

# PROVING THE POSSIBLE

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A case study of Florida's  
K-12 education reforms  
and lessons for Colorado





## ABOUT COLORADO SUCCEEDS

Colorado Succeeds is a non-profit, non-partisan coalition of business leaders committed to improving the state's education system. The organization was founded on the premise that the business community has the obligation, opportunity and capacity to increase the college and workforce readiness of all students through an ambitious, aggressive and comprehensive reform agenda. We believe:

- Colorado has systemic education problems
- Those shortcomings threaten the economic vitality of the state and businesses operating within the state
- Business has multiple reasons to take a leadership role in aggressively pursuing reforms

Our vision is that every student in Colorado has access to a high performing school and graduates with the knowledge, skills and behaviors necessary to succeed in a competitive global economy. Colorado Succeeds provides the aggressive policy, advocacy and accountability work to make this ambitious goal a reality.

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# EXECUTIVE SUMMARY

The National Assessment of Educational Progress (NAEP or the Nation's Report Card) shows that 28 percent of Colorado 4th graders scored "Below Basic" in reading in 2009 and that Colorado had the nation's fourth largest Anglo-Hispanic achievement gap. Fortunately, Colorado policymakers can learn from successful efforts in other states to raise achievement for all students. Florida lawmakers began a comprehensive education reform effort in 1999, combining accountability, transparency, and parental choice with other far-reaching changes. In March 2010, the NAEP released new results showing just how successful Florida's reforms have been, offering hope to Colorado that it can achieve the same results.

This study documents how the latest NAEP results strengthen the case for Florida-style reforms. Some groups of traditionally underperforming students from Florida—including that state's Hispanic students—outscore similar students by over a grade level in critical early literacy exams.

This report explains in some detail how Florida's reforms, while benefiting all students, have been especially beneficial to disadvantaged students. For example, Florida's method for grading schools looks not only at students' overall performance and overall gains but also considers gains among the 25 percent of students with the lowest scores. Importantly, the students in the bottom 25 percent play the biggest role in determining the grade of a school. These students count in all three categories: the overall scores, the overall gains, and the gains of the lowest-performing students.

This paper highlights the key components of Florida's K-12 education reform strategy and explains why the adoption of the Florida reforms in Colorado would aid all children, especially disadvantaged students.

- Since 1998, Florida's 4th grade reading achievement gains were more than three times larger than those in Colorado.
- Florida students went from being more than a grade and a half behind the Colorado average in 1998 to an exact tie in 2009 despite a significantly more challenging demographic profile.
- Hispanic students' average scores have improved by three points since 1998 in Colorado, but Florida's Hispanic students have improved their scores by 25 points—roughly equivalent to two and a half-grade levels' worth of progress. In 2009, Florida's Hispanics outscored Colorado's Hispanics by 19 points, a difference of nearly two grade levels.
- In 2009, Florida's Hispanic students outscored the statewide average for all students in 31 other states on 4th grade reading.
- Florida's low-income students (eligible for a Free or Reduced Price Lunch) went from a grade level behind Colorado's low-income students in 1998 to a grade level ahead in 2009.

Florida's mixture of parental choice options, academic transparency and accountability, and common sense reforms could radically improve the achievement of all students in Colorado, especially disadvantaged students.

## RECOMMENDATIONS

Colorado's policymakers should take strong action to:

- 1) Ensure that students are promoted to the fourth grade only after they demonstrate basic literacy skills
- 2) Improve the Colorado Growth Model by replacing the fuzzy school descriptors of Performance, Improvement, Priority Improvement, and Turnaround with the letter grades A, B, C, D, and F
- 3) Create financial incentives for school success by linking additional funding to improved student achievement
- 4) Examine programs that will strengthen school choice by creating positive, bottom up competitive pressure on district schools to improve performance in order to compete for students
- 5) Consider opportunities to expand access to high-quality curriculum and instruction through virtual educational offerings

# INTRODUCTION:

## IS DEMOGRAPHY DESTINY?

If so, say some experts, states with growing minority populations like Colorado seem doomed to fail. In this view, these states will be weighed down with ineffective school systems that chronically under serve poor and minority students. In the 2009 National Assessment of Educational Progress (NAEP or the Nation's Report Card), Colorado had the nation's 4th largest Anglo-Hispanic achievement gap in 4th grade reading.

At an academic conference a few years ago, one demographer went so far as to put up a map in his PowerPoint and predict that the American Southwest will become the "Appalachia of the 21st Century" due to the burgeoning Hispanic population, which has an enduring gap in achievement when compared to Anglo students and the national average. "Demography is destiny," he explained, adding:

*Latinos are the fastest-growing population group in the Southwest; they will soon make up a majority of public school students; and, as with Appalachian residents in the past, they have chronically low levels of educational achievement—something that has hurt the economic competitiveness of states in the Appalachian region for decades.*

When pressed to elaborate because this dire prediction assumes that states with growing Hispanic populations will not succeed in improving outcomes for Hispanic students, the demographer responded:

*Like I said, the Southwest will be the Appalachian region of the 21st Century.<sup>1</sup>*

If anything, this prediction proves optimistic for states such as Arizona, California, Nevada and New Mexico. These states have already made the shift to becoming "majority-minority" states. Test score results from the NAEP show that West Virginia, the state most closely associated with Appalachian poverty, already outscores all four of these states on achievement tests.

Arizona, California, Nevada and New Mexico will not simply face these problems in the future. The problem has already arrived. Will Colorado follow the same path?

## THE COLORADO K-12 LANDSCAPE AND CHALLENGES

Colorado's success or failure in educating poor and minority students will have a tremendous impact on the future of the state. Between 1997 and 2007, Hispanics comprised 80 percent of the growth in the Colorado K-12 population. The Census Bureau announced in 2007 that Denver County's overall population had a majority of residents comprised by ethnic minorities.<sup>2</sup> Denver Public Schools became a "majority-minority" district decades ago, and the continued growth of Colorado's Hispanic population ensures that many other districts will follow suit. Between 2000 and 2008 alone, the number of Colorado students qualifying for a free or reduced lunch under federal poverty guidelines increased by sixty percent—from 144,000 students in 2000 to 231,161 students in 2008.<sup>3</sup> Is Colorado simply a decade behind a trend that has already overcome neighboring states? Can Colorado radically improve student learning?

Achieving a status as an educational and economic Appalachia happens gradually over time. You must know where to look to find evidence of it happening. The Alliance for Excellence in Education has been looking and is sounding an alarm bell for Colorado. The Alliance estimates that nearly 17,400 students of the Colorado Class of 2009 failed to graduate from Colorado's high schools. They estimate the lost lifetime earnings for this class of dropouts alone will amount to more than \$4.5 billion. The Alliance also correlates foregone economic growth, higher criminal incarceration costs, higher Medicaid and other costs associated with these thousands of students dropping out.<sup>4</sup> Additionally, many of the students who do graduate from high school are underprepared for college coursework. If Colorado's high

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schools graduated all of their students fully prepared for college, the Alliance estimates that the state would save almost \$52.1 million a year in community college remediation costs and lost earnings.

It is worth bearing in mind that the state produces a new dropout class every year, and minority students make up a disproportionate number of the dropouts. Table 1 below shows high school graduation rates in Colorado by race/ethnicity:

**TABLE 1: Colorado 2006 High School Graduation Rates by Ethnicity**

	Colorado	Nation
All Students	73%	69%
White	80%	76%
Black	59%	51%
Hispanic	51%	55%
Asian	81%	79%
Native American	46%	50%

Source: Alliance for Excellent Education

Table 1 demonstrates that only 69 percent of students graduate from high school nationally, and the picture is only slightly better in Colorado. Colorado's Hispanic graduation rate is below the already low national average and stood at a mere 51 percent. Although Colorado's African American graduation rate is higher than the national average, it is also catastrophically poor at 59 percent.

Colorado's achievement gap is significant, and efforts to eliminate the gap have yet to gain traction. In fact, Colorado's 2010 Round 2 Race to the Top application was downgraded by the judges for failing to close the achievement gap between disadvantaged students and their wealthier peers.

In *The Economic Impact of the Achievement Gap in America's Schools*, McKinsey & Company

quantified the economic cost of the achievement gaps. If the gap between Hispanic and African American student

performance and white student performance had been closed, American Gross Domestic Product (GDP) in 2008 would have been between \$310 billion and \$525 billion higher, or 2 to 4 percent of GDP. The magnitude of this impact will rise as Hispanics and African Americans become a larger proportion of the population and workforce. The impact of the gap between average educational achievement in the United States and the top global competitors costs the United States even more in the way of foregone growth. McKinsey reached a startling conclusion:

*Put differently, the persistence of these educational achievement gaps imposes on the United States the economic equivalent of a permanent national recession. The recurring annual economic cost of the international achievement gap is substantially larger than the deep recession the United States is currently experiencing.<sup>5</sup>*

All else being equal, we would expect Colorado's dropout problem to grow as demographic change continues. The cost to the Colorado economy will likewise surge. At the current rate, within ten years, Colorado will have produced an additional 174,000 high school dropouts. At the same time, a Georgetown University study projects Colorado will be one of the top states in the country for the creation of jobs requiring a university degree by 2018.<sup>6</sup> Colorado will require well-educated students prepared to meet the economic challenges of the 21st Century, not dropouts.

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Demography need not prove to be destiny. Florida, a relatively modest spending state without an income tax, radically improved student achievement for even the most traditionally disadvantaged students. In fact, Colorado and Florida spend almost precisely the same amount per student- \$8,436 in Colorado and \$8,555 in Florida. Colorado need not accept an inevitable decline into education and economic

mediocrity if citizens and lawmakers can display the courage to reform their system of schools.

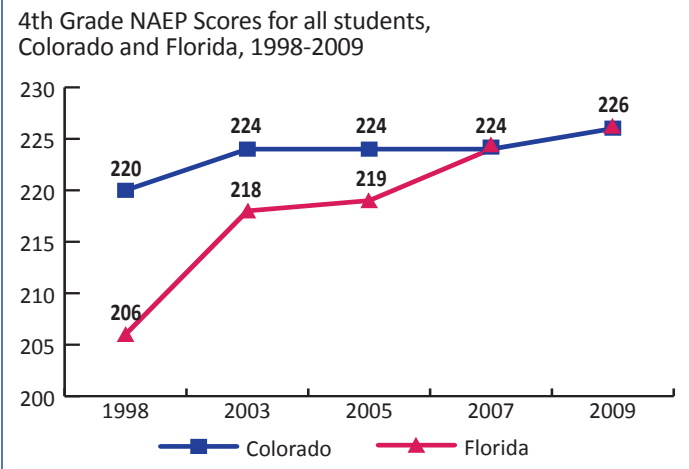
# FLORIDA LEADS THE WAY ON K-12 EDUCATION REFORMS

Beginning in 1999, the Florida state legislature began implementing far-reaching education reforms. These reforms included grading schools with easy to understand letter grade labels: A, B, C, D, and F. Florida’s lawmakers ensured that elementary students were promoted to the fourth grade only after they demonstrated basic literacy skills. They created financial incentives for high school success by offering school and teacher bonuses for students passing Advanced Placement exams. Florida’s policymakers expanded school choice, creating a tax credit scholarship program and the nation’s largest voucher program. Florida became the nation’s leader in virtual education—offering classes online through the Florida Virtual School.<sup>7</sup> Florida lawmakers also created multiple paths for alternative teacher certification. The results, as you will see, are compelling and demonstrate that while challenging, Colorado can radically improve its educational outcomes.

This paper makes the case for enacting Florida’s K-12 education reforms in Colorado by comparing the critically important fourth-grade reading scores of Colorado and Florida. You will see below why Florida’s scores should inspire action in Colorado. The results only reinforce what had already been a convincing case: The actual proves the possible. Florida has radically improved student performance, especially among disadvantaged students. Colorado can and must do the same. In March 2010, the National Center for Educational Statistics released the reading exam results of the 2009 NAEP. Of all the NAEP exams, education officials pay the closest attention to the fourth-grade reading exam. Literacy acquisition involves developmentally crucial periods—reading is broadly similar to learning a foreign language in that it is easier to do when you are young. Educators summarize this phenomenon with an expression: In grades K-3, you are *learning to read*. After third grade, you are *reading to learn*. By fourth grade, if you cannot read, you cannot learn.

Figure 1 presents the scores from NAEP’s fourth-grade reading exams for both Colorado and Florida between 1998 and 2009. Bear in mind that a 10-point gain on the NAEP equals approximately one grade level’s worth of learning.

FIGURE 1: Since 1998, Florida’s 4th grade reading achievement gains were more than three times larger than those in Colorado.



Notice that in 1998, the year before Florida’s reform efforts began, Colorado’s average student outscored Florida’s average student by 14 points on NAEP reading. Florida’s score that year was near the bottom of the rankings.<sup>8</sup> In 2009, however, the average Florida student scored the same as the average Colorado student. During this 11-year period, Colorado made a six-point gain, while the average Florida score increased by twenty points.

Even this comparison understates the staggering nature of Florida’s gains, as it fails to account for student demographics. Students eligible for a Free or Reduced Price Lunch, a standard metric for low-income status, comprise 45.6 percent of Florida’s K-12 population. The same measure in Colorado comes in at 34.4 percent, indicating that Colorado’s percentage of low-income children is approximately twenty-five percent smaller than that in Florida.

In addition, Florida schools have faced a much larger challenge in overcoming the racial achievement gap than schools in Colorado. Colorado and Florida have similar percentages of Hispanic students (both over a quarter of all students), but Florida has a far larger African American student population than Colorado. African Americans comprise approximately twenty-four percent of the Florida K-12 population, but only six percent of the Colorado student body.

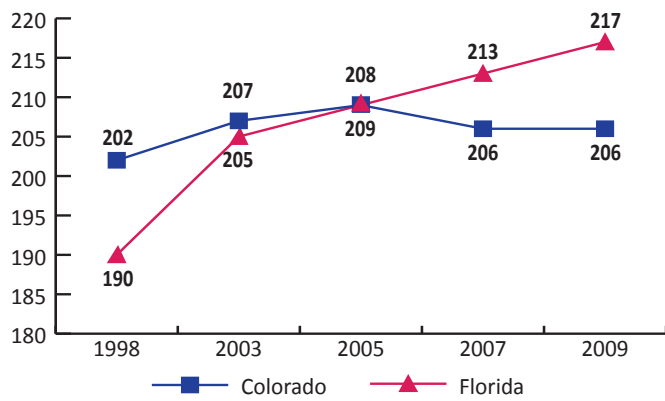
Colorado is relatively wealthy and predominantly Anglo when compared to Florida. Florida has a majority-minority

K-12 population, while Colorado does not (yet). The fact that Florida students perform at an equal level on average with Colorado students in 4th grade reading represents an extraordinary achievement for Florida. Figure 2 below begins to reveal the full scale of the opportunity for improvement for Colorado, by making apple-to-apple comparisons between Colorado and Florida.

Figure 2 presents fourth-grade reading NAEP data comparing Florida's low-income students with low-income students in Colorado. In 2010, a family of four could earn no more than \$40,793 per year to qualify for a reduced lunch. However, of those who qualified nationwide for Free and Reduced Price Lunch (FRL), 80 percent of children were from families who qualified for a free lunch, which has a maximum family income of \$28,665 for a family of four.

**FIGURE 2:** Florida's FRL students went from a grade level behind Colorado's FRL students in 1998 to a grade level ahead in 2009.

4th Grade NAEP Scores for Free and Reduced Lunch eligible students, Colorado and Florida, 1998-2009



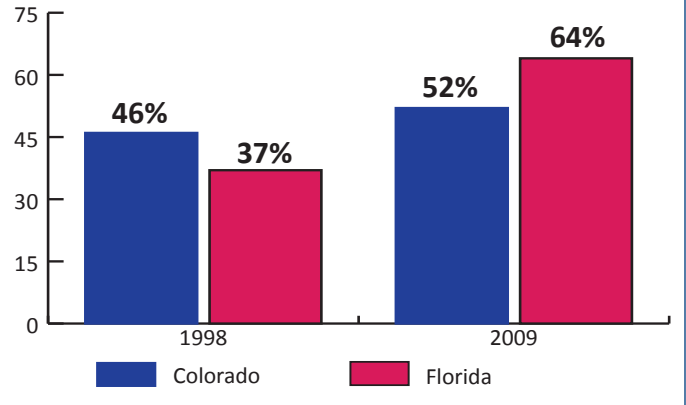
Before the Florida reforms in 1999, Colorado's low-income students scored twelve points higher than their Florida peers. In 2009, we find that the shoe is on the other foot: Florida's low-income students outscore their peers in Colorado by more than a full grade level. We can examine the same NAEP data as the percentage of children reaching a certain level of achievement. NAEP has four levels of achievement: Below Basic, Basic, Proficient and Advanced. Figure 3 (top right) demonstrates the percentage of low-income Colorado and Florida children reaching the Basic, Proficient or Advanced levels on 4th grade reading between 1998 and 2009.

Take a long, hard look at Figure 3. Imagine you had to do life over again and found yourself born as a low-income child. Your chances of acquiring the basic literacy skills you need to succeed in life are much better in Florida than in Colorado.

Figure 4 compares the academic progress of Florida's Hispanic students to that of Hispanic students in Colorado. Between 1998 and 2009, Colorado's Hispanic students

**FIGURE 3:** Florida's percentage of FRL students scoring "Basic" or better increased by 27 percentage points, while Colorado's increased by only 6 percentage points.

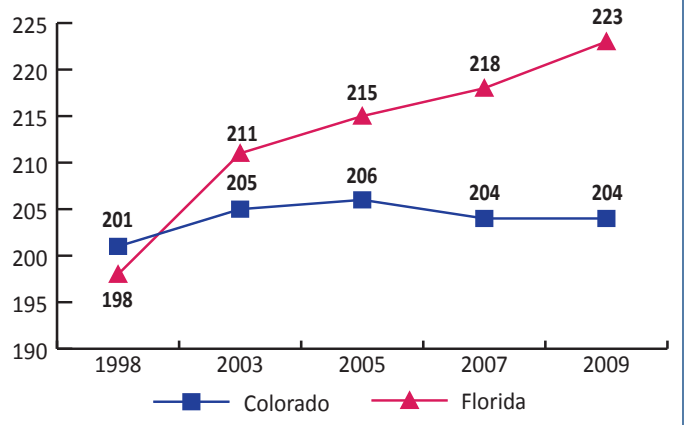
Percentage of Colorado and Florida Free and Reduced Lunch Eligible Children Scoring "Basic or Better" on 4th Grade Reading NAEP, 1998-2009



improved their average score by three points. Florida's Hispanic students, however, increased their average score by 25 points. In 2009, Florida's Hispanic students outscored Colorado's counterparts by almost two grade levels. Even if Florida's Hispanic children made no further literacy improvement, at Colorado's current pace of improvement, it would take approximately 70 years to match their scores.

**FIGURE 4:** At Colorado's current pace of improvement, it would take approximately 70 years for Hispanic students to match their Florida peers.

4th Grade NAEP Scores for Hispanic students, Colorado and Florida, 1998-2009

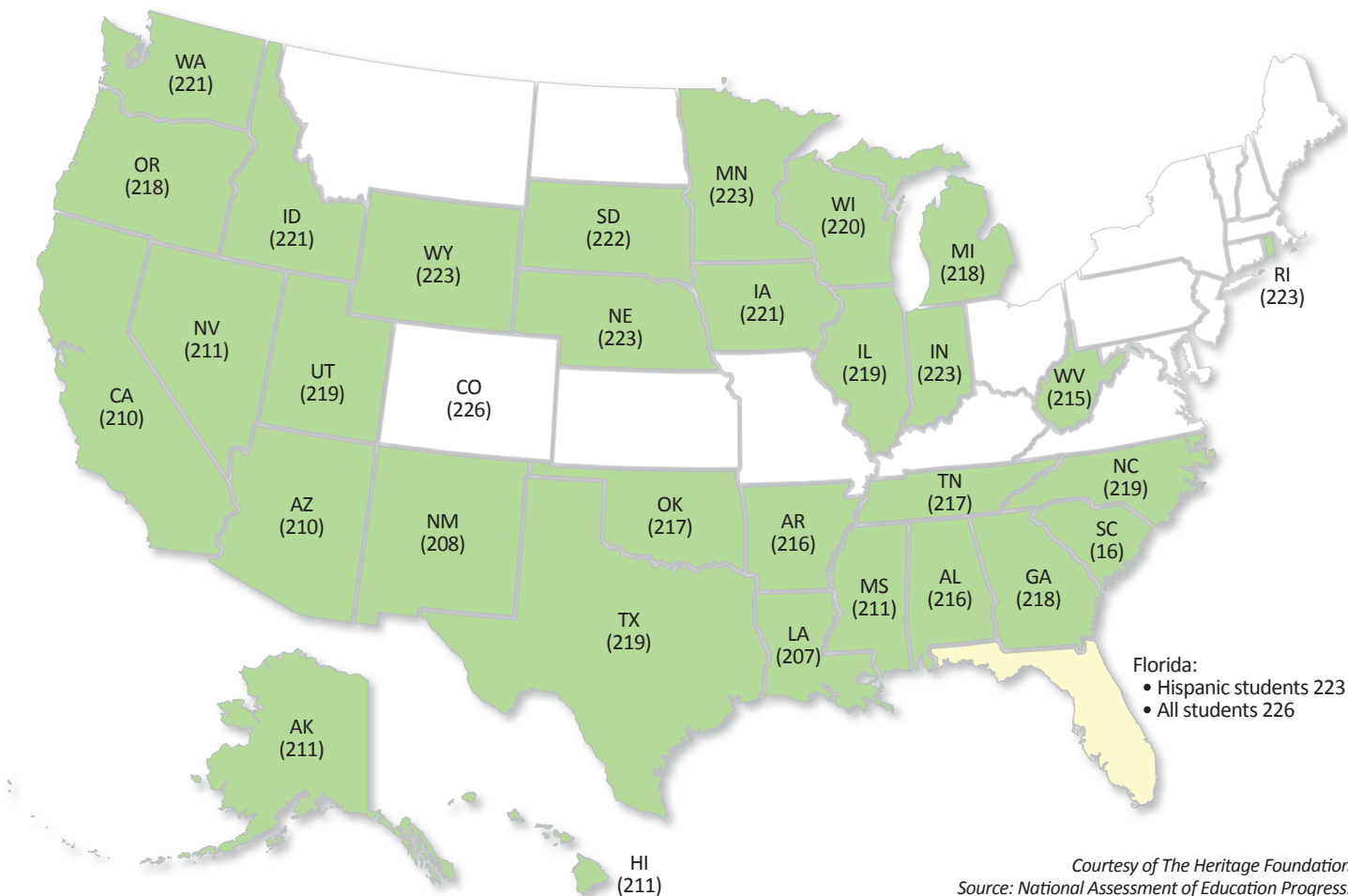


Hispanic students in Florida have made such strong progress that they outscore the statewide averages of 31 states, as shown in the following map from the Heritage Foundation. Senator Daniel Patrick Moynihan once quipped that success on NAEP correlates with proximity to the Canadian border, a wry comment on the racial achievement gap. Notice, however, the large number of predominantly Anglo states tied



# Comparing States to the Scores of Florida's Hispanic Students, 4th Grade Reading NAEP

In 2009, Hispanic students in Florida outscored or tied the statewide reading average of all students in 31 states.



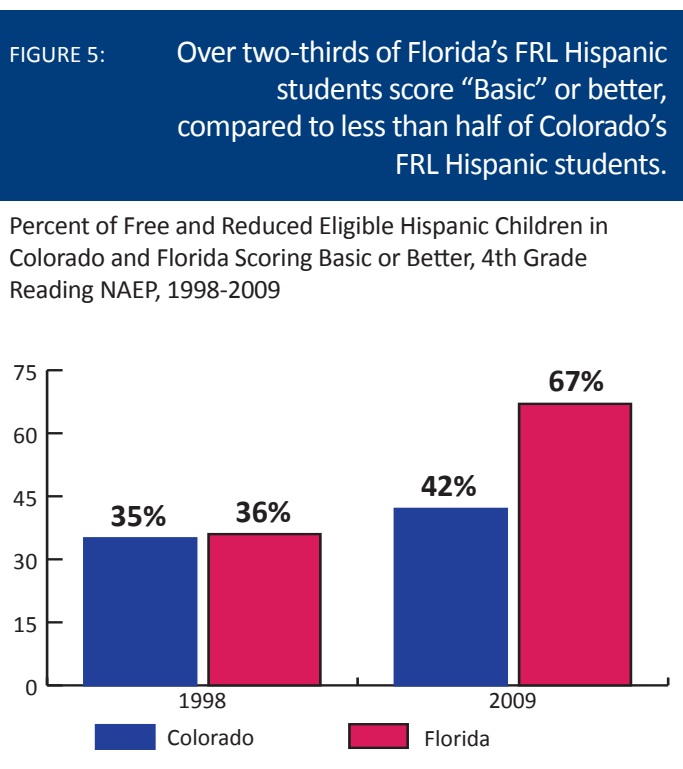
Courtesy of The Heritage Foundation  
Source: National Assessment of Education Progress.

or outscored by Florida's Hispanic students- Iowa, Michigan, Minnesota, Oregon and others (Colorado's statewide average score for all students, 226, lies narrowly above the average for the Hispanic students in Florida.) Florida's Hispanics were not alone in outscoring or tying statewide averages: Florida's African American students outscored or tied the statewide average for all students in Alaska, Arizona, California, Hawaii, Louisiana, Mississippi, Nevada and New Mexico, and narrowly missed several others.

Finally, Figure 5 takes both income and race into account by comparing the reading achievement of Free and Reduced Lunch eligible Hispanics in both Colorado and Florida.

Again, even if low-income Hispanics in Florida made no further improvement, at Colorado's current gradual rate of improvement, it would take Colorado's low-income Hispanics over three decades to match the achievement of their peers in Florida.

Fortunately, we have every reason to believe that Colorado can, in fact, accelerate what has been a relatively glacial rate of improvement.



# HOW DID FLORIDA IMPROVE LEARNING FOR DISADVANTAGED STUDENTS?

## THE FLORIDA PORTFOLIO OF REFORMS

Florida did not achieve these results with any single reform, but rather with a multifaceted strategy. Reform highlights include:

- Florida grades all district and charter schools based upon overall academic performance and student learning gains. Schools earn letter grades of A, B, C, D, or F, which parents easily can interpret.
- Florida ensured that students were promoted to the fourth grade only after they demonstrated basic literacy skills—if a child cannot read, the default becomes that he or she will repeat the grade until he or she demonstrates basic skills.
- Florida lawmakers created an incentive program for schools and teachers, which provides bonuses for each of their students who pass Advanced Placement exams
- The Step Up for Students Tax Credit program assists 23,000 low-income students in attending the school of their parents' choice—both private (tuition assistance) and public (transportation assistance for district school transferees).
- The McKay Scholarships for Students with Disabilities Program stands as the nation's largest school voucher program, sending more than 20,000 students with special needs to the public or private school of their parents' choice.
- Florida has an active charter school program, with 375 charter schools serving more than 131,000 students.
- Florida created multiple alternative teacher certification paths in which adult professionals can demonstrate content knowledge in order to obtain a teaching license. Half of Florida's new teachers now come through alternative routes.
- Florida has the largest virtual-school program in the nation, with more than 80,000 students taking one or more courses online.

## TRANSPARENCY AND ACCOUNTABILITY

Florida's policymakers advanced a multifaceted strategy, which has benefited a wide range of students in that state. Notice, however, that *disadvantaged students* have gained the most from these reforms. Furthermore, fewer chronically low performing students in the classrooms benefits all students.

Florida's system of accountability grades schools with a simple letter: A, B, C, D, or F. Florida determines schools' grades in equal measure between overall academic achievement and academic growth over time. In addition, the state divides the growth part of the formula equally between the gains for all students, and the gains for the 25 percent of students with the lowest overall scores.

Importantly, *the students in the bottom 25 percent play the biggest role in determining the grade of a school.* These students count in all three categories: the overall scores, the overall gains, and the gains of the lowest-performing students.

Note the elegance of that system. On the other hand, the federal No Child Left Behind Act (NCLB) allows schools not to count subgroups depending upon the size of the group. NCLB divides student bodies into various subgroups based upon race, ethnicity, income, disability status, etc., and requires an increasing passing threshold from each group. State officials determine the exact size of the groups before they count—and some exempt far larger groups of students than others do.

The Florida system, meanwhile, is far more direct: *Every school* has a bottom 25 percent of students. Regardless of why those students have struggled academically, Florida’s grading system will not grant schools a high grade unless those students make progress.

In Florida, state officials post school and district level information about performance and grades, and schools are required to send a school report card to parents. Tough love is still love: Florida’s schools began to improve, both on the Florida Comprehensive Assessment Test (FCAT) and NAEP (a source of external validation for the state exam).

A small but noisy group complained the system was cruel to schools with predominantly minority student bodies and claimed that it is unfair to teachers and to students. It would prove difficult to be any more tragically mistaken. To be sure, rating schools A through F in Florida represents tough medicine; the state called out underperforming schools in a way that everyone could instantly grasp.

Did Florida’s D and F schools wither under the glare of public shame? Quite the opposite: Those schools focused their resources on improving academic achievement. Made aware of the problems in their schools, communities rallied to the aid of low-performing schools. People volunteered their time to tutor struggling students,

improving academic performance, and thus the school’s grade, became a focus.

In 1999, 677 Florida public schools received a grade of D or F, and only 515 an A or a B. Figure 6 (below) tracks the trend for those sets of grades; the three dotted arrows

represent a *raising* of the standards, which made it more challenging to receive a high grade. In 2009, only 217 schools received a D or F, while 2,317 schools received an A or B.

It is worth noting that Florida did not achieve this progress by lowering the “cut score” of the state FCAT exam (the “cut score” is the minimum passing score a student can achieve). Harvard Professor Paul Peterson has demonstrated that Florida has indeed maintained the integrity of the FCAT. Fortunately, the same study shows that Colorado has

improved the standing of the Colorado Student Assessment Program (CSAP) exam, going from a grade of “D” in 2003 to a “B-” in 2009.<sup>9</sup>

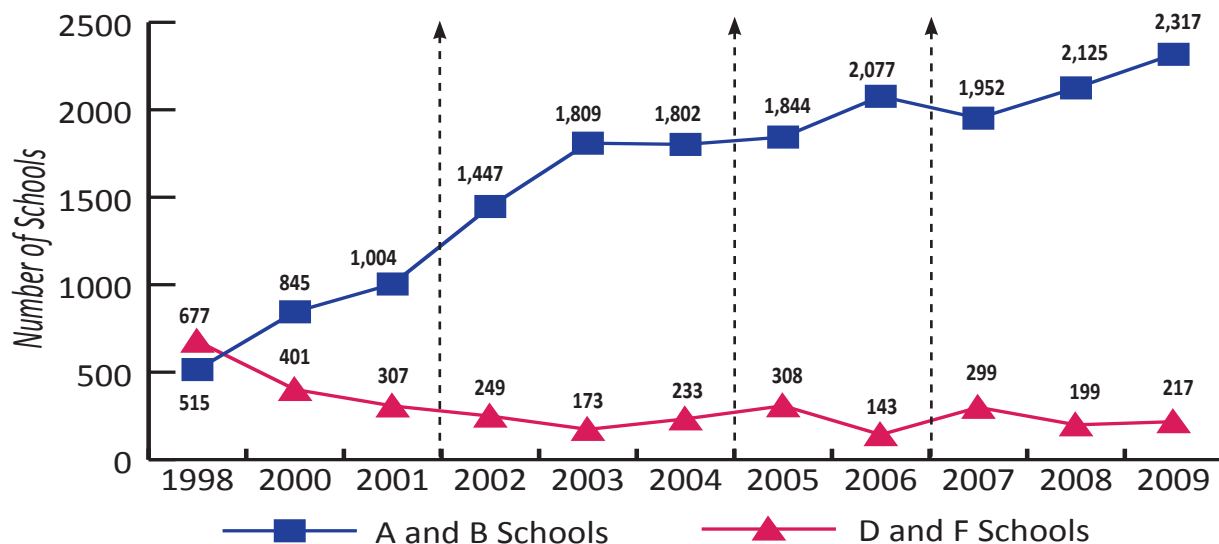
Florida’s students have improved both on the FCAT and on the NAEP. Florida’s improvement on NAEP also dispels the concern that schools are “teaching to the test.” NAEP exams have a high degree of security, and federal, state, and local authorities do not use them to rate schools or teachers. Teachers lack both the ability and the incentive to teach to the questions on NAEP exams.

*To be sure, rating schools A through F in Florida represents tough medicine; the state called out underperforming schools in a way that everyone could instantly grasp.*

FIGURE 6:

Florida’s schools improved their grade ranking despite the fact that the state raised the bar three times (see dotted lines).

Results of Florida A+ Plan School Grades in Florida 1999-2009  
Number of A & B versus D & F Schools



Source: Foundation for Excellence in Education

Florida's schools improved their rankings because their students learned to read at a higher level and became more proficient at math. Those who wanted to continue to coddle underperforming schools, while perhaps well intentioned, argued in favor of consigning hundreds of thousands of Florida children to illiteracy. Although, they did not realize it at the time, one cannot avoid the conclusion now.

In Colorado, a performance framework assigns both districts and schools into categories based on the attainment of performance indicators. Districts are labeled by their accreditation and schools by the type of plan they are required to adopt and implement. Pursuant to statute, schools are categorized as requiring one of the following four types of plans: performance, improvement, priority improvement, or turnaround. The Colorado Department of Education evaluates elementary and middle schools based on three performance indicators including: academic achievement (25%), academic growth (50%), and gaps in academic growth (25%). High schools are evaluated based on four performance indicators including: academic achievement (15%), academic growth (35%), gaps in academic growth (15%), and postsecondary and workforce readiness (35%). Based on 2009-10 scores, approximately 60 percent of schools were labeled "performance" schools and are required to adopt the corresponding "performance" plan. The next quarter received the "improvement" plan. The next 10 percent must adopt and implement the "priority improvement" plan. The bottom 5 percent must adopt and implement the "turnaround" plan.

Colorado has been a pioneer in developing an academic growth model and school performance framework; however, an opportunity exists to more clearly and accurately label schools. Colorado should replace fuzzy descriptors such as "performance" with school grades. Parents can much more easily understand grades, which convey a ranking scale in a way that a collection of descriptors will not. Many parents may not be too concerned if their child is going to an "improvement" school; however, they will likely not be satisfied with a school that has earned a grade of C. Colorado should also examine the rigor of its criteria. A state in which 28 percent of the 4th grade students scored "below basic" on the NAEP's 4th grade reading test ought not to only be labeling 15 percent of its schools in the bottom two categories. Without a doubt, there are many schools labeled "improvement" that have failed to impart basic academic skills to significant numbers of students.

*Colorado should replace fuzzy descriptors such as "performance" with school grades. Parents can much more easily understand grades, which convey a ranking scale in a way that a collection of descriptors will not.*

## MOVE ON WHEN READING

Nothing better exemplifies the tough-minded determination of Florida lawmakers to improve literacy skills than the 3rd grade "move on when reading" policy. Begun in 2003, the Florida policy requires students to exhibit at least basic literacy skills by the end of the 3rd grade. If the students are unable to do so after multiple attempts, the policy requires that they repeat 3rd grade. It is important to

note, however, that Florida's "move on when reading" policy contains a number of exemptions.<sup>10</sup>

The rationale for such a policy is summarized by McKinsey & Company: students who fail to learn how to read in the early grades fall further and further behind grade level in advancing years. This goes back to the expression: In grades K-3, you are learning to read. After third grade, you are reading to learn. McKinsey put it "For many students (but by no means all), lagging achievement evidenced as early as fourth grade appears to

be a powerful predictor of rates of high school and college graduation, as well as lifetime earnings."<sup>11</sup> The policy may seem cruel to some; however, the research demonstrates that it is only cruel to those students *exempted from the policy*.

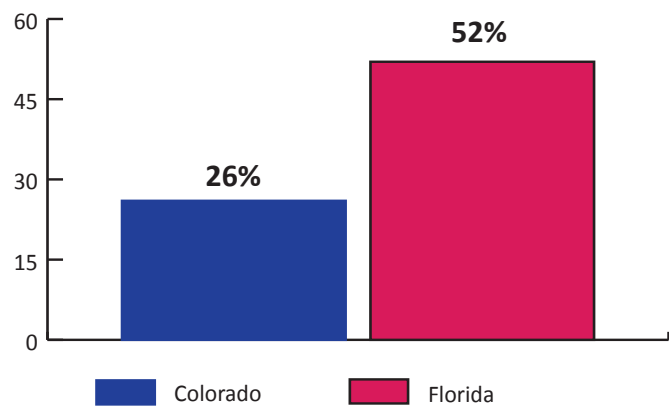
An analysis by Manhattan Institute scholars compared the academic progress of retained students to two groups of similar students (those who barely scored high enough to avoid retention and those who scored low enough for retention but received an exemption). The Manhattan team reported that after two years "retained Florida students made significant reading gains relative to the control group of socially promoted students."<sup>12</sup> The researchers found that the academic benefit increased after the second year: "That is, students lacking in basic skills who are socially promoted appear to fall further behind over time, whereas retained students appear to be able to catch up on the skills they are lacking."<sup>13</sup> A RAND corporation evaluation of a similar retention policy in New York City also found academic gains following retention.<sup>14</sup>

The retained students learned how to read, whereas the promoted students continued to fall behind. Schools did not do the exempted children a favor. They continued to fall further below grade level, which is the normal academic trajectory for children failing to learn basic literacy skills.

FIGURE 7:

Florida’s 4th grade ELL students were twice as likely to score “Basic” or better in reading in 2009

English Language Learners Scoring Basic or Better, 4th Grade Reading NAEP, 2009



Once again, the students at the bottom proved the biggest winners from Florida’s tough-minded reforms.

The Colorado Basic Literacy Act (22-7-501 – 507) calls for individual literacy plans and home reading plans for students failing to demonstrate basic literacy skills. The legislative declaration of the Act states, “It is the intent of the general assembly that, after completion of the third grade, no pupil may be placed at a grade level or other level of schooling that requires literacy skills not yet acquired by the pupil.” The Act further specifies, “In no case shall a school district permit a pupil to pass from the third grade to the fourth grade for reading classes unless the pupil is assessed as reading at or above the reading comprehension level established by the state board.” Unfortunately, this policy is not enforced. The exemptions created by the State Board of Education include children with disabilities and English language learners (ELL).

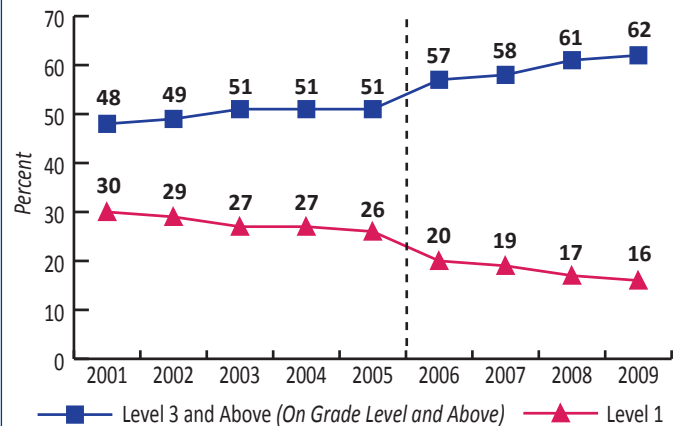
Conversely, Florida’s retention policy contains much more narrow exemptions for special needs and non-English speakers. Florida exempts non-native English speakers who have been in the state English language learner program for less than two years. Florida’s policy also exempts special education students for whom standardized testing is not possible (a very small minority of cases) and specifies that a special needs student shall not be retained more than one year. The vast majority of ELL and Special Education students

*For many students (but by no means all), lagging achievement evidenced as early as fourth grade appears to be a powerful predictor of rates of high school and college graduation, as well as lifetime earnings.*

FIGURE 8:

Florida’s student achievement improved by 6 points when the students who started third grade under the retention policy entered middle school (see dotted line).

Middle School FCAT Reading, Grades 6, 7 and 8



Source: Foundation for Excellence in Education

in Florida, however, are subject to the retention policy. The policy also allows the student to demonstrate basic literacy skills through a portfolio assessment, which requires the formal approval of the parent, teacher and principal.

Figure 7 (above left) demonstrates that a blanket exemption for ELL students proves to be a mistake. Other policies certainly influenced the success of Florida’s schools in getting ELL students to acquire basic literacy skills (especially the formula for grading schools), but the “move on when reading” policy certainly contributed to Florida’s success. Florida’s 4th grade ELL students were precisely twice as likely to score “basic” or better in Reading on the 2009 NAEP compared to Colorado students. Exempting special needs and ELL children in Colorado is not helping them; rather, the policy is harming their long-term prospects.

Furthermore, Florida students have shown sustained improvements in later grades since the advent of the retention policy. Figure 8 (above right) shows FCAT reading scores for sixth through eighth graders before and after the cohorts of students impacted by the retention policy entered middle school (designated by the dotted line). Scores continue to improve over time, a finding also reflected in the trends in Florida’s 8th grade NAEP reading scores.

It should be emphasized that the objective of the “move on when reading” policy is universal literacy. To that end,

the number of students retained under Florida's policy has also decreased over time as student reading improved in earlier grades. In 2002, the year before the policy was implemented, 27 percent of Florida 3rd graders scored at the lowest level of the reading portion of the FCAT. By 2010, only 16 percent of 3rd graders did so, a reduction of 41 percent. Florida's "move on when reading" policy creates positive pressure for schools to emphasize early literacy, and for parents to take greater responsibility for the reading skills of their children. Florida enacted tough love on literacy. Colorado should do the same.

## SCHOOL AND TEACHER BONUSES FOR ADVANCED PLACEMENT EXAMS

Working in partnership with the College Board beginning in the year 2000, Florida sought to increase the academic achievement of their students, particularly those underrepresented in universities.

The comprehensive plan included professional development for teachers and counselors and free PSAT exams for students. Florida officials created AP Potential – a web-based tool to identify promising students for AP coursework.

The program relied heavily on incentives, creating an AP Teacher Bonus – \$50 for every passing score, up to \$2,000. The program also created an incentive for the school, paying the school a bonus of \$650 per student passing an Advanced Placement exam. Florida provided an additional school bonus of \$500 per student passing an AP exam in schools rated "D" or "F." The idea was to set high expectations and to reward success. Florida officials carefully wrote this bonus into the funding formula so that it went to the school, not to the school district. The number of all Florida students who have passed an AP exam increased by 206 percent between 1999 and 2009. Similarly, Figure 9 demonstrates that the number of Florida's Hispanic and African American students passing one or more Advanced Placement exams more than tripled between 1999 and 2008. Information from the National Math and Science Initiative regarding Hispanic AP passing rates (presented in Figure 10) shows that Florida had the highest passing rate for Hispanics in the country. Florida's Hispanic passing rate is approximately three times higher than Colorado's.

A ballot measure requires Colorado to increase K-12 funding on a regular basis. Florida's success in getting

minority students to test out of college credit shows that it is best to condition additional funding on better student achievement.

## PARENTAL CHOICE PROGRAMS

Florida has gone further than any state in expanding parental options-through charter schools, tuition tax credits and virtual education. Florida has an active charter school program, with 375 charter schools serving more than 131,000 students. Florida's private school choice programs allow children with disabilities and low-income children to receive assistance to attend private schools of their parents' choosing. Florida has both the largest school voucher program (the McKay Scholarship Program for children with disabilities) and the largest scholarship tax credit program (Step Up for Students, which assists low-income children attend private schools) in the country.

McKay Scholarship Program allows parents to apply for a school voucher for a child with a disability attending a district or charter school. The program began in 2001, and last year, almost 21,000 special needs students utilized the program, approximately 6 percent of special needs students. The program allows the funding associated with the special needs child to follow them to a public or private school of their choice, and the average scholarship

amount was \$7,144 for the 2009 school year. Over 950 Florida private schools participated in the McKay Program in 2009.

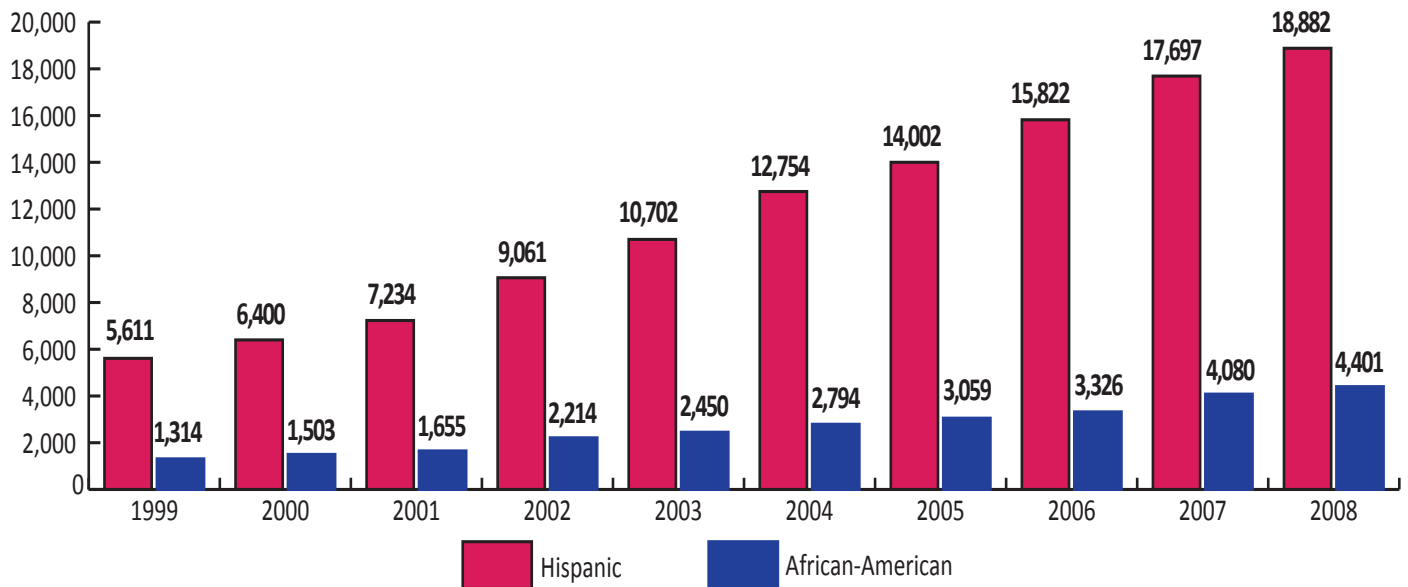
The Step Up for Students Tax Credit program also began in 2001. It provides a dollar for dollar tax credit to corporations for donations to non-profit Scholarship Funding Organizations (SFOs). Only children with family incomes low enough to qualify for a free or reduced price lunch under federal guidelines may use a Step Up for Students scholarship, which averaged approximately \$4,100 in 2009. The program saves the state money by helping to provide an education at a lower cost to the state. School districts lose state funding when children decide to go elsewhere, but retain local funding to cover fixed costs. Almost 29,000 students utilized the program for the 2009 school year, approximately 2 percent of low-income students, and the program has drawn strong bipartisan support in the Florida legislature in recent years. In 2010, a substantial expansion of the Step Up for Students program

*The number of all Florida students who have passed an AP exam increased by 206 percent between 1999 and 2009.*

FIGURE 9:

Between 1999 and 2008, the number of Florida's Hispanic and African American students passing one or more Advanced Placement exams more than tripled.

Florida AP Passing Scores Hispanics and Americans, 1999-2008

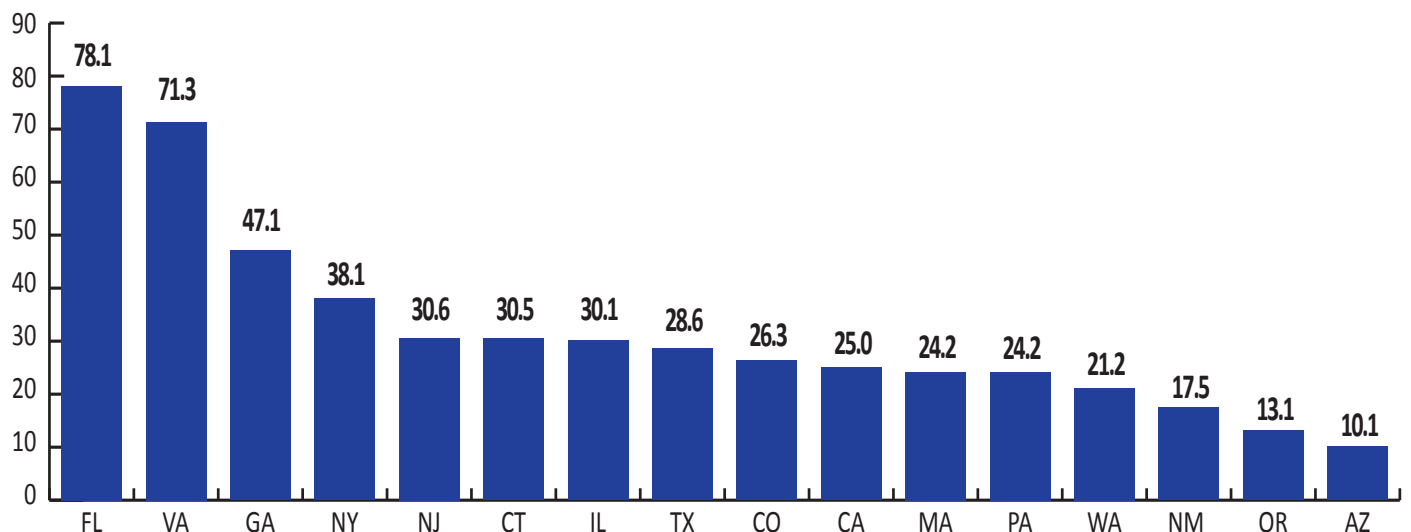


Source: Foundation for Excellence in Education

FIGURE 10:

Information from the National Math and Science Initiative regarding Hispanic AP passing rates shows that Florida had the highest passing rate for Hispanics in the country. Florida's Hispanic passing rate is approximately three times higher than Colorado's.

Math, Science and English AP Passing Test Scores per 1,000 students for States with 7,000 or more Hispanic Junior and Senior Students, 2006



Source: Foundation for Excellence in Education

passed the Florida legislature by a very large bipartisan majority, including half of Democrats voting in favor and a strong majority of the African American caucus.<sup>15</sup>

Florida's parental choice programs create positive, bottom up competitive pressure on district schools to improve performance in order to compete for students. Studies of both the McKay and Step Up for Students programs have demonstrated higher student learning gains in district schools facing higher levels of competition from these programs.<sup>16</sup>

The Colorado legislature passed a school voucher program earlier in the decade, but the Colorado Supreme Court ruled against it before the program became operational. The Court held that the program violated school districts' control over locally raised funds. However, Colorado lawmakers have not passed a tax credit program, which is distinctly different from a voucher program.

Colorado performs well in the charter school area, as it does not place a cap on charter schools. Additionally, Colorado lawmakers passed the Innovative Schools Act, which provides traditionally run district schools with charter-like freedoms. The Center for Education Reform gave both the charter school laws of Colorado and Florida the grade of "B."<sup>17</sup> Colorado lawmakers should continue to support policies that will create and expand access to high-performing charter schools.

## ALTERNATIVE TEACHER CERTIFICATION

In 2002, Florida implemented policies that created alternative routes to teacher certification. Allowing more people with degrees to demonstrate content knowledge and join the teaching profession expands the possible pool from which to recruit high-quality teachers. Inner-city children suffer the most from the shortage of high-quality teachers, as the system favors suburban schools in recruiting and retaining highly effective teachers. Thus, inner-city children gain the most from reducing the teacher supply shortage.

Half of new teachers in Florida now come through alternative paths. The state has adopted national programs

such as the American Board for the Certification of Teaching Excellence (ABCTE) as well as junior college and school districts programs following state standards. Colorado does have an alternative certification program run by the state but could improve upon this wise practice by creating multiple high-quality options.

*Florida's parental choice programs create positive, bottom up competitive pressure on district schools to improve performance in order to compete for students. Studies of both the McKay and Step Up for Students programs have demonstrated higher student learning gains in district schools facing higher levels of competition from these programs.*

## VIRTUAL EDUCATION

Education is on the verge of a shakeup every bit as profound as that facing the newspaper and music industries, according to Harvard business professor Clayton Christensen, who has written that online learning is a disruptive technology that will change education permanently and for the better.

Disruptive technologies begin by competing against the lack of consumption of a dominant technology. The disruptive technology benefits the very consumers who were not using the original product and eventually evolves into a more desirable product than the original.

The personal computer, for instance, began as an inferior but more accessible product to the then-dominant mainframe. Over time, through the normal process of incremental improvement, people

realized that the disruptive technology was superior to the dominant technology. Suddenly, everyone wanted a PC and most mainframe makers went out of business.<sup>18</sup>

Is there any evidence that we will ever view technology-based learning as *better* than the brick and mortar classroom? A recent headline in the *New York Times* says it all "Study Finds that Online Learning Beats the Classroom." An excerpt from the story:

Over the 12-year span, the report found 99 studies in which there were quantitative comparisons of online and classroom performance for the same courses. The analysis for the Department of Education found that, on average, students doing some or all of the course online would rank in the 59th percentile in tested performance, compared with the average classroom student scoring in the 50th percentile.<sup>19</sup>

Nine national percentile points, or an 18 percent margin, is



a very large difference. Tom Vander Ark, the first Executive Director of the Bill and Melinda Gates Foundation also sees a fundamental transformation of education on the horizon:

*We're headed for radical choice—not just school choice but choice to the lesson level. We'll soon have adaptive content libraries and smart recommendation engines that string together a unique “playlist” for every student every day.*

*These smart platforms will consider learning level, interests, and best learning modality (i.e., motivational profile and learning style to optimize understanding and persistence). Smart learning platforms will be used by some students that learn at home, by some students that connect through hybrid schools with a day or two onsite, and by most students through blended schools that mix online learning with onsite support systems.*

*Choice between physical schools will increasingly be about the learning community they create in terms of the application and extracurricular opportunities and guidance and support systems. In some states, families will gain the ability to construct a series of learning experiences that fit family needs, schedules, preferences, and interests.<sup>20</sup>*

***The key reform that Florida has embraced that others have not is to allow student funding to follow the child down to the course level, not simply to the school level. Having adopted such a financial model, online learning in Florida is financially scalable.***

Christensen's and Vander Ark's visions may be slow in arriving, may happen more quickly than most expect, or may never fully happen. Regardless, hundreds of thousands of students already benefit from online learning opportunities, including a great many students attending traditional district schools.

Many schools around the nation lack Advanced Placement programs and advanced math and science courses—especially in small districts and in rural areas. All schools by necessity have limited foreign language offerings. The possibilities for remediation through online course work should excite everyone.

Florida leads the nation in online K-12 opportunities. The Center for Digital Education ranked state online policies in *Online Learning Policy Survey: A Survey of the States*. Colorado ranked 13th best overall, and Florida ranked as the top state in the nation.<sup>21</sup> The key reform that Florida has embraced that others have not is to allow student funding to follow the child down to the course level, not simply to the school level. Having

adopted such a financial model, online learning in Florida is financially scalable. The demand of students, not annual appropriations or artificial caps, should determine the rate of growth for online instruction.

# COLORADO REQUIRES BOLD K-12 REFORM

Colorado adds to a legion of high school dropouts every year. In the 2009-10 school year, 28 percent of Colorado 4th graders scored “Below Basic” on the reading section of the NAEP. In other words, more than a quarter of the Class of 2017 is already in the dropout pipeline. Their schools failed to impart essential learning skills at the developmentally critical age. Each year, more and more of them will fall further and further behind grade level. During the 2011-12 school year, these students will be 6th graders staring at science textbooks they *cannot read*. In 2012 and 2013, many will become despondent and disruptive. Never imagining themselves attending college, many will begin to wonder why they are bothering to go to school. In 2013, as 8th graders, the first of them will begin dropping out of school.

This is a social and economic disaster for Colorado. Colorado has the evidence and the tools to stop this trend.

In December 2006, the New Commission on Skills and the American Workforce released a report titled *Tough Choices or Tough Times*. The commission included a bipartisan mix of education luminaries, including two former U.S. secretaries of education. The report warns, “If we continue on our current course and the number of nations outpacing us in the education race continues to grow at its current rate, the American standard of living will steadily fall relative to those nations, rich and poor, doing a better job.”<sup>22</sup>

Commenting on the report, Jack Jennings told the *Christian Science Monitor*, “I think we’ve tried to do what we can to

improve American schools within the current context. Now we need to think much more daringly.”<sup>23</sup> These and other observers have reached an unavoidable conclusion: The traditional model of delivering public education requires a drastic overhaul, not incremental reform.

Florida’s example shows that it is possible to improve student performance by instituting a variety of curricular and incentive-based reforms, placing both top down and bottom up pressure on schools to improve.

Indeed, we cannot achieve global competitiveness through minor tweaks of a largely underperforming system. Florida’s broad efforts and resulting outcomes prove this. Fortune favors the bold, and a brighter future awaits Colorado’s students if Colorado’s adults will take strong action. Colorado’s students need it, her taxpayers deserve it, and her economy requires it.

Academic fatalists will quickly jump up to argue that some students simply *cannot learn*. Florida and the success of others in substantially improving the scores of poor and minority children should put this “soft bigotry of low expectations” into the shameful dustbin of history that it so richly deserves.

Moreover, Florida’s success in helping poor and minority children to read at higher levels compared to similar students in Colorado crushes such arguments. Bottom line: Tough love for schools means big gains for kids, especially disadvantaged kids. Appropriately, the children with the least have gained the most.

## RECOMMENDATIONS

Colorado’s policymakers should take strong action to:

- 1) Ensure that students are promoted to the fourth grade only after they demonstrate basic literacy skills
- 2) Improve the Colorado Growth Model by replacing the fuzzy school descriptors of Performance, Improvement, Priority Improvement, and Turnaround with the letter grades A, B, C, D, F
- 3) Create financial incentives for school success by linking additional funding to improved student achievement
- 4) Examine programs that will strengthen school choice by creating positive, bottom up competitive pressure on district schools to improve performance in order to compete for students
- 5) Consider opportunities to expand access to high-quality curriculum and instruction through virtual educational offerings

## NOTES

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- <sup>6</sup> See Georgetown Public Policy Institute at <http://www9.georgetown.edu/grad/gppi/hpi/cew/pdfs/Appendices.pdf>.
- <sup>7</sup> For details on the widely admired Florida Virtual School, see Bill Tucker *Florida's Online Option Virtual school offers template for reform* in the Winter 2009 edition of *Education Next*, available online at <http://educationnext.org/floridas-online-option/>.
- <sup>8</sup> Passage of the No Child Left Behind Act in 2002 made participation in NAEP a precondition for receiving federal education dollars. All states began participating in NAEP beginning in 2003.
- <sup>9</sup> Peterson, Paul E. and Carlos Xabel Lastra-Anadón. 2010. *State Standards Rising in Reading but Not in Math*. Article appearing in *Education Next*, available online at <http://educationnext.org/state-standards-rising-in-reading-but-not-in-math/>
- <sup>10</sup> The six good cause exemptions to the Florida law:
- Students with limited English proficiency (LEP) who have less than two years of instruction in an English for Speakers of Other Languages (ESOL) program.
  - Students with disabilities for whom participation in the statewide assessment program is not appropriate.
  - Students who demonstrate an acceptable level of performance on an alternative standardized reading assessment.
  - Students who demonstrate, through a student portfolio, that they are reading on grade level (based on mastery of the Sunshine State Standards).
  - Students with disabilities who were previously retained in grades K-3.
  - Students who were previously retained in grades K-3 for a total of two or more years.
- <sup>11</sup> McKinsey and Company. 2009. *The Economic Impact of the Achievement Gap in America's Schools*, page 5. Report available online at: [http://www.mckinsey.com/app\\_media/images/page\\_images/offices/socialsector/pdf/achievement\\_gap\\_report.pdf](http://www.mckinsey.com/app_media/images/page_images/offices/socialsector/pdf/achievement_gap_report.pdf)
- <sup>12</sup> Jay P. Greene and Marcus A. Winters, "Getting Farther by Staying Behind: A Second-Year Evaluation of Florida's Policy to End Social Promotion," Manhattan Institute Civic Report No. 49, September 2006.
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- <sup>14</sup> McCombs, Jennifer Sloan, Sheila Nataraj Kirby and Louis T. Mariano *Ending Social Promotion Without Leaving Children Behind: The Case of New York City*. RAND Corporation, available online at <http://www.rand.org/pubs/monographs/MG894/>.
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