Public School Teachers Overpaid, Study Says

By Joy Pullmann

Public school teachers make one-and-a-half times the salary and benefits of comparable professionals, a discrepancy that amounts to “overcharging” U.S. taxpayers $120 billion each year, according to a new study.

“Our findings are opposite to the widespread perception that teachers are underpaid,” said study coauthor Jason Richwine. Coauthor Andrew Biggs said their analysis includes “more objective measures” than other analyses, such as controlling for credential inflation, including benefits as a form of compensation, analyzing better job and pension security for teachers, and incorporating more extensive time off for teachers than professionals in comparable occupations.

Forty-two states and Washington, DC currently have approximately $103 billion in projected budget deficits, due in great part to public-sector employee pension and health care costs. Tax revenues are likely to remain stag-
Colorado Voters Reject Education Tax Increase Plan

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“It remains the sentiment of the country that we have to get our fiscal house in order,” said Colorado state Sen. Kent Lambert (R-Colorado Springs), one of the leading voices against Proposition 103. “People are getting a lot more savvy about these issues. Even a lot of Democrats were saying, ‘We can’t afford another tax increase.’”

Although there could be some exceptions in the coming elections, the Colorado result suggests tax increases currently are not likely to pass in most states, said Michael Barone, an American Enterprise Institute political analyst.

Voters in Douglas County also rejected tax increases aimed at instituting a teacher pay-for-performance program and a $200 million bond proposal. They reflected, by wide margins, school board candidates who had approved the nation’s first county-initiated voucher program. Two of three reform-minded Denver School Board candidates won seats, but the two union-backed school board candidates in Jefferson County also won seats.

Tax Increase Split Democrats

The Colorado initiative was the only statewide tax on the ballot in the nation this year. Last year, voters rejected by 66 to 29 percent Initiative 1098 in Washington, which would have established the state’s first income tax.

Lambert notes “only about four Democrats out of 100 legislators showed up” when state Sen. Rollie Heath (D-Boulder) “held the initial press conference to announce this money-grabbing bill. If this would have brought support within the Democratic Party, they would have been there. It didn’t, and it never did.”

Gov. John Hickenlooper (D) refused to endorse the measure, choosing instead to propose—on the same day as the Prop. 103 vote in November—a budget cutting K-12 education spending by $97 million next year.

The governor could have been avoiding the fight in order to maintain party unity, Barone said.

“Maybe he thought the tax increases were bad public policy but didn’t want to anger advocates and split his party by opposing them outright,” Barone said.

‘Flat-Out Lie’
In trying to build momentum for the tax increase, supporters claimed Colorado is one of the nation’s poorest funders of K-12 education, saying it ranks No. 49 among all states in per-pupil spending.

An analysis of Prop. 103 from the Colorado-based Independence Institute supports Lambert’s claim the ranking is “a flat-out lie.”

Colorado, which spent $11,133 per student during the 2007–08 school year, is actually “in the middle of the pack or a little ahead when making regional comparisons of per-pupil spending,” said Penn Pfiffner, a senior fellow in fiscal policy for the institute.

Pfiffner compared that figure to surrounding states’ per-pupil spending, and found it was higher than neighboring Kansas, New Mexico, Arizona, and Utah.

“ Locally, only Nebraska came in higher, at $1,164 more,” Pfiffner reported.

The National Education Association ranked Colorado No. 30 in per-pupil spending in December 2010.

Non-Segregated Money
Prop. 103 opponents also succeeded in raising doubts about the measure by questioning whether the money actually would be spent on education. Though the measure stated, “Additional revenues resulting from these increased tax rates [will] be spent only to fund public education,” Pfiffner noted the measure “does not create a segregated, separate fund. There is no basket into which the new money figuratively will be dropped.” This meant the state legislature might spend education-designated funds on other projects.

There is historical precedent for that concern, Lambert said.

“A couple of years ago, they had Referendum C and Referendum D that they were saying was for the kids, but it wasn’t used for that,” he said. “As soon as [Prop. 103] would have passed, the legislature could have legally diverted that money to use it wherever they want.”

Program Sustainability Questioned
Critics also questioned the sustainability of new education programs the funding created, since the measure stipulated the tax increase would expire in five years.

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Program Sustainability Questioned
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The measure would have broken “a basic rule in public finance, [which] is that onetime money should not be used to finance ongoing programs,” noted Barry Paulson, a senior fellow with the Independence Institute.

Because the money likely would have been used to fund ongoing education programs, there would have been “tremendous pressure on the state to extend the tax increase and make it permanent,” Paulson said.

Voter Interest in Reforms
Prop. 103’s crushing defeat reflects voters’ steadfast refusal to provide new tax money to schools “without any reforms attached,” such as charter school expansion, introducing vouchers, and teacher pay-for-performance, said Victor Mitchell, a former state lawmaker and leader of Save Colorado Jobs, which opposed the measure.

“There’s been a lot of venom against charter schools from the education establishment, but charters are a key reason why our state public schools are staying up [since charters are public schools],” Lambert said in agreement. “Unfortunately, the other side is not interested in real reform and changing their practices.”

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Study: Public School Teachers Overpaid

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nant for several years, and the federal government owes nearly 90 percent of U.S. gross domestic product.

Those difficulties have led more than half of the states to cut education funding in their most recent legislative sessions, to loud outcry from teacher unions, and proposals such as President Barack Obama’s plan to pump $30 billion into preventing teacher layoffs.

“Part of the [misperception about teachers’ compensation] is we lack good data,” said Andrew Kelly, an education research fellow at the American Enterprise Institute, which published the study in conjunction with The Heritage Foundation.

Biggs and Richwine’s study supplies that data, showing teachers averaged 2.1 percent unemployment between 2005 and 2010, half the rate among comparable peers.

Since teachers earn much more than they could in the private sector, they are not likely to flee the profession if their compensation is brought more in line with the private sector, the authors conclude.

“Does this mean we should go out and arbitrarily cut teachers’ salaries? No,” Biggs said. “It does mean that if you reduce pensions or health insurance benefits through reform, you shouldn’t be concerned you’re reducing teacher pay or getting more teachers to quit.”

From September 2008 to July 2011, which includes the recent recession, local government education employment declined 2.9 percent while private employment declined 4.4 percent, according to Bureau of Labor Statistics figures.

Objectively Evaluating Salaries

The Heritage Foundation-AEI study compares both salaries and overall compensation. Richwine and Biggs control for education levels, note public school teachers on average earn 10 percent more than private-school teachers, and incorporate data showing those who enter teaching earn 9 percent more than previous wages and when leaving teaching take a 3 percent pay cut.

Because research repeatedly has demonstrated education is less rigorous an academic field than others—education school graduates score lower on tests such as the ACT and GRE but get much higher college grades than their peers—the study coauthors chose not to use graduate degrees or certifications to compare teachers with non-teachers. Instead, they controlled for cognitive ability using the National Longitudinal Survey of Youth.

“It’s fairly clear teachers are not underpaid by salaries, and may in fact be overpaid,” Richwine said. “But benefits are the ones that really put teachers over the top.”

‘Over the Top’ Benefits

Using only BLS data is likely to understate teachers’ compensation compared with the private sector, because it fails to adjust for different pension accounting in the public sector, excludes retiree health coverage (which most public workers receive and private workers do not), and does not account for teachers’ much shorter work year.

 “[A] teacher can expect to receive retirement benefits roughly 4.5 times higher than she would receive from a typical private-sector pension,” the report says. Adjusting for the factors that make teacher compensation different, the report concludes teacher benefits are more than double private-sector benefits.

“Are benefits being chosen to be emphasized because you can kick the can on them down the road?” wonders Robert Costrell, a professor of education reform and economics at the University of Arkansas, when considering why teachers receive such outsized benefits.

“The Biggs-Richwine paper is extremely valuable because it debunks a long series of work [on teacher pay] and shows how really misguided a lot of this work is,” Costrell said. The Biggs-Richwine paper is available on the Internet. Point your web browser to http://www.aei.org/docLib/CA11-03-AEI.pdf


Joy Pullmann (jpullmann@heartland.org) is managing editor of School Reform News and a research fellow in education policy at The Heartland Institute.
A Tennessee lawmaker is refining a voucher proposal that passed the state Senate before stalling in a House legislative committee early in 2011.

State Sen. Brian Kelsey (R-Germantown) has agreed to add stronger public accountability measures to his Equal Opportunity Scholarship Act, which would make education vouchers available to more than 200,000 low-income students in the state’s largest urban school districts.

“Many are unsatisfied with their current education options and see Equal Opportunity Scholarships as a way to choose the best form of education that meets their child’s unique needs,” said Ryan Turbeville, policy and outreach coordinator at the Beacon Center of Tennessee.

Gov. Bill Haslam (R) has said he will delay taking a position on the bill until the end of the year. The Davidson, Knox, Hamilton, and Shelby County school districts—where students would be eligible—have passed resolutions objecting to vouchers and hired lobbyists to fight the proposal.

Revising Accountability
Under the 2012 version of the bill, scholarship recipients would have to take the standardized Tennessee Comprehensive Assessment Program test, and private schools would have to report the results.

“Almost all of our quality private schools in Tennessee are already administering the test, so that will be acceptable,” Kelsey said.

Groups such as the Tennessee School Boards Association and the Tennessee Education Association, the state’s largest teachers union, continue to lead opposition to vouchers. Testifying at a House Education Subcommittee study session on November 1, voucher opponents repeated claims the program would not improve student academic outcomes while draining money from public schools.

“These were hypothetical arguments 20 years ago, but we now know for a fact that opportunity scholarships in other states have increased student performance in public schools,” said Kelsey.

“Now that we have data from other programs, we are at an advantage over pioneer states.”

Rebutting Opposition
School choice backers also refute the claims about negative fiscal impacts on public schools. Under Kelsey’s legislation, half the state’s local and state per-student formula would follow the student to a private school of his choice, about $4,000 in Nashville.

“In areas where scholarships have been utilized they have actually led to cost savings for public schools because those schools lose the cost of having to educate the child yet retain a portion of the funding,” Turbeville said.

Shelby County Board of Education member Kenneth Whalum joined the Catholic Diocese and private school groups in testifying for vouchers at the November study session. Whalum refused to sign a board resolution opposing the act.

In late October, some legislators visited Miami Christian School, a scholarship school in Florida, to see how that state’s private education tuition tax credit program is faring.

Kelsey regularly meets potential new supporters for his proposal, he said, including new support from the grassroots group Tea for Education. “I feel confident our coalition will expand by January,” he said, referring to the start of the 2012 legislative session.

Governor Weighing Decision
Turbeville said he believes support for private school choice is growing within the state, expressing optimism that Haslam is reviewing the proposal. Haslam spokesman Dave Smith said the governor’s policy staff is researching the issue and findings from other states should the bill pass the House Education Committee.

“Our number one thought is keeping momentum going in education reform,” Smith said. “Education is tied directly to job creation, and our number one priority is job creation.”

In the four districts where students would get vouchers, one in five students does not graduate from high school, and at most half the students in any grade and any subject rate “proficient” on state tests, on average. And when compared with the National Assessment of Educational Progress, Tennessee’s measure of “proficiency” actually ranks “below basic.”

Haslam’s public neutrality on the school choice proposal has not deterred its Senate sponsor.

“I am pleased that the governor is giving this a full and fair hearing, and his careful consideration,” Kelsey said. “I hope to get his support on this bill.”

Ben DeGrow (ben@i2i.org) is senior education policy analyst for the Independence Institute, a free-market think tank in Colorado.
Rejecting Union Curbs Leaves Ohio in ‘Fiscal Crisis’

By Connie Sadowski

Ohioans by a 61 percent majority rejected a statewide ballot measure written to help state agencies balance their budgets and avoid excessive tax increases by giving them more flexible bargaining rights on worker pay and benefits.

On the same ballot, 78 percent of voters rejected county and local tax levies meant to ease budget shortfalls.

Ohio and its municipalities must now hike taxes or lay off workers to pay “the ever-rising compensation costs of government workers. Ohio’s fiscal crisis will only get worse,” said Matt Mayer, president of the Columbus-based Buckeye Institute. Voters failed to connect the two issues, he said.

Issue 2 would have reduced taxpayer costs, Mayer said, by requiring all state employees to pay up to 15 percent of the cost of their health benefits and put 10 percent of their salaries toward their pensions. The measure did not set salary levels, but would have ended automatic pay raises based on longevity.

Unions Invested Big

Unions campaigned heavily to collect the petitions necessary to put the provisions on the ballot in November after state legislators passed them within Senate Bill 5.

Unions including the National Education Association and Ohio Education Association spent $30 million to defeat the measure, while supporters of the law spent approximately $7.5 million.

Issue 2 also would have extended Ohio’s ban on strikes by public safety workers to all public employees.

Unlike Wisconsin’s law limiting collective bargaining, enacted earlier this year, the Ohio law included police officers and firefighters instead of limiting its provisions to teachers and other non-emergency state workers. Third-party arbitrators for managing labor disputes would have been replaced by elected leaders required to hold public hearings.

‘Politically Courageous’ Reforms

The reforms Ohio’s legislators and Gov. John Kasich (R) adopted are a giant step in the right direction to ease public school budgets, said Terry Moe, a Hoover Institution senior fellow.

“The reforms SB 5 would have brought are politically courageous and go against the public employee unions. But reforms in school budgets shouldn’t be about jobs,” he said. They should be “first and foremost about children.”

The reform’s defeat means school boards have two choices: raise taxes or lay off staff, said Seth Morgan, policy director for Americans for Prosperity Ohio. Raising taxes isn’t an option, he said, because voters rejected increases and “Ohio families are just taxed out.”

“When you worry about your future and feeding your family, you aren’t inclined to let government take more out of your paycheck,” he said.

Dangerous Fiscal Condition

Ohio’s 614 school districts report a collective deficit of $7.6 billion by 2015 and project 96 percent of all revenue must go to compensation packages.

With Issue 2 defeated, school boards “will now have to convince homeowners to raise taxes on themselves by $8 billion, have to reduce staff compensation packages, or cut programs and staff,” Mayer said.

“Ohio already provides generous revenues to the schools,” he said. “It’s time school boards realign compensation packages to reflect those generous revenues.”

‘Power Struggle’ with Unions

“It’s a sad reality that Ohio and all states are in a power struggle with teacher unions,” said Moe. “The average teacher certainly cares about kids and about having quality schools,” but legislators and school boards must “struggle with unions because unions are not in business to do what is right for students or to ensure quality schools.”

Instead, unions fight for their self-interest by increasing membership and protecting members’ jobs, Moe said. They concern themselves with job perks for adults such as wages, benefits, and work rules, because this ensures union members’ longevity.

“All these are decisions that should be made on the basis of what is best for children, but are not,” Moe said.

Taxpayers and legislators should “demand fiscal accountability and encourage boards to negotiate more reasonable compensation packages,” Mayer said.

“State legislators are ultimately responsible for what happens in schools. They should stand up for children instead of responding to special interests of the people who have jobs in the schools,” said Moe.

“Ohio’s 614 school districts report a collective deficit of $7.6 billion by 2015 and project 96 percent of all revenue must go to compensation packages.”
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Louisiana Rejects Race to the Top, Citing Red Tape

By Joy Pullmann

Louisiana has decided against pursuing Race to the Top federal education grants, despite a protest from Sen. Mary Landrieu (D-LA) and a near-final finish in the previous grant round.

“The grant has strings attached that will force more state and federal control on our education system,” said Ruth Johnson, secretary of Louisiana’s Department of Children and Family Services. “The Early Learning Challenge adds more red tape to a system already mired in red tape.”

After the announcement, Landrieu wrote to Gov. Bobby Jindal (R).

“It is puzzling to me how Louisiana could have passed up this opportunity,” she said. “Your decision will have a negative impact on thousands of children in our state. I hope your reasons for failing to apply for these funds are strong enough to justify these consequences.”

‘Exact Opposite Approach’

 “[Louisiana departments] completed a thorough analysis of this grant and determined that it is the exact opposite approach our state should take to help our kids,” said Jindal spokesman Kyle Plotkin in response to Landrieu. “We need to streamline the governance structure, funding streams and quality standards in our early childhood system—and the grant would only make things worse by reducing flexibility and adding more micromanagement and regulatory obstacles.”

Thirty-five states, Washington, DC, and Puerto Rico have applied for RTT’s second full round of grants, which offers winners grants for early-childhood programs. (An interim round was open only to finalists who didn’t win round one.)

Based on its low-income student population, Louisiana could have vied for $60 million in federal funds. Louisiana’s annual K-12 education budget is $6.8 billion. Texas and South Carolina also declined to apply for RTT funds, citing similar concerns.

Because Louisiana students have had among the worst standardized test scores for many years, “there’s a lot of interest” in education reform there, said Kevin Kane, president of the Pelican Institute for Public Policy in New Orleans. Education is Jindal’s strongest policy area, contributing to his broad popularity, he noted. Jindal won reelection in October by sweeping the primary with 66 percent of the vote against nine competitors.

Danger in One-Time Funds

Plotkin emphasized the grant would provide “one-time dollars” yet require the state to create and continue funding programs after the grant was spent.

Louisiana had been a favorite to win RTT dollars in the program’s first round, but it lost out to several other states, causing the Jindal administration to rethink RTT, Kane said. The previous application cost Louisiana an “enormous” amount of time and money, he said.

“People will argue any time there’s a dollar of federal money available, you have to jump on it, but I don’t think that’s wise,” Kane said. “Be careful about taking the quick lump sum of money, because down the road it might cost you more.”

Louisiana has rejected other federal offers, including stimulus money to extend unemployment benefits. Accepting those funds and their requirements would have put Louisiana on the hook for more money than they would have been getting from stimulus funds,” he said.

“Louisiana will ultimately be better off for not incurring more federal regulatory over their early education system,” said Lindsay Burke, a senior education policy analyst for The Heritage Foundation. “Louisiana’s leaders can provide options for children without Washington’s micromanagement.”

State-Led Approach

Louisiana is currently considering how to revamp its early-childhood education programs and use the $1.5 billion in annual spending on them in ways that simplify funding, organization, and standards, Johnson said.

“Adding more money to a system that is inefficient and mired in red tape will not effectively address the needs of our children,” said acting Louisiana Superintendent of Public Instruction Ollie Tyler.

The state is still fleshing out the details, but plans include measures that have worked for Louisiana in upper grades, such as identifying “highly effective” teachers and evaluating student outcomes, Johnson said.

“States need to allow private preschool providers to flourish, and should not crowd out private care by growing government preschool,” Burke recommended. “If a state is going to create taxpayer-funded preschool, dollars should be voucherized so that children can attend a provider of choice.”

Joy Pullmann (jpullmann@heartland.org) is managing editor of School Reform News and a research fellow in education policy at The Heartland Institute.

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Ill. Taxpayers Cover Teacher Pension Contributions

By Emily Johnston

Teachers in nearly half of Illinois’ public school districts contribute nothing from their weekly paychecks to their pensions, according to a new study by the Illinois Policy Institute.

Illinois law requires teachers to contribute 9.4 percent to their pensions and employers to contribute 9 percent. Currently, though, half of Illinois’ school districts, and therefore taxpayers, pay both the employee and employer contributions.

During the 2009–10 school year, 555 of the state’s 867 districts paid some or all of teachers’ required pension contributions. This has contributed to a fund deficit of $85 billion. To compensate, the state has been paying 20 percent of the pension fund.

“Improvement will only come with reform,” said Ted Dabrowski, the institute’s vice president of policy. “We are digging a deeper and deeper hole every day we don’t reform.”

Inflating Salaries

Dabrowski, coauthor with Michael Wille of the report titled “Teachers’ Pensions: Who’s Really Paying?” said though many teachers technically pay a portion of the pension fund, their salaries have been inflated to cover the amount taken out for retirement benefits. This “pension pick-up” means school districts essentially pay the teachers’ portions in addition to the employer portion.

“In almost half of all school districts in Illinois, taxpayers are on the hook for 100 percent of teachers’ pensions,” Dabrowski said. “This totally contradicts union claims that teachers pay their ‘fair share’ for their own retirement.”

This pick-up cost taxpayers more than $430 million in 2009–10. In 2010, Illinois paid more than $2.2 billion to the Teachers’ Retirement System to cover the “employer share” of the benefits, Dabrowski said.

Unions Block Reform

Illinois attempted pension reform in spring 2010, but public employee unions lobbied to block the legislation. Dabrowski said reforms eventually will take one of three forms: continuing the same retirement benefits and charging employees more, keeping payments the same but lowering benefits, or converting from a pension system to individual 401(k) accounts.

Recent history suggests reform will be hotly contended.

In January 2011 the Ohio Teachers Retirement System recommended increasing teacher pension contributions from 10 to 14 percent and cutting cost-of-living increases by one-third, to help close an $8 billion budget shortfall. In 2010, Wisconsin proposed similar reforms. In both cases, the National Education Association and American Federation of Teachers protested aggressively.

Pension Reforms More Prominent

Despite the pushback, in 2010 a record amount of state legislation was offered to address retirement plan funding problems, says Ron Snell, a senior fellow at the National Conference of State Legislatures. In 2010, 21 states enacted changes to their public pension plans, Snell said.

Many Wisconsin teachers retired at the beginning of 2011 to avoid paying more for their pension benefits. Within the first six months of 2011, 4,935 Wisconsin school district employees had retired, almost doubling the retirements of 2009 and 2010. Many districts rehired the teachers, allowing them to receive two pensions later when they retire for good.

Even with some increase in retirements, Snell predicts reform will continue and expand. Thirty-one states are considering pension reforms in current legislative sessions, he said.

“Illinoisans are struggling with unemployment and higher tax bills,” Dabrowski said. “To ask that teachers pay their share and reduce the burden on taxpayers is only reasonable.”

Emily Johnston (ej.emily.johnston@gmail.com) writes from Hillsdale, Michigan.
By Joy Pullmann

Michigan’s department of education recently raised the scores required for students to rank “proficient” on state tests, revealing at least two-thirds fewer Michigan students can read and write at grade level than previously reported.

In Detroit, no grade level in the district has more than 15 percent of students proficient in math.

Starting this school year, Michigan has raised the “cut scores” that mark a student as advanced, proficient, partially proficient, or not proficient. Students previously had to get just 39 percent of questions right on state tests to pass; they now must get at least 65 percent correct to do so.

State officials applied the new standards to the past four years of tests to give schools and districts a sense of where they might land this year. The effect was dramatic. In third grade, statewide math scores dropped from 95 percent proficient to 35 percent proficient.

“Parents and other advocacy groups exerted pressure to get this stuff right to get a fair measure of how their schools are actually performing,” said Michael Van Beek, director of education policy at the Michigan-based Mackinac Center for Public Policy. He also credited comparisons between Michigan’s tests and the National Assessment of Educational Progress, which for years placed Michigan students “at the bottom compared to the rest of the country.”

Calling Everyone Proficient

The new standards rate 29 percent of Michigan eighth graders proficient or advanced in math, and 57 percent proficient or advanced in reading. Making enough gains to reach widespread proficiency could take five to 10 years, said Robert Floden, co-chairman of the Education Policy Center at Michigan State University.

“At a certain point, we have to challenge ourselves to do better,” Van Beek said. “Where’s the incentive to improve if we’re calling all kids proficient?”

Freed from NCLB Consequences

The change is likely related to the federal No Child Left Behind law expiring and being waived by the Obama administration, Van Beek said. NCLB required states to have all children rate proficient on state tests by 2014, leading many states to adopt extremely low standards for proficiency.

“[State officials] are a little more courageous about setting high standards because they feel it’s less likely the federal government will come in and whack them for not meeting the 2014 proficiency mark,” Van Beek said.

He says the more accurate measures will lend urgency to state efforts at education reforms such as expanding charter schools and open enrollment policies.

“It is a good thing for citizens to know how well their schools are doing, so it is desirable that proficiency standards be set at an appropriate level,” said Paul Peterson, a senior fellow at the Hoover Institution. “All things considered, I think Michigan has made the right decision.”

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Higher Test Standards Reveal Mich. Education Deficiency

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Nevada Governor Develops School Choice Legislation

By Ben DeGrow

As four school reform bills Nevada Gov. Brian Sandoval (R) successfully championed earlier in 2011 go into effect, he is redoubling efforts to expand school choice and end social promotion for third graders who lack basic reading skills.

Nevada’s House and Senate are currently controlled by Democrats, and during the most recent legislative session they refused to grant a hearing to a voucher bill Sandoval backed. Nevada lawmakers convene every other year, so the governor’s next crack at improving K-12 education through legislation will come in 2013. His success will hinge partly on the results of legislative races.

But Sandoval, who won office in 2010, is not waiting for next year’s elections. “We’ll go forward with a parental choice legislative package regardless of the makeup of the legislature,” said senior Sandoval advisor Dale Erquiaga. Erquiaga said the governor is looking at a variety of voucher and tax credit programs in other states for inspiration to help craft a stronger plan for 2013.

Interest in Vouchers, Tax Credits

“If a Republican or conservative Democrat ends up chairing the education committee, you could end up seeing a lot of pressure for vouchers,” said Victor Joecks, director of communication for the free-market Nevada Policy Research Institute.

Joecks said NPRI emphasizes tuition tax credits as a way to increase school choice while avoiding possible state constitutional pitfalls.

One of Sandoval’s four successful 2011 bills, SB 197, created a statewide entity to authorize charter schools. Most of the state’s 17 school districts had stopped granting charters, so charters needed an alternative to expand. Erquiaga says in addition to vouchers or tax credits, the governor wants to continue promoting high-quality growth in the charter sector.

“We feel that choice ought to be available to all Nevadans, regardless of income level,” said Erquiaga. “Everything’s on the table.”

Expanding Charters

An October 5 visit from former Florida Gov. Jeb Bush (R), a national education reform champion, included stops with Sandoval at two Las Vegas charter schools—the Andre Agassi College Preparatory Academy and Southwest Career and Technical Academy.

“Both [schools] are incredibly unique, and both are an illustration of what choice in education can provide,” said Jaryn Emhof, spokeswoman for Bush’s Foundation for Excellence in Education and a member of the visiting delegation. During his eight-year tenure, Bush made an array of public and private educational options more accessible to Florida students. Since then, Florida students have risen to the top on national tests and have come the farthest of any state in closing the achievement gap between white and minority students.

Erquiaga said his staff members’ interaction with Bush’s foundation also has fostered a greater interest in advancing digital learning opportunities.

Prioritizing Literacy

Sandoval also remains keen on pursuing measures that hold back third graders who cannot read—another reform Bush implemented in Florida. Though Nevada legislators gave the governor’s 2011 proposal no more than a hearing, Sandoval is intent on bringing the issue back in 2013.

The National Assessment of Educational Progress shows more than 40 percent of the state’s fourth graders cannot read at “basic” grade level, remaining below the national average.

“Our proficiency at the third-grade level today is really abysmal. Our kids are advancing to the fourth grade without being able to read, and we lose them.”

DALE ERQUIAGA, SENIOR ADVISOR TO BRIAN SANDOVAL GOVERNOR - NEVADA

“It will be a long and spirited conversation,” Erquiaga said.

Power to Change

Emhof said recent legislation giving the governor the power to appoint the Nevada superintendent of public instruction strengthens his hand at achieving education reforms.

“Passing a law is important, but implementation is equally important,” Emhof said, noting the same power was a key to Bush’s long track record of education reform success in Florida.

Emhof expressed confidence Sandoval’s education agenda for Nevada will positively affect students in the long run, with the governor working hard to broaden support and make critical decisions despite political obstacles.

“There’s definitely a need for change,” she said. “The beauty is they have a strong leader who recognizes the need and is willing to put in the investment to make the changes.”

Ben DeGrow (ben@i2i.org) is senior education policy analyst for the Independence Institute, a free-market think tank in Colorado.
Charters Outperform Public Schools, New Study Says

By Ashley Bateman

Children attending charter elementary schools do better in reading and math on average than those in traditional public schools, according to a University of Washington study of the highest-quality research available.

Students at charter middle schools also outperform their traditional counterparts in math.

The study authors, economists Julian Betts and Emily Tang, reviewed 40 studies of charter school achievement and scientifically collated the results.

“If you look at elementary and middle school math results, attending a charter might move a student from the 50th percentile to a 52nd percentile over a year,” Betts said. “That would add up over time. On average, the effects are modest and positive.”

‘Most Rigorous’ Research
The number of rigorous charter studies has increased in recent years. Betts and Tang considered those that randomized students studied through lotteries and accounted for a student’s history of achievement using value-added comparisons—research considered the “most rigorous” by scientific standards.

The study is an updated version of one Betts and Tang authored in 2008. Betts said the evidence is now stronger that charter school students overall have higher achievement than comparable traditional public-school students.

“It could be that charter schools are getting a little bit better on average over time,” Betts said.

In high schools, little evidence confirms stronger achievement, Betts said, but the results vary by location.

R&D Labs of Education
“At our center we’ve had a number of folks working on the collection of what is the right way to judge charter school performance,” said Robin Lake, associate director of the Center on Reinventing Public Education, which commissioned the study. “We convened a consensus panel of the best experts in the country to set standards.”

Lake said the constantly changing charter school research landscape makes regular and updated studies important to determining the schools’ success.

“I think we’re learning a lot from charter schools,” Lake said. “They’re turning out to be what people intended—the research and development arm of public education.”

KIPP Successes Found
Betts and Tang also released results of their study on a national network of open-enrollment, college-preparatory schools called the Knowledge Is Power Program. They determined KIPP schools cause statistically relevant improvement in student achievement: “These impressive effect sizes are enough to move a student initially at the 50th percentile to the 54th and 59th percentiles in a single year.”

Though much of the current research on charter schools has been commissioned in response to controversy, Lake said, the increase in the number of studies is a good thing. The large variation in results between some studies is likely due to the variation in charter school laws and providers from state to state and municipality to municipality.

“Charter schools have to be understood in a local context because state laws vary so much and implementation varies so much,” she said.

‘More Strongly in Favor’ of Charters
Though the 2011 results did not differ much from previous studies, the “overall average effects are more strongly in favor of charter schools than in the earlier review,” the study states.

Many previous studies used “snapshot” approaches that measure data at one point in time, which have been determined ineffective in garnering meaningful results.

“We only found 14 reports that used rigorous methods in 2008,” Betts said. “This time we found 40, so they’re more geographically diverse and cover a greater audience than before.”

Another major difference from the 2008 study was Betts and Tang’s estimate of overall average effects.

“Our new analysis tells us the overall effect and whether it’s statistically meaningful,” Betts said. “We also recorded how much variation we see across studies and if they have a negative impact here and a positive impact there. About three-quarters of the variation across the study is likely to be real variations rather than just lack of precision and uncertainty across estimates.”

Bigger Gap in Urban Districts
The study detected a wider performance gap between charter and traditional public schools in urban areas, with charters much better at boosting student achievement than urban public schools.

“One possibility is that charters operating in urban areas are providing a better education,” Betts said. “A second possibility is traditional schools may be doing a little bit worse in urban areas.”

Discovering which charters are outperforming traditional public schools and why is critical to improving education, Betts said.

“I think we’re learning a lot from charter schools. They’re turning out to be what people intended—the research and development arm of public education.”

ROBIN LAKE
ASSOCIATE DIRECTOR
CENTER ON
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EDUCATION

Policy Implications
Local officials should expect “a teething phase” when new charters start, but they shouldn’t be afraid to close down persistently failing charters, Betts said. The relative ease of closing a failing charter school compared to a traditional public school means trouble spots can be more quickly removed from a state’s charter portfolio, she said.

The study recommends charter school “successes should be identified [and] copied in other settings.”

“We’ve had at least three presidents in a row now that look at charter schools as agents of change in the country,” Betts said. “It’s enshrined in our law that charters are an option for improvement.”

Ashley Bateman (bateman.ae@googlemail.com) writes from Williamsburg, Virginia.

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Ohio Voters Reject Education Tax Increases
In approximately two-thirds of northeastern Ohio districts, voters renewed existing tax levies for schools but refused to increase them. Forty-two Cleveland-Akron school districts put property and income tax increases on the ballot in November citing salary freezes, reduced state school funding, and transportation cuts—and voters rejected nearly all of them.

Several of the districts have been requesting tax increases for more than a decade.

“I’m wondering if there’s a culture in our communities against new taxes,” said Brian Williams, superintendent of the Buckeye School District.

Seattle Approves Doubling Education Tax
Seattle residents will pay twice as much in education tax levies after 59 percent of voters approved an increase in November. The measure will raise an additional $232 million for city public schools over seven years, adding an average of $59 to property taxes.

Seattle Public Schools has in recent months been attempting to patch up a major financial scandal over billing and contracting practices. The school board sacked the district superintendent, and prosecutors filed theft charges against three people, including a school district manager.

Tax opponents had noted the scandal as a reason not to send the district more money. They also cited the city’s 22 percent dropout rate and the fact that less than a quarter of black and Hispanic high school students rate as proficient in math on state tests.

Seattle currently spends $13,300 per public school student, collecting the levy in addition to normal property, business, and sales taxes. The new revenue will be spent on pre-K programs, after-school and summer programs, and school health clinics.

“It’s unfair to impose a tax increase on the elderly, the poor, and the unemployed during the worst economy since the 1930s for a program that doesn’t work,” said Paul Guppy, vice president for research at the Washington Policy Center. “City leaders should stop seeking more money and start educating kids.”

Atlanta Approves Education Sales Tax Increase
Sixty-four percent of Atlanta metro voters approved a 1 percent sales tax increase projected to bring in $3.2 billion for public school infrastructure in the next five years. Atlanta voters have never rejected a sales tax increase tied to education.

Atlanta Public Schools has struggled to overcome one of the nation’s largest cheating scandals in the past year, after official inquiries revealed teachers and administrators worked together to erase and replace incorrect student answers on standardized tests.

“Notwithstanding some yard signs here and there, pro-tax supporters were also largely invisible,” said Kyle Wingfield, a commentator for the Atlanta Journal-Constitution. “Yet the measure passed. No wonder politicians like this method of letting citizens tax themselves: The politicians still get to spend the dough, while washing their hands of the responsibility for raising taxes.”

Local politicians supporting the sales tax increase told voters it would reduce municipalities’ need to raise property taxes. Several municipalities planned to use revenue from the increase toward noneducation projects, such as performing arts centers and new city halls.

—School Reform News Staff

November 8 Elections: Education Tax Roundup
**Wisconsin Districts Raise Achievement, Cut Costs**

By Joy Pullmann

Three Wisconsin school districts have been boosting student performance while using less money, challenges for nearly every district in the nation as tax revenues remain low and U.S. K-12 academic performance remains mediocre.

The districts, part of a larger network called Cooperative Education Service Agency 1 (CESA1), also work together in a smaller, more informal cooperative largely held together by friendships among their superintendents.

“We have worked together for many years, so we use each other in terms of bouncing ideas off each other and getting feedback,” said Kathy Cook, superintendent of Hamilton School District. “It’s kind of our own learning network.”

**Taxpayer-Centered Administration**

Pewaukee, Hamilton, and Greendale school districts skirt Milwaukee in southeast Wisconsin. They are small: Pewaukee and Greendale have 2,600 students, and Hamilton has 4,600.

At least 90 percent of students tested in these districts rated proficient or advanced in reading on state tests, 10 points higher than the region’s average and about 5 points higher than the state average.

In math, the districts’ average scores in some grades dip to around 85 percent proficient or advanced, but each average still beats the region by about 15 points and the state by about 10 points. The districts spend at least $1,400 less per student than the state average of $12,300.

“Our school board is really the model,” said Steve Welcenbach, a parent of three who attended Hamilton schools. He became a strong supporter of his district after attending school board meetings and learning about Hamilton’s financial position. Cook stopped to talk to Welcenbach after the meeting and sent him a letter a few days later, offering to meet with him and answer any questions, as well as directing him to the district’s business manager for financial data.

“Our middle school went from problematic in the mid-1990s to number one in the state,” Welcenbach noted. “That has a lot to do with the principal, but also has a lot to do with the superintendent who hired her.”

**Student-Centered Learning**

Working together, the districts have begun to shift the center of education from a standardized, one-size-fits-all system to student-centered learning. Their teachers regularly meet to share ideas and learn new techniques.

“A key strategy we’re using is to start with small modules of change that ultimately aggregate,” said James Rickabaugh, director of CESA1’s Transformation Initiative.

One module includes math classes in Pewaukee incorporating software that assigns problems to students based on ability and alerts the teacher to trouble spots. Students in pilot classes moved much more quickly through their curriculum and understood the material better, said Pewaukee Superintendent JoAnn Stermkne. This fall, the district moved all seventh graders into math classes blending software and in-person teaching.

**Data-Driven Decision-Making**

Pewaukee, Hamilton, and Greendale depend on detailed data to form decisions and goals, their superintendents said. Stermkne uses criteria established by Malcolm Baldridge, a former U.S. Department of Commerce secretary, “as a framework for making systems more accountable to the taxpayer.” She said extensive metrics allow her to reduce expenses such as transportation and food services and to send more money to classrooms.

Cook cited “aggressive targets, high standards for performance, and using data to improve deliberately” as keys to her district’s success.

“Not too long ago we were in a great state of distress,” she said. “Our facilities were a mess, our achievement was below the state average, [and] realtors would tell people not to move to the Hamilton school district. With the help of our school board, we made aggressive targets for improvement and really engaged the stakeholders in our organization and promoted transparency.”

The districts recognize the state test is a “relatively low-level assessment,” said Greendale Superintendent Bill Hughes, so they use their own metrics to gauge student achievement more accurately.

**Engaging Communities**

Shifting to student-centered learning has required these superintendents to get out and talk with parents and taxpayers, the three said.

“It takes a competitive person to get to a good superintendent’s position. Then it takes the opposite, the ability to collaborate and learn from each other without false pride and ask for input,” Hughes said. “We go to a lot of meetings people think are a waste of time, but we’re looking for ideas.”

Years of such meetings with business leaders, parents, teacher unions, and taxpayers has helped these superintendents work towards changes such as flexible instruction and teacher contracts.

“The public will say they want strong schools and change, but when you start to actually implement change they say, ‘I wanted change, but I didn’t mean me,’” Cooke said.

**More Belt-Tightening Ahead**

The districts expect to tighten belts again as state and local tax revenues remain flat. This year a new state law requiring employees to pay 12.6 percent of their health care benefits, half the national average, saved Greendale $470,000.

Several years ago, Hamilton switched from state health insurance, allowing the district to provide similar benefits privately for half the cost. The district also purchases natural gas through a broker, started a foundation that has raised more than $1 million to purchase technology, and created a tutor corps staffed by retiree volunteers.

“We used to be a sleepy district that in the last ten years has really become much more high-achieving,” Stermkne said. “We deliver a quality education and have the data to prove it. That was not true 15 years ago.”

Joy Pullmann ([jpullmann@heartland.org](mailto:jpullmann@heartland.org)) is managing editor of School Reform News and a research fellow in education policy at The Heartland Institute.
Missouri Eyes Performance-Based Higher Ed Funding

By Cheryl K. Chumley

Missouri Gov. Jay Nixon (D) is pushing performance-based funding for higher education aimed at boosting student graduation rates and test scores and providing accountability to taxpayers.

The governor created a task force to develop a Missouri Performance Funding Model he will bring to legislators for deliberation, with hopes of implementing it by 2013. With the governor’s decision Missouri joins a growing list of states considering or passing outcomes-based measurements for education. The performance model would affect new funding only after 2013.

“This will move us away from a system of spending money based solely on what an institution has received in the past, to a system where we invest money in those institutions that are meeting their goals and whose students are reaching their potential,” Nixon said in a statement.

The new model will award state funds for higher education according to clear, statewide goals applying to all institutions, Nixon said, which must be quantifiable and measured annually, reflect “best practices” for accountability, and account for differences between two- and four-year institutions.

Potential Pitfalls
Missouri Performance Funding Task Force members will look at a handful of areas including graduation rates, student retention rates, students’ performance on state certificate exams, and each university’s ability to keep tuition rates low. That last measure has piqued particular interest.

“Schools that are able to keep tuition down will get more funding,” said Matthew Denhart, administrative director for the Center for College Affordability and Productivity. “That seems like a unique metric.”

Still, each performance assessment has potential pitfalls, Denhart said. Too much focus on graduation rates could lead schools to dumb down class requirements or graduate ill-prepared students in order to receive state funding, he said. Similarly, emphasizing low tuition rates does not necessarily guarantee student expenses will significantly drop.

“Schools could hold tuition constant but then increase fees,” Denhart said. “For a student, a dollar is a dollar coming out of their pocket. It doesn’t matter if it’s a dollar for tuition or a dollar for fees.”

Bigger Ambitions, Less Money
President Barack Obama has repeatedly and publicly declared it a national goal for the United States to lead the world in college graduation rates by 2020. Since the recession began in 2008, however, 43 states have cut higher education funding to deal with massive budget deficits. In 2010, those cuts totaled $1.2 billion, and in 2011 they are expected to reach $5 billion.

Those bottom-line considerations coupled with the importance of a well-educated workforce are pushing schools nationwide to institute performance-based funding models for higher education, said Brenda Bautsch, a policy specialist for education programs with the National Conference of State Legislatures (NCSL).

“Colorado, Texas, Illinois, all have passed [such] legislation,” Bautsch said. “It’s partly because of poor graduation rates around the country, and states are seeing limited funding and they’re asking themselves how to get more bang for their buck.”

Increase in Performance Incentives
Since 1979, 26 states have tied higher education funding to particular outcomes, in varying degrees, according to a recent report from the American Association of State Colleges and Universities. Pennsylvania sets aside less than 3 percent of its higher education budget for performance funding, while Tennessee disburses roughly 90 percent of its higher education budget according to outcomes.

It’s too soon to tell whether financial incentives bring about better performance, Bautsch said. Only recently, she said, are we “starting to see states move [completely] to outcome-based funding, so it’ll be interesting to see what happens. There are a handful of states—Indiana, Ohio, Tennessee—that in the next 10 years will move to a formula where nearly 100 percent of funding will be based on outcome measures.”

Such measures often have been a tough sell for governors and legislators because they challenge institutional inertia and unsettle entrenched interests. Texas Gov. Rick Perry (R) found that early in 2011 when legislators failed to pass an outcomes-based higher education funding model. The plan had been Perry’s top higher education priority.

Keys for Success
One key provision for successfully implementing performance funding is to keep it simple, said Julie Bell, director of NCSL’s education group, in a published report. Another is that states should provide sufficient funding incentives so schools see participation as worthwhile.

Bell continued.

“For taxpayers, the benefits go even deeper.

Cheryln Harley LeBon, a former senior counsel for the U.S. Senate Judiciary Committee and now a member of the national advisory council of the Project 21 black leadership network, cites a 2011 internal report from the Texas university system that rated individual professors by comparing their salaries to research grants they brought in and the number of students they taught.

“At Texas A&M [University] alone,” she said, “the report found that more than 1,000 professors taught only 19 percent of the classes but accounted for 46 percent of faculty costs, and on top of that, they weren’t bringing in significant research funds at all.”

Performance-based measures would eliminate such funding disparities, she said.

“Pay-for-performance is basically like merit pay. It’s kind of like what they were doing at the high-school level with test scores,” Harley LeBon said. “As tuition is being raised across the country, parents and students deserve some better customer service. ... It’s a step in the right direction.”

Cheryl K. Chumley (ckchumley@gmail.com) writes from Northern Virginia.
Non-Union Teacher Groups Grow as NEA Numbers Shrink

By Rachel Davison

The National Education Association’s active membership fell by approximately 100,000 members in the 2011–12 school year. Although the NEA remains the nation’s most visible and powerful teachers union, over the past few years several new efforts have emerged nationally to give teachers an alternative voice in policy while educating them about professional, non-union options.

“[Teachers] don’t feel like they are being included,” said Brenda, a sixth grade teacher, explaining in a promotional video why she supports Educators 4 Excellence (E4E).

When not required by state law to join unions as a condition of employment, many teachers choose another organization with national membership, such as the Association of American Educators. AAE is the largest non-union teachers’ association. Others choose regional organizations such as E4E in New York, the California Teacher Empowerment Network, and Boston-based Teach Plus. Most of these groups are active in right-to-work states, where union membership and dues are not compulsory.

Interest Growing Nationally

“Very good things are happening on the national stage,” said Larry Sand, president of the California Teacher Empowerment Network. One example is Texas, where the Association of Texas Professional Educators has more than 116,000 members, more than double the membership of the local NEA affiliate. It’s the largest independent association for public school educators in the nation.

Tim Farmer, membership director for the Professional Association of Colorado Educators, an AAE state affiliate, says members are motivated by growing frustration with the big teacher unions.

“[Teachers] don’t feel like they are being included,” Farmer said. “They don’t feel like they have much of a voice.”

That is pushing educators to seek union alternatives, he said.

Legislative, Economic Encouragement

“In order for the teaching profession to really be elevated to an academic profession, it is going to have to embrace some different reforms. It is going to have to be more open to change,” said Farmer.

New legislation is encouraging some change. Tracey Bailey, 1993 National Teacher of the Year and director of education policy for the Association of American Educators, said, “The greatest change is happening in the Great Lakes region, where state laws have just changed to allow teachers more choice.”

The poor economy means more states and cities face tight budgets and have begun to look closely at pension costs. “Cities are going bankrupt, and if we want [teacher] pensions to be there, we have to be more cautious about union abuse,” Bailey said.

Younger Teachers for Freedom

Teachers also push for reform and more options when they see the disparity between their compensation and that of union officials.

“When rank-and-file teachers are only making $50,000 and their union bosses are making $500,000, they get a little upset,” Bailey said.

Sand credits younger charter school and Teach for America teachers with the change.

“[They] don’t like all the strictures that unions impose,” he said. “Younger teachers want more freedom, more say in their classrooms. Now, as they get older, hopefully the fire in their belly will stay, but we will have to wait and see.”

The newer a teacher, the more he or she is likely to support reform proposals such as merit pay, removing “last in, first out” seniority policies, expanding charter schools, and ending tenure, according to a 2011 study from the National Center for Education Information.

‘Uphill Battle’

The younger generation is also part of what Bailey calls a generational and cultural shift away from unionism.

“We are seeing a decline in unionism because it has lost its focus,” Bailey said. “It has chosen a path that is counterproductive for the people that it serves. We are seeing [the] decline of the system that does not work as well as it should for children, for teachers, and for taxpayers.”

Although growing, alternative teacher groups are still small compared to the 3.2 million-strong NEA membership, which encompasses some 80 percent of organized teachers.

“The next step is to get members more engaged, which starts by educating teachers,” Farmer said. “We are operating on shoestring budgets and small staffs. It is an uphill battle, but one worth fighting.”

Rachel Davison (racheld@libertyforkids.com) is an educator and writer living in Indiana. She is editor of Libertyforkids.com.

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Graduates of Certain Teacher Training Programs Lift Student Achievement

By Ashley Bateman

Some teacher training programs graduate better teachers than others, and improving such programs can lift student achievement, reports a new study from the University of Washington’s Center for Education Data & Research.

U.S. Secretary of Education Arne Duncan recently rolled out new measures for evaluating teaching colleges, noting studies such as the University of Washington’s and citing teachers’ lack of preparedness as a major national concern.

Among other measures, Duncan says he wants to track teaching school effectiveness by examining how well their graduates’ K-12 students perform on standardized tests.

“The broader literature says the following: In terms of schooling resources, teacher quality seems to be by far the most important [influence], and there’s a lot of teacher quality variation in the workforce,” said Dan Goldhaber, center director and study coauthor. “Having the right teachers can really matter.”

Several recent studies have found teaching schools lack rigor, which results in many ineffective, unprepared teachers entering the workforce. Research also shows traditional education programs no longer produce more effective teachers than alternative routes to the classroom.

The study, “The Gateway to the Profession: Assessing Teacher Preparation Programs Based on Student Achievement,” confirms student achievement is related to teacher quality and looked for a relationship between teachers’ effectiveness and where they attended college.

It concluded teachers trained in Washington are not overall better than those trained outside Washington, but some colleges and programs did a better job of preparing teachers than others. Teachers from those better programs significantly boosted student achievement.

“Value for Policymakers”

The researchers used student ACT scores as a benchmark to measure the effectiveness of Washington teachers, also considering the growth or decline in individuals’ scores over time, making what researchers call “value-added” comparisons.

“It’s controversial because there are a lot of people that don’t like the idea of holding students and teachers accountable just based on student test scores, but it has a lot [of value] for policymakers,” Goldhaber said.

The researchers found “programs credentialing teachers who are more effective in math are generally also credentialing more teachers who are more effective in reading.”

They also determined student achievement growth was related more to where a teacher trained than to the district or school the teacher entered after graduating.

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Since the 1960s, education schools have opposed basing curriculum on content knowledge in favor of a faulty “learn how to learn” approach in the classroom, said Sol Stern, a senior fellow at the Manhattan Institute.

“Education school courses are intellectually barren,” Stern said. “They’re useless in being able to judge whether a prospective teacher who has credentials is actually able to be effective.”

Poor Teacher Training

George Cunningham, a former professor of education at the University of Louisville, agrees.

“The standards [for education schools] don’t talk about student achievement; they talk about student learning,” Cunningham said. “It’s learning to learn. It’s teaching students to do problem solving. Education schools by and large are not designed to be effective in teaching students.”

Tests and requirements for teachers to obtain certification also lack difficulty, Cunningham said.

“The praxis test [teachers take for certification] is designed to reflect what education schools teach, so it doesn’t serve much of a purpose,” Cunningham said. “The praxis test, to most teachers who take it, seems ridiculously easy.”

Linking Pay and Effectiveness

States such as Louisiana and Tennessee have proven the merit of tracking teacher effectiveness after graduation. The most effective teachers in those states graduate from the best-rated teaching establishments.

Across the country, though, “there’s relatively little connection between how effective people are and the kind of things that determine evaluation and pay,” Goldhaber said.

Stern said though the empirical data in the University of Washington study was probably stronger than other currently available data, he doubted the report would improve the education landscape, because teacher unions keep disproven certification and education requirements as barriers to entry and excuses for teachers to receive higher pay for little actual accomplishment.

“The education schools are very entrenched,” Stern said. “Teachers should be held accountable. We have to change the way teachers are trained and look at what they’re actually doing in the classroom.”

Ashley Bateman (bateman.ae@gmail.com) writes from Williamsburg, Virginia.

INTERNET INFO

Pension Lock-Ins Bad for Teachers, Taxpayers

By Bill Tucker

It’s a common story, one Bay Area residents know particularly well. You bought a shiny new iPhone late last year that can download all sorts of cool apps. But since AT&T is your wireless carrier and they’ve been having hardware outages, you can’t actually complete a phone call. Want to switch to Verizon? Oops, a nasty termination fee could cost you up to $325.

It’s called a lock-in. Sometimes, to align longer-term interests, they make sense. Many companies offer stock options employees can’t exercise for a few years. Organizations that make significant up-front investments in training don’t want employees immediately hitting the door with newly gained skills. Each of these is a well-understood strategy for increasing both employee commitment and retention.

But lock-ins also can breed complacency. You don’t need an economist to tell you that ending termination fees would cause an exodus of AT&T customers. Since AT&T’s primary business strategy has been to lock its customers in—either through exclusive iPhone rights or punitive contracts—is it surprising their service is so poor?

Pensions Lock Teachers In

Unfortunately, most teacher pension plans take the lock-in strategy to an extreme.

Pensions are an exploding flashpoint in states across the country. In Rhode Island, the state treasurer, a Democrat, and the governor, an Independent, have just called a special session to tackle the state’s immense pension woes. The state’s pension contribution has grown steadily from 5.6 percent of salaries in 2002 to approximately 23 percent in 2011, and it’s projected to grow to 35 percent in 2013.

Pension contributions, the fastest growing line item in Rhode Island’s budget, have doubled, from $139 million in 2003 to $302 million in 2010. By 2013, when the state’s $75 million in Race to the Top funds are supposed to be transforming its education system, required pension contributions are expected to double again, to $615 million.

Battles over teacher compensation and benefits often pit new teachers against veterans. But that’s not always the case in pension systems. While research shows teachers’ effectiveness increases quickly in their first few years, research also finds little difference in effectiveness between a teacher with five years of experience and one with 30. Yet many pension systems don’t even allow teachers to qualify for pension benefits until they’ve taught for ten years.

Not just the first-year teacher, but also the seventh-year teacher is locked in. The early termination fee for leaving, or even moving to another state, equals tens of thousands of dollars in pension wealth.

Taking Considered Action

There are no easy answers to pension dilemmas. Just as it was tempting to increase benefits in more prosperous times, states should act conscientiously and not swing too far in the other direction. Pushing educators into the same retirement insecurity that plagues many Americans is not the answer.

Neither are pension lock-ins that continue for decades. For a teacher who passes the ten-year mark, the 12th year of teaching is often worth much less in accrued benefits than the 22nd year of teaching, which is worth less than the 26th year of teaching. Pension systems in Rhode Island and many other states highly reward some teachers, push others into premature retirement, penalize those who move, and are far from equitable, as teachers with similar abilities and responsibilities earn vastly different pensions.

Just as AT&T’s contract structure “rewards” customers who stay for two years and “encourages” customer retention, defenders of these pension designs say the plans’ heavily back-loaded benefits and lock-ins encourage seven-year teachers to stay till their tenth year and 20-year teachers to stay into their next decade of teaching. Removing these elements, they fear, would lead to costly teacher turnover, decreasing the overall effectiveness of the teacher work force. Perhaps they are right. But if so, we’re following the AT&T teacher retention strategy, relying on coercion rather than making teaching a vibrant profession people remain in by choice and desire. Let’s stop relying on financial handcuffs and design teachers’ roles so they want to stay.

Bill Tucker (btucker@educationsector.org) is managing director for Education Sector. This article originally appeared on The Quick and the Ed and is reprinted here with permission.

“[W]e’re following the AT&T teacher retention strategy, relying on coercion rather than making teaching a vibrant profession people remain in by choice and desire. Let’s stop relying on financial handcuffs and design teachers’ roles so they want to stay.”

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Senate Bill Would Keep Federal Tutoring Requirements

By Jim Waters

As bills to reauthorize No Child Left Behind multiply, Sen. John McCain (R-AZ) has proposed legislation to preserve a provision requiring failing schools to offer federally funded tutoring to poor students.

Several NCLB reauthorizing bills from other senators eliminate NCLB’s Supplemental Educational Services (SES) program, but McCain’s S. 1570 would retain and amend it.

“There are a lot of really good [tutoring] providers,” said Sharon Kruse, a University of Akron education professor. “Whether that will show up in better math scores, there are too many variables to say.”

Private tutors work extremely well for children from wealthier families, and there’s no reason they can’t do the same for children from poorer families, said Stephanie Monroe, who served as assistant secretary of education for civil rights during the George W. Bush administration.

“We somehow think that some people in our society can’t learn—therefore you can’t teach these kids,” Monroe said. “It’s completely false, and it’s prejudicial.”

Increasing Flexibility, Oversight

School districts currently must place 20 percent of their Title I funds in escrow to ensure the federal dollars aimed at low-income districts and students are available for SES. McCain’s bill instead requires states to direct 10 percent of Title I funds to districts with tutoring programs, which would free approximately $800 million for schools to use elsewhere.

It also seeks to strengthen tutoring program oversight by evaluating providers “on their impact at improving student academic achievement,” according to a bill summary. The bill has been referred to committee.

“We can improve the coordination, making sure the principals are more engaged, making sure plans are developed collaboratively with teachers” and eliminate “bad actor” providers using S. 1570 provisions, Monroe said.

The federal law currently requires SES programs for schools that have not made adequate yearly progress (AYP) on state tests for three consecutive years and enroll high percentages of students eligible for free and reduced-price meals.

Current Oversight Poor

Several studies have questioned the wisdom and effectiveness of using federal funds to require school districts to pursue programs that effectively compete with their own. Baltimore has spent $55 million on NCLB-mandated tutoring since 2001, but with little evidence that student learning has improved, concluded an Abell Foundation report.

“The federal law is flawed in the way it doesn’t allow proper regulation,” said report author Joan Jacobson.

Maryland officials have refused to analyze and publish test scores of SES students when evaluating the tutoring program, claiming it is too varied in number of hours and type of instruction and that the sample size of tutored students is too small to accurately measure progress.

Jacobson blames a lack of state oversight in areas such as the varying hourly fees private tutoring services charge and their autonomy.

Transparency Assists Parent Decisions

Other states have taken steps to improve SES when contracting with tutoring providers.

Ohio recently published effectiveness reports for more than 200 providers that offer tutoring services to low-income children in 663 schools statewide, which helped parents find good providers and weed out the ineffective ones. Of the 20 rated “Not Effective,” six no longer provide tutoring.

Whereas Jacobson could not name even a single tutoring provider she considered effective in Maryland’s program, the new Ohio report found 101 of its 200 providers “effective.”

Tutoring programs that significantly improve student achievement “do it in a way that focuses on integration, coherency, alignment, and consistency,” Kruse said. “It’s the idea that everything they’re working on is working toward a focused goal.”

Prefers In-School Tutoring

Schools, not single-contract providers, are best equipped to provide the additional instruction poor kids often need, said Bruce Hunter, associate executive director of the American Association of School Administrators.

“If these low-income kids are doing badly in school, you need an intervention in school that’s greater than me...
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