

# Steps in the Right Direction

Assessing “Ohio Achievement Everywhere”— the Kasich Plan

by Professor PAUL T. HILL  
Center on Reinventing Public Education

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## Foreword

When then-Governor Ted Strickland issued his Evidence-Based Model (EBM) school funding reform plan in 2009 we engaged Professor Paul Hill to provide an analysis of the proposals. We couldn't think of anyone better to do the work than Professor Hill. His credentials are impeccable. He is founder and recently retired director of the University of Washington's Center on Reinventing Public Education, and a former Senior Fellow at Brookings and RAND. Further, Professor Hill has roots in Ohio as a graduate of Ohio State University. He also has family in Dayton.

Professor Hill's analysis of Strickland's plan was largely informed by the project he led – *Facing the Future: Financing Productive Schools*. That six-year effort, funded by the Bill & Melinda Gates Foundation, was the most comprehensive study of its kind ever conducted. It concluded that America's public-school finance systems are burdened by rules and narrow policies that hold local officials accountable for compliance but not for results. *Facing the Future* was the work of more than 40 economists, lawyers, financial specialists, and education policy makers. It included more than 30 separate studies, including in-depth looks at Ohio, North Carolina, Texas, and Washington.

Based on findings and recommendations from *Facing the Future* we asked Professor Hill to develop a “cross-walk” between the key findings of that seminal report and the policy recommendations in the Strickland's Plan. Professor Hill's analysis of Governor Strickland's EBM was not kind. It stated bluntly, “Though Governor Ted Strickland asserts that his school-funding model is evidence-based, in fact there is no proven link between what's proposed and what's effective in schools.”

Fast forward to 2013, and another Ohio governor is proposing a school funding reform plan. Governor Kasich issued his *Achievement Everywhere* plan in early February, and as details came out over the following weeks we again asked Professor Hill if he would provide a review of the governor's plan. Professor Hill took on the challenge and here the Thomas B. Fordham Institute proudly presents *Steps in the Right Direction: Assessing “Ohio Achievement Everywhere”* – the Kasich Plan, which should interest lawmakers, policy makers, journalists, and others concerned about the education of Ohio's children.

As the title notes, Professor Hill observes that Governor Kasich's reform plan will advance Ohio and its schools, but it could be better and bolder. Or, as Professor Hill concludes, “Governor Kasich's *Achievement Everywhere* moves Ohio in the right direction, but it needs to go further if the ultimate goal is a world-class education for all students.”

We hope this report helps to inform and enrich the debate swirling around Governor Kasich's education reform plan and ultimately helps improve it. We are profoundly appreciative of the swift, high-quality work by Paul Hill.

*Terry Ryan, Vice President for Ohio Programs and Policy*

# Introduction

Governor John Kasich recently proposed *Achievement Everywhere*, an overhaul of school finance in Ohio. Kasich would increase K-12 funding by nearly 10% over two years. But that probably is not the most important effect of his plan. Kasich would also change the way the state funds and oversees public schools, dropping some regulations, increasing freedom of action for educators who work directly with students, and matching the additional freedom with accountability for results.

Before Kasich's plan, the most recent Ohio school finance proposal was former Governor Ted Strickland's Evidence Based Model (EBM). I wrote a critical review of Strickland's plan because it would have further regulated schools, tied up funds in uses that might have been appropriate for some schools but all wrong for others; made it even more difficult for people with good ideas to put them into practice; and weakened accountability for performance.

Governor Kasich's plan takes worthwhile steps in the right direction, although, as we shall see, it could go further. The *Achievement Everywhere* plan makes progress by:

## ***Taking some shackles off educators***

- Under the Free to Advance provisions, lifts some regulations so districts and schools can make the most effective use of state dollars.
- Provides extra money directly to schools for disadvantaged and high-need students in several categories as well as for educating gifted students.
- Protects all children's access to good schools by raising state funding for districts with weak tax bases or troubled local economies.

## ***Encouraging problem solving and new thinking***

- Builds on Ohio's third-grade reading guarantee to encourage schools and districts to search for methods of instruction that will work for every student so that every 4th grader has the most basic of basic skills under their belts.
- Builds a new innovation ("Straight As") fund to support district, school, and school reformer experiments with bold new approaches to schooling, including creative uses of technology, talent, and time.
- Makes investments to help disadvantaged children come to school prepared so they and their teachers have a chance to succeed.

## ***Balancing educator freedom with accountability***

- Builds on Ohio's new annual A-F Report Card to help identify excellent schools worthy of imitation, and unproductive schools whose students need better options.
- Links the third-grade reading guarantee with a remedy for families whose schools can't meet the guarantee, i.e. freedom to use a public voucher to enroll elsewhere.

## ***Empowering parents and encouraging competition***

- Funds choices for parents whose children's schools are not serving them effectively.
- Levels the playing field for competition among district and charter schools by narrowing persistent gaps in funding.
- Creates options for upper-grade students via new college credit and career tech programs.

If enacted by the legislature, these changes will move Ohio into the company of states that are trying to make K-12 education more effective for all of their students. Governors and education leaders in New York, Louisiana, Florida, and Colorado, among other jurisdictions, have concluded that their public schools have been frozen in place by regulations and job protections, and are unable to cope with the demands of a changing student population, increased academic demands, and a rapidly changing economy.

True, some students do very well in public schools, but many consistently don't. Among those whom today's schools often don't prepare well for good jobs and higher education are African American, Latino, disabled, poor, gifted and immigrant students and white males – groups that will be at the core of America's future labor force.

## How To Judge “Ohio Achievement Everywhere”

A recent national report on funding school improvement, *Facing the Future: Financing Productive Schools*, explains the thinking behind Ohio's proposals and education reforms in the other states mentioned above.

We haven't figured out how to educate the growing number of poor and minority children effectively, but we finance and control schools as if we knew exactly how. Schools must adapt to the needs of a fast-changing economy, but our financing system ties up funds for the same courses and modes of teaching developed generations ago. Schools need to experiment with technologies that might change teacher and student work, but the financing system forces them to spend all their money on a fixed set of organizations, programs, and people.

This is a situation ripe for traditional, hard-headed, Ohio-style problem solving – an open search for pos-

sible solutions, experimentation with the most plausible ideas, rigorous tracking of results, and going with what works best. Again from *Facing the Future*:

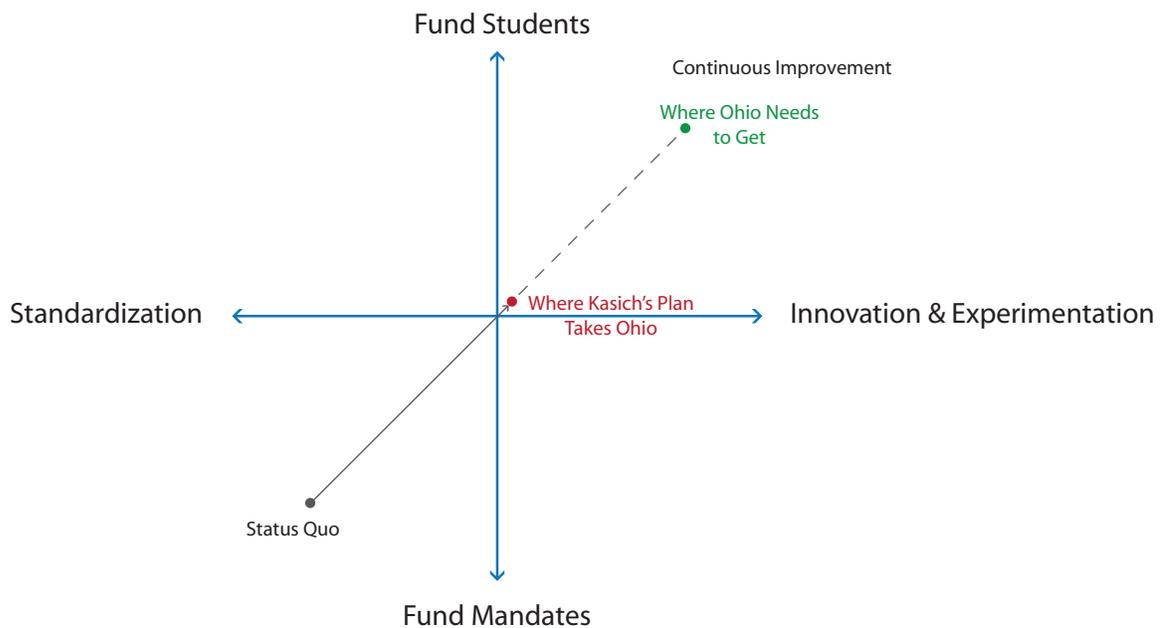
How can states provide money for K-12 education in ways that encourage continuous improvement? Not by funding things whose value relative to plausible options is unproven and ruling out any other options. The answer is that states should fund something that is permanent, not changeable in light of evidence.... States should tie money to the one element of the education system to which they should be unconditionally committed—students.

This reasoning leads to criteria for judging school finance reform proposals. As in other fields where performance is unacceptable yet higher performance is clearly possible, rules on uses of funds must be opened up so that:

- Money follows children to the schools they attend. It therefore can flow from approaches that are less productive to those that are more productive, where productivity is defined as student achievement per dollar spent.
- Potential innovators are encouraged to invest time and money in developing new approaches.
- Fair comparisons can be made between new and conventional approaches.
- Performance improvement is the focus of accountability at every level of the system.

These conditions combine to create a process of *continuous improvement*, in which everything is on the table and nothing is a sacred cow. This is the way to move education forward over the long term. Don't fund things that have no evidence of success, including specific staffing patterns and programs. Eliminate mandates – regulations, laws, and contracts – that force funds to be spent in particular ways across all schools regardless of student characteristics. At the same time, promote experimentation with unconventional forms

**FIGURE 1: *Achievement Everywhere – Moving from Status Quo Towards Continuous Improvement***



of schooling (charter schools, blending learning models, STEM schools, Early College Academies, etc.), methods, technologies, and uses of time. And make sure innovators are rewarded by paying them for the results they get, not the methods they use.

No arrangement is ever assumed “good enough” just because it satisfies stakeholders or avoids violating any laws. To the contrary, even the best-performing school or instructional program is assumed not to be the best possible. Every arrangement, even one that looks good at the present time, is subject to challenge and replacement by something better.

## How Well Does Achievement Everywhere Promote Continuous Improvement?

Figure 1 shows how the *Achievement Everywhere* plan will move reform in Ohio forward, but not far enough. The four-part schematic in Figure 1 below divides

the options about how to fund and regulate schools. Along the vertical dimension, financing options range from rigidity (funding mandates) to flexibility (funding students). Along the horizontal dimension, educational methods options range from standardization to innovation and experimentation.

*Achievement Everywhere* moves Ohio from the least productive quadrant, where the state funds mandates and demands standardization, into the most productive quadrant, where the state funds students and encourages innovation and experimentation. This movement, however, is far less dramatic than it could be. This section explains what’s less than fully developed in the *Achievement Everywhere* plan and shows how the state could do better.

*Achievement Everywhere* moves Ohio in a positive direction. However, enactment of only these proposals will leave Ohio in a no-man’s land, neither fully stuck in the old entitlement-and-compliance based finance system, nor fully committed to one fully capable of continuous improvement.

**TABLE 1: *How Ohio Achievement Everywhere (OAE) Rates on 4 Criteria and What’s Missing***

	OAE’S Rating	What still must be done
Money and people flow from less to more productive schools	<b>C</b>	Make all state funds follow the child and press localities to do the same. Free up funds from employment of individuals and support of administrative structures. Require districts to create new options for children not being well served now.
Potential innovators are encouraged	<b>A</b>	This moves Ohio forward in significant ways.
Fair comparisons are made among all schools and approaches	<b>B</b>	Assess all schools, whether district-run, chartered, or voucher-redeeming private schools on the same measures of student attainment and gain.
Accountability is based on performance improvement	<b>C</b>	Eliminate all compliance-based judgments of schools except those connected to financial transparency and respect for student and employee civil rights, and pupil safety and maybe a few other incontrovertibles. Require that districts and charter authorizers close and create alternatives to weak schools in every sector. Limit vouchers only to private schools that create high rates of growth in their voucher-bearing pupils.

Table 1 summarizes what the plan does and what it lacks. The ratings are the old-fashioned ones where a serious but not stellar effort gets a solid C.

Here is why *Achievement Everywhere* gets these ratings:

**Money and People Flow From Worse to Stronger Schools**

Under *Achievement Everywhere*, some funding can move with students, but much is still stuck in particular categorical programs and can’t readily move to a new school. Thus, a student moving from a traditional public school to a new hybrid school that makes imaginative uses of technology would leave behind locally raised money and funds used to sustain the district central office. Due to state regulations that remain in

place, a lot of money still can’t follow students because it flows to the child’s district and not necessarily to the school he or she attends. Under Ohio’s new plan, a lot of money still “holds harmless” the old system. These provisions are costly and do not encourage school improvement efforts; instead, they, protect districts and schools that families are choosing to leave.

Moreover there is no definite mechanism to ensure that students in bad schools will have choices. Everything depends on the availability of voucher and charter options, and these are not available everywhere in the numbers that could be required if families really sought to leave schools where their children were not learning enough. Student based funding can allow movement but it is possible only if there are mechanisms to close the worst schools and replace them with new and better options. This could require a positive

obligation on the part of districts to close their weakest schools and to create options, whether run by district employees or chartered.

### **Innovators Encouraged**

The Straight-A Fund encourages innovation in bold ways and would encourage entrepreneurs both inside and outside of the system. As structured the fund should make Ohio a hotbed for educational entrepreneurs.

### **Fair Comparisons Made Among All Publicly Funded Schools**

Ohio is moving toward the capacity to rate all district and charter schools according to whether students are learning. Moving towards a system and process that can get at Academic Return on Investment (ROI) is an important development in better understanding and comparing district performance. Such measure of Academic ROI should, however, apply to all district and charter schools in the state and not stop with just rating districts. Measures of student learning must also apply to voucher-redeeming schools and their publicly funded students.

Currently, there is nothing to ensure that private schools receiving voucher bearing students will be measured for student achievement, and be subject to the same consequences if they fail. Doing what's needed requires assessing the learning of every student in the state, at least every publicly-funded student, and assigning every child's growth to the publicly funded school she attends.

### **Accountability Based on Student Performance**

Academic performance and continuous improvement is the not yet the dominant focus of accountability under the *Achievement Everywhere* plan. Schools are still constrained in whom they can hire, how much they spend on non-teaching staff, how many hours

they operate. In short, the plan contains insufficient deregulation overall and the deregulations do not reach the building level. The incentives are still too great for districts and schools to focus on compliance rather than actual performance. Student performance should matter more than keeping one's nose clean.

## **Implications**

Governor Kasich's *Achievement Everywhere* plan is a significant step forward for Ohio, its schools and its children. The governor has rolled a large ball in a promising direction; now he and the legislature (and other key Ohio education players) must accelerate its movement while keeping it accurately aimed.

It is especially important for Governor Kasich and his supporters in the legislature to regard enacting *Achievement Everywhere* as an important first step—but only a step. It's not the right time to fly a "Mission Accomplished" banner on school finance reform. The Governor needs to return to the subject throughout his tenure, to continue moving the state's schools into the zone of continuous improvement. And legislators would be well advised to push the reform elements of school-finance and associated policy changes to the max.

Ohio already contains one good example of the next step beyond where *Achievement Everywhere* takes it. The special legislation for Cleveland, giving that city and its leaders much greater authority to seek high performing schools unconstrained by state controls on use of money and job protections that interfere with creation of options for families, is a good model for broader state legislation. Cleveland's plan actually calls for money following students to their individual schools through a weighted student funding formula.

Whether *Achievement Everywhere* can be strengthened this legislative session or later, it is important for state leaders to remember that results-based accountability

and freedom from regulation make sense only when they are paired. The state's voucher plan is still outside of the accountability system, and it is important that these schools be subject to a coherent accountability plan where all schools must perform and children are rescued from unproductive schools no matter who runs them.

Further, despite recent improvements to charter school accountability the state should do more to encourage the closure of both consistently ineffective charters and district schools. This is especially true as schools are being called upon to raise their performance to meet the higher Common Core Academic standards in coming years. Schools that are regularly failing to meet current standards won't have a chance to meet these higher expectations.

A school finance system built for continuous improvement must hold all schools receiving public dollars to the same high academic standards for performance. It would not assume that district-run schools were less

effective than charters or vice versa, or that particular uses of time, money, staff, and materials were always better. It would follow the adage from international relations: trust, but verify.

Ohio should consider following the example of Colorado, which can de-certify and reorganize a district whose Board does nothing effective about persistently low-performing schools, or of Louisiana, where a state-accountable "recovery school district" can seize control of the lowest performing schools and assign them to new operators.

Even if all these things are done, Ohio leaders should hold realistic expectations as to the speed with which reforms will yield results. Kids and educators don't change overnight. Continuous improvement does not guarantee complete success instantly, but it will deliver steady progress. Governor Kasich's *Achievement Everywhere* moves Ohio in the right direction, but it needs to go further if the ultimate goal is a world-class education for all students.