

SMART IDEAS TO INCREASE EDUCATIONAL PRODUCTIVITY AND STUDENT ACHIEVEMENT

As states and districts face new budget pressures, it is more important than ever that policymakers, educators, and other stakeholders work together to utilize “The New Normal” to improve student learning and accelerate reform. Increasing educational productivity by doing more with less is not easy work, especially as expectations for students and school systems continue to rise. But it is work that is vital to advancing student learning and protecting public schools from counterproductive cutbacks. Below are some core principles and strategies that states, districts, and schools, in close collaboration with teachers, unions, principals, and other stakeholders, may wish to consider when seeking to increase educational productivity.¹

Begin With Basic Principles

In an era of tight budgets, governors, policymakers, and educators can analyze resource decisions using several basic criteria:

- ✓ *Put student outcomes first.* Policymakers can constantly evaluate all policies and practices against the ultimate bottom line: **is this policy or practice improving student outcomes?** This question is particularly important when considering how to protect our neediest students, including students from low-income families, English Learners, and students with disabilities, from the impact of budget cuts. State-level policymakers can approach resource allocation decisions from this perspective, and use their bully pulpit to encourage local decision-makers to do the same.

- ✓ *Invest in what works, not what doesn't.* When funding is tight, reviewing information about which policies, practices, and programs have evidence of effectiveness takes on even greater importance. **Shifting resources (or avoiding cuts) to the programs or practices with the greatest evidence of effectiveness maximizes chances of success while minimizing harm to students.** Investing in what works sounds like common sense. Yet over time many states and districts have invested resources in ineffective educational programs and practices or in programs or practices without enough evidence of effectiveness. Because research and data-based findings are central to shaping sound policy, investments in data systems or evaluations to inform future resource allocation decisions are very important even in tight

¹ This document contains examples of several promising practices that may be helpful in addressing the issues discussed in this document; this information is provided solely for the reader's convenience. The U.S. Department of Education does not guarantee the accuracy, timeliness, or completeness of this information. Further, the inclusion of the particular examples does not reflect their importance or success, nor are they intended to endorse any particular approaches discussed, views expressed, or products or services offered, but we are hopeful that this information will still be helpful to you. We encourage you to consider other approaches that might address the matters discussed in this document.

budget times. The What Works Clearinghouse is a useful source of information on research-based practices for schools and classrooms (<http://ies.ed.gov/ncee/wwc/>).

Each year, four billion dollars in Federal funds is spent nationally on professional development, along with additional billions of dollars in State and local funds. High-quality professional development is an important tool in cultivating an effective teaching workforce, but most professional development at present is not evaluated for its impact on teacher effectiveness nor targeted based on teacher needs. As part of its Race to the Top plan, Delaware is taking promising steps in this direction by planning to evaluate the effectiveness of the professional development implemented by each district based on the impact on student learning, teacher surveys, and alignment with nationally-recognized standards.

- ✓ *Share ideas and learn from success.* State and local policymakers and educators across the country are pursuing different strategies to respond to the challenge of needing to do more with less. To achieve a more efficient allocation of resources and improve decision-making, some states are considering new funding models, tapping community resources, or changing budgeting practices. Many have already figured out which tough conversations need to happen and how to have them in ways that will lead to successful outcomes. Leaders can **leverage successful approaches and practices by reaching out to each other and to outside experts in order to put those approaches and practices in place in more schools and to identify areas for improvement.**
- ✓ *Work collaboratively with stakeholders.* As states, districts, and schools take on these challenges, engaging in productive dialogue with teachers, principals, unions, and other stakeholders will ensure that **input from all involved stakeholders informs relevant decisions and increases the likelihood of successful and sustained implementation.** Across the country, stakeholders are engaging in conversations around the tough issues of salary structures, health benefits, and pension reform. Engaging in honest, productive conversations with stakeholders can lead to real savings and improved results for students, while not working together can result in acrimony and little else. Thoughtful engagement is a recognized best practice and, by working collaboratively, collective interests can overcome differences.

First, Do No Harm

Changes or cuts to education budgets, especially during periods of fiscal austerity, carry risks of unintended consequences. Governors, policymakers, and educators can:

- ✓ *Avoid short-sighted cost-cutting.* Efforts to increase productivity should not be mistaken for the short-sighted cost-cutting many states and districts have engaged in over the years to reduce education spending. Even in an era of tight budgets, **cutting back in a manner that**

damages educational quality and hurts children is the wrong thing to do. Short-sighted cuts include: reducing the number of days in the school year, decreasing the amount of instructional time, eliminating instruction in the arts and foreign languages, eliminating high-quality early learning programs, abandoning promising reforms, and indiscriminately laying off talented teachers be they new, mid-career, or veteran.

Decision-makers should be able to take advantage of other options for cost-saving before resorting to such potentially harmful approaches. Only some of these decisions will be made at the state level, but governors and other state policymakers can provide districts and schools with guidance, incentives, and flexibility to make necessary cuts in ways that put student learning first.

- ✓ *Protect the neediest children and communities.* Where funding reductions must be made, governors and other policymakers can take steps to **ensure that the neediest communities and children are not the hardest hit.** States vary considerably in how much funding they provide to the highest-poverty districts compared to the lowest-poverty districts, and in the structure and formulas by which they allocate funds. Policymakers can carefully examine how funds are allocated in order to ensure that reductions do not disproportionately impact the most vulnerable students. And they can preserve formulas that are more targeted to low-income and high-need communities, and protect funding streams to serve English Learners and students with disabilities to ensure that they continue to fulfill their responsibilities to these students and communities. To limit the impact that major but unavoidable layoffs have on the neediest students, states and districts can also work with their teachers, principals, and other stakeholders to **put student learning first in retention decisions** – focusing on retaining the most effective teachers, especially in the highest-need schools. Districts should not let go effective young teachers because it's the easiest path. Nor should they let go of effective, higher-paid veteran teachers to save money. Instead, states, districts, and schools should work with teachers, principals, and other stakeholders to consider school and student needs in layoff and retention decisions; and consider the impact on high-need schools, in particular, where it is especially important to get the most talented educators in front of the students that need the most support and to minimize the staff turnover that is already too common.

Capture the Upside

State and local leaders, school administrators, and educators often fail to take full advantage of programmatic opportunities to boost educational productivity. Governors, working with policymakers and educators, can put in place state-level policies addressing these issues, where appropriate, or issue guidance to districts, schools, nonprofits, and institutions of higher education (IHEs) that encourages collaboration and captures the upside:

- ✓ *Support early college high schools and dual enrollment opportunities.* Enabling students to **replace some of their high school courses with more rigorous college-level courses** saves time and money for the student, the high school, and the college – while also increasing student achievement and access to accelerated course work. State systems can support early college high schools and dual enrollment policies in a variety of ways, such as creating incentives to ensure that college credit earned in high school transfers to all state IHEs or supporting individual IHEs partnering with secondary schools to provide accelerated opportunities for students.

Walled Lake Consolidated School District in Michigan began an online summer school program for credit recovery and acceleration in 2008, which reduced per-student costs by 57 percent and led to expanded online learning opportunities during the school year. Under the new plan, students will continue to attend school for at least four hours a day but can enroll in up to two online courses each semester. Eleventh and twelfth graders may choose to enroll concurrently in postsecondary courses via a partnership with a local community college. College course work will be completed online and on the college campus, enabling students to earn an associate's degree one year after high school graduation. By offering two online courses during the school year, the district estimates that it has been able to save \$517 per student on instructional costs.

- ✓ *Ease or eliminate “seat-time” requirements* in order to **allow students to progress to new courses or content as soon as they demonstrate mastery of academic content, rather than when sufficient time passes.** Educational resources can be targeted to support students where they are, without tying up educator and student time and resources on topics students have already mastered.

Ohio's Credit Flexibility Plan, adopted by the State Board of Education in 2009, allows students to earn high school credit by either demonstrating subject area competency, completing classroom instruction, or a combination of the two. Under this plan, subject area competency can be demonstrated by participation in alternative experiences, including online learning, internships, community service, educational travel, and independent study. These plans must meet specific requirements including: all students are eligible, credit counts toward graduation, and the number of courses or credits earned cannot be limited, partial credit can be awarded, and credit earned from other districts is transferable.

- ✓ *Leverage alternative sources of funding.* States and school districts can seek funds from philanthropic sources wherever possible to support education programs and initiatives, but in addition to those funds, districts can look to other city or county funds and services to help meet the needs of the whole child. Many community schools have been successful in tapping these alternative resources to provide students with health and other supports. The integration of high-quality social services and family and community supports into schools

can increase achievement and student outcomes while better leveraging the resources that are already being spent on such services.

- ✓ *Leverage local partnerships and resources.* State and local health and human services agencies, departments of public safety and parks and recreation, community-based organizations, businesses, and other entities have a significant stake in the success of our children and youth. Many have long provided academic and enrichment opportunities in the form of before- and after-school programming, apprenticeships, nursing, or counseling support. Breaking down barriers and better aligning and utilizing community resources may also help school systems identify and access low-cost services or facilities. Pulling in external services and resources to support learning can effectively maximize opportunities for students.

Citizen Schools is a nonprofit organization operating in seven States – California, Massachusetts, New Jersey, New Mexico, New York, North Carolina, and Texas – that partners with schools to expand learning time and learning experiences for students in high-need schools in part by working with community resources. Students receive hands-on “apprenticeships” taught by community volunteers, with expertise from science to cooking. Citizen Schools tutors also work with the school to align additional tutoring opportunities with learning occurring during the school day to provide students with additional academic support.

- ✓ *Close persistently low-performing and under-enrolled schools, and enroll students in higher-quality options available for students.* In some cases, where there are schools that have consistently failed their students and communities, **closing those persistently low-performing schools and sending students to higher-performing schools in the district** can improve student outcomes and be a more efficient use of resources. This may also be done in significantly under-enrolled schools, where fixed costs lead to much higher per-student spending than in other schools. In each case, it is important to consider the broader impact of such closures on students and make these decisions in an equitable manner across the state or district. Families, teachers, and the community should be included in the decision, and districts should provide information about high-quality options and transition and support services for affected students.

Make Smart Use of Technology

Technology can play a significant role in increasing productivity at every level of the education system. State programs, policies, and practices can invest in, encourage, or make room for the smart use of technology – not as an add-on or to reproduce current practice, but to accelerate learning and expand access. Smart use of technology is primarily about allowing each person to be more successful by reducing wasted time, energy, and money. It is also about creating accessible learning opportunities for all students, including low-income students, English

Learners, and students with disabilities. For example, governors, policymakers, and educators can:

- ✓ *Expand access to virtual and blended learning opportunities* with a focus on improving student learning outcomes by offering incentives and expecting providers to show results. To ensure that expanded virtual and blended learning opportunities are rigorous, states and districts should institute meaningful accountability measures that allow for quick intervention in struggling schools and programs.

- ✓ *Utilize open educational resources or digital textbooks.* Digital textbooks and technology-based resources can provide lower-cost and up-to-date materials to inform and support instruction. Materials can be more responsive to teacher needs and guidance, and differentiated or revised based on student needs. Technology can also be used to create or expand blended and online learning programs that provide new educational options for students in rural areas at a lower cost. Using technology, such as online meeting platforms, to overcome distance allows expanded access to advanced course work and can connect teachers and students with content experts. In implementing the use of digital textbooks or technology-based resources, states, districts and schools should ensure that technology is accessible, including by providing accommodations or modifications that permit all students, including English Learners and students with disabilities, to receive the educational benefits in an effective and integrated manner.

Mooresville Graded School District in North Carolina has launched a Digital Conversion Initiative to promote the use of technology to improve teaching and learning. Laptops have been provided to every 4th-12th grade student and interactive SMART Boards, Slates and Response Devices have been employed in every K-3 classroom. In addition to the use of computers as instructional tools, the Digital Conversion Initiative has resulted in a shift to digital textbooks with content that is aligned to state standards. Traditional textbooks may still be used, but generally as supplemental materials. The use of digital textbooks and other technology can increase student achievement and enhance the learning of 21st century skills.

- ✓ *Move from paper-based to electronic records.* Too many school systems are operating in the 20th century, using paper records for everything from human resources to fiscal reporting to data collection. Transitioning to electronic systems can have both short- and long-term cost efficiencies and can allow districts and schools to link key data – such as personnel records and student achievement information. These systems can help district officials reduce waste and better target resources on educational improvement.

Put Student Learning First in Human Capital Policies

Reforming human capital policies is almost a prerequisite for dramatically raising productivity since staff salaries and benefits are the single biggest budget line item for school districts, on average, accounting for over 70 percent of district expenditures. The quality of teachers and leaders in schools is the most important in-school influence on student success. Yet spending on teachers and leaders unfortunately does not typically recognize or reward effectiveness or need. Governors can take steps to reshape human capital policies to do more to develop, support, and reward excellence and effectiveness, and encourage other state and local policymakers to do the same through programs, policies, and practices that:

- ✓ *Tie compensation to student learning and need.* In most cases, teacher compensation is based almost exclusively on seniority and educational credentials, drawing no distinction between a great teacher and a less effective one, and providing no recognition for teachers who take on difficult assignments in hard-to-staff schools and hard-to-fill subject areas. Recent data show that districts across the country currently pay over \$14 billion in teacher compensation on the basis of master's degrees. Yet there is little evidence that teachers with master's degrees, apart from secondary school teachers who earn master's degrees in math and science, improve student achievement more than other teachers. Compensation systems should instead **reward teachers and principals for excellence, and for teaching in high-need schools, subjects, or specialties.** Policies around workforce decisions – from promotion to retention – should be developed in collaboration with teachers, principals, and other stakeholders, and decisions should take into account effectiveness where such information is available.

Denver Public Schools' Professional Compensation System for Teachers (ProComp) was designed in conjunction with the local teachers union, and received support from regional faculty. A Joint Salary Task Force, composed of district, union, and community representatives, began meeting in 2002, and developed a proposal for a new system that teachers voted to accept in 2004.

Teachers in Denver receive additional compensation based on (i) teacher knowledge and skills; (ii) satisfactory evaluations; (iii) teaching in high-need schools/subjects; and (iv) demonstrated student growth at the classroom and school level. Under a recently enacted State law, student learning will count for 50 percent of a teacher's evaluation. District and union leadership aim to collaborate in an ongoing manner to improve both the ProComp system and results in the district.

- ✓ *Focus class size reduction efforts where they are most likely to improve student learning.* Research shows that up through third grade, significantly lowering class size to 13-17 students can boost student achievement. But research has not found the same impact for reducing class size in later grades, or in cases where class size is not reduced to such a small level – which may not be possible in the current fiscal environment. States and districts may

be able to save money without hurting students by allowing **modest, smartly targeted increases in class size, especially for highly effective teachers – and compensating those teachers for their additional responsibilities.** This may include reconsidering strict mandates on class size that take flexibility away from schools and districts to adjust class sizes in response to student and teacher needs.

Pay and Manage for Results

The current budget climate also provides an opportunity for governors and other state and local policymakers to examine whether they are delivering necessary non-educational services as efficiently as possible in order to maximize direct funding for direct educational services, or whether payment structures can be improved to deliver better results. For example, governors, policymakers, and educators can:

- ✓ *Pay for Success.* State and local policymakers can create **funding structures that allocate dollars on the basis of educational results achieved in order to create incentives for service providers to focus on improving outcomes.** For example, rather than giving an after-school tutoring provider a predetermined allocation for administering a certain set of services, states and districts could give providers funding based on the degree to which providers increase student success.

The **Florida Virtual School** works with school districts to provide online learning options for students in grades K-12. The school has modified the way most traditional public school systems work by moving to a completely results-based funding model in which a school only receives funding for students who successfully complete courses. It allows students to progress at their own pace – usually faster than normal seat time classes would allow – and provides many traditional schools economical options for providing courses they would have difficulty staffing locally.

- ✓ *Provide shared services.* States can consolidate or expand shared services and cooperative agreements among school districts, between school districts and municipal governments, with early learning providers, or among IHEs to provide operating services such as information technology (IT) or financial services, or non-educational student services such as transportation. Strategic sourcing offers an opportunity to reduce costs for purchasing, IT support, professional development, and employee benefits.

Maine passed a law in 2007 that required schools and districts to form larger administrative units or find other ways to reduce their costs. Since then, the state has eliminated over 110 school administrative units. Reorganized schools have reduced costs by no longer supporting multiple central offices, sharing professional development activities, pooling contracting, transportation, and procurement, and instituting common curricula. Maine estimates that the reorganization may save \$36 million in annual state support and \$30 million in local funds.

- ✓ *Align incentives.* State policymakers can examine the incentives that are embedded in various funding formulas for non-educational services to ensure interests are aligned and resources are being used efficiently. For example, an analysis of a transportation funding model in at least one state found that the state funding local transportation costs directly on a per-route basis provides little incentive for districts to reduce transportation costs. State policymakers can create incentives for local policymakers to reduce costs by **challenging districts to save on non-education services – and then providing localities with a portion of the savings generated.**

Reduce Mandates that Hinder Productivity

Nonessential reporting requirements and inflexible funding streams can result in lost time and resources. Governors, policymakers, and educators can look for ways to reduce unnecessary requirements and utilize existing flexibility by:

- ✓ *Reviewing and eliminating unnecessary or unproductive mandates that divert time and attention from improving student outcomes.* In some cases, **nonessential reporting requirements placed on specific funding streams may not only divert scarce resources from the classroom, but may also create perverse incentives to put in place policies that aren't good for student learning.** In addition, states and districts sometimes request data from teachers and schools that may be too burdensome to collect and rarely used to make significant management decisions. States and districts can consider **reducing the requirements placed on teachers and schools to collect and use low-priority data.**

In June 2010, Louisiana enacted the Red Tape Reduction Law, which provides local school districts greater flexibility in meeting State regulations and rules. Under the law, districts can apply for State waivers to ease requirements regarding class size, student-teacher ratios, instructional time, and other laws, regulations, and policies. Although the law aims to provide districts with relief, some have criticized the law as placing an additional burden on districts. It may be useful to examine the experience with this law to apply "lessons learned" to the circumstances in other States, and consider possible approaches to reduce district mandates.

- ✓ *Reviewing the efficiency of separate funding streams.* Too many separate and inflexible categorical funding streams may cause districts to invest funds in areas that are not their highest priorities. Inflexible funding streams also may create additional reporting burdens, **prevent schools from reinvesting savings if they meet goals efficiently,** and exacerbate inequitable funding by mandating that every district or school receive a portion of funds. Governors and state policymakers can review requirements around separate funding streams to ensure they are in the best interest of students, while ensuring they continue to provide high-quality services for students from low-income families, students with disabilities, and English Learners.

- ✓ *Utilizing federal flexibility.* Major federal laws such as the Elementary and Secondary Education Act (ESEA) provide states and districts **certain flexibilities regarding the use of federal funds, some of which are rarely used or underutilized.** These flexibilities can allow states and districts to reallocate funds to address their greatest needs. *Flexibility in Using Federal Funds to Meet Local Needs* highlights flexibility that already exists and that may be particularly useful in high-poverty schools and rural districts. State and local policymakers and educators should review available flexibility with federal funds and utilize any flexibility that make sense in their context to provide a greater focus on meeting student needs.

Make Short-term Investments for Long-term Results

States and districts can make investments that have short-term costs but long-term benefits. Even in tight budget times, these investments are worth considering because of their longer-term impact. Governors, policymakers, and educators can:

- ✓ *Develop high-quality teacher and principal evaluation systems.* **To better support and manage the education workforce, states and districts can develop more meaningful and fair evaluation systems** that include both student learning gains and other measures, such as high-quality observations conducted by trained observers. High-quality evaluation systems can be used to better identify, support, develop, retain, promote, and learn from the most effective educators. Better evaluation systems can ensure that effectiveness information is a core part of all human capital decisions. If approved by the Department, funds from Race to the Top, Improving Teacher Quality State Grants, the Teacher Incentive Fund, and School Improvement Grants may be used to strengthen teacher and principal evaluation systems.

New Haven, Connecticut's teacher evaluation system was developed in collaboration with the local American Federation of Teachers affiliate and a committee of teachers, parents, and administrators. The new evaluation system is designed to emphasize both fair and rigorous evaluations and meaningful, ongoing feedback and opportunities for collaboration.

The system looks at three main components – student growth, teacher instructional practice, and teacher professional values. Performance in each category is indexed to produce a single rating, with a strong emphasis on student growth. Teachers are observed frequently (as many as 7 times) throughout the year, and are given ongoing feedback from trained instructional managers. Ratings are used to identify teachers for leadership and mentoring roles and to target appropriate professional development and a plan for support. If ineffective teachers fail to improve with meaningful support, they may be dismissed.

- ✓ *Invest in meaningful data systems.* State leaders are hampered in making smart resource decisions by a lack of basic information in two critical areas: how dollars are used at each level of the education system and which investments are doing the most to improve student outcomes. **Investing in data systems that enable better analysis and reporting of financial and productivity data at the school, district, and state level can mean better long-term decision-making.** If approved by the Department, funds made available to states under the Department’s Statewide Longitudinal Data System program and Race to the Top program can be used for this purpose.

With the help of Investing in Innovation funds, Forsyth County Schools in Georgia plans to centralize data from a multitude of systems to inform teacher instructional practice. The district plans to implement an integrated content management system, replacing current silos of data with a streamlined learner-based system informed by student performance, as well as teacher, administrative, and parental inputs. The district is hopeful that individualized learning plans created by the use of the new system, Engage ME- P.L.E.A.S.E., that cost \$18 per participant each year will help the district decrease the number of students with four or more high-need indicators, increase student achievement and student growth across subgroups, and increase on-time graduation rates of all students.

- ✓ *Invest in evidence-based practices like positive behavioral interventions and supports (PBIS).* Over 12,000 schools across the country are implementing the core principles of schoolwide PBIS. These schools, many with limited or no additional resources, have reduced the amount of time students are excluded from the instructional environment due to office discipline referrals or suspensions. These reductions have led to increased time for instruction and more time for learning and higher achievement. Time saved by administrators is then devoted to activities that boost student achievement, lessening the need to devote other funds for this purpose. Students, meanwhile, spend more time learning in class, reducing the need for outside tutoring or other assistance.