



### **RACE TO THE TOP: Obama, Duncan Outline Requirements of \$4.35 Billion Program**

On July 24, President Obama joined **U.S. Secretary of Education Arne Duncan** to announce the criteria states must meet to win a competitive grant under the \$4.35 billion Race to the Top Fund. "Better standards. Better teaching. Better schools. Data-driven results. That's what we will reward with our Race to the Top Fund," Obama said.

With that short series of declarative sentences, Obama put an end to months of questions and maneuvers by states in an effort to paint themselves in the best light and gain an edge in the competition. The deep budget gaps that many states are facing make the Race to the Top competition even more critical for states looking to enact education reforms.

As reported by the <u>Washington Post</u>, several states have made proactive moves to position themselves to compete for Race to the Top funds. For example, Colorado has passed laws to align state and federal goals on turning around low-performing schools, linking teacher and student data, and helping students at risk of dropping out. "I have read every speech that Arne Duncan and President Obama have given on education like a literary critic," said **Colorado Lieutenant Governor Barbara O'Brien (D)**. "We all know Colorado needs this money. Nobody wanted to be the group that threw up the roadblock that would kick us out of the competition."

Of course, Colorado is far from the only state facing money problems. According to a <u>June 2009</u> report by the <u>National Governors Association and the National Association of State Budget</u>
<u>Officers</u>, fiscal conditions deteriorated for nearly every state during Fiscal Year (FY) 2009, and weak fiscal conditions are expected to continue in FY 2010 and possibly into FY 2011 and FY 2012. As a result, states must fill the more than \$183.8 billion in budget gaps between FY 2009 and FY 2011, after previously closing gaps totaling \$46.2 billion.

Authorized under the American Recovery and Reinvestment Act (ARRA), the Race to the Top Fund was designed to encourage and reward states that are most aggressively creating the conditions for education innovation and reform.

"This competition will not be based on politics or ideology or the preferences of a particular interest group," Obama said. "Instead, it will be based on a simple principle—whether a state is ready to do what works. We will use the best evidence available to determine whether a state can meet a few key benchmarks for reform—and states that outperform the rest will be rewarded

with a grant. Not every state will win and not every school district will be happy with the results. But America's children, America's economy, and America itself will be better for it."

Under the draft guidelines issued last week, the U.S. Department of Education proposes to give priority to states with a comprehensive approach to the four areas of reform laid out in ARRA: developing internationally benchmarked standards and assessments; establishing longitudinal data systems; improving teacher and principal effectiveness; and providing intensive support for low-performing schools.

Within each area of reform, the department has proposed requirements that states must meet. For example, states must participate in the development of common standards and develop and implement standardized assessments aligned to these common standards. Currently, forty-six states and the District of Columbia have signed on to a <u>state-led effort to develop common standards</u>.

The department will also consider the extent to which the state has structures in place that permit alternative certification programs for teachers, plans to increase the effectiveness of teachers and principals and improve teacher distribution to hard-to-staff areas, and plans to use multiple rating categories to make decisions that include teacher tenure and dismissal procedures. It will also be looking to see if a state has a plan to link student achievement data to teachers and principals and track that information back to the credentialing programs. Obama was careful to point out this criterion in his speech. "Any state that makes it unlawful to link student progress to teacher evaluations will have to change its ways if it wants to compete for a grant," he said.

The department will also examine each state's charter school laws and its plan to identify, at minimum, the lowest-performing 5 percent of schools (or lowest-performing five schools, whichever is larger). It will also evaluate state plans to support school districts with coherent turnaround plans for schools and flexibility to the school leadership.

Finally, to be eligible for consideration, a state's data system must include all twelve of the elements from the America COMPETES Act. <sup>1</sup> Each state must also ensure its data system is accessible and it must increase the use of assessments to inform instruction.

Stakeholders will have thirty days to comment on the proposed guidelines that were issued last week. After that point, the Department will issue final rules and will begin accepting grant proposals from states. It plans to award Race to the Top grants in two phases—one near the end of 2009 and the other in spring 2010.

More information about Race to the Top, including the proposed guidelines

### President Obama's complete remarks

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<sup>&</sup>lt;sup>1</sup> The first ten elements of the America COMPETES Act are the same as those endorsed by the <u>Data Quality Campaign</u>. The two additional elements are 1) information regarding the extent to which students transition successfully from secondary school to postsecondary education, including whether students enroll in remedial coursework; and 2) other information determined necessary to address alignment and adequate preparation for success in postsecondary education.

# House of Representatives Passes Education Appropriations Bill; Senate Committee to Begin Its Work on July 28

On July 24, by a vote of 264 to 153, the U.S. House of Representatives passed the Labor, Health and Human Services, and Education appropriations bill, which would provide the U.S. Department of Education with \$67.8 billion in Fiscal Year (FY) 2010, a \$1.3 billion increase over FY 2009, but \$18 million less than President Obama's budget request.

The version passed in the House was basically unchanged from the version approved by the House Appropriations Committee on July 17 and the <u>House Labor, Health and Human Services (HHS), and Education Appropriations</u> Subcommittee on July 10.

The Senate Labor, HHS, and Education Appropriations Subcommittee is expected to mark up its version of the bill on July 28, with consideration by the full Senate Appropriations Committee possibly occurring as soon as July 30.

To review funding levels for education programs that benefit middle and high schools for FY 2009, as well as proposed funding levels for FY 2010, please consult the chart at <a href="http://www.all4ed.org/files/Fiscal10ProgramChart.pdf">http://www.all4ed.org/files/Fiscal10ProgramChart.pdf</a>.



### PREPARING THE WORKERS OF TODAY FOR THE JOBS OF TOMORROW: President Obama's Council of Economic Advisers Finds Occupations Requiring Higher Education Will Grow Faster Than Occupations That Do Not

Between now and 2016, occupations that require higher educational attainment are projected to grow much faster than those with lower education requirements, with the fastest growth coming from occupations that require an associate's degree or a postsecondary vocational award. So says *Preparing the Workers of Today for the Jobs of Tomorrow*, a new report from the Council of Economic Advisers (CEA), a group of three economists who advise the president on economic policy.

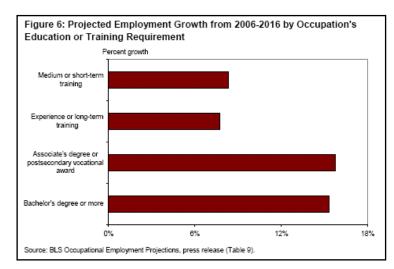
"As we build a new foundation for economic growth in the twenty-first century, the nation's workers will be better prepared for ever-changing opportunities if they have strong analytical and interpersonal skills," the report reads. "High-quality education and training is the best way to prepare the workers of today for the jobs of tomorrow."

The report takes a brief look at the current recession, calling it the worst downturn since the Great Depression. It notes that 6.5 million jobs have been lost since December 2007, with more losses expected before the economy hits bottom and employment growth returns. The report adds that the recession has accelerated the decline of already-contracting industries such as auto manufacturing, and has led to an "extraordinary" decline in the financial services industry.

CEA also looks at what types of jobs will remain after the economy rebounds and which jobs will grow and develop over the next few years. It predicts that the American Recovery and Reinvestment Act will create new opportunities in already-expanding industries such as health care and education, but it will also create opportunities in "fledgling" industries such as renewable energy production and distribution. Meanwhile, jobs in retail and wholesale trade are projected to decline as growth in consumer spending is expected to slow going forward.

As shown in the graph to the right, occupations requiring higher educational attainment are projected to grow much faster than those with lower education requirements. Interestingly, occupations that require only an associate's degree or a postsecondary vocational award are expected to grow slightly *faster* than occupations requiring a bachelor's degree or more.

Citing an employer survey conducted by The Conference Board, the report



notes that employers have said that individuals with only a high school degree are deficient in professionalism/work ethic and critical thinking/problem solving. Employers also believed that most recent high school graduates lacked the necessary basic skills of reading, writing, and math. Conversely, survey respondents said that graduates from two- and four-year college programs were, on average, better prepared to meet the challenges of the labor market.

Given these opinions, it is not surprising that good jobs in today's economy disproportionately go to workers with education and training beyond the high school level. In fact, the report notes that individuals who attend a community college significantly increase their earnings, regardless of whether they complete a degree.

At the same time, the CEA expresses concern with the large percentages of students who enroll in community colleges but then drop out. According to the report, 78 percent of students attain an academic degree or are still pursuing a degree six years later who first enrolled in a public four-year college, compared to only 53 percent of individuals who first enrolled in a public two-year college.

The report calls the lack of preparedness a "key factor impeding program completion." It notes that nearly one third of first-year college students in 2001 needed to take remedial classes in reading, writing, or mathematics at an estimated cost of over \$1 billion annually, adding that student who require remedial classes are much less likely to earn a degree than those who do not.

To help more students both access and complete higher education, CEA outlines several elements necessary for a more effective post-high school education and training system. First and foremost, it says the most important post-high school education and training reform is a "strong early childhood and elementary and secondary education system." Other important elements it lists are access to financial support, adequate student support services, more collaboration between institutions of higher education and employers, and a greater accountability for student outcomes.

The complete report is available at <a href="http://www.whitehouse.gov/assets/documents/Jobs\_of\_the\_Future.pdf">http://www.whitehouse.gov/assets/documents/Jobs\_of\_the\_Future.pdf</a>.

# WHOLE-SCHOOL REFORM: New Alliance Brief Calls for Comprehensive Approach to Transform the Nation's Low-Performing High Schools

To address a crisis in which one third of students do not graduate from high school and another third graduate unprepared for the rigors of college and careers, reform efforts must focus on the systemic improvement of low-performing high schools, according to a new policy brief from the Alliance for Excellent Education.

"Solving the problems that plague low-performing high schools means moving away from a band-aid approach that layers different improvement strategies on the same failing school model," said **Bob Wise, president of the Alliance for Excellent Education and former governor of West Virginia**. "Tinkering around the edges might yield slight results, but whole-school reform can provide the complete makeover needed to solve the pervasive problems present in these schools."

Whole-School Reform: Transforming the Nation's Low-Performing High Schools argues that whole-school reform (WSR) can simultaneously address all aspects of the school—from the organization of the school to the structure of the school day to the development of leaders and staff—in an effort to improve the performance of each of the school's students. The brief also outlines how the No Child Left Behind Act falls short of properly identifying low-performing schools across the country and fails to create practical solutions for schools in desperate need of improvement.

The brief also explores the growing body of research supporting WSR and validates the positive effects it has on student outcomes. It cites research from the American Institutes for Research finding that WSR is effective in transforming schools when it is implemented well and over an extended period of time. Further research highlights the need for schools to have strong leaders and buy-in from its teachers. Also important are support and cooperation from district, state, and outside entities in order to effectively implement and sustain a WSR model. The brief argues that federal policy can help to that ensure schools receive this necessary support by encouraging districts and states to align improvement policies to allow schools to more easily implement WSR.

According to the brief, a school seeking to implement WSR can employ a homegrown model or adopt one designed by an outside entity. Although there are many and their designs differ, WSR models typically employ very similar strategies to achieve higher student achievement. Some examples of strategies include organizing the school to facilitate transformed teaching and learning, transforming curriculum and instruction, providing students with the necessary academic and social support, and increasing teacher and principal effectiveness.

*Whole-School Reform* examines previous federal involvement in WSR through the Comprehensive School Reform Program, which grew out of a demonstration program started in Fiscal Year 1998. Taking lessons learned from this and other programs, the brief recommends that federal policy be amended to:

- Improve national indicators for measuring high school performance, including common national standards and assessments, and meaningful and common measures of graduation rates.
- Replace the existing federal accountability and school improvement system with requirements and guidelines for comprehensive state and district systems designed to respond to high schools' particular challenges.
- Ensure successful whole-school reform efforts by investing in increased capacity at all levels and encouraging the necessary policy conditions for effective reform.
- Strengthen the national knowledge base on whole-school reform.

"The pending reauthorization of the Elementary and Secondary School Act provides a critical opportunity to consider reform that can improve the nation's low-performing high schools on a systematic, widescale basis," said Wise. "Whole-school reform systems are driven by reliable data and designed to better prepare each and every high school student for college and career. Early research indicates that with federal, state, and district support, this reform model is a step toward eliminating the dropout crisis currently plaguing the nation."

The complete brief is available at <a href="http://www.all4ed.org/files/PolicyBriefWholeSchoolReform.pdf">http://www.all4ed.org/files/PolicyBriefWholeSchoolReform.pdf</a>.



### **EXAMINING THE "PLATEAU EFFECT": New Report Finds Phenomenon is Less Prevalent Than Previously Believed**

According to the "plateau effect", student test scores skyrocket during the first few years after a new test is introduced, followed by a leveling of test scores after all of the "easy" ways of making gains have been exhausted. Within the education community, some observers used the plateau effect to explain the early increases seen after the implementation of the No Child Left Behind Act (NCLB). A new report from the Center on Education Policy (CEP) shows the phenomenon is far less prevalent in student testing than previously believed. However, the report, *State Test Score Trends Through 2007–08, Part 2: Is There a Plateau Effect in Test Scores?*, also finds a significant upswing in student test scores after the enactment of NCLB.

Under NCLB, schools have until School Year 2013–2014 to help all students reach adequate yearly progress (AYP), a state-defined level of proficiency in reading and math. The existence of the plateau effect could lend proof to the argument that, since the enactment of NCLB, initial gains in test scores are "low-hanging fruit"—meaning that once the majority of students have reached the required proficiency level, it is extremely difficult to bump up the remaining students.

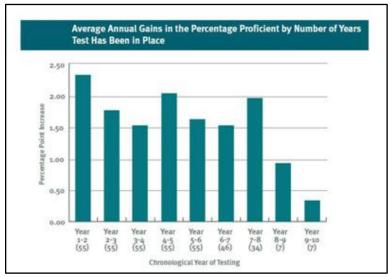
Although the education stakeholder community commonly refers to the plateau effect, the report claims it is "based on a small number of states and on test data from the 1980s and 1990s." The CEP study analyzes more recent data from a wider draw of states. The raw data was pulled from the CEP database of test results in reading and mathematics from elementary, middle, and high school students from as far back as 1999. The study does not include data from all fifty states and the District of Columbia; it only includes data for those with at least six years of data

available. Otherwise, the trend lines might not have been long enough to allow for the possibility of a plateau.

The report's authors conclude that although a plateau effect is apparent in some states, it is not pervasive across the nation. Overall, the only common pattern is an upward trajectory of student scores. The study uses fifty-five trend lines to examine performance advancement. Of the trend lines studied, fifteen exhibit a plateau effect, twenty one show steady increases, and nineteen illustrate a zigzag pattern, meaning student performance increased and decreased multiple times.

For more than one third of the trend lines analyzed, the report finds that the largest jump in percentages proficient occurred between 2003 and 2004. Because the first full school year of testing under NCLB occurred between 2002 and 2003 and the second between 2003 and 2004, the study cites a possible "NCLB effect." The report's authors are careful to point out that it is "somewhat difficult to establish clear causation because of older policies being implemented at the state and local levels at the same time."

The report also examines trends according to the number of years a test had been in place, and finds large gains occur soon after a new test is introduced. "Raising the stakes attached to test results can lead to a substantial increase in performance, even on tests that have already been in place for four or five years," it reads. As indicated in the chart to the right, CEP found a drop-off in increases during the later years but attributed it to the limited number of trend lines available with nine to ten years of data.



Source: Center on Education Policy

The complete report is available at http://bit.ly/K8Bws.

Straight A's: Public Education Policy and Progress is a biweekly newsletter that focuses on education news and events both in Washington, DC and around the country. The format makes information on federal education policy accessible to everyone from elected officials and policymakers to parents and community leaders. The Alliance for Excellent Education is a nonprofit organization working to make it possible for America's six million at-risk middle and high school students to achieve high standards and graduate prepared for college and success in life.