward if any real reforms are to be possible.***

These Four Priorities Are Interdependent

We do not have the luxury of picking and choosing among these four strategic priorities. Changes in one area must be accompanied by changes in the others, or we will end up with just a different variation of the incoherent, unworkable, structurally flawed system that now gets in the way of student learning. For instance, providing additional, flexible funding, without commitments to improve teacher and administrator quality, to create the right incentives for continuous improvement and to ensure the funds serve the needs of individual students, would perpetuate the inefficiency that plagues California education today.

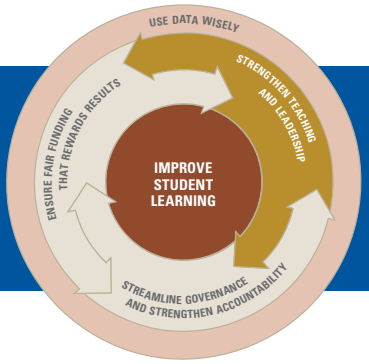
Well-meaning efforts to attract more effective teachers and principals are doomed to fail unless we also provide them with plentiful opportunities to keep improving their practice and reward them for their success. Deregulating the system and shifting more authority from Sacramento to those closest to students — county, district, and school leaders — amounts to irresponsibility unless the increased autonomy is supported by the professional development that enables them to carry out their roles and is linked to more accountability for results. And such accountability must be based on a system of data that is easily understood and widely perceived as fair and accurate, or we will continue to make too many decisions in the dark, based on hunches and hopes — not research — that are incomprehensible to the public.

Fortunately, in creating a coherent system that works for students, we have much to build on: a system of quality academic standards; an initial accountability system that drives educators and students to attain those goals; a large cadre of dedicated educators and staff; and, most important, encouraging gains by our students as measured by improved API scores, higher participation, better results in advanced courses (especially in math and science), and more students applying to college. That said, the rate of progress in these areas is simply not good enough, especially for students who are at the lowest end of the achievement gap. We know that without more comprehensive, strategic changes, California will continue to founder, sacrificing the opportunities of another generation of children as we slowly correct course while other states and nations move aggressively to prepare their students for the opportunities of a global economy and a more diverse society.

We deserve better — for our economy, for our communities, and for the 6.3 million children who go to school every day counting on us to help them fulfill their dreams.

We Are Not Alone

In our research, we were struck by the similarities of our state's problems to those in other states, as well as by the consensus about how to fix those systems. Three recent models for integrated, systemwide reforms were particularly instructive: those in New York City, Ohio, and Delaware. These reform models seek to link greater local control; enhanced accountability, built on high standards; fair and rational funding; and enhanced quality for professionals. While others are moving forward, California has lagged. These reports may be reviewed via links on the Committee's Web site at www.EveryChildPrepared.org.



Priority 1

Strengthen Teaching and Leadership

Teachers have the greatest impact on student learning; leaders create the conditions to ensure good teaching.

Our Vision

An approach that puts student success at the center must ensure that every student in every classroom is taught by an effective teacher and that teaching is supported by high-quality leadership from principals and superintendents and reinforced by all other school and district staff. This is by far the most effective way to improve student learning.

California's Current Reality

California continues to experience a shortage of effective teachers in key subjects (including math, science, and special education) and in schools serving low-income students and students of color. That is not surprising. Higher salaries are available in fields outside of teaching; when that is coupled with burdensome credentialing requirements, difficult working conditions for too many teachers, insufficient training, and insufficient support to meet students' needs, it is extremely difficult to recruit outstanding people into education.

Current teacher training programs are not good enough. The fifth-year university programs are criticized, even by their graduates, for failing to provide new teachers with skills to succeed in the classroom. Districts and county offices of education spend millions of dollars each year retraining teachers who have received certification and advanced degrees from our universities. The Getting Down to Facts reports found that current teacher salary schedules do not help strengthen the teaching profession, since effective and ineffective teachers are paid the same. These schedules are based almost exclusively on seniority and the number of college units taken; but research shows that beyond the second to third year of teaching, experience has limited impact on student learning, and advanced degrees generally do not matter. Paying similar salaries across subjects also exacerbates shortages in such fields as math, science, and special education, due to greater preparation requirements, more difficult work, or greater job opportunities in other fields.

Our educational leaders face challenges similar to — and beyond — those of teachers. Today's principal is expected to be an education visionary, assessment expert, instructional strategies expert, disciplinarian, community builder, crisis manager, budget guru,

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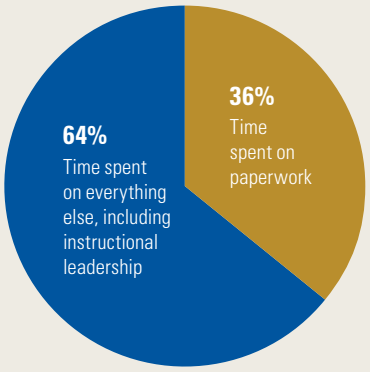
Principals Spend One-Third of Their Time on Paperwork



Source: Association of California School Administrators

communications expert, facility manager, and special programs administrator. All too often, however, principals have not received adequate training to handle these multiple responsibilities, are not empowered to do what it takes to meet these expectations, are understaffed, or are too tied up complying with bureaucratic red tape to focus on what matters most: creating the conditions that will help their teachers deliver effective instruction to every student.

One of the most important tasks of a principal is evaluating teacher performance and supporting teacher development, which, in turn, supports critical decisions, including the granting of tenure. Yet, California currently lacks effective processes and tools to help principals fairly and accurately assess teachers' performance. After tenure decisions are made, national data also show that our principals have more difficulty dismissing ineffective teachers than their peers in other states because of constraining policies and local contracts. Principals and superintendents say having that authority would have the single greatest influence on student outcomes.

The current difficulty in attracting and retaining effective teachers and administrators will grow over the next decade as school districts will have to replace more than 100,000 personnel because of projected retirements. The challenge will be particularly significant in some of the state's faster-growing regions and in traditionally underserved communities. California's current training programs will not meet these demands. Without dramatic change, we are at risk of placing tens of thousands of ineffective people in our classrooms and leadership positions, likely concentrated in the schools serving the low-income children whose educational disparities we hope to overcome.

Recommendations

We should do everything we can to encourage talented people to work in our schools, to work especially in schools where they are most needed, and to support them so they can succeed. In a true culture of continuous improvement, all staff — teachers, counselors, principals, food service workers, and bus drivers alike — participate in the collective focus on student achievement. All should be valued, and all should receive the necessary professional development and other supports that can make them effective team members. Although our Committee's charge focuses only on teachers and administrators, we believe that effective accountability demands that local educational leaders bring together the broadest professional community to support students.

To teach all students well, teachers must receive quality preparation at the front end and receive ongoing, targeted professional development throughout their careers. Additionally, teachers should have collaborative time to

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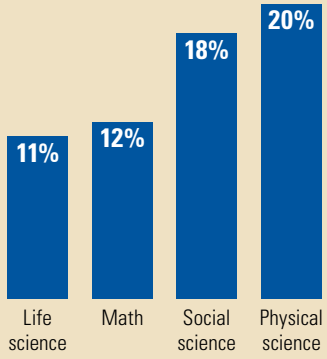
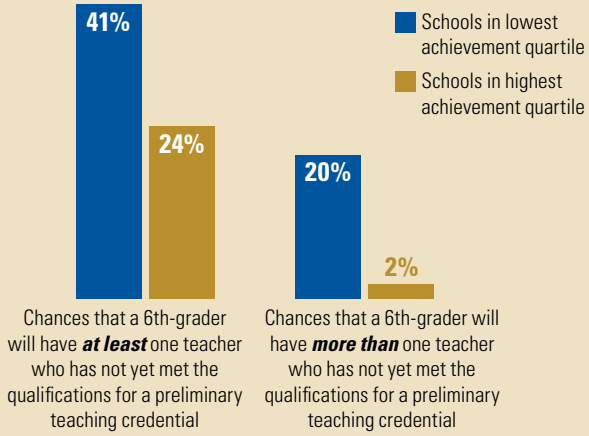
Percentage of High School Teachers of Math or Science Who Are Working Out of Field



Students in Lowest-Performing Schools Are Most Likely To Have Underprepared Teachers



Source: Center for the Future of Teaching and Learning, 2006

develop curriculum and learning plans and review student performance. The compensation system should celebrate and reward excellence, based on professional-model evaluations that are fair and timely. Teachers should have the chance to grow professionally and be compensated accordingly without leaving the classroom.

Principals and superintendents must have the demonstrated knowledge and skills to provide necessary instructional and administrative leadership, create the working conditions that teachers and other staff say are more important than pay to their job satisfaction, and proactively reach out to parents and families. Principals should have sufficient authority to carry out their responsibilities, gaining increased autonomy and resources for producing the best results.

Professionalism also demands that teachers, principals, and superintendents be held accountable for their students' academic progress. A system that puts students at the center allows schools to remove ineffective educators after they have been given the opportunity and assistance to improve.

As we work to improve the effectiveness of all teachers and principals, we must aggressively work to eliminate the gap in the quality of personnel in schools serving children living in poverty as compared to personnel in those serving more affluent students. We propose to build on recent efforts such as those that provide principals at these most challenged schools greater authority in hiring decisions, enabling them to compete for more effective teachers.

Teacher Education Programs Are Deficient

A study conducted by Arthur Levine, who recently left the presidency of Teachers College, Columbia University, to become president of the Woodrow Wilson National Fellowship Foundation, concludes that a majority of teacher education graduates are prepared in university-based programs that suffer from myriad weaknesses. Their admission and graduation standards are low. Their faculties, curricula, and research are disconnected from school practice and practitioners. Program quality varies widely, with most teachers prepared in lower-quality programs. Both state and accreditation standards for maintaining quality in these programs are ineffective.

More than three out of five teacher education alumni surveyed (62 percent) report that schools of education do not prepare their graduates to cope with the realities of today's classrooms. Fewer than half of principals surveyed thought that schools of education were preparing teachers very well or moderately well to integrate technology into their teaching (46 percent); use student performance assessment techniques (42 percent); and implement curriculum and performance standards (41 percent).

Only about one-third of principals said that their teachers are very or moderately well-prepared to maintain order in the classroom (33 percent) or to address the needs of students with disabilities (30 percent). A shockingly low percentage of principals said that their teachers were very or moderately well-prepared to meet the needs of students from diverse cultural backgrounds (28 percent); to work with parents (21 percent); and to help students with limited English proficiency (16 percent).

We should do everything we can to encourage talented people to work in our schools, to work especially in schools where they are most needed, and to support them so they can succeed.

Superintendents, in turn, must be prepared to create and implement the district's vision across all schools, support schools' needs, and ensure that educators are held accountable for performance results. Superintendents must be able to interpret data in a way that advances continuous improvement across the district, to ensure that public funds are spent in ways that benefit the pupils who generate those resources, to motivate a team of professionals to settle for nothing less than steady growth in student achievement, and to turn around underperforming schools. All of this suggests more attention to how superintendents are recruited and trained and to how superintendents are given both the authority and the responsibility to produce quality outcomes.

To strengthen teaching and leadership, the Committee recommends:

1. Professionalize teaching as a career.

Attracting, developing, and retaining effective teachers is essential if we are to ensure the effective classroom instruction that supports continuous improvement of student achievement. Simply improving current programs is not enough. The state should significantly strengthen every aspect of every teacher's experience by implementing a professional practice model that brings local teachers' organizations and district and site leadership together to make teaching a true profession, specifically by:

- Creating career advancement opportunities so that teachers will be able to advance from novice teachers to career, mentor, or master teachers, depending on their interests and abilities; take on leadership roles without leaving the classroom; and receive compensation commensurate with their responsibilities.

- Providing ongoing, job-embedded professional development, with master and mentor teachers providing regular coaching during the school day that addresses the specific development needs of each teacher.
- Basing evaluations on professional standards and student achievement growth, with master teachers and administrators who are trained in effective evaluation techniques observing teachers multiple times during a school year.
- Linking compensation to performance that would directly reward teachers for, among other factors, gains in student academic achievement, additional responsibilities, and demonstrated advancement of their skills and knowledge, as documented by their professional evaluations. Effective teachers who work in shortage areas, such as math and science, should receive additional compensation.

To be clear, this model suggests important departures from today's teaching practice. We contemplate teachers serving in mentor and master roles with full-year contracts and significant release time from teaching, which allows them to share in school leadership, planning, classroom observation, and peer coaching. Teachers in these roles also would participate in the performance reviews of other teachers and work with the principal to develop appropriate professional development opportunities. In such a system, we believe that compensation for all teachers ought to follow a professional model that rewards achievement based on assessments of professional practice, growth in skills, level of responsibility, and student outcomes.

2. Enhance leadership.

Principals, superintendents, and other administrators are critical to promoting and ensuring the conditions that lead to effective teaching and to school and district success. To attract and retain effective practitioners for these challenging positions, they also must benefit from a true professional model that supports their growth and development, rewards their accomplishments, and holds them accountable.

Teacher Advancement Program

The Teacher Advancement Program (TAP) has created a bold new strategy to draw talented people to the teaching profession — and keep them there — by making it more attractive and rewarding to be a teacher. TAP provides the opportunity for effective teachers to earn higher salaries and advance professionally, just as in other careers, without leaving the classroom. Using the four elements the Committee is recommending — career advancement opportunities, ongoing job-embedded professional development, rigorous evaluation, and professional compensation — the TAP program has begun to dramatically change the cultures in participating schools.

TAP serves as a national model for allowing the best teachers to become true leaders and professionals while staying in the classroom. Collaboration among educators, unions, districts, and state education departments is critical to the success and sustainability of TAP. These key stakeholders actively are involved in the program's development at the outset — teachers typically vote to adopt the program — and are well-prepared for its implementation.

The early results from this program are impressive. In its recent evaluation, TAP schools outperformed comparison schools in all six states that were reviewed, as measured by individual student achievement gains from one year to the next. Almost two-thirds of the TAP teachers were able to help their students make greater gains than did teachers in comparison schools.

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We specifically recommend that administrators receive:

- Ongoing professional development that addresses their specific development needs, as well as the needs of their school or district, as appropriate.
- Fair, action-oriented evaluations based on clear professional standards, as well as on student performance within their jurisdictions.
- Compensation that is based on their performance — including their success in raising the achievement of students and in addressing the needs of parents, staff, and other stakeholders.

While these professional employment models for teachers and administrators would apply to all districts, specific program elements would be negotiated locally. The state should rapidly phase in this new approach with focused investments to support performance-based compensation and encourage the local management-labor collaboration necessary to embrace these significant changes. The state should encourage the broadest array of approaches in early phases of implementation so that the most effective models can be identified and adopted elsewhere.

Promising Models of Teacher Preparation

Alternatives to traditional training programs are emerging across the state. Among them are several "grow-your-own" approaches for preparing effective teachers, including:

San Diego-based High Tech High has attracted outstanding teacher candidates with deep content knowledge, many with advanced degrees and real-world experience. However, many of these candidates lack a teacher credential. In partnership with the University of San Diego, the school has developed a successful intern program as an alternative route for these professionals to earn their credentials. This summer, High Tech High opened a graduate school of education and is in the process of securing its accreditation.

Paula Codeiro, the dean of the education school at the University of San Diego, says: "The model of project-based learning, workplace learning, the [student] internships they have — it's unique. If you go to any university, you might not get the kind of training you need ... You certainly won't get it as intensely and customized."

Elk Grove Unified's Teacher Education Institute, a partnership with San Francisco State University's School of Education, allows the district to offer its own teaching credentials, emphasizing the following qualities: (1) teach to increasingly high standards for our students; (2) understand the developmental and cultural needs of our students; (3) develop appropriate curriculum; (4) manage the classroom; (5) plan, implement, and evaluate instruction in all subject areas; and (6) partner with the parents and community.

Participants receive 11 months of coursework taught by university faculty and district employees, plus intensive hands-on experience with master teachers and principals in the classroom, observing and student teaching. Teacher coaches, selected from the district's most effective professionals, receive compensation as an incentive to mentor in addition to other responsibilities. The district hires over 75 percent of program graduates.

3. Narrow the teacher and administrator quality gap.

Even as we implement professional models that will enhance the effectiveness of personnel in all schools, we must take specific actions to rectify the harsh disparities between the qualifications and effectiveness of educators working in schools serving low-income children and those serving more affluent communities. We specifically recommend that additional incentive pay be provided to teachers and principals who are demonstrated to be effective (pursuant to the professional models, above) and who teach and lead in schools that serve high concentrations of low-income and minority students.

We recommend that districts first determine and report publicly which schools have the greatest shortages of effective teachers; these needs assessments would

include comparisons of teacher effectiveness in chronically underperforming schools and those that are meeting state performance goals. Districts then should develop and publish plans to address the identified needs. We also recommend that districts use some portion of their student-targeted resources to pursue two promising practices to increase the number of effective educators who are particularly needed there:

- Improve the overall working conditions of the school, consistent with survey data that describes working conditions as one of the most prominent considerations in determining where teachers work; and
- Provide the necessary supports to reduce attrition from the Paraprofessional Teacher Training Program. This "grow-your-own" program draws on the diverse pool of committed individuals who are already serving in these communities, and moves them to becoming teachers, but has a high attrition rate ascribed to the length of the program and the dual pressures of working while studying for a bachelor's degree and then a credential.

4. Expand the quality and supply of new teacher candidates.

While the strategies discussed above will go a long way in making teaching and educational leadership more attractive as a profession to high-quality candidates, the state also must adopt a more proactive recruitment and preparation plan.

The Committee also recommends deregulating professional preparation so that other entities may offer certification of teachers. The effective monopoly that higher education institutions have enjoyed has resulted in little variation among programs, despite the diverse needs and interests of candidates and the diversity of the student population. Instead, county and district leaders, high-quality charter schools, universities, unions, and others should be authorized to develop alternative pathways to supplement the current fifth-year university training programs and internships.

Among the promising alternatives we identified were integrated local teacher training that builds on the intern model; apprenticeship programs in targeted schools; and exemplary credentials for exceptional candidates. We further recommend that all training programs, including current programs, be certified based on the evaluation of their graduates' performance in the profession.

Use Data Wisely

Move to a Growth Measure To Assess Student Learning

The state's testing system should be improved to ensure that the assessments can measure the growth in individual student performance over time, as well as how close students are to meeting the state's standards. To achieve this, we should "vertically scale" our assessments, as other states have done, allowing parents, teachers, schools, or the state to compare the test scores of a 5th-grader, for example, to that same student's score in the 4th grade or 3rd grade. This is an important measure to ensure that an individual student is making progress, and it allows schools or the state to determine if a specific teaching method or program is working. The Committee considers this to be sufficiently important to revisit or amend the recently negotiated contract for the development of state tests.

In a true culture of continuous improvement, all staff — teachers, counselors, principals, food service workers, and bus drivers alike — participate in the collective focus on student achievement.

5. Expand and strengthen administrator training.

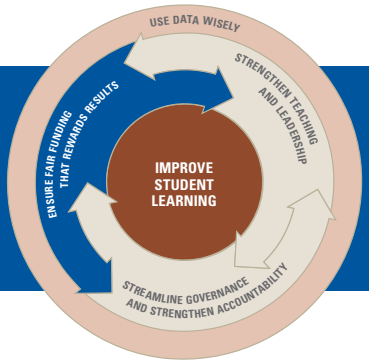
We cannot expect educational leaders to handle the additional leadership responsibilities described in the finance and governance sections (below) unless they are sufficiently prepared. The Committee recommends three changes: deregulating the preparation of administrators by allowing county superintendents and districts to offer integrated training; providing "induction" support to administrators that is modeled after the successful Beginning Teacher Support and Assessment (BTSA) program; and creating an interdisciplinary school turnaround training program to meet the challenges of ensuring accountability.

The technical report discusses these recommendations in more depth, along with their underlying rationales and implementation processes, as well as several additional changes: eliminating the Commission on Teacher Credentialing; creating a "boomer corps" of math and science teachers; creating a "Teach for California" program; encouraging college students to tutor struggling K–12 students; eliminating the Peer Assistance and Review program; and evaluating the effectiveness of all teacher training programs.

What You Should Expect To See

If implemented successfully as part of our proposed systemic reform, these changes will improve student performance by:

- Attracting and retaining more high-quality teachers, principals, and other leaders.
- Keeping more of our best teachers in the classrooms where they are needed most.
- Removing failing teachers and administrators from classrooms and schools.
- Creating incentives for continuous improvement by compensating teachers, principals, and administrators based on performance, not just seniority or degrees.
- Basing rewards, consequences, and training on fairer, more reliable evaluations.
- Ensuring that ongoing professional development is relevant to the specific student achievement challenges facing each school.
- Narrowing the gap in teacher quality between schools serving children from low-income families and those from more affluent families.
- Reducing teacher and administrator shortages.



Priority 2

Ensure Fair Funding That Rewards Results

Make sure that funding: is differentiated and based on students' different learning needs; provides teachers and administrators the resources they need to help all students succeed; and is driven by incentives that promote student learning.

Our Vision

A students-first philosophy will ensure that differential resources are allocated to address individual students' learning needs. Common sense dictates that students who start behind or who are struggling will need additional resources.

California's Current Reality

The Getting Down to Facts project found that just spending more is not likely to improve achievement. The researchers presented unmistakable evidence that the current K–12 system is "not making the most efficient use of its current resources," that "only directing money into the current system will not dramatically improve student achievement to meet expectations," and "what matters most is the way in which the available resources are used."

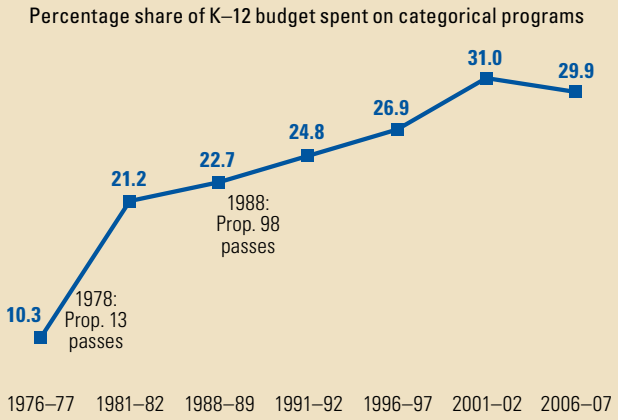
Research also shows that California's current K–12 education finance system is the most complex in the nation but yields little benefits. Core funding is based on anachronistic formulas, neither tied to the needs of individual students nor to intended academic outcomes. In addition, funding is provided for well over 100 discrete categorical programs, each having its own rules, which virtually guarantees inefficiencies and incoherence. To get the funds, schools are forced to create programs that may or may not be useful in advancing student achievement in their communities, and districts have a difficult time developing a coherent, strategic education plan.

Moreover, accompanying each of these programs is a bureaucracy that requires significant investments of personnel to generate and process the generally meaningless paperwork that flows between state and local officials. Principals who have no choice but to dedicate much of their time completing the documentation required to fulfill compliance processes

Where Does the Money Go?

How much state money does each school district receive? California's finance system is so complex that the Legislature has had to retain the State Auditor and now a private-sector researcher to answer this fundamental question. When the state cannot answer such a question without high-level help, if at all, it is impossible to answer more important questions, such as how the funds are being used locally and whether the spending is effective and efficient.

Categorical Funding Has Grown Threefold



Source: Committee analysis using data from Governor's Budget and Legislative Analyst's Office

How Out of Control Is the Categorical System?

The complexity of California's finance system, with its Byzantine formula of state reimbursable mandates and categorical funding, has spawned an entire industry of consultants, accountants, lawyers, and others whose job is to help school districts figure it out. Each year, districts pay for help navigating the state's categorical funding system using money that could be used to pay for books, lab equipment, or teachers' salaries.

for ***each categorical program*** have little time to spend in classrooms and assist teachers in their role as the instructional leaders of their schools.

Despite having more than 100 discrete programs that range from $1.8 billion for K–3 class size reduction to $250,000 for civics education, few of these funds are targeted at students with disadvantages — much less so than in other states, according to the Legislative Analyst's Office. The Public Schools Accountability Act tried to remedy this shortfall by providing additional funds to low-performing schools, but the unintended consequence has been to unduly punish precisely those schools and districts that have been successful at serving disadvantaged students. Ultimately, these funds are subject to the whims of the Legislature, which may fund a given program in any one year only to abandon it in favor of another program in subsequent years.

In allocating monies based on compliance with rules — rather than on program outcomes — our finance system does not contain incentives to promote student achievement. Thus, districts, schools, and employees receive the same funding for taking actions, regardless of whether they produce results. Districts, schools, and individuals should be rewarded for improving student achievement, supported in efforts to do better, and held accountable when they consistently fail to meet the needs of students.

Finally, the Getting Down to Facts research showed that despite generations of effort to equalize funding and to treat like students alike, vast resource inequalities exist between students with similar learning needs, both within a single district and across districts. In other words, our current system is not equitable; it is not efficient; and it is not sufficient for students who face the greatest challenges.

Recommendations

A students-first philosophy means that all schools must have a steady supply of highly effective teachers and administrators. These professionals must have adequate resources to teach all students to high levels — and have meaningful incentives to continuously improve their practice.

Following the Getting Down to Facts studies, we agree that more funding is needed to meet the needs of students, particularly those who have been underserved by the system to date. ***However, additional funds will significantly benefit students only if they are accompanied by extensive and systemic reforms in other key strategic areas.*** We see finance reform as making possible the changes we have discussed by: making funding flexible, targeting significant additional resources to underserved students, and rewarding excellence — all aimed at substantial gains in student outcomes.

We expect that all districts and all communities will benefit from this set of changes. For some schools and districts, these changes will result in greatly increased resources. For others, while funding may increase only modestly, increased flexibility and freedom from compliance-driven time and cost burdens will yield a different sort of windfall; for the first time in a generation, local school officials will have the authority to make decisions in the best interests of their students, not in compliance with legislative fashion. As we describe in the next section on governance, we expect and hope that as resource decisions shift from the state to the community, parents and other citizens will take a more active role in school affairs.

To ensure fair funding that rewards results, the Committee recommends:

1. Transition to a student-centered funding model.

The state should, over a period of years, phase in a new system that allocates funds based on the needs of individual students, replacing most of the current potpourri of categorical programs. Such a system would:

- **Provide a base level of resources for every student and then provide additional resources for students who need the most help — particularly those from low-income families and those who are English learners.** Funding levels for students with targeted characteristics should be significantly higher than the current level of support; from our investigations, we believe that the appropriate initial levels of augmentation above the new base are 40 percent for students from low-income families and 20 percent for English learners, the latter applying for limited duration, as discussed below.

  Recognizing that the conditions in which our children learn change continually, and that it will likely take five to ten years to reach the proposed base and augmentation funding levels, we recommend that the Governor and Legislature create a mechanism to periodically review these target funding levels to determine what is appropriate for California students' contemporary needs.

Our current system is not equitable; it is not efficient; and it is not sufficient for students who face the greatest challenges.

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- **Consolidate most existing categorical programs into this new student-centered funding model.** Current categorical programs may contain good ideas for improving achievement; we believe that empowered local educators who are held accountable for results should choose which of those services to implement locally. Exceptions to the blanket consolidation would be made for programs with federal matching fund requirements, such as special education, adult education, preschool and child care, and regional occupation centers and programs.

Promoting Innovation

It is more painful than ironic that a state admired worldwide for its open embrace of innovation and creativity has a system of public education that stifles the very forces that lead to new discoveries, invention, and bold steps forward. Our work convinces us that encouraging innovation will be just as important a cultural shift as other changes we are advancing: placing students at the center of our public education system, streamlining regulations, redirecting resources, and using information to provide transparency.

Use Data Wisely

School-Level Financial Data

Require districts to provide accounting data at the school level, using actual cost data (not district averages). This accounting method will promote the equitable distribution of general funding and help ensure that the recommended additional funding for low-income students and English learners actually is used for those students. Information highlighting the current inequities of funding across schools within a district will assist parents and community organizations to redress those inequities at the local level.

- **Ensure that targeted funding gets to schools whose students generate it. Schools serving disadvantaged populations would be provided substantially increased targeted funds to promote strengthened programs that will lift their achievement:**
  - For schools that are meeting both performance and growth targets, require each superintendent to report annually to his or her board on the district's budget, identifying the ways "targeted" funds are to be used to support the students who generated them.
  - For schools determined to be "failed schools" under the new accountability system, the local board will be required to ensure that targeted funding is directed to the schools serving those students, allowing minimal exceptions to be approved by the local school board, where those exceptions can be demonstrated to positively impact the targeted students.
- **To mitigate fiscal incentives to overclassify English learners, limit the number of years that any student can generate funding as an English learner.** Over half of California's 10th-grade English learners have been in U.S. classrooms for their entire school careers. Districts would receive full additional funding for English learner students for their first three years, gradually declining to 25 percent by year 6 and ending altogether in year 7.
- **Make school budgets more understandable.** This way, the public can clearly see the total resources (i.e., the value of the personnel, supplies, and services) that reach each school under the new funding system.

- **Ensure equitable funding for charter schools.** This includes allowing greater access to facilities and local bond funds under the requirements established in Proposition 39.

2. Provide financial incentives to reward schools — including charter schools — that succeed.

The state should reward those schools that succeed in creating a continued focus on improving student achievement. First, the state would provide financial rewards to school districts, or their charter school counterparts, on behalf of the schools that were determined consistently to be meeting achievement benchmarks.

To minimize volatility, the state would use a value-added measure of student growth over a multiyear period to determine if a school was eligible for a reward and would grant the reward over a period of several years to ensure that schools could use the funds for ongoing purposes that are likely to continue the school's success, should they deem that appropriate.

3. Create greater funding stability.

The state should provide greater fiscal stability and predictability to the education system by aligning fiscal calculations employed within Proposition 98. Specifically, we recommend using the same base year to calculate (1) personal income data and (2) General Fund revenues, thereby mitigating the misalignment that results in average differences of $1 billion annually between the adopted state budget and final spending on public education.

We see finance reform as making possible the changes we have discussed by: making funding flexible, targeting significant additional resources to underserved students, and rewarding excellence — all aimed at substantial gains in student outcomes.

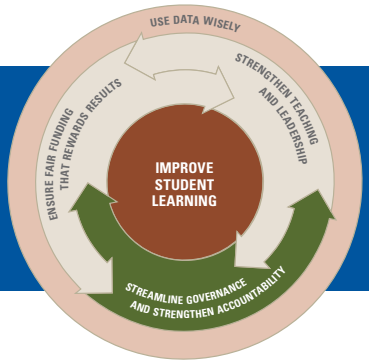
We further recommend that the state establish an education finance reserve by setting aside unexpended moneys that are placed in the Proposition 98 Reversion Account, once the state has met the facilities obligations of the *Williams* settlement that use those funds. This would help reduce the boom/bust cycles in education finance that accompany economic expansion and downturns.

The technical report discusses these recommendations in more depth, along with their underlying rationales and implementation processes, as well as improvements to the AB602 special education funding system, creation of an ongoing innovation and research program, retiree health benefits, expansion of schools' contracting authority, and further efforts to correct additional special education concerns.

What You Should Expect To See

If implemented successfully as part of our proposed systemic reform, these changes should help improve student performance by:

- Using incentives to promote student achievement and continuous improvement.
- Ensuring that students who have extra needs get extra resources.
- Improving efficiency by reducing the reliance on categorical programs, all with their own rules and red tape.
- Allowing parents and policymakers to easily track where money goes.
- Holding decision makers accountable for their funding choices.
- Allowing local educators, rather than the state, to choose the best programs to meet community needs.
- Linking decision-making authority with control of resources.
- Encouraging innovation, but pilot projects will be automatically sunsetted and subjected to a rigorous evaluation.



Priority 3

Streamline Governance and Strengthen Accountability

Get the governance, accountability, and incentives right so that roles and responsibilities are clear and coherent, and all players (state, district, and school) are held appropriately accountable for ensuring that all students learn at higher levels.

Our Vision

To ensure that everyone stays focused on continuous improvements in student achievement, all participants must be clear about their responsibility and authority. The best governance systems align accountability and authority and focus on monitoring outcomes, not regulating inputs.

California's Current Reality

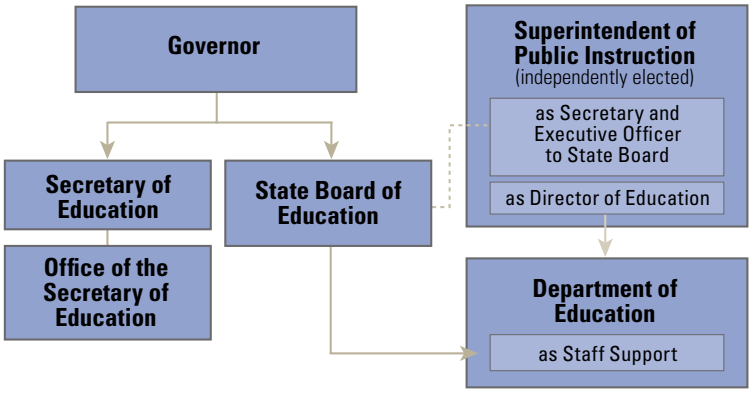
The problem with California's K–12 governance system is that everyone is in charge, and no one is accountable. The Getting Down to Facts studies say the state's K–12 governance system is a "remarkable crazy quilt of interacting authorities that are not aligned, for purposes of accountability or action" and falls short in each of the five key attributes of effective governance systems: (1) stable, (2) accountable, (3) innovative, flexible, and responsive, (4) transparent and open, and (5) simple and efficient. In California, by contrast, too many entities lack clear lines of authority, resulting in ineffective operation, rigid controls, and confused accountability at the state and local levels. Parents looking for answers get lost in a maze of pointing fingers.

State control gradually has increased since passage of Proposition 13 and the *Serrano v. Priest* court decision in the 1970s, which made the state principally responsible for K–12 funding allocation. Over time, the state has exerted increasingly greater control over how school districts spend that funding. This approach has reduced our schools' ability to fully benefit from the standards-based reforms that were implemented beginning in the mid-1990s.

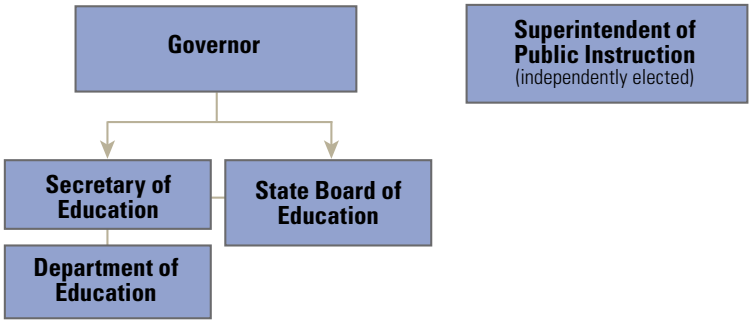
Not only are local educators not effectively supported by the state, their efforts can be impeded by state operations. The regulatory process is so lengthy that policies enacted by the Legislature routinely take three years to affect local schools. Just to build a new school requires more than a year of interaction with at least five state bureaucracies. California also has a highly

A Complex System

Now



Proposed



regulatory Education Code, with more than 100,000 sections and 2,218 single-spaced pages, more than any state save Texas. The code's complexity requires significant time and expertise to navigate, makes the system impenetrable to parents and professionals alike, and symbolizes the culture of compliance and regulation that dominates every aspect of schooling in the state.

In a culture of compliance, district personnel operate in isolation, with each individual focusing on the specific statutory requirements of his or her program without considering the district's overall education priorities or how the district's multiple programs should work together. Because the state continually adds new categorical programs and requirements, districts constantly are focusing on how to implement the newest program without considering how the various programs interact.

Moreover, when it implemented high-stakes accountability, California layered new mandates on top of our existing compliance-driven system, making accountability one more set of requirements instead of freeing educators from operational constraints so that they could fairly be held accountable for improving achievement. In contrast, other states deregulated their education systems to help support and enable their high-stakes accountability systems to deliver results for students.

Our current accountability system is focused on failure and ironically directs a seemingly endless stream of resources to underperforming schools that are not linked to improvement and, in fact, go away if the school improves. Not surprisingly, such perverse incentives have limited success. Accountability also requires valid and reliable integrated data. Currently, data relevant to education (i.e., K–12 education data, higher education, workforce, and social services) are maintained by distinct state and local agencies, with no overarching entity in a position to design and implement bridges between them.

Recommendations

California should return primary decision-making authority to local entities (counties, districts, and schools), while strengthening essential state functions. Although we call this a system of local control, it must be understood that the state plays numerous important roles and ultimately is responsible for the education of California students. But those roles must become more focused on ensuring that every student has the quality of education he or she deserves and on enabling local schools to provide that education.

True accountability will enhance the quality of education offered to every student. ***True accountability will foster continuous improvement*** by providing useful information, insight, support, and incentives in the form of authority and resources to educators and their communities so that everyone can participate in promoting student achievement. Accountability always will provide the ultimate recourse for students in schools or districts that fail; but far more important, ***true accountability will support the attainment of high standards for all students and prevent failure.***

To streamline the convoluted governance system and strengthen accountability, the Committee recommends:

1. Provide greater local autonomy.

Transforming the system from a culture of compliance to a student-centered culture of continuous improvement against rigorous state standards will require clarifying local roles and responsibilities. Specifically:

- **School districts.** Freed from the burdens of concentrating on state compliance requirements, districts will offer more support for local school improvement efforts. Initial priorities should include shaping the new teacher and principal evaluation system, helping educators use data and analysis to improve instruction, and determining how best to target additional new funds for disadvantaged students. Districts should think of schools as their consumers and allow them to define the services the district delivers.

Charter Schools Provide a Laboratory for Innovation

In 1992, the California Legislature established charter schools, publicly funded schools authorized by local districts to "operate independently from the existing school district structure." Charter schools are free from many of the regulations that burden district schools and are held accountable for achieving high levels of student achievement. In these ways, charters represent the link between accountability and authority that the Committee recommends to become the norm across the system.

Since 1992, more than 600 charters have been granted. Research suggests that charters in California tend to serve higher percentages of students in poverty and students of color than their district-operated counterparts and that the performance of these students, in general, is slightly better than that in district schools.

This evidence does not suggest that charter schools are, by themselves, a panacea. However, we believe that the original purpose of charters — to provide parents with choice, to provide competition that spurs improvement, and to provide a test-bed for innovation and experimentation — continue to be important objectives and that charter schools are and ought to remain an important part of California's education landscape.

To better fulfill their mission, charters need to participate fully in the state's funding system, with dollar-for-dollar equality in student funding and equitable access to public school facilities and facilities funding. The state should examine alternatives to the current charter authorizing system. In the current system, some school districts embrace and work well with charters, while others obstruct them because they view them as competitors. Options could include strengthening the current appeals process or providing for alternative authorizers, such as county offices of education.

- **School-level autonomy.** Successful schools should earn progressively increased autonomy (including over personnel, programs, and budgets), allowing more decisions to be made closer to the students they serve. As more decision-making authority is shifted to schools, principals will need to work with teachers, parents, students, and other stakeholders to set the direction for the school and to review data on performance aiming at improvements that can increase student engagement and student achievement to foster buy-in by the entire staff.

Use Data Wisely

Explore the Range of Innovative Uses of a Data System

The new statewide student longitudinal data system should support school district improvement efforts and schools' instructional strategies, not just help meet No Child Left Behind Act reporting requirements — which is its current limited focus. The state should immediately fund a study to learn from districts, counties, and charter organizations that already are using data well to inform the cycle of academic improvement. This will require the state to waive laws and regulations that now impede the effective use of data.

Make Information Usable by Stakeholders

Too much of the data we collect, much less the data we intend to collect, is inaccessible to most parents, students, teachers, and even researchers. In other fields, California companies are at the forefront of making massive amounts of data useful to untrained users at the click of a mouse. The state should create a public/private partnership that takes advantage of this expertise. Giving everyone appropriate access to timely and actionable data would make the entire system accessible and, thereby, more accountable. The state also should develop the expertise to transform data into information that local districts and schools can use. This will require returning to local districts analyzed, student-based, vertically scaled information that can inform instruction.

- **County superintendents and offices of education.** County-level priorities should be to: maintain oversight and intervention responsibilities for districts' fiscal operations; support various administrative functions delegated by the Secretary of Education; provide support to the Superintendent of Public Instruction when direct intervention is needed to recover failed districts (and sometimes schools); and oversee compliance with federal and state requirements.

2. Streamline and deregulate the education system.

Replacing categorical programs, each with rigid rules, with student-centered funding is an important first step. The state also should create a commission, appointed jointly by the Governor and the Legislature, to conduct a comprehensive review of the Education Code and recommend a statutory streamlining of the multiple mandates. The Education Code should apply only for a set period — it should "sunset" in whole — and then be re-examined periodically to determine which laws should continue, after which a revised code would be reauthorized for another set period.

3. Reform the convoluted state governance system.

The state should maintain its ambitious academic standards and identify aligned curriculum designed to ensure the success of ***every*** student; help districts identify and implement best practices; provide adequate resources; and collect, analyze, and disseminate essential data and information to ensure that resources are being spent effectively to enhance student learning.

The state also has the ultimate responsibility for measuring and maintaining quality, for ensuring that all underperforming schools and districts receive the support they need to improve, and for imposing clear and mandatory consequences for failing schools and districts. In assigning these functions, the state agency that funds and supports districts and schools should be separated from the agency that holds those same districts publicly accountable. Thus:

- **The Secretary of Education** would be responsible for education policy, finance, and program responsibilities (as manager of the California Department of Education). In carrying out these responsibilities, the Secretary should focus the department on supporting districts in implementing effective programs, using data to inform instruction, and supporting continuous improvement.
- **The Superintendent of Public Instruction** would serve as an independent guarantor of success throughout the system, responsible for all accountability functions. This would include maintaining an integrated data system, overseeing state assessments, creating and managing an independent school inspectorate process, overseeing a regional system to support districts, ensuring that interventions take place, performing necessary audit and compliance functions, and apprising the public of performance and program effectiveness from the classroom to the state. (Until our recommendations to reconstitute the office of the Superintendent to eliminate conflicts of interest within its responsibilities, we recommend that an independent education data commission be instituted to build cooperation among state agencies while avoiding narrow or parochial views from the perspective of a single data source provider.)
- **The State Board of Education** should be advisory, providing guidance to the Secretary and Governor. It should serve as the hearing body for regulatory concerns decided by the Secretary.

California should return primary decision-making authority to counties, districts, and schools. Although we call this a system of local control, the state plays numerous important roles and ultimately is responsible for the education of California students. But those roles must become more focused on ensuring quality and enabling local schools to be more effective.

District Involvement Is a Critical Element of School Reform

Districts play a critical role that can make or break a school reform effort. While some outstanding school leaders can succeed without focused help from their districts, most schools need the support of their districts to make the reforms successful. The research verifies this. The American Institute of Research (AIR) concluded in the evaluation of California's two school intervention programs — the Immediate Intervention for Underperforming Schools and the High Priority Schools Grant Program — that the programs were ineffective, wasting millions, if not billions of state dollars. On further investigation, AIR found that successful interventions were coupled with rigorous district management and support of the process.

These roles should be changed after January 2011, to allow effective transition planning and legislative action and so that current elected and appointed officeholders will have the opportunity to continue overseeing the functions they anticipated when taking office.

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Overhaul the School Accountability Report Card

Currently, schools are required to produce an annual document called a school accountability report card, or SARC. These documents are full of information about each school, but they have three limitations: They aren't collected anywhere, making comparisons impossible; they are inconsistently implemented; and they notoriously are hard to read. In other words, these critical documents aren't very useful. The state should invest in a database solution to standardize the school reporting process and develop an electronic version of the report card. These changes would allow meaningful comparisons of schools by parents and policymakers and would encourage Web designers to create flexible, user-friendly presentations that would make the information more accessible, rich, and easy to find.

4. Create a regional support system to provide oversight for all districts and interventions for struggling districts.

County superintendents and their offices, particularly through their network of regional alliances, are in a better position than Sacramento to support recovery efforts in troubled local districts and schools. These offices would: monitor local compliance with state and federal mandates; create academic crisis management and assistance teams to help districts that are academically bankrupt or otherwise require academic intervention; and directly intervene in failing districts. We envision a separate intervention strategy for each struggling district, tailored to specific circumstances within the guidelines described below.

5. Institute a school inspection system.

To provide essential information about why a school's program is or is not working, the state should implement an inspection system similar to those used successfully by several European nations and, most recently, New York City. Site visits by experienced external inspectors would examine how well schools are gathering and using data to monitor student performance; setting goals and developing plans; implementing these plans; aligning academic standards with instruction; building and aligning staff skills and expertise; and monitoring and revising improvement plans based on regular evaluations of student progress. They also would ensure that the school is receiving adequate district support.

Inspectors report publicly on their findings within just a few weeks, enhancing accountability through public engagement. Then, inspectors advise the school on corrections needed to make improvements in deficient areas and help the school monitor its own progress and make its own improvements. By quickly illuminating areas needing improvement and identifying whether a school is capable of improving itself, the inspection system provides a vital component of the state's intervention system.

6. Institute clear intervention rules.

The state should move toward a zero-tolerance policy for chronically low-performing schools and districts. If a school continues to underperform after the programmatic assistance described above, the state should take more drastic actions by assigning a trustee with broad executive powers to the school. The trustee should have the authority to convert the school to a charter school, assign the school to a neighboring successful district or county office, assign control of the school to an education

management organization, or reorganize the school. The state should use multiple measures to determine if a school is not meeting expectations, including the overall level of student performance, No Child Left Behind status, value-added measures of improvement, and school inspections.

7. Promote choice for families.

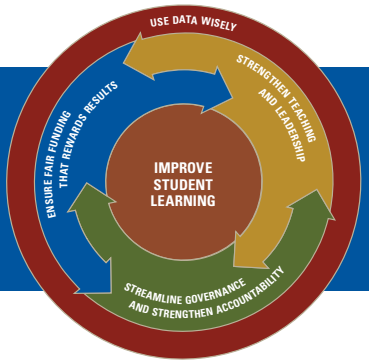
Families in California currently may choose among a variety of public school options, including the range of district schools, charter schools, and others. However well-established in law it may be, the practice of choice is more illusory than real. In order to make real choices available to parents, we recommend full equalization of funding between district and charter schools and full disclosure, district by district, of the education options available to students. Such disclosure will rely on and be advanced by easier-to-use information tools and by a data system that will allow real comparison of available options.

The technical report discusses these recommendations in more depth, along with their underlying rationales and implementation processes.

What You Should Expect To See

If implemented successfully as part of our proposed systemic reform, these changes should help improve student performance by:

- Clarifying roles and responsibilities at the state, county, district, and school levels.
- Focusing everyone, regardless of specific role or responsibility, on student performance.
- Eliminating conflicts of interest when the same state office is responsible for program development and implementation along with evaluation and accountability.
- Promoting the integrity of data and accountability for results.
- Streamlining the bureaucracy and simplifying overly complex rules that now place a premium on compliance, not student success.
- Aligning policy, finance, and program in the Governor's office with ultimate accountability for the system resting there.
- Transitioning to an accountability system that relies on the growth in student academic achievement.
- Moving responsibility for assistance away from Sacramento, closer to schools and classrooms.
- Supplementing test scores with more in-depth analyses of school performance, with constructive recommendations for change.



Create a Foundation for Continuous Improvement

Prepare our children for success from the earliest age.

Our Vision

A student-centered system recognizes that many learning needs are developed before students reach the classroom and ensures that our youngest children receive the quality preschool and kindergarten education that will help them come to school prepared for success.

California's Current Reality

Too few children arrive at school ready to learn. Our expectations for students in kindergarten continue to increase, enhancing the disadvantages of children who begin school without the necessary skills that quality preschools can provide. Many children living in poverty reach 1st grade two years behind their peers — though they are only 6 years old. Only 50 to 60 percent of eligible 4-year-old children are served in some form of child care or preschool program. And even as current programs support some of our children from low-income families, affordability poses a barrier to effective preschool for many children whose families come from all income levels.

Although the educational programs we provide to our youngest children stand distinct from our public school system, early childhood education (ECE) programs easily rival the K–12 system for complexity and irrationality. University of California, Berkeley, researchers have characterized California's current ECE offerings as consisting of "disparate funding streams, regulations, and family eligibility requirements." The educational quality of these programs is mixed, and we do not have the data or analytical capacity to know how well they are preparing young children for kindergarten success. Too few teachers receive sufficient preparation, and programs are aligned insufficiently with K–12, and with kindergarten in particular, to ensure that what children are learning in preschool is preparing them to be successful in kindergarten.

Recommendations

A culture that puts students first should start with its youngest students. Research and common sense show that waiting until kindergarten or 1st grade to begin educating our children is educationally foolish and fiscally unwise. Accordingly, although it was outside the scope of our Committee's initial charge, we recommend that the state adopt a series of inter-related changes to strengthen preschool and kindergarten services.

Placing students at the center means ensuring that all youngsters get off to a strong start; research shows quality preschool programs improve student readiness for school, yield higher academic achievement, reduce special education placements, and produce such downstream benefits as higher earnings, reduced reliance on social services, and reduced crime.

Adopt a Comprehensive Early Childhood Package

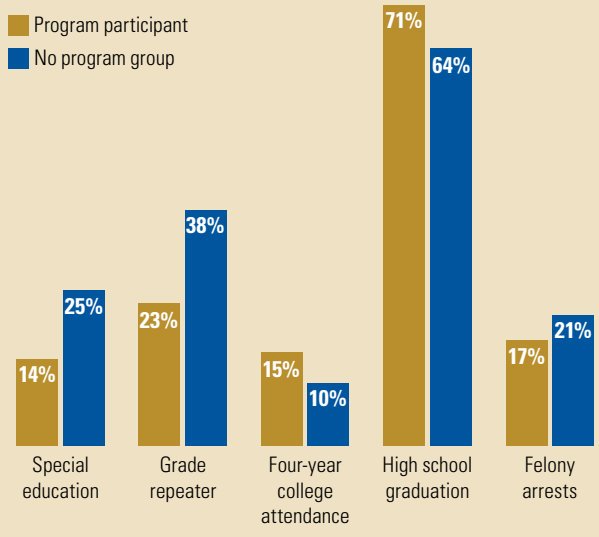
California should provide every child with quality preschool opportunities to ensure that they begin school ready to undertake the challenges of kindergarten and the primary grades. We should ensure that these programs have standards that ensure all children have an equal opportunity to learn, and that teachers will have the knowledge and skills to address a range of student needs and ensure effective learning. Specifically:

- **Move toward universal preschool in phases.** The state should set a goal of universal access to preschool, but first: (1) expand access to subsidized preschool to all low-income students (those eligible for a free/reduced lunch) over a five-year period, and (2) target universal access to communities with high concentrations of low-income students.
- **Continue mixed-delivery system for preschool, but utilize consistent standards and funding.** The current mixed-delivery system includes public and private providers of preschool and child care that are funded from a variety of sources (federal, state, and local) and are subject to different program requirements and standards. While preserving this diversity, the state needs to begin moving all providers toward a set of high-quality standards by establishing preschool learning standards (such as the preschool foundations currently being developed by the California Department of Education); developing one set of regulations for all providers, regardless of funding source; and transitioning to a single financing structure under which all providers would receive the same rate for the preschool portion of their programs, regardless of funding source.

The Benefits of Quality Preschool

The Chicago Child-Parent Centers conducted a preschool experiment starting in 1985. The program provided half-day preschool to economically disadvantaged students in specific neighborhoods in Chicago and tracked those students, as well as matched students from neighborhoods not receiving preschool. The students participating in the preschool program have had higher educational outcomes, including higher standardized test scores, higher graduation and college attendance rates, and fewer placements in special education. In addition, the participants were less likely to have repeated a grade, been incarcerated, or committed a felony. These outcomes show the potential benefits from quality preschool.

Results from the Chicago Child-Parent Centers



Source: Journal of the American Medical Association's Archives of Pediatrics and Adolescent Medicine, 2007

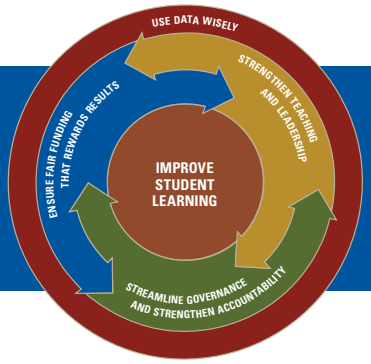
- **Make strategic investments in preschool quality.** Although the quality of the current subsidized preschool programs has not been measured, it is likely that many or even most of them do not meet the high-quality threshold that yields the kinds of benefits discussed above. To get a return on the state's current investment and achieve the expansion proposed by the Committee, the state will need to invest in preschool staff training; standardize training requirements to make courses transferable; and use data to monitor provider performance and to provide information to parents.
- **Measure and provide incentives to promote preschool quality.** To help families make better choices and create incentives to improve quality, the state should phase in over three years a standards-based rating system that provides a quality rating for each preschool serving publicly subsidized students. To help finance investments in improved quality (including higher salaries for better trained staff), the state should provide increased funding to centers receiving consistently higher ratings.
- **Expand full-day kindergarten.** Provide incentive grants, including start-up and facility support, to districts serving disadvantaged students to support their transition to full-day kindergarten. Participation by California students in full-day kindergarten is estimated at approximately 30 percent, compared to approximately 60 percent nationally.
- **Delay the age at which children enter kindergarten.** Over a period of three years, shift the birth date by which children become eligible to start kindergarten from December 2 (one of the nation's latest) to September 1. This will help ensure that children are more mature and ready to benefit from school; and yield approximately $700 million per year in savings for roughly 13 years (the period during which the smaller cohorts will move through the system). The state can use these savings to expand preschool and/or full-day kindergarten offerings.

The technical report discusses these recommendations in more depth, along with their underlying rationales and implementation processes.

What You Should Expect To See

If implemented successfully as part of our proposed systemic reform, these changes should help improve student performance by:

- Ensuring that all students have a strong, early start.
- Ensuring that all service providers meet high-quality standards while preserving the system's diversity of programs.
- Providing preschool staff with training to improve their effectiveness.
- Measuring results so that parents and policymakers have the information they need to make sound decisions.
- Offering incentives to promote continued improvements in program quality.
- Expanding full-day kindergarten to more disadvantaged students.
- Ensuring that students are mature enough to begin kindergarten.



Conclusion

The changes we propose will not happen overnight. It took years for California's current convoluted and dysfunctional system to evolve; we'll need a carefully phased process to dismantle it.

Change is difficult. The changes we propose challenge the comfort of the status quo. We understand that. But we trust that our recommendations will appeal to the common sense of the public, and in turn, strong public support will fortify the courage of policymakers to do what must be done if California is truly serious about putting students first.

The real efficiencies arise when professionals are able to focus their attention on raising student achievement instead of figuring out how to work around a system that impedes them at every turn.

The changes we propose do not come without economic consequences. Our approach has been to identify the systemic reforms needed to meet students' needs and, only then, to determine the costs associated with our recommendations. We are confident that the changes we have suggested will create greater efficiency in the use of resources. Moving the kindergarten entry birth date to September 1, for example, will save the system an average of $700 million per year for 13 years. But, to be clear, the real "efficiencies" we anticipate are not easily quantifiable; they are the efficiencies that arise when professionals are able to focus their attention on raising student achievement instead of figuring out how to work around a system that impedes them at every turn.

In addition, we believe that the changes we recommend will release more time and dollars back into the system, where they can be used more productively to increase student achievement. For example, eliminating the compliance reporting on categorical funding will give administrators back time they can spend working with teachers and students and will create actual dollar savings as districts and the state need fewer compliance officers and consultants to decode and manage the system. It will take time to understand the magnitude of these savings.

On the cost side, we are similarly cautious. Many of the changes we recommend will be phased in over time; the cost of others is determined by their scope; and, still others, notably a data system of the magnitude and quality we suggest, need to be estimated by experts. That said, it is clear to us that the system we propose cannot be funded with existing resources alone. Our proposal to create differential funding for students

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in poverty and English learners, when fully phased in, will cost an additional $5 billion. Our proposal to fund targeted expansion of preschool will cost $1.1 billion.

We have an opportunity, in the coming years, to make a down payment on the system we propose. Based on the most recently available economic projections (May Revision 2007), the state's education budget will grow beyond base costs by $6–7 billion over the next six years under Proposition 98. Because these dollars will come at a time when enrollment is forecast to be relatively flat, California has an extraordinary opportunity to use this money to implement these recommendations and so help produce the type of achievement that our students deserve — provided, of course, that the new investments are not used simply to perpetuate and expand a flawed system.

We envision a public education system that educates all students well and is committed to a cycle of continuous improvement. With student learning the focus of every action, our new system will build a powerful linkage among well-prepared, effective teachers and administrators; a funding process that targets resources fairly and rewards results; and a governance and accountability framework that allows those closest to students to make the key decisions, but intervenes when necessary to ensure that every student is being served. Such a system will embrace the use of data and information — to drive needed changes, to keep parents and the public informed, and to hold itself accountable for steady gains, year after year.

We are confident that California is ready for changes of this magnitude. Year after year, the public tells us that education is one of their highest priorities; they understand that a good education is the gateway to a good life and prosperous, vibrant communities. We have a Governor who has demonstrated strong leadership on issues ranging from stem cell research to global warming. We have a Legislature that has indicated an eagerness to improve our schools. We have some of the country's strongest standards, most committed educators, and most talented students. With the public and our leaders aimed at creating a new system by which our schools improve continuously over time toward the high standards we have set for all children, we cannot fail, and we must not.

Combining common sense and courage, let's work together to build on these strengths, make no excuses, and do what it takes to once again become the nation's leader in creating opportunity for our children and hope for our future.

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