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**Full Statement of
Recommendations***The Koret Task Force
on K–12 Education*

Florida has expended considerable effort, money, and political will to position itself at the forefront in education reform. It has every reason to be reform-minded. Like California, New York, and Texas, Florida faces critical challenges to its public education system brought about by capacity-stressing demographic trends, a fact represented most dramatically by the diversity in character and need of the more than 2.5 million students in its public schools. Nearly half are poor, a similar percentage are members of an ethnic minority, and an increasing number are identified as having limited proficiency in English. In some ways, population and immigration trends in the entire state of Florida today mirror those experienced by many of our central cities a half-century ago.

Such challenges make this an urgent moment for assessment and review of the state's education reform efforts. To this end, the Florida State Board of Education chairman, Philip Handy, and Governor Jeb

Bush invited the Hoover Institution's Koret Task Force on K–12 Education at Stanford University to undertake an independent look at the state's education policy and practices.

For this undertaking, the Koret Task Force has focused on issues seen as the most pressing on the state's agenda: accountability, curriculum reform, effective teaching, school choice, and organizational change, including voluntary preschool education, class-size reduction, and more effective resource management. With the generous assistance of local and state education officials, each member of the task force (with a colleague, in some instances) has prepared an essay on a subject within the scope of his or her expertise. Each essay provides background information on the topic and describes and assesses what Florida has done to address the issue. For their individual research, some authors made significant use of the rich education data available in Florida and all provide specific policy recommendations that draw on their broad knowledge and experience in the field. A general overview of Florida's educational reforms over the past eight years is included in the volume as well, giving context to the chapters.

In the following pages of this summary statement are contained the key findings and recommendations that reflect the views of the Koret Task Force as a whole. We believe they provide what is most helpful: a timely and objective assessment of Florida's education policies and prescriptions for reform that the public and the state's leadership can utilize in deciding the best way forward.

Overall Performance

Recognizing the challenges that Florida faces, the state's governor and its state legislature have advanced a vigorous education agenda over the past eight years. Florida's schools have seen a sea change in education policy, including the establishment of a rigorous accountability plan (the A+ Plan for Education) for schools and students alike, an expanding menu of educational options for parents and students,

merit pay for outstanding teachers and use of alternative pathways for the recruitment of new ones, and an ambitious reading initiative—“Just Read, Florida!”—aimed at ensuring that all Florida students are reading at or above grade level by 2012. Voters have approved constitutional amendments mandating a voluntary, free pre-kindergarten program and a reduction in class size. The most recent legislative session saw the adoption of the A++ Plan for Education, which, among other things, increases the number of required core courses middle school students must complete before advancing to high school, establishes permanent funding for intensive reading courses at the middle and high school levels, mandates majors in high school, and creates research and career-oriented academies within schools. It also awards additional pay to teachers at low-performing schools and in high-need subject areas.

To keep track of the impact of all those changes, Florida has developed an education data system that is one of the best in the nation (displayed nationally in 2006 at an education data summit hosted by the state). In support of the reforms, the state has dedicated large sums of money. For the 2006–7 school year, the legislature appropriated more than \$18 billion for public schools, an increase of 73 percent since 1998–99. The budget put in place a \$147.5 million performance-pay plan that would allow for bonuses of about \$2,000 to be awarded to at least 25 percent of the state’s teachers. It also included more than \$1 billion for construction to meet the requirements of the state’s 2002 class-size reduction amendment and more than \$2 billion to hire teachers and pay other operating costs.

The results for Florida students from all these efforts have been promising. High school graduation rates have climbed slowly but steadily. Those gains have been accompanied by rising test scores at the elementary school level. In 1996/98, Florida 4th graders’ math and reading on the National Assessment of Educational Progress (NAEP) scores were among the bottom fourth and fifth of the participating states, respectively. By 2005, Florida had surpassed the national av-

erage in its 4th-grade math and reading NAEP scores (a first in math; in reading, Florida was ahead of the curve for the second straight time). The gain in 4th-grade reading between 1998 and 2005 was more than three times the national gain (13 points as compared to 4 points). Especially noteworthy, gains by African Americans and Hispanic students have been, in most cases, even larger, helping Florida close the ethnic achievement gap at grade 4 at a rate that exceeds the national average.

Results from Florida's own Comprehensive Achievement Test (FCAT) are consistent with those NAEP performance gains. With the exception of 10th-grade reading, students' average test-score performances over the six-year period 2001 to 2006 have moved upward in both reading and math at all grade levels tested (3 through 10). The most recent results for 2006 are particularly impressive. Overall, for grades 3 through 10, the state saw the largest year-to-year increase in reading scores since 2001. Likewise, there were also strong gains in students' mathematics skills. It is especially notable that average scores in reading for 10th graders began to reverse their earlier decline, while those for students in 6th and 7th grade moved upward at a more rapid rate than in previous years. That upward move in middle and high school test scores is especially welcome because, in 2005, in both 8th-grade math and reading, Florida's performance on the NAEP was lagging behind the national average.

That is not the only sign that much remains to be accomplished. Reading improvements in grade 4 did not generate equally large gains in grade 8 four years later. The recent FCAT gains in middle school, while welcome, remain modest, and more substantial gains in reading cannot be achieved without adopting the kinds of improvements in Florida content standards and other reforms that we recommend. Inasmuch as reading ability in grade 8 has a major impact on a student's chances in life, that is a matter of great concern, especially since, as elsewhere across the nation, NAEP scores for 17-year-olds remain disturbingly low. On the 2006 FCAT, only 32 percent of Florida 10th

graders scored at an acceptable achievement level (three or higher) in reading and 65 percent did so in math. The ethnic achievement gap, too, will not be eliminated in the foreseeable future unless even more rapid gains in minority achievement are realized. In reading, these problems can be addressed, at least in part, by ensuring that students have obtained the general background knowledge necessary to achieve proficient reading comprehension. Accordingly, it is recommended that, as the Sunshine State Standards are revised, they be given greater specificity at each grade level.

Fortunately, Florida recognizes the problem. It is currently reviewing its state standards, and some of the promise of “Just Read, Florida!” may now be showing. Begun in 2002, the initiative has channeled money and resources into research, training, and monitoring systems for a comprehensive statewide reading program and created linkages between schools, communities, and families in support of its goal. Although initially focusing on the elementary grades, it has been expanded over four years to serve students in grades K–12. The initiative has established reading academies and provided coaches, free reading diagnostic assessments, and, for middle school students, oral reading fluency probes. In 2006, the earlier reading gains at the elementary levels began to appear at the 6th and 7th grades as well, and 10th-grade performance in reading ticked upward, reversing in part the previous decline.

Florida is also currently planning to alter its state standards both by giving greater specificity to the knowledge content that students are expected to acquire and by raising levels of proficiency vis-à-vis these standards that students are expected to reach. Both steps are to be applauded, especially if they are well-implemented. Florida’s standards need to be given greater specificity so that teachers and others who have responsibility for the school curriculum are given clear guidelines that describe the knowledge students need to acquire. And the current proficiency bar that students are expected to reach should be raised. Although Florida ranks 14th among the states in the level

of proficiency a student is expected to achieve, that proficiency bar is nonetheless only modestly higher than the level expected by the average state, earning Florida a grade of only a C in a national comparison.

Other changes to Florida's education system have also continued to produce much debate and legal action. Although the state is renowned for the choice options it is providing parents, including the MacKay Scholarship Program and Corporate Tax Credit, the Florida Supreme Court struck down one of the most significant of those options, the state's Opportunity Scholarship Program, on grounds that it violated the state constitution. Although there was discussion during the recent legislative session of preserving the Opportunity Scholarships by amending the state constitution, thus far Florida's legislature has chosen not to intervene. Unfortunately for students at some of the state's worst schools, this means that a valuable tool for school reform has been eliminated. In addition, the state has a burgeoning student population that, when coupled with an aging teaching force and a constitutional mandate to reduce class sizes, is producing a critical shortage of qualified teachers. Middle and high schools are in need of major reform. And the tension between federal accountability prescriptions under the No Child Left Behind (NCLB) Act and established state policies has yet to be fully resolved.

Overall, Florida has accomplished much, but the following examination of the various components of the state's educational system reveals that still more can be achieved.

Accountability

Florida's A+ Accountability Plan (A+) has been a pacesetter for the nation since 1999, when it was first put in place. The ensuing seven years have seen student achievement on the FCAT rise significantly. Although the program can and should be enhanced, its record of spurring student achievement surpasses that of most states elsewhere in

the country. In the NCLB era, certain features of Florida's A+ deserve special commendation, many of which should be taken into account by Congress when it considers the reauthorization of the federal education law.

A+ sets up an intuitive grading system, ranking schools on a five-grade scale—A, B, C, D, and F—that is readily understood by any parent, taxpayer, or news reporter. This grading system does a satisfactory job of identifying higher-quality schools and an even better job of isolating those that are least effective. The NCLB program, by comparison, only distinguishes between schools that are said to be making or not making “adequate yearly progress,” a distinction that has done a poor job of differentiating quality schools in Florida from lower-performing ones.

The A+ plan is also to be complimented for setting up clear positive and negative consequences depending upon the grade each school has received. Even more significantly, A+ is holding students themselves accountable, with a graduation exam and a retention policy for those students in the 3rd grade who fail to reach a minimum level of performance. By comparison, NCLB's consequences for schools not making adequate progress are minimal and do nothing to hold students directly accountable.

A+ is supported by a comprehensive warehouse of data that enables educators to track each individual student's progress from one year to the next, something NCLB should require other states to establish. Making use of its information warehouse, A+ has a scoring system that evaluates schools in part on the basis of individual educational growth as well as on the overall level of accomplishment of individual students. NCLB's grading scheme does not follow individual students but instead traces a trajectory of cohorts of students toward a targeted level of proficiency to be reached by 2014.

For all its positive features, however, there are some clear improvements from which A+ would profit. First, as Florida revises its state standards, it needs to build close links between the curriculum

taught at the elementary and secondary levels, a matter discussed more fully in the section on curriculum that follows. Second, the level of proficiency the students are expected to achieve, roughly that of the average state, should be steadily raised as the reform movement goes forward. Third, its distribution of grades among schools is excessively generous, as most are given an A or a B. By raising proficiency standards, the state would challenge more of its “average” schools to higher levels of accomplishment. Fourth, schools should be graded primarily on the basis of how much student performance improves over the course of a year at the school. Fifth, Florida should explore ways of extending its student-retention policies beyond the 3rd grade so that students in subsequent grades are also motivated to reach expected proficiency levels. Finally, the state should continue to seek a modification in federal policy so that state and federal accountability systems reinforce one another.

Curriculum

All aspects of a school system’s curriculum are deeply intertwined. Unless one can read, one cannot learn about literature, science, mathematics, geography, history, government, or the host of other topics that all educated citizens need to know. But unless one is introduced systematically to material in a wide range of subjects, one does not acquire the knowledge necessary to achieve proficiency in reading comprehension. Just as subject matter is interconnected, so too are the various stages of the educational process, from the earliest years to the completion of high school and beyond. What one achieves in high school will be shaped decisively not only by what is taught there but also by all that has come before.

In Florida and across the nation, serious educational challenges become especially evident when one looks closely at student achievement in high school. That suggests that students are mastering the basics of reading but that a significant number do not have the back-

ground knowledge that is necessary to comprehend the increasingly complex text encountered at higher grade levels. To change that pattern will require more than alterations in the high school curriculum; basic programs in reading and mathematics need to be reexamined throughout all years of schooling. It is too soon to tell whether the accomplishments of the “Just Read, Florida!” program will yield results in high school performance, but only through such strong action, coupled with clear content standards that are effectively implemented, can students be prepared for a demanding high school curriculum.

These challenges are not unique to Florida. NAEP has revealed similar difficulties schools are having nationwide in sustaining the gains in student achievement that have appeared in 4th grade. By 8th grade, many of those gains have slipped away, and by high school they have all but vanished. Indeed, the latest national results from the NAEP science examination indicate that the scientific knowledge that 12th graders have grasped has actually fallen in recent years. If Florida revamps its curriculum as it implements the changes in its state standards so as to ensure a steady acquisition of essential knowledge throughout the many years of schooling, it can become a pioneer in curricular reform, just as it has been one in accountability and school choice. The place to begin is by continuing to build upon its “Just Read, Florida!” program and giving more content specificity to its state standards as it goes forward with its current revisions. The initial guidelines for these revisions are quite vague, in that they do not give sufficiently clear and specific direction as to what students are to learn at each grade level.

Reading

All students must be able to sound out text fluently and accurately. When necessary, remediation should be offered for this skill at all grade levels; no student should be allowed to fall through the cracks. As it implements its new state standards, Florida should expect that

schools will ensure mastery of phonological skills all the way through 12th grade, instead of through 2nd grade, as is now demanded.

Because vocabulary is best taught in the context of meaningful text, the state should also mandate, through its standards for reading and all other subjects, a systematic body of coherent content that students must be taught each year, from kindergarten through 12th grade, an aim that is not currently emphasized in the “Just Read, Florida!” guidelines. This is an essential element in enabling students to read at grade level as they advance to middle and high school. Without rich content, students will not develop the knowledge and vocabulary needed to comprehend sophisticated text.

To help those who have serious weaknesses, as well as to close the achievement gap, it is especially important that limitations in reading skill and knowledge are identified and addressed as early as possible. Good remediation programs exist, and the state should continue to insist that students not making progress be assessed and then supported vigorously. The state should be energetic in enforcing requirements that ask schools to provide diagnostic testing of all students every year until FCAT begins and then to continue such testing for all students who are scoring below the basic level of the FCAT. Diagnostic testing should be promptly followed by appropriate intervention to help students learn to read. Such action, taken at the elementary level, can bring long-term benefits when students enter high school.

The 2005 NAEP evidence of greater gains in test-score performance in early grades followed by lesser ones in later grades suggests that the main reading problem in Florida (and in the United States as a whole) is a deficiency in the background knowledge needed for reading comprehension. Although the gains made in 2006 on FCAT scores in 6th and 7th grades are encouraging, continued progress toward overcoming this deficiency will require the effective implementation of specific, content-rich state standards for each grade.

Mathematics

As Florida establishes its new standards in mathematics, it needs to address past weaknesses. State standards now in place are not sufficiently detailed to guide curriculum development or testing. Educators in Florida have been aware of these limitations for some time and, in 1999, began work on Grade Level Expectations to fill in the missing details. However, they have been only partially successful. The grade-by-grade learning expectations begin clearly enough, but by grade 5, they become less explicit and more confusing because they combine multiple objectives and methods in one statement, running the risk that only a portion of the objective will be tested in any given year.

Testing design is also problematic. For example, the most striking feature of the 10th-grade examination is that the level of achievement required is not reflective of what is generally considered to be 10th-grade work. This leaves the state without a real accountability system that applies to high school mathematics. And, as students approach high school, neither the standards nor the testing system support a level of learning necessary for doing well in high school mathematics. To lift student performance to a new level, Florida must make sure that the new standards that it is establishing better align earlier expectations with high school achievement goals. We also recommend that Florida develop end-of-course examinations for algebra and beyond to match new, more challenging high school math standards and integrate those examinations into the accountability system.

Preparation for High School

Like many other states, Florida is trying to reform its secondary schools to improve student achievement, increase the high school graduation rate, and better prepare high school students for careers or college. But it is apparent from the achievement data that many students have been unprepared for the academic demands of high school

studies. Seventeen percent of students in grade 9 were retained (failed) in 2004 because they had not earned enough credits to be promoted to the next grade. The retention rates in grades 10 and 11 were more than 10 percent; the retention rates in middle school were 5 percent or less.

The serious problems that the state has identified, however, do not originate in the high schools and will not be changed by simply reforming them. In addition, Florida, as it revises its standards, should strengthen its curriculum frameworks so as to describe the sequential development of knowledge and skills grade by grade, beginning in kindergarten. These frameworks can then serve as the basis for professional development, teacher education, and testing. They will also enable students to make the leap from performing competently in 4th grade to understanding the increasingly complex materials in later grades.

Teachers

Within schools, the single most important person shaping the achievement of the child is the classroom teacher. Enhancing the quality of Florida's teaching force must, therefore, become one of its highest priorities, especially since Florida faces the challenge of hiring 30,000 new teachers for the 2006–7 school year, and other large numbers in the years to come, as it seeks to keep up with population growth and expected teacher retirements while still meeting NCLB guidelines to provide a quality teacher in every classroom.

Only around 5,000 individuals graduate annually from traditional teacher training programs in Florida. To address the shortfall, Florida deserves credit for its development of two alternative teacher-certification programs. The first asks all districts to design programs that meet state criteria, while giving districts flexibility to determine how best to adapt those criteria to meet local conditions and concerns. So far, district experience with these programs has been positive, and the

one established by Broward County has won a national award. The second allows community colleges, as well as four-year colleges and universities, to set up Education Preparation Institutes (EPIs). These EPIs have their own programs, consistent with state standards, that are designed to provide career-changers with the professional knowledge and skills to enter teaching. As the EPIs become established, their programs should be evaluated by identifying the impact of graduates on the achievement gains their students realize.

Still, to recruit as many qualified teachers as possible, Florida should move toward reducing all the artificial barriers to entry into the profession. It can best do so by allowing school principals to hire anyone deemed qualified, provided the person has a bachelor's degree, can demonstrate substantive competence (by having the relevant college degree or passing a rigorous test of substantive competence), and can pass a personal background check. No additional coursework, whether through alternative or traditional certification programs, should be required for them to be fully certified to teach in Florida's schools. Instead, the districts should seek to enhance quality teaching by providing new teachers with mentoring and on-the-job training.

State officials also need to revisit the way in which compliance with federal guidelines under NCLB is realized. Currently, most practicing teachers are said to be "qualified" by virtue of their experience, even when some may not be performing adequately. Rather than provide blanket approval for all experienced members of the teaching force, Florida should use NCLB requirements as a tool for improving teacher quality. For one thing, Florida should increase the probationary period for teachers from three (the current norm) to five years—thus allowing districts a reasonable length of time to observe the performance of new teachers and make good decisions about whom to keep. In making these decisions, school leaders should draw on the state's excellent data systems, which make it possible to gauge the impact of classroom teachers on student achievement. In addition to screening new teachers, districts should require that veteran teachers

demonstrate their competence by possessing a college (or graduate) degree in the relevant subject, by passing a rigorous test of their knowledge of that subject, or by showing that the students in their classrooms are making satisfactory achievement gains on the FCAT. Otherwise, veteran teachers should be placed on probation. If they do not improve within a reasonable period of time, or if it is found that their teaching in any way harms students' academic growth, they should be dismissed.

Florida has long been concerned about rewarding and retaining effective teachers and has recently moved vigorously to address the issue. In 2002, the state legislature required that districts base a portion of their teacher-salary determination on student performance. Because district response to the law was slow, the state legislature, in 2006, enacted its Special Teachers Are Rewarded (STAR) program, giving it a budget of \$147.5 million. The STAR program, which increases the proportion of teachers whose performance can be rewarded to no less than 25 percent, is one part of a series of innovative compensation programs the state has been introducing. For example, one program provides funding for schools based on their students' learning gains, while others give mortgage assistance and tuition forgiveness to those who agree to teach in high-needs schools. Even more significantly, STAR allocates funds to schools based on the gains in student performance that are accomplished, giving each school a fiscal incentive to boost student performance.

In this regard, Florida is leading the nation. Although other states are moving in this direction, none matches Florida in terms of magnitude, breadth, and focus. Still, Florida can build on its already strong policy record. For one thing, consistent with the legislation enacted in 2006, school administrators—particularly principals and superintendents—should also be rewarded for effectiveness in raising student achievement. And as part of an ongoing evaluation of its compensation policies, it needs to monitor closely the size and distribution of its performance rewards to ensure that they are competitive with op-

portunities in alternative professions. Only by doing so can Florida retain its highest-performing teachers and administrators.

School Choice

Under its umbrella of school-choice programs, Florida has a broad selection of educational options that distinguish it as a trendsetter for the nation. If the public school choice program established by NCLB has not had a significant impact in Florida, the state's own programs have more than made up for this inadequacy. By allowing its own choice programs to grow and expand in an organic fashion, the state has created a complementary set of options that benefit a variety of students, ensuring a more diverse population of participants than is found in most other states.

The rich tapestry of school-choice options includes the Corporate Tax Credit Scholarships that encourage businesses to contribute scholarships to needy students, serving nearly 14,100 students; the McKay Scholarships for Students with Disabilities that give any eligible student a choice of a private school that can provide appropriate service, aiding more than 16,800 students; the Florida Virtual School, an innovative Internet-based public high school; the state's other distance-learning programs, enrolling over 30,000 students; and a vigorous charter school program, numbering over 300 schools and serving over 92,000 students. (Numbers of students served are for the 2005–6 school year.)

The five overlapping choice programs appear to work well as a comprehensive system without sacrificing the simplicity of individual programs. They are all highly accessible to the target populations, which include disabled and poor students as well as those whose own schools are deficient. Participants are fairly representative of the student population of the state. To the extent that participants are not representative, the programs are being used disproportionately by dis-

advantaged students. The programs do not appear to have increased school segregation.

The Opportunity Scholarship Program (OSP), undoubtedly the most controversial and closely scrutinized of all the Florida school-choice options, enhanced the performance of some of the worst public schools in the state, a record of accomplishment that is all the more noticeable when compared to the negligible impact of school-choice provisions enacted by the federal government as part of NCLB. Although the program in its current form has been ruled unconstitutional, the Florida legislature should continue to explore ways of extending it. If the program is restored, school eligibility for participation in the program should be less stringent, so that more schools are challenged by the OSP option.

Organizational Structure

School reform can be further enhanced by other structural changes in the organization of the state's educational system. In this regard, Florida is making good progress in the establishment of its preschool program. But it is burdened by a constitutional amendment that mandates classes of a certain size, which places the state at risk of inefficient utilization of its limited fiscal resources. A school-based funding strategy provides an attractive alternative that deserves serious consideration by both state and local educational officials.

Preschool Education

The lack of extensive experience with standard English before school begins puts many minority students at a serious disadvantage. To help remedy this and other deficiencies, a strong preschool program focused on the development of literacy and numeracy skills is critical. With the major expansion of its preschool program now under way, Florida has the potential to be a national leader in this regard. Ulti-

mately, the real test of the state's pre-K program will be how well it prepares students for subsequent schooling. The challenge will be in ensuring that the program in fact provides ample oral language development, introduction to a rich vocabulary, early phonological experience, and basic numeracy.

The state's voluntary pre-kindergarten program (VPK) was the result of a constitutional amendment, overwhelmingly passed by Florida voters in 2002. The amendment requires that every 4-year-old child be given the opportunity to attend a free, high-quality pre-kindergarten program. The program has proven extremely popular. It is estimated that, as of summer 2006, nearly half of the state's 220,000 eligible children had participated in the program's first year.

Various elements of the program are noteworthy. The system is decentralized, operates independently of the public schools, and provides options for nonprofit, for-profit, and religious providers. Program operators are expected to comply with a number of delivery standards, and to demonstrate clear evidence that the program is having the desired results. The program is still in its early phases, so its full impact will not be known for some time, but certain recommendations already seem in order.

Several key principles should guide the program as it continues to unfold. First, although the constitutional mandate for this program requires access for "every four-year-old child in Florida," the state should strive to focus its pre-K resources on children from disadvantaged families, especially since current research suggests that these children have the most to gain from a preschool intervention. Many middle-class families provide "preschool education" in the home through the daily practice of book reading, sharing ideas around the dinner table, and introducing students to novel experiences, whether in the community or on vacation. Whether preschool education adds much to what such middle-class families already provide is an open question. By focusing limited state preschool resources on those in

greatest need of an enhancing experience at this stage of their life, Florida will reap the greatest educational benefit.

To effectively measure the program's impact, assessments should be administered to children both on entering and exiting the program. In addition, the state needs to make the program more user-friendly—and the marketplace more transparent and efficient—by giving parents more accessible (and qualitative) information about their provider options; guidance on how to select a good provider; less red tape in registering and changing providers; and advice on how they could do more at home to help children prepare for kindergarten success.

Florida currently offers both school-year and summer pre-K options, but the needs of preschoolers, especially those from disadvantaged backgrounds, are not limited to a certain season of the year. To make sure that programs are of adequate quality, they should be monitored for integrity and impact on student readiness for school. Yet monitoring arrangements must also be sensitive to provider differences rather than impose uniform standards on all providers. Finding reliable outcome measures is particularly challenging, given that providers are working with youngsters who enter the program with widely varying home-educational experiences. To meet this challenge, the state should develop a data system comparable to the one that it has put in place for K–20 education as well as stimulate careful research on the best way of measuring the program's educational impact.

Class Size and Equitable, Effective Resource Utilization

Funding mechanisms alone can't improve schools, but they can work against that objective. State fiscal arrangements that are both effective and equitable require flexibility for local administrators, strong incentives for effective use of fiscal resources, and a level playing field among school districts and among schools within a district.

Currently, Florida has done an excellent job of achieving a high degree of equity among school districts. It is time for the state to take

a closer look at funding policies within districts as well. To do so requires a careful tracking of educational spending among schools within a district, something that is beyond the current capacity of most states. Fortunately, Florida is well positioned in this regard because of the quality of its comprehensive student, staff, and finance data systems maintained by the Florida Department of Education and its return on investment (ROI) index, which allows the evaluation of measures of performance in light of the resources allocated to the individual schools and districts.

In seeking to achieve higher levels of equity and effectiveness, the state should avoid draconian solutions that apply uniformly to all situations or that mandate specific types of resource utilization. Such approaches can create more problems than they solve. For example, Florida's constitutional mandate to reduce class size, though enacted as a way of enhancing student performance, may have quite the opposite consequence. Because class size cannot be reduced without hiring many more teachers at a time when the state is experiencing a severe teacher shortage, the constitutional provision severely taxes the state's physical facilities and already limited pool of qualified teachers. Meanwhile, the costs required to implement the amendment are reducing funds available for other worthy purposes, such as necessary capital improvements and adjustments in teacher salaries needed to recruit a more effective teaching force. For these reasons, the legislature should ask voters to repeal the class-size amendment or devise an alternative amendment that leaves policymakers with greater flexibility in the utilization of scarce financial resources.

Because it makes no sense to replace one badly worded constitutional amendment with one that would be no less draconian, we do not recommend that the legislature require that all schools spend 65 percent of their funds within the classroom. Although in many circumstances the goal may be laudable, it is inappropriate in some (rural schools with heavy transportation costs, for example). In any case, responsible enforcement of the 65 percent rule is virtually impossible,

simply because it is not easy to identify which expenditures are classroom-based and which are not. Even worse, the policy might preclude imaginative technological innovations, such as the expansion of virtual schools, where much of the cost may be incurred outside the classroom setting.

Instead of asking every school to follow the same policy, states—and school districts—should give each school greater flexibility in the use of the fiscal resources made available to it. In this regard, Florida is to be congratulated on its current efforts to encourage greater decision-making authority at the school level. But still further delegation of responsibility is desirable, provided that principals are held accountable for effective use of the discretion made available to them.

Once that has been achieved, the state can promote both higher levels of efficiency and greater equity by asking school districts to provide equivalent funding per pupil to each school rather than set formulas for the distribution of supplies, teachers, and other personnel. The closer Florida can come to allocating equivalent monies per pupil, the more consequential its choice initiatives will be. Families can get real choices among schools that are given comparable support, and competition can drive school improvement only if dollars can move when students do. Accountability policies will also be more effective when principals cannot attribute lack of performance to inadequate resources.

Equivalent funding is not the same as identical per-pupil funding, however. On the contrary, funding formulas should be weighted in order to take into account the special needs and circumstances that particular schools may face (such as unusual transportation costs or concentrations of disadvantaged students). When accompanied by local discretion over its use, appropriately weighted equivalent funding of schools will give each school the needed flexibility to match resource deployment to the needs and capacities of its students. For example, schools might choose to offer extra pay to excellent teachers,

enhance teacher-training programs, or make new investments in technology.

Nor does equivalent funding preclude financial rewards for schools that are making the most of the resources provided them. Funding policies that allow for increased flexibility at the school level work best when coupled with programs, such as the School Recognition Program, that reward those schools that use resources effectively so as to achieve stronger pupil performance. Specifically, when students at a school show gains well above the state average, then that school should be given extra funding that can be used to reward high-performing teachers or for some other educational purpose.

Such incentive systems, when coupled with more decision making at the local school level, only work well if building-level leaders have the authority, capacity, and incentives to recruit teachers and make other decisions strictly with the learning of their students foremost in mind. Thus, as decision making devolves to the school level, it is essential that the retention and compensation of principals be directly dependent on the growth in student achievement in their schools. Fortunately, Florida can build on the steps it has recently taken in this respect.

We recognize that full implementation of an equivalent funding policy, coupled with local flexibility over school resources, cannot be achieved overnight as there are many legal and administrative barriers to the effective implementation of such a policy. To move forward, Florida could usefully begin by experimenting in any of the following three ways:

- Providing blanket waivers of state regulations, including those governing class size, for those districts that want to experiment with school-based spending
- Initiating a pilot schools program that allows individual schools to petition for charter-like control over their hiring and spending decisions

- Requiring school-based decisions on portions of state funds, as is now done with some federal funds in the Title I program

Conclusion

In educating its citizens, Florida has made remarkable progress in the past few years. To continue to move forward requires shoring up many of its successful current policies—and then improving them. Encumbrances should be eliminated and proven practices and promising innovations protected and refined. The operative principles driving this must be those of continual commitment by all those engaged in the enterprise and periodic reflection and evaluation on what has been accomplished and what remains to be done. Florida's successes can be undone all too quickly if state leaders, lawmakers, practitioners, and the public relinquish their commitment to reform. Florida has many of the tools and much of the practice in place to move ahead smartly. Expectations for its education system can continue to rise along with its students' achievement gains. If Florida chooses to continue its commitment to school reform, it will likely have much to teach the rest of the nation.