

Centennial Institute

POLICY BRIEF

Spend Less, Achieve More

Improving Our Schools in Fiscal Hard Times

Centennial Institute Policy Brief No. 2012-1

By William J. Moloney

Editor: Public education is the most important communal undertaking in every state. It is also the most expensive obligation for taxpayers. But as we enter 2012, public education faces both a budget crisis and an identity crisis.

Governors and legislators in every state have already begun another round of unwelcome spending reductions. At the same time, school districts across the nation are mired in controversy over the very meaning of education.

Centennial Institute asked former Education Commissioner William Moloney to think outside the box about realistic solutions. Moloney was Colorado's chief state school officer under Democratic and Republican administrations from 1997 to 2007, and he has worked on education policy in a number of other states and nations. Here are his analysis and recommendations.

Facing Up to the Entitlement Mentality in Public Education

The grim fiscal situation now confronting governors and state legislators has no precedent since the Great Depression.

What is to be done about the huge projected deficits for the coming fiscal year? And where will additional dollars of spending cuts be found for any shortfalls in the current fiscal year?

Reducing the level of state aid to K-12 education has inevitably been part of the answer. With painful bipartisan effort, budget-writers across the nation have made dramatic cuts to K-12 spending, albeit with great variation depending on specific fiscal conditions in individual states.

In the past, although there have been significant differences of opinion – often partisan in nature – state policymakers have generally accepted the conventional wisdom that K-12 education in

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America is a fairly rational and reasonably efficient enterprise. Now, however, the stark reality that K-12 spending is on average nearly one-half of state budgets and more than half of local budgets has compelled a re-examination of those assumptions.

Plunging revenues and the political difficulty of making K-12 cuts have only added greater urgency to this re-examination. It's time for policymakers to call into question the conventional wisdom that has gone unchallenged for decades.

One profoundly important perspective that has already emerged is the following: Though historically we have not thought of it that way, K-12 education is an entitlement program.

In fact, at the state and local level it is the biggest entitlement of all. Given the classic definition of an entitlement – a permanent obligation of government monies embodied in law and public expectation – this conclusion is self-evident.

Such new perspectives are necessary if policymakers across America are to successfully challenge the conventional wisdom and transform K-12 schools in a manner consistent with the fiscal and educational realities confronting our country in the 21st century.

Three Ways the Conventional Wisdom is Wrong

To begin, let us look closely at the conventional wisdom about K-12 budgets and results. It is badly mistaken in three ways.

Myth 1: Conventional wisdom holds that K-12 education in America today is both cost-effective and educationally effective. That is wrong.

Myth 2: Conventional wisdom holds that deep reductions in spending will doom education reform. That too is wrong.

Myth 3: And conventional wisdom holds that there are no models of schools or systems doing much better with much less. Wrong yet again.

Fortunately for America's schoolchildren and families, our taxpayers and governments, our economic vitality and quality of life, all three assertions are demonstrably false. The facts, backed with strong evidence which we'll examine in this policy brief, are these:

Fact 1: There are massive cost inefficiencies and educational deficiencies within the structure of K-12 education, built up over decades and crying out for correction.

Fact 2: For that reason, the deep spending reductions now forced upon us can actually set the stage for the most dramatic improvements in learning performance we have seen in decades.

Fact 3: There are countless examples of schools, systems, states, and countries doing much better with much less.

These propositions will be hard for many people to accept. They contradict so much of the widely and sincerely held perception about what our schools have been doing over the last half-century.

However, given the awesome scale of the fiscal emergency facing our states and nation, policymakers across the spectrum cannot honestly excuse themselves from setting aside all preconceptions and thinking hard, thinking anew, about how to do education right and how much it needs to cost.

What's involved in thinking anew? This policy brief spells it out in a question-and-answer format.

- We argue that American public education went badly astray in the last half-century.
- We show where and how that happened.
- We point out the road to recovery.
- Finally, to conclude the 20 questions, we offer an agenda for taking that road.¹

Twenty Ways to Think Anew

To set our states on a new path toward much better schools on much lower budgets, the first step is realizing that things don't *have* to be the way they are now.

The status quo of expensive mediocrity was not forced on us by fate. It resulted from certain assumptions and decisions over the course of several decades, back to a time in living memory when American education was the world's best.

Better decisions based on truer assumptions, starting now, can begin to improve the picture dramatically. It is in our power to fix what is broken. All that's needed is the political will – and the grim fiscal situation should supply that. Indeed it leaves us little choice. There will never be a more opportune moment to break out of the old paradigm.

The following sections use Q&A to provide a reality check on discredited educational notions, one at a time, and then to give policymakers a ready reference of what works – along with an action menu for what can be done.

¹ The facts and assertions made in this paper are fully documented and widely available from public sources. For a single-volume compendium including most of them, we highly recommend the recently published *Stretching the School Dollar* (Harvard University Press, 2010) which includes contributions by nationally recognized authorities from across the country. We acknowledge the invaluable contribution by the authors and editors of this seminal work. In addition, since a picture is worth a thousand words, we encourage readers to see the documentary film *Waiting for Superman*, directed by Davis Guggenheim. Reviewers have been unanimous in their praise, saying: “the most compelling film ever made about American Education”... “will evoke emotions of shame and heartbreak even among persistent defenders of the status quo”... “devastating expose of teacher union culpability in this American Tragedy”... “celebrates dozens of American schools doing more for children while spending less.” We submit that all who read this book or see this film will have an essential grasp of what's wrong and how to fix it.

At a glance, the 20 ways to think anew will include:

1. Face it: US trails woefully in global rankings.
2. Own up: US spends high but achieves low.
3. And admit: No performance gains since 1971.
4. Understand our worst errors of 1960-2010.
5. Recognize the limits of accountability tests.
6. Recognize the limits of NAEP.
7. Recognize the fatal defects of No Child Left Behind (NCLB).
8. See why class organization works poorly.
9. See why the teaching profession has faltered.
10. See through class size reduction, the CSR fetish.
11. Understand why CSR is harmful and needless.
12. Realize school funding is bloated, not starved.
13. Know what makes education budgets recession-proof.
14. Dispel the illusion of under-funded schools.
15. Realize why Utah should be a national model.
16. Analyze Utah's superiority in CSR and teachers.
17. Learn from America's Catholic schools.
18. Emulate success models from America.
19. Emulate success models from abroad.
20. Legislate boldly in 2012.

Spending High, Achieving Low

Q1: Where does the United States rank internationally in academic achievement?

AI: We rank embarrassingly low: all the way down at No. 17 in reading, No. 23 in science, and No. 31 in math. Here are the latest standings as released by the US Department of Education on (fittingly) Dec. 7, 2010. Secretary Arne Duncan called these results “a massive wakeup call.”

- a. **Reading:** The Program for International Student Assessment (PISA) tests 15-year-olds from around the world every three years under the auspices of the Organization for Economic Cooperation and Development (OECD). The most recent results (2009) showed the United States at 17th among the 34 OECD member nations. Shanghai was 1st, followed by South Korea, Finland, Hong Kong, Singapore, Canada, New Zealand, Japan, Australia, and in 10th place, the Netherlands.
- b. **Science:** The 2009 results for combined science literacy showed the United States in 23rd place. Shanghai was 1st, followed by Finland, Hong Kong, Singapore, Japan, South Korea, New Zealand, Canada, Estonia, and in 10th place, Australia.

c. Math: The 2009 results for mathematics literacy showed the United States in 31st place. Shanghai again was 1st, followed by Singapore, Hong Kong, South Korea, Taiwan, Finland, Liechtenstein, Switzerland, Japan, and in 10th place, Canada.

Q2: How do per pupil costs in the United States compare with other industrial nations?

A2: These comparisons are very difficult owing to disparate funding mechanisms, and also currency fluctuations. However reasonable comparisons can be made. The following are recent secondary education figures from OECD countries most comparable to the USA.

Finland	\$7,829	United Kingdom	\$8,892
Germany	\$7,841	Ireland	\$9,375
South Korea	\$7,860	France	\$9,532
Italy	\$8,004	Netherlands	\$10,248
Canada	\$8,045	UNITED STATES	\$11,301
Spain	\$8,730	Norway	\$11,997
Japan	\$8,760	Switzerland	\$13,982

Q3: What has been the progress of 17-year-olds in the United States in reading and mathematics achievement over the past four decades, as measured by the National Assessment of Educational Progress (NAEP)?

A3: No significant progress whatsoever. On NAEP's 0-500 scale, this age group, high school juniors and seniors, scored 285 on the first NAEP Reading Test in 1971. In 2008 they scored 286. On the first NAEP Math Test in 1973, 17-year-olds scored 304. Thirty-five years later (2008) they scored 306.

Omissions and Misconceptions

Q4: What are the greatest errors of American K-12 educational practice since 1960?

A4: The principal ones in ascending order of negative impact are:

- a. Deficiency of credible systems for testing and accountability.
- b. Deficiency of rational systems for how students are organized into classes for purposes of instruction.
- c. Deficiency of quality control for the teaching profession, including recruitment, training, compensation, assessment, and retention.
- d. A national obsession with class size reduction, an expensive and counterproductive policy that has never been shown to improve learning performance.

Q5: How can accountability tests be lacking? Doesn't every state have them?

A5: Yes, but in name only. Unlike tests in other industrial nations, every one of our state tests is routinely “gamed,” precisely to *avoid* accountability and any attendant embarrassment. The very best of them (the MCAS in Massachusetts, soon to be sacrificed to toothless national standards) has had only the most tenuous connection to advancing individual student progress.

Q6: Then perhaps the National Assessment of Educational Progress, NAEP, makes up for what is lacking in state accountability?

A6: Unfortunately not. NAEP is an excellent test, America's best. But aside from periodic “temperature taking,” it is rendered useless by the infrequency of its use in any subject area (being given in five-year cycles) and by the prohibition in federal law for any use of NAEP at the local level.

Q7: Wasn't No Child Left Behind (NCLB) supposed to make all states accountable through rigorous testing?

A7: That was the intention, and in the initial draft of the legislation NAEP was the test by which all states would be measured. However, in order to pass the bill, a fatal compromise was adopted which allowed every state to (a) invent their own test, (b) create their own definition of proficiency, and (c) set the bar for passing scores as high or low as they wished.

The result was a 50-state jumble that held no one accountable and was unintelligible to the public. NCLB did, however, accomplish two things: It created a complex and intrusive web of bureaucracy, and it spent a huge amount of money.

Q8: What is wrong with how American schools organize students for instruction?

A8: Unlike some US and most foreign schools, we traditionally use irrational criteria – age, grade, or alphabetical order – that have almost nothing to do with where individual students are in their ability or capacity to advance.

Ability grouping, once the norm in US schools, has decisively fallen into disfavor save in isolated curricular areas such as advanced placement. It has been replaced by “individualization,” which places unrealistic burdens on teachers.

They are commonly driven to instruct at the lowest common denominator, creating a classroom social dynamic ranging from boredom to resentment. Instruction proceeds at a snail's pace – sometimes, as in most of our inner cities, not at all.

There is no better illustration of the resulting consequence than the wide prevalence of remedial reading at high school and college level.

Q9: What is wrong with the way America recruits, trains, compensates, assesses, and retains teachers ?

A9: Nearly everything, sad to say.

- a. *Recruitment:* Other nations only admit the “best and the brightest” into teacher preparation programs, accepting only a small minority of candidates based on rigorous objective criteria. In this country, candidates are self-selected based on paying tuition, piling up irrelevant credits, listening to the least esteemed professors on the campus, taking no tests in their intended subject areas, receiving inflated grades, and serving no real apprenticeship – after they are hired by people who have no objective criteria to judge them in the first place, and who therefore utilized such extraneous criteria as “Are you certified?” or “Can you coach?”
- b. *Compensation:* In the USA, unlike other nations, teacher pay is based on a lock-step “unitary salary scale” that values only seniority and the random acquisition of credits – making no distinction for the importance of subject or successful performance. Merit pay is therefore almost unheard of.
- c. *Training:* In the USA, unlike other nations, teacher training is falsely assumed by employers to have occurred in the Ed Schools from whence candidates came.
- d. *Assessment:* As is well known, rigorous evaluation and the removal of bad teachers simply doesn’t happen.
- e. *Retention:* Public schools have no capacity to make a counter-offer to a highly successful physics teacher tempted by private industry. Said teacher must be paid the same salary as an elementary P.E. teacher with the same seniority and credit totals.

Q10: Why isn’t class-size reduction a good idea?

A10: CSR is the most costly and damaging “reform” in the last half century. Elementary class-size caps in California, mandated by referendum, starved all other education initiatives and ultimately bankrupted the system. Florida is currently ignoring and in the process of repealing a similar referendum mandate.

Years of research have consistently demonstrated that class-size reduction doesn’t improve educational outcomes. Even if it did the immense cost would be an unacceptable trade-off.

Other industrial nations routinely operate with class sizes that are twice America’s 15-1 student-staff ratio and still consistently outperform the US in educational outcomes. They use money saved to recruit and retain high-quality teachers who can then deliver high-quality instruction.

Q11: Then why do people like and often vote for class-size reduction?

A11: CSR has an intuitive appeal, and seems logical. People have been told by educators that it really works. People have not been told about the research, the enormous costs, or the more valuable things they lose because of the costs.

Funding and Fallacies

Q12: Is education under-funded, as we are often told? Or is there runaway cost escalation in our schools? What do the data show?

A12: The data show runaway cost escalation. There is no other way to interpret them.

- a. Education spending per pupil in this country, adjusted for inflation, has increased more than 100% since 1983.
- b. Between 1955 and 2007 student-staff ratios fell from 27-1 to 15-1.
- c. The number of American teachers jumped 61% between 1970 and 2008, even though student population increased by only 8%.
- d. Teacher salaries, adjusted for inflation, have increased 42% since 1960.
- e. In the same period, teachers' health and pension benefits have risen to a level approximately double that of the average American.

Productivity is said to increase when more output is achieved for each person employed and each dollar invested. When there is less output per person and per dollar, productivity has worsened.

It is clear that the latter description fits, given the persistently mediocre learning performance in US classrooms over several decades, despite ever-greater applications of human and financial resources. (See details under Q2 and Q3 above.)

By no stretch of the imagination is American public education under-funded. They are under-delivering on reasonable expectations, under-performing on minimal standards and, worst, under-serving the children placed in their care.

Q13: While other sectors of the economy, private enterprise certainly, but also many governmental functions, experience fluctuations in spending according to economic cycles and revenue patterns, why has school spending been virtually recession-proof?

A13: There are at least five reasons:

- a. Education holds a privileged legal status within most state constitutions, often with guarantees such as those in Colorado’s Amendment 23.
- b. Education has a uniquely decentralized operating arrangement, accompanied by a diffuse revenue-generation structure.
- c. Local political dynamics and institutions generally foster a favorable fiscal environment for public schools.
- d. Most states assign a multi-tiered responsibility for funding schools and offer complicated intergovernmental funding incentives
- e. Schools tend to rely on inelastic tax sources, such as the property tax, at the local level.

Q14: Then if school funding has been so stable, why is there this lingering impression that it has “fallen behind” and needs to “catch up,” reflected in voter-approved mandates such as Colorado’s Amendment 23?

A14: That mistaken perception is driven by the unwholesome interplay of media dynamics and protectionist personnel provisions. For contractual reasons, if there is even a possibility of staff reductions owing to budget cuts, districts must send layoff warnings as early as April to any personnel who might be affected, even if the probability of such is slight. These letters and the Sunshine-Law-mandated announcements of other budget-cutting contingencies (e.g. school closings, program eliminations) create a media frenzy, alarm employee and parent advocates, and add to a general perception that schools are being hammered again.

Looking at What Works

Q15: What is the best model of another state doing better with less?

A15: There are several, but clearly the best model would be Utah.

- a. The National Assessment of Educational Progress has shown Utah to have been a national leader in achievement over time, significantly outperforming other states.
- b. Yet Utah’s per-pupil expenditure was only \$5,734 compared to \$9,335 in its nearest large neighbor, Colorado, and an even higher national average of \$9,963, according to the most recent figures available (Education Commission of the States, 2009).

Q16: How does Utah outperform other states while spending so much less?

A16: While these comparisons are complex and multi-factored, two variables stand out:

- a. On the cost front, average class sizes are significantly higher, more resembling top-performing foreign nations than other US states. Utah’s staff-student ratio is almost 24-1. The national staff-student ratio is just over 15-1 (National Center for Education Statistics, 2009)

- b. As to achievement, Utah reveals a pattern of stressing quality over quantity, particularly teacher quality.
- c. What is beyond any doubt is that Utah is worth a closer look.

Q17: What can policymakers learn from looking at Catholic schools?

A17: Nationally, Catholic schools come in at just over half the per-pupil cost of public schools. Take my home state of Colorado, for example. For 2008-2009 the average per-pupil cost for the Archdiocese of Denver Catholic Schools was \$5,148. This is just 55% of Colorado's public school per-pupil cost for the same year.

While Catholic schools offer a significantly narrower range of academic programs compared to public schools, they bring an impressive clarity of focus and intensity to their programs, notably in the area of basic skills.

Catholic schools are popular with parents. And they have a particularly admirable record in achieving success with minority students who previously failed in public schools.

Q18: What are some examples from around the state and nation of schools doing more with less?

A18: Here are a score of examples. We could cite many more if space permitted.

- a. The Pittsburgh school district saved \$14 million a year by closing 22 of its 86 schools in 2006.
- b. Harrison District 2 in Colorado Springs has eliminated entirely the district's promotion of teachers based on seniority and college credits, replacing it with a system of performance-based compensation.
- c. Teach for America (TFA) recruits and intensively trains outstanding graduates of top colleges for challenging urban assignments in 14 states. In 2010, TFA had applications from 18% of Harvard's graduating class, and from 16% of Princeton's graduating class.
- d. The New York City Teaching Fellows Program emulates TFA recruitment methods and waives all requirements for education credits and state certification. In 2009 this highly selective program (only 1 in 10 applicants chosen) provided fully one-third of the district's new math teachers.
- e. Douglas County, Colorado, agreed in 2007 to support an promising online education program for poor children. They are currently pursuing a voucher program that would expand parental choice and reduce per-pupil costs by 25% -- though predictably they are being attacked in the courts.
- f. New Orleans, Louisiana, had all of its schools reconstituted after Hurricane Katrina as an "independent recovery district" based on parental choice. Seventy percent of the schools in

this formerly very low-performing district are now public charter schools exhibiting significantly improved educational, managerial, and fiscal efficiency.

- g. Louisiana's state legislature nullified all collective bargain agreements in New Orleans for teachers and other school employees, substituting a merit system of hiring, firing, and promoting.
- h. Springfield, Massachusetts, enrolls 1,574 low-income students at its SABIS International Charter School. The K-12 school is organized not by grades but by skills. Class size routinely exceeds 30, yet the minority achievement gap has been completely eliminated as measured by the state's highly regarded MCAS test. The waiting list is 2,700, and *Newsweek* rated the school one of the best in the country.
- i. Clark County, Nevada, saved \$11 million by eliminating costly and ineffective "block scheduling."
- j. Hillsborough County, Florida, estimates it will save \$38 million by having high school instructors teach six classes instead of the customary five.
- k. Fairfax County, Virginia, has saved \$9 million a year by increasing class size by just half a student.
- l. Kansas City, Missouri, in 2010 closed nearly half of its 61 schools, sold the downtown central office, eliminated 700 of its 3,000 positions, and required teachers at six low-performing schools to reapply for their jobs.
- m. Grand Rapids, Michigan, outsourced substitute teachers to a private company.
- n. Scottsdale, Arizona, requires all administrators to substitute-teach five days a year.
- o. Seattle, Washington, is saving \$600,000 per year by centralizing its elementary-school food services. The district expects another \$2.2 million in savings by centralizing school start times so it can use buses more efficiently; 49 buses were eliminated in 2009-2010.
- p. Washington, DC, where a third of all students attend public charter schools, closed 23 of its old-line schools in 2008.
- q. Putnam and Westchester Counties, New York, increased teaching loads by hiring technicians to run science labs, paying department heads a stipend instead of two periods of release time, and scheduling larger physical education, art, and music classes.
- r. Milwaukee, Wisconsin, saved seven jobs by putting its purchasing system online. Action is pending on a massive external management study completed last year, which identified \$103 million in potential savings within the district's nonacademic operations.
- s. Arlington, Virginia, has begun hiring teachers on "terminating contracts" that expire annually, thus allowing the district to set salaries and eliminate positions much as it does with substitute teachers. They report 23 applicants for every available position.

- t. California allows open-ended stretching out of textbook adoption cycles and lets districts transfer that money to operating budgets. Many districts are replacing highly expensive textbooks with instructional materials available online.
- u. Charter schools operated by the highly-praised Knowledge Is Power Program (KIPP) are delivering impressive results in many states. KIPP emphasizes highly trained teachers delivering rigorous curriculum with class sizes ranging from 30 to 45. “Class size is not an issue if teachers know how to manage kids,” asserts cofounder David Levin. KIPP’s LA Prep is featured in the acclaimed documentary *Waiting for Superman*.

Lessons from Around the World

Q19: What is different about school systems in other countries that enables them to do more with less?

A19: Nearly everything that matters. But nothing that is beyond our reach, if we care enough.

- a. Three of the five highest-performing countries in the Third International Mathematics and Science Study (TIMSS) 1994-95 – Singapore, South Korea, and Japan – had average class sizes greater than 30 students. Korea’s averaged over 50.
- b. The highest-performing countries in TIMSS and PISA (the Program for International Student Assessment; see Q1 above) draw their teachers from the top 5 to 30 percent of high school classes – unlike the United States which draws its teachers on average from the bottom third of their high school classes.
- c. Continuing with the same top-performing group: The average starting teacher salary in South Korea, as a percent of GDP per capita, is 74% higher than in the United States. Hong Kong’s is 20% higher, and Finland’s and Singapore are both 17% higher.
- d. European and Asian teacher unions are as powerful or more so than their US counterparts. But unlike the unions here, they zealously guard high standards of educational performance. Unions in those OECD nations, tracing their origins to the guild-apprentice system, recognize that quality control is the best guarantee of continuing public support for good salaries and benefits. American unions, by contrast, arose out of the industrial manufacturing model that regards quality control (or in educational terms, student performance) as a management responsibility.
- e. European and Asian nations generate a powerhouse student work ethic through carefully calibrated testing and accountability at every level that clearly communicates to students and parents that success and advancement is a matter of hard work and clear focus, not of time served and entitlement. How different from a US system long undermined by grade inflation, social promotion, diploma by attendance, and open college admission by purchase.
- f. Unlike the US, where students are generally assigned to schools based on the location of their house, European and Asian parents commonly have a high degree of choice, are thoughtful consumers, and strong supporters of their schools.

- g. Unlike the US, a high proportion of school administrators in Europe also have teaching responsibilities, leading to lower costs and better insight into classroom realities.
- h. Most European and Asian Schools utilize differential pay scales. So, for example, they do not pay an elementary physical education teacher as much as a high school physics teacher. In fact physical education (often called “Games and Exercise” in those countries) is a supplementary activity commonly supervised by regular teachers and/or volunteers.
- i. In most all other industrial nations, “Schools of Education” as we understand them don’t exist. Academic teachers attend academic universities and pursue academic programs.
- j. Minority students in the European Union have educational outcomes significantly better than their US counterparts.
- k. A number of European Union countries, as well as Japan, achieve significantly greater success rates with special education students than does the US. Here a student identified as needing special education in 3rd grade almost always remains such through the 12th grade, whereas other countries bring significant numbers up to grade level in reading and out of special education. A nationally acclaimed program in Arlington, Massachusetts, beginning in 2006 pursued similar methods that resulted in striking achievement gains and also saved \$5 million over time.

An Agenda for Getting Serious

Q20: In light of the above realities far and near, what policy actions should be taken by governors and legislators in 2012 session to put their states on the road to much better schools with much lower budgets?

A20: Centennial Institute submitted this paper in draft form to senior political leaders for comment. Their thoughts were summed up by a legislator who said this:

“Up to now, despite all the spending and all the legislation, education reform simply has not happened. So let’s stop debating whether to fully fund a failing system. The imperative of diminished funding from the state to local districts, now unavoidable, can provide a shock to the system resulting in better public policy *and* reduced school costs. The time has come.”

We accordingly recommend the following 10 initiatives. All of them have in some form been previously enacted in various states. All are presently under consideration in other states. Because they represented dramatic change, all evoked controversy when proposed.

1. Re-examine and, where possible, reinterpret all constitutionally driven spending mandates. Colorado did such with its Amendment 23 in 2010 and thereby saved \$260 million.
2. Enact Arizona-style tuition tax credits for individuals or corporations that subsidize students attending non-public schools. Notable results from this model include:

* \$180 million is Arizona’s annual saving from education tax credits

- * \$500 million is Pennsylvania's annual saving from education tax credits
 - * Significantly increased academic performance by Florida's public school students has been spurred by the state's private-school tuition tax credit program
 - * In all, nine states are currently using education tax credits
 - * Thus incentivized, individuals and businesses are investing their own funds, rather than government money, in K-12 education
3. Suspend your State School Code (with a few reasonable exceptions such as the provisions for safety or special education), thus freeing local districts from the host of costly mandates but minimally beneficial mandates.
 4. In concert with your State Board of Education, suspend the rules for accreditation of local districts, thus freeing school boards from another set of costly mandates (what must be taught, who can teach it, etc.).
 5. Suspend or eliminate all certification requirements for teachers and administrators. Allow K-12 education the same freedom we routinely grant post-secondary schools to choose their own employees based solely on merit. The dollar savings to school districts (as well as individual educators), and the expansion of the pool of qualified professionals, would be immense.
 6. Suspend statewide testing, thus saving time and money for local districts and the state itself – while sacrificing very little, given the general ineffectiveness of the current system. Precedent exists for suspension without loss of federal funding.
 7. As federal replacement of No Child Left Behind is probably years away, aggressively seek a waiver from all NCLB provisions. Such waivers have already been granted to several states.
 8. Enact laws to facilitate every kind of outsourcing or privatization that local school districts may choose to undertake.
 9. Eliminate all barriers to the formation of public charter schools, which have fully proven themselves in state after state since the 1990s. Charters are much less costly than traditional public schools, popular with parents, and have a record of student achievement at least as good as non-charter schools.
 10. Give highest priority to reforming your state's pension system, in order to achieve immediate economies and establish long-term actuarial soundness for this hugely expensive budget item.

Conclusion: Bankruptcy of the Status Quo

From the Editor: “We know what’s wrong. We know what works. The only question is whether we have the will to do what works to fix what’s wrong.” So said William J. Bennett during his tenure as US Secretary of Education, 1985-1989. His blunt diagnosis is even truer now.

But tragically, during the intervening quarter-century, millions of American children have come through our nation’s schools and been cheated of the quality education promised them by us adults. Can we now, at last, under the pressure of fiscal extremity, muster the will to do what works?

This issue brief offers all the data, analysis, and recommendations needed for policymakers to make a good start. William Moloney’s approach has been respectful and factual throughout.

That won’t guarantee it a respectful hearing in some quarters, though. Consider the establishment’s reaction when he took the same reasoned approach in a newspaper commentary sketching the same concerns.

In that article (Denver Post, Oct. 3, 2010), Moloney simply asked: “Can a different way of thinking identify a model of public education that is effective, cost-effective, and sustainable?”

But when five prominent defenders of the educational status quo wrote a rebuttal article (Denver Post, Oct. 14, 2010), they conspicuously sidestepped his challenge for a different way of thinking.

The defenders’ article complained that Moloney had said our public schools are “ineffective and inefficient,” but it didn’t deny those words are accurate. *Because they are.*

It mentioned that schools now face “an environment of higher expectations,” but it didn’t claim the expectations are being met. *Because they are not.*

The article also conceded the dire effects of education becoming “a metastasizing entitlement,” but it didn’t deny such is the case. *Because it is.*

Unwilling to engage on the merits, the status-quo apologists simply dismissed Moloney’s entire discussion as “offensive to educators” – case closed. It was a classic example of when-you-don’t-have-the-facts-pound-the-table.

In similar fashion, the teacher unions and the education lobby, America’s most powerful, will probably also dismiss the present paper. It is easier to reply with emotionalism when proof is wanting.

Governors, legislators, and school boards cannot indulge the luxury of such evasion, however. Their obligation to voters, taxpayers, and above all, to our schoolchildren, won’t allow it.

To these public servants, at a time of severe trial, we submit this primer for policymakers. We wish them well in their challenging and crucial task.

Author: William Moloney is a former Colorado Education Commissioner (1997-2007). He holds a doctorate in education management from Harvard University.

In a rich and varied professional life spanning 35 years, he has served as a teacher, assistant principal, principal, headmaster, assistant superintendent, and superintendent in Massachusetts, Rhode Island, New York, Pennsylvania, and Maryland.

Dr. Moloney's career includes several years overseas, four of them as a director of the American School in London. He served three terms on the National Assessment Governing Board, which sets policy for the National Assessment of Educational Progress, more commonly known as "The Nation's Report Card".

He is also co-author of *The Content of America's Character and Education Innovation: An Agenda to Frame the Future*. His columns have appeared in the Wall Street Journal, USA Today, Washington Post, Philadelphia Inquirer, Baltimore Sun, Rocky Mountain News, and Denver Post. He is a Centennial Institute Fellow.

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