

Improving Student Achievement in Arizona

A Call to Action



Report by the Governor's
Task Force on Efficiency and
Accountability in K-12 Education

December 18, 2001

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This report was prepared for the Office of the Governor of Arizona by WestEd, a nonprofit research, development, and service agency that works with education and other communities to promote excellence, achieve equity, and improve learning for children, youth, and adults.

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EXECUTIVE SUMMARY

Student achievement in Arizona is unacceptable.

Teachers and administrators are trapped in a system that is failing them.

Student achievement in Arizona is unacceptable by any measure.¹ Our state's dysfunctional system fails a substantial portion of our children year after year. There have been success stories. However, too many of Arizona's children are not achieving the results needed for success both in and outside of the classroom. The system is characterized by mediocrity and commitment to the status quo. With a constantly changing world that is demanding increasingly complex skills from its workforce, it is critical, more so than ever, that all students succeed academically.

Many of the teachers and administrators in Arizona's K-12 public education system are talented, hardworking, and dedicated professionals. However, they are trapped in a system that is failing them. It is one that neither rewards excellence nor penalizes failure. Furthermore, there is insufficient accountability in the system for student academic achievement results. Most importantly, such a system has resulted in low achievement statewide. It is a system that has put Arizona's economic² future at risk.

Previous calls for education reform, and particularly for accountability, have gone largely unheeded. For more than a decade, report after report and task force after task force³ have concluded that major changes are needed in Arizona's education system, but no significant positive change has occurred. The state's taxpayers have seen one standards-based accountability system after another developed and, at best, only partially implemented. This cycle is costly — not only in terms of money but also in wasted time, as students continue to lag in achievement.

¹ 2001 AIMS Results. Arizona Department of Education [Online]. "State Tests & Academic Standards." Available: http://ade.az.gov/state_tests_acad_stds.asp

2001 Arizona NAEP Results. Arizona Department of Education [Online]. "State Tests & Academic Standards." Available: http://ade.az.gov/state_tests_acad_stds.asp

2001 Arizona SAT-9 Results. Arizona Department of Education [Online]. "State Tests & Academic Standards." Available: http://ade.az.gov/state_tests_acad_stds.asp

² *Five Shoes Waiting to Drop on Arizona's Future*. Morrison Institute for Public Policy, Arizona State University; October 2001.

³ *Education Task Force Reports and Prior Reform Recommendations*. Arizona Governor's Office and other state agencies. See complete resource list in Appendix D.

In response to this increasingly desperate situation and the passage of Proposition 301, Governor Jane Dee Hull issued an Executive Order⁴ creating a Task Force on Efficiency and Accountability in K-12 Education.⁵ The Task Force has developed a comprehensive set of recommendations that, if adopted, will dramatically improve student achievement statewide based on performance against the Arizona Academic Standards.

In order not to fail again, Arizona must follow through on the implementation of a real accountability system that leads to real increases in student achievement. In 1996, the state developed the Arizona Academic Standards to define what our students should know and be able to do. The state then developed a testing system — the Arizona Instrument to Measure Standards (AIMS) — around those standards. This work was based on the development of content standards first written in 1985, rewritten and proposed again in 1990, and used to help develop the current version of standards in 1996.

What did not happen across the board was curricular change. Today, in at least half of Arizona schools, curricula are not aligned to the Arizona Academic Standards.⁶ Furthermore, some school districts have held off implementing the state's standards-based accountability program because of concerns about the timeliness and accuracy of the AIMS test scoring. Such concerns have reinforced the belief that AIMS, like previous standards-based accountability tests, will go away.

The Task Force believes that the current versions of standards-based accountability must be implemented immediately. It calls on the Arizona Department of Education to take whatever actions are necessary to fix any problems with the test scoring and thereby remove any hesitations about implementing AIMS-based curricula. Otherwise, numerous students will continue to fare poorly on AIMS, and accountability for teachers, administrators, and school boards for student achievement will continue to be very limited. Simply put, fundamental education reform must be

⁴ *Executive Order 2001-4: Governor's Task Force on Efficiency and Accountability in K-12 Education*. Arizona Governor's Office. March 5, 2001 (see Appendix B).

⁵ Appendix C includes a list of all Task Force members.

⁶ *AIMS As a High School Graduation Requirement: Analysis of Public Survey Data and Recommendations*. WestEd. March 26, 2001.

Arizona must follow through on the implementation of a real accountability system.

Standards-based accountability must be implemented immediately.

All public schools in Arizona must align their curricula.

Literacy skills must be emphasized in grades K-3.

implemented to greatly strengthen Arizona's education system and, ultimately, ensure our children's success.

What follows are the Task Force's five recommendations, along with intended impact and next steps. [Note: See Appendix A for subcommittee reports.]

Recommendations

Recommendation #1: Immediately align curricula in all subjects to the Arizona Academic Standards and ensure accountability for such implementation.

- All public schools in Arizona must align their curricula in *all* subjects to the Arizona Academic Standards by July 2003 — *no* exceptions, *no* excuses.
- All schools must give every student access to a fully articulated K-12 curriculum based on the Standards.
- In the crucial K-3 grades, literacy skills must be emphasized so that no student proceeds to the next grade without the literacy skills necessary to learn in all other academic subject areas.
- Student performance must be continuously assessed, with the results provided to educators, students, parents, and the public in a timely manner.
- The Arizona Department of Education must correct prior failures to provide accurate and timely test results.

Impact: After more than a decade of partial implementation of standards-based accountability systems, implementing this recommendation will finally raise all school curricula to an agreed-upon level of quality (i.e., Arizona Academic Standards) within two years. It also will support measuring the success of every classroom and school in the state because *all* students would have access to the same high-quality standards.

Recommendation #2: Implement immediately the Arizona Department of Education’s “Purposeful Accountability System.”

- Policymakers, educators, parents, and community members must be informed of how the state’s schools are performing against the Arizona Academic Standards.
- The Arizona Instrument to Measure Standards (AIMS) — the valid measure of the Arizona Academic Standards — and Measuring Academic Progress (MAP) student performance data must be reported at all grade levels tested.

Impact: The Arizona Department of Education has a plan — the “Purposeful Accountability System” — to measure the academic success of every school, classroom, and student in the state. The Arizona Academic Standards are at the heart of the plan. The plan will provide public reporting of all test results and accountability for teachers. If implemented now, the plan will have an important, long-term effect on student academic achievement.

Recommendation #3: Implement a statewide comprehensive program of student awards and teacher pay-for-performance with a consistent evaluation process that is linked to student achievement.

- High-achieving students, as well as those who have the promise of performing at a higher level than they had before, must receive rewards that help fund their higher education and participation in school-related, extra-curricular activities.
- Teachers who help their students meet the Arizona Academic Standards should receive annual base pay increases and bonuses as part of a pay-for-performance evaluation system.
- Teachers’ pay must be increased substantially.

AIMS is the valid measure of the Arizona Academic Standards.

High-achieving students must receive awards.

Teachers’ pay must be increased substantially.

Teachers identified with under-performing classes must be subjected to a review.

High school students who fail to meet the Standards will not graduate.

Impact: Holding teachers, administrators, and other employees accountable for the improvement of student achievement is only the beginning. Adopting a performance-based pay system with a bonus plan to reward excellence tied tightly to student achievement is especially important to retain the best teachers needed in our classrooms, as well as to attract and retain hardworking, beginning teachers dedicated to ensuring academic success.

Recommendation #4: Correct deficiencies in under-performing schools and focus on the most effective ways to improve student achievement. Hold students, teachers, and administrators accountable in all public schools.

- Under-performing schools must implement proven best practices.
- Students in schools that consistently underperform must be given placement in other schools.
- Teachers and administrators whose students consistently underperform must not receive base pay increases or bonuses.
- Teachers identified with under-performing classes must be subject to a review of their teaching skills and provided with targeted professional development.
- High school students who fail to meet the Standards, as measured by AIMS or an equivalent, will not graduate. Until the AIMS test becomes a high school graduation requirement, the State Board of Education must determine ways for students to take the test seriously.
- Effective plans to evaluate teacher, administrator, and school performance against the Arizona Academic Standards must be established and implemented by a well-trained cadre of evaluators.

- All school board members must be trained to help them perform their duties more effectively while focusing on student achievement and exposing them to new ideas regarding school restructuring.

Impact: Every school, including those that are under-performing, has the potential to be exemplary. This recommendation helps under-performing schools focus on the most effective ways to improve student achievement. Schools that continue to be labeled under-performing will face consequences.

Recommendation #5: Direct the state’s education financial resources to the primary task — student achievement.

- Small school districts in Arizona must be consolidated, unified, or administered in a more efficient and accountable way.
- The amount of desegregation expenditures outside the Revenue Control Limit (RCL) must be held constant at the current fiscal year levels for the next two fiscal years while a statewide review of the expenditures is initiated.
- Excess utilities must be eliminated as an item funded outside the RCL and supplanted with a system that places each district’s total actual utility expenditures within the RCL.
- Determine the impact of poor school building maintenance on the Maintenance and Operations budget of school districts.
- Compare the discrepancy of the costs of dollars per student in charter versus non-charter public schools.

Impact: These recommendations will help equalize the expenditures of financial resources around the state.

All school board members must be trained.

The status of our system is morally and economically unacceptable.

The time to act is **now**.

Summary

Today's Arizona K-12 public school system is not producing consistent, improved student achievement. The state can no longer tolerate low achievement, high dropout rates, and an overall dysfunctional system. **The status of our system is morally and economically unacceptable.**

Successful implementation of the above recommendations in their entirety — statewide standards and assessment methodology, comprehensive performance reporting, major new student and teacher incentives and teacher compensation, and aggressive actions to correct system deficiencies — is designed to bring about substantive improvement in student achievement. Legislative action, clear empowerment to implement, support of all key stakeholders — including educators, businesses, and parents — and allocation of financial resources to our primary task will be the driving forces that will bring about meaningful change. These are the essential components of an aggressive and sustained attack on a major threat to our well-being — the academic achievement of Arizona's students.

This report is a call to action; the time to act is **now**.

N E X T S T E P S

The Task Force on Efficiency and Accountability in K-12 Education recognizes that implementing the recommendations in this report is inherently a political process. In some cases, the recommendations can be implemented through current authority provided in Arizona Revised Statutes (A.R.S.) Title 15. In other cases, new legislation must be proposed and passed. Regardless of the process required, it is the expectation of this Task Force that *action must be taken now to improve Arizona's K-12 public education system*. This set of recommendations must *not* suffer the fate of so many other reports: written, delivered, shelved, and ignored.

The Task Force commends Governor Jane Dee Hull's commitment to improve education in Arizona. Her commitment has been demonstrated by a change in the funding mechanism for building new schools and repairing existing schools, new funds from a sales tax increase, and continued support of the state's standards-based accountability program. Now it is time for the state's political, business, and education leadership to radically improve Arizona's education system and, ultimately, ensure our children's academic success.

The Task Force's recommendations must be carried out as a whole. Piecemeal, selective implementation will not achieve the results necessary to improve student achievement. The following steps are necessary for success:

- Step #1:** Immediately give all entities that have the responsibility and authority for operating Arizona's K-12 public education system the opportunity to review and respond to the Task Force's recommendations. These entities include the State Board of Education, the Superintendent of Public Instruction, and organizations representing those who work in and for the K-12 public education system in Arizona (e.g., Arizona School Boards Association, Arizona Education Association, Arizona School Administrators, Inc.).
- Step #2:** The Superintendent of Public Instruction must immediately determine which of the recommendations can be implemented immediately without new legislation. That determination will jump-start the accountability process and increase student achievement statewide.

Action must
be taken now
to improve
Arizona's
K-12 public
education
system.

The state's
political,
business, and
education
leadership
must improve
Arizona's
education
system.

Ensure that all recommendations are implemented in *every* school district, school, and classroom.

Those with authority must implement these recommendations immediately.

Arizona's K-12 education community will largely determine progress.

Step #3: The Governor and legislative leaders must determine what legislation should be introduced to implement the remaining recommendations. The Task Force anticipates that any new legislation will be a “package” of recommendations that, if passed, will move the K-12 public education system forward in terms of accountability and efficiency and, most importantly, improvement in student achievement.

Step #4: Should the initial review of recommendations by the Superintendent of Public Instruction and others determine that more authority is needed to ensure that all recommendations are implemented in *every* school district, school, and classroom in the state, legislation must be introduced and passed early in the 2002 legislative session. Aligning the curricula in all public schools in all subjects to the Arizona Academic Standards is the foundation for the other Task Force recommendations.

Step #5: The Governor should appoint a committee as early in the 2002 state legislative session as possible to evaluate the actual costs of the Task Force recommendations and to identify possible funding sources to carry out the recommendations.

Those with authority over, or responsibility for, public education in Arizona must implement these bold and aggressive recommendations immediately to dramatically improve student achievement statewide.

In the end, Arizona's K-12 education community — teachers, teacher organizations, principals, school boards, and district superintendents — will largely determine progress in implementing these recommendations. Improving the system is not only educators' responsibility, but is also in their own best interest. Only they can make the improvements that will ensure a better education for all of Arizona's children.

A P P E N D I X A

Task Force on Efficiency and Accountability in K-12 Education: Subcommittee Reports

- >> Accountability Subcommittee
- >> Teacher Pay-for-Performance Models Subcommittee
- >> Expenditures Outside the Revenue Control Limit Subcommittee
- >> Consolidation/Unification of School Districts Subcommittee

The Task Force on Efficiency and Accountability in K-12 Education was divided into four subcommittees, each in response to the specific issues in the Arizona Governor's Executive Order. The Executive Order explicitly states that the Task Force was formed "...to ensure that taxpayer dollars are being used in the most efficient manner in support of K-12 education."

The Task Force addressed not only the Executive Order's four specific charges (see Appendix B) but also focused on why the Task Force was formed: that is, to study the efficiency and accountability in K-12 public education in Arizona. The Task Force's focus goes beyond the normal fiduciary sense of accountability and includes student achievement.

Per the Executive Order, four areas of study, and hence, subcommittees, were established: Accountability; Teacher Pay-for-Performance Models; Expenditures Outside the Revenue Control Limit; and Consolidation/Unification of School Districts. Each of these subcommittees studied, and made recommendations in, its specific area. Each subcommittee also reviewed its area interdependently and under the umbrella of how to build quality and accountability in Arizona's K-12 public education system.

What follows is a report, including recommendations, from each subcommittee.

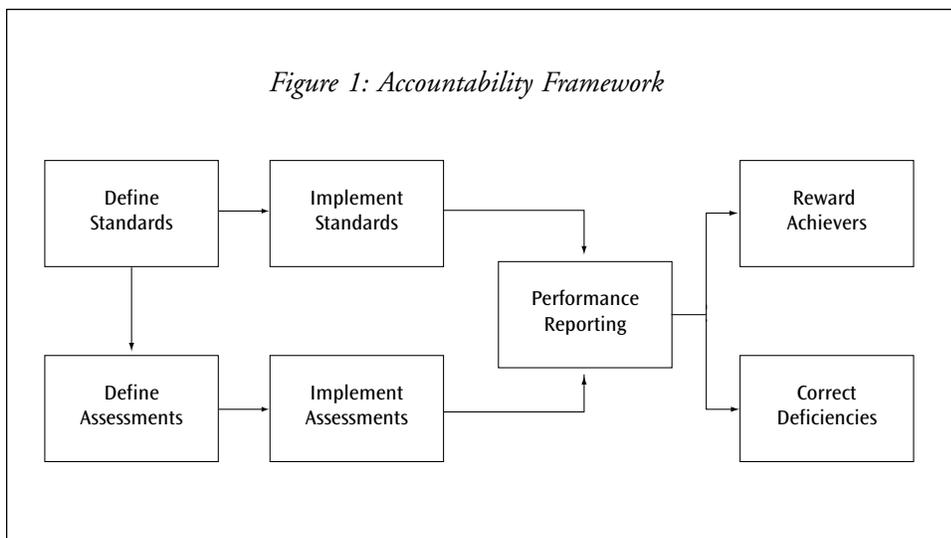
Accountability Subcommittee

The current state of accountability in Arizona is poor. While good learning standards have been developed (i.e., Arizona Academic Standards) and assessments have been implemented (i.e., AIMS, MAP), several issues remain:

- implementation of Arizona Academic Standards has been left to individual districts;
- implementation of accountability assessments (AIMS and MAP) was initiated without assurances that the Standards had been embedded in the curricula at all schools;
- little definition has been given to performance reporting scope and purpose;
- awards to students go only to those who qualify for state higher education scholarships; and
- correction of system deficiencies has focused solely on penalizing the underperforming student by withholding the graduation diploma.

Recommendations

Because systematic improvement in student achievement requires a comprehensive, long-term commitment to accountability for student achievement, Arizona must adopt and implement an Accountability Framework that will guide the design, implementation, and monitoring of steps intended to improve student achievement. The proposed Accountability Framework follows (see Figure 1).



Accountability Framework Recommendations

- *Define Standards:* The Accountability Framework must begin with a student profile that articulates what students should derive from a K-12 education, both academically and in terms of career readiness. The Arizona Academic Standards must include specific learning objectives for each content area.
- *Define Assessments:* AIMS and MAP are appropriate, valid assessments (tests) of the Arizona Academic Standards for the state’s K-12 students. To support increased student performance in reading, K-3 reading diagnostic assessments must be defined to maximize the learning curve potential for all students.
- *Implement Standards:* Implementation requires that all schools give every student access to a fully articulated K-12 curriculum based on the Standards. A school-by-school affidavit of curricular and instructional compliance with teaching standards must be required. A compliance audit for a random selection of schools as well as for under-performing schools must be conducted.

- *Implement Assessments:* The Arizona Department of Education’s Purposeful Accountability System must be implemented. Diagnostic assessments for reading at the K-3 levels must be implemented.
- *Performance Reporting:* Using the results of student tests, feedback must be provided within each K-12 grade level to:
 - >> students/parents (or guardians);
 - >> teachers;
 - >> schools;
 - >> districts; and the
 - >> Arizona State Board of Education.

Student achievement performance reporting must include the publishing of individual class and school data both within a district and statewide. According to the Family Education Rights and Privacy Act, privacy of individual student data must be protected with such information provided only to the student; parent(s) or guardian(s); and teachers. Teacher performance data must be provided to the teacher, administrators, and parents (or guardians) for use in teacher evaluation.

- *Reward Achievers:* Accountability must be reinforced by rewarding students and teachers for academic achievement and continuous improvement.

Students: An annual Achievement Bonus for students meeting Arizona Academic Standards must be implemented. The bonus must consider AIMS results as well as the One Year’s Growth (OYG) goals measured by MAP testing. To qualify for the Achievement Bonus, the student and parent(s) or guardian(s) must meet with the teacher and agree to an achievement goal for the year. The Achievement Bonus must be available as a credit against the cost of fine art and athletic program fees in the subsequent year. Funding of the program must be sought from a business/ government coalition. In addition, the Board of Regents Honors Endorsement

must be supported, and expansion of the program must be encouraged. The Honors Endorsement must recognize students who have demonstrated exceptional academic achievement.

Teachers: The percentage of students who meet or exceed the Standards as set forth in the Purposeful Accountability System must be considered as part of the pay-for-performance evaluation. Teacher teams must be used in academic situations where a direct correlation of teacher to student achievement would be difficult to support. Teacher pay for outstanding performers must be substantially increased to attract and retain the best and brightest people for our classrooms.

- *Correct Deficiencies:* Systemic problems must be addressed. Doing so will lead to a positive long-term impact on Arizona's education system. At each level in the system (i.e., student, classroom, school, district), accountability for results must be in place with rewards and consequences for those charged with doing the work.

Specifically:

- >> An Education Best Practices Guide must be developed — A guide published and updated by the Arizona Department of Education must inventory the best ideas from education systems elsewhere. Best practices must be considered by each district and must be used in correcting deficiencies in under-performing schools. A major focus must be given to best practices in the following areas:
 - > School Size — Research suggests that a smaller environment is conducive to quality education. Awareness, collaboration, attention to specifics, and intimacy of the education process may yield more improvement than a single focus on classroom size.
 - > School Discipline — Numerous initiatives suggest that the ability to achieve is directly related to security and trust among students and teachers. Use of student court

systems, adoption of uniforms or dress codes, and character education are examples of successful efforts to provide a disciplined academic setting.

- > Student Activities — There appears to be a strong correlation between involvement in student activities and student achievement. The Task Force’s suggested Achievement Bonus is intended to empower students who achieve academically to engage in activities that are likely to fuel continuous academic improvement.
 - > Standards Implementation — Schools that have adopted innovative approaches to creating learning situations and embedding standards in their curricula must be used as examples of best practices for consideration by others.
- >> Under-performing schools must implement a School Improvement Plan that includes education best practices according to the specifications and timelines in A.R.S. Title 15-241. Failure to submit a plan must result in a hearing before the State Board of Education to revoke the administrative certificates of school/ school district leadership.
 - >> Failure of a school to implement the Arizona Academic Standards by the beginning of the 2002-2003 school year must result in no base pay increases for teachers and administrators. Implementing the Standards is defined as meeting the criteria of the curricular and instructional affidavits, and signing and returning the affidavits.
 - >> Students in schools that consistently underperform must be given placement in other schools. In addition, the superintendent must be considered for termination subject to district employment guidelines. Statutes will need to be changed to require school boards to take such action.
 - >> Teachers identified with under-performing classes for three consecutive years must be given targeted professional development, and their pay and employment status must be reviewed.

- >> Elementary school students who fail to meet the Standards, as measured by performance on AIMS in grades 3, 5, or 8, and fail to reach One Year's Growth (OYG) must attend an intensive summer or after-school program specific to their areas of low achievement.
- >> High school students who fail to meet the Standards, as measured by AIMS or an equivalent, will not graduate.

Additional Recommendations

- The subcommittee believes that the current allocation of funds between Maintenance and Operations (M&O) in the M&O budget may be ineffective. A focus on maintenance expenditures and development of maintenance standards should yield significant long-term economic advantage to the state's education budget. Specifically, the School Facilities Board must develop a proposal to integrate Building and Maintenance, identifying where savings are likely as a result of enforcing standards and removing maintenance responsibility from those entrusted with operations.
- A group of academic analysts must compare the large discrepancy in Arizona between the dollars-per-student costs in charter public schools versus non-charter public schools. An analysis may provide pointers to areas regarding cost reduction and/or reallocation of funds.

Summary

The subcommittee recommends that the state of Arizona adopt the Accountability Framework. Local school boards would have responsibility for implementation with support from the Arizona Department of Education. The performance reporting, awards, and corrective actions would be a collaborative state and local effort. Enabling legislation, financial assessment of the proposals, and an overall plan for adopting the Accountability Framework must be spearheaded by the Arizona Department of Education.

In addition to the proposal for a business/government collaboration to fund the Achievement Bonus, the full implementation of the Accountability Framework must require resources. The proposals to implement change and take corrective action to impact student achievement will require additional dollars to be focused “on task.”

Teacher Pay-for-Performance Models Subcommittee

Currently, Arizona experiences the following in relation to teacher performance:

- student achievement in the state is not satisfactory;
- high school graduation rates are low;
- the current salary structure for teachers is not rewarding;
- compensation for teachers does not universally link to accomplishment;
- there is no incentive for teachers to do more than baseline work other than receiving additional pay for extra duty;
- the base pay for teachers is dramatically low in relation to positions outside the education market requiring comparable skills, experience, and education training; and
- the teacher evaluation process is inconsistently administered.

The Teacher Pay-for-Performance Models Subcommittee addressed the issues above and, as such, made recommendations.

Recommendations

A set of key principles *must* be included in *all* programs designed to reward and compensate K-12 teachers. Specifically:

- All teacher compensation programs must consist of a base pay salary and an opportunity for an annual bonus that can be earned for meeting defined goals.
 - >> The starting pay for new teachers must be adjusted immediately to at least the market midpoint over a five-year period. In addition, adjustments must be made for teachers with five years of service and 10 years of service.
 - >> To receive an annual base pay increase, teachers, principals, and administrators must meet or exceed specific baseline performance standards related to mutually agreed-upon student achievement goals and professional standards.
 - >> A teacher's base pay must not be adversely affected by moving from one district to another within the state.
 - >> The bonus must be based on three criteria: student achievement (the most important), professional development, and client (e.g., students, parents) satisfaction.
 - >> The bonus amount must equate to a percentage (no less than 5%) of the teacher's annual base pay.
 - >> The bonus must be re-earned each year.

- A quarterly and annual recognition program, including the possibility of bonuses, must be instituted at both the school and district levels to reward classroom innovation, contribution to the team, and student achievement.

- Student achievement must be measured annually by examining increasingly higher levels of pupil academic progress for individual students and classes similar to the process outlined in the Career Ladder program. Teachers and principals must discuss and set student and class achievement goals annually.

- Baseline performance standards must be established for K-12 teachers that are consistent and universally applicable. Teacher evaluation instruments and processes must be aligned with those standards.

Summary

The benefits from enhancing the teacher compensation system in Arizona include improved student achievement, teacher competency, and motivation; and a nationally competitive compensation structure to retain and attract effective teachers.

Suggestions for strengthening the system and reinforcing the above recommendations include:

- Institute a comprehensive teacher compensation system in Arizona rather than multiple legislative directives that govern base pay increases, performance-based compensation, and career ladders. Inequities among school district base pay, career-level salaries, those with established Career Ladder programs, and the required performance-based pay plans under Proposition 301 could be resolved through phased-in funding and development — not to exceed five years — of the comprehensive compensation framework.

All pay models, regardless of current status, are to be evolved to a career ladder-type program within five years and must incorporate the specific principles listed in the recommendations. The following are recommended for the current Career Ladder program:

- >> Establish an oversight process to ensure full implementation of the program.
- >> Include teachers with one to three years of experience in the program.
- >> Require the Arizona Department of Education to annually audit and report on the effectiveness and impact of the new pay-for-performance program relative to student achievement.
- >> Involve teachers more effectively in the creation of their career development plans.

- >> Involve teachers in the development of tools to be used in the teacher evaluation process.
- >> Address additional structural changes that may need to be made in the Career Ladder legislation (A.R.S. Title 15-918) and Performance Incentive Programs legislation (A.R.S. Title 15-919), as well as Proposition 301. These changes may be needed to create a comprehensive compensation framework under one piece of legislation that supports locally designed and implemented programs that meet the principles inherent in these recommendations.
- Ensure that assessments of teacher performance are consistent, objective, and fairly administered by using the existing professional standards for teachers and administrators adopted by the Arizona State Board of Education. The existing professional standards must be the basis for developing consistent processes and instruments. Additionally, ensure that, at the local level, teachers and principals help develop the enhanced standards. Allow local school boards to create standards that meet or exceed state standards.
- Align specific outcomes related to student achievement, teacher competency, and the ability to attract teachers with the investment driven by these recommendations.
- If the recommendations are not implemented within the prescribed time frame, hold in escrow the additional funding allocated for base pay increases and the bonus program until the deficiencies are resolved; otherwise, funding will be lost for the year.

Following are immediate next steps for the development of a comprehensive compensation plan for Arizona:

- Hire a consultant to perform both financial and relevant model analyses to effectively and accurately assess the cost to implement a phase-in of the base pay adjustment and bonus. The impact of the Proposition 301 dollars must be considered and used in these analyses.
- Hire a consultant to effectively and accurately assess the precise administrative, oversight, and tracking-related costs associated with these recommendations.
- Hire a consultant to perform an analysis that objectively assesses and identifies appropriate funding sources for the subcommittee's recommendations by the end of the 2002 legislative session.

Expenditures Outside the Revenue Control Limit Subcommittee

The Expenditures Outside the Revenue Control Limit Subcommittee examined school district expenditures outside the Revenue Control Limit (RCL). While there are approximately 10 categories of expenditures outside the RCL, the subcommittee chose to study and make recommendations in two categories: the provision in state law allowing school districts to fund excess utility costs from the local property tax rate outside of the Maintenance and Operations budget; and the impact and effect of the funds raised by school districts under court-ordered desegregation orders.

Recommendations

Changes in legislation are recommended for funding two of the expenditure categories currently allowed outside the RCL — excess utilities and desegregation expenditures. Recommendations for excess utilities and desegregation expenditures include:

- **Excess Utilities:** The provision allowing excess utilities to be funded outside the RCL must be eliminated. In addition, each district's RCL must be modified to include a fixed amount equal to the district's actual current utility cost. These changes increase districts' motivation to manage utility costs and provide an incentive to address district energy consumption that does not exist under the current system.
- **Desegregation Expenditures:** A process must be established to move the state and local districts toward a more manageable and accountable solution to the burdensome desegregation expenditures. Specifically:
 - >> The amount of desegregation expenditures outside the RCL must be held constant at the current fiscal year levels for the next two fiscal years while a statewide review of the expenditures is initiated. For districts currently using desegregation funds outside the RCL, no new programs will be funded outside the RCL. Additionally, no new districts will be allowed to use this funding

source unless ordered by a court. While the study is being conducted, current amounts outside the RCL should increase to account for inflation at the same annual increase allowed in the base support level.

- >> During the two-year review period, the state must undertake a study. This study must include:
 - > a statewide programmatic audit of the current expenditures to ensure that the expenditures are directed at the issues mandated by the courts or Office of Civil Rights where applicable;
 - > a recommendation for the impact of movement to unitary status; and
 - > a recommendation for a system to pay for these expenditures that eliminates both the tax and operational disparities throughout the state.

Summary

Excess Utilities

The subcommittee recommends eliminating excess utilities as an item funded outside the RCL and supplanting it with a system that places each district's total actual utility expenditures within the RCL. This change would result in more efficient and accountable management of public funds, requiring district administrators to bear the impact of this management. Districts would no longer be sheltered from poor utility management by simply adding expenditures outside the RCL. As an incentive for improved management of these expenditures, districts would retain for their use any savings they achieve from their starting levels.

By accepting each district's operating history as the starting point for its RCL, climatic and historic differences are automatically being adjusted. To arrive at the

appropriate amount to add to a district's RCL, the operating history of the district should be computed over a three-year period and presented on a dollar-per-square-foot basis. The amount to include in the RCL would be this amount multiplied by the square footage of facilities currently under district management. Exceptions could be made for years when the amount of square footage managed by the district changes by more than a determined percentage.

The allowance for excess utilities outside the RCL must be addressed now despite the fact that Proposition 301 allows continuation of the excess utility provision until FY2008. Taxpayers and districts will benefit more quickly by implementing a more efficient and accountable system now rather than wait until 2008.

Desegregation Expenditures

The current system of funding desegregation expenditures outside the RCL has numerous flaws. However, given the importance of the desegregation-related goals and the magnitude of these expenditures, the complex ways these expenditures create both operation and tax differences throughout the state, and the direct involvement of the courts, the details of a viable solution require substantially more time and resources than available to the subcommittee. The subcommittee, therefore, recommends a process intended to arrive at a better system rather than a solution based on the subcommittee's limited view.

Desegregation expenditures account for almost \$160 million of total expenditures per year outside the RCL. These expenditures are viewed with suspicion by some because they have their origins in court litigation and have been removed from the familiar process of public scrutiny. Given the large dollar amounts and the public concerns about the expenditures, the implementation process must receive high priority. The programmatic audit in the recommendations would provide a consistent and impartial review for the taxpayers and policymakers of the expenditures and the results being achieved.

Any additional state assistance in funding desegregation expenditures must include some incentive to encourage districts to reach unitary status. Doing this will accelerate the date that school boards are individually returned to full responsibility and accountability for these expenditures.

Consolidation/Unification of School Districts Subcommittee

The Consolidation/Unification of School Districts Subcommittee studied the opportunity to either consolidate or unify school districts in Arizona as a way to improve the efficiency of their operations. The subcommittee also reviewed other ways that districts could operate more efficiently and effectively if consolidation or unification were not possible.

Recommendations

- The state of Arizona must require a minimum education course of study for students based on the Arizona Academic Standards. That is, every school in the state must have a fully articulated K-12 curriculum, aligned with the Standards, within two years regardless of their status as a K-8 or 9-12 district.
 - >> Legislation is needed requiring the Arizona State Board of Education to mandate that each student have access to a fully articulated K-12 curriculum and providing the State Board of Education the authority to enforce this mandate.
 - >> Under control of the State Board of Education, districts must follow the K-12 curriculum and provide training to school board members to ensure compliance.
- No Arizona school district will be less than 100 students in size. This requirement must be mandatory within two years. Although current legislation [A.R.S. Title 1549] provides adequate incentives to cause unification in Arizona, for the most part, the state's political process has not allowed such unification to happen. To this end, all small school districts in Arizona must move toward unification or district reorganization. Specifically:
 - >> Legislation is needed requiring that all school districts that have more than 100 students be subject to the mandatory phase-out of

the small school adjustments when in excess of 10% of the Revenue Control Limit (RCL). This consolidation would be further subject, on a case-by-case basis, to review and modification by the Superintendent of Public Instruction as approved by the State Board of Education.

- >> The State Board of Education and State Superintendent of Public Instruction must be held responsible for training school districts on the benefits of unification. Such training includes:
 - > coordination of the K-12 curriculum and common goals;
 - > increased talent pools for teacher training and improvement;
 - > elimination of costly duplication of services;
 - > one board, one administration, one vision;
 - > uniform systems of records management; and
 - > the potential for improved student achievement.
- Training of board members must be provided by a statewide association of school district governing boards or another entity with a program approved by the Arizona State Board of Education. This training will help members perform their duties more effectively while focusing on student achievement, and will expose them to new ideas regarding school restructuring. The rationale for this training is based on the critical decisions made by governing board members in school districts statewide with the authority granted by A.R.S. Title 15. Implementation issues related to this recommendation include:
 - >> Legislation needed to strengthen and support the recommendation.
 - >> Development of mandated curricula for needed board member training, which should include, but is not limited to:

- > the role of the local school board in making policy and performing their legal and financial fiduciary responsibilities;
 - > leadership;
 - > team building;
 - > performance-based compensation systems;
 - > innovations in school management and financial efficiencies;
 - > crisis management;
 - > school structuring;
 - > multicultural and multi-ethnic relations; and
 - > board, administrative, and teacher relations.
- >> Failure by a school board member to complete the training requirements within six months of election makes the person ineligible to serve on a local school board and would result in forfeiture of membership and the declaration of a vacancy.

A P P E N D I X B

Executive Order 2001-4

WHEREAS, the voters of Arizona have approved the “Education 2000” proposal as it appeared on the 2000 general election ballot as Proposition 301; and

WHEREAS, this proposition enacted a six-tenths of one percent education sales tax to be used to enhance public education funding for Kindergarten through 12th grade, community colleges, and state universities; and

WHEREAS, the new education sales tax monies must be accounted for and tracked separately from all other state aid to public schools; and

WHEREAS, all of the monies raised must be used in the classroom, and none may be used for administrative expenses; and

WHEREAS, the program initiated by the State Superintendent for Public Schools, entitled Student Accountability Information System, shall be implemented and funded as part of the Education 2000 proposal; and

WHEREAS, business leaders, the legislature, and the public would like to better understand how public schools are funded, and to be able to better track how public education monies are spent; and

WHEREAS, there is concern that the allowance of expenditures that are outside the revenue control limit over the past two decades has created disparities in the per pupil expenditures among districts; and

WHEREAS, there is interest in determining whether school district unification and consolidation can help schools operate more efficiently; be it resolved that:

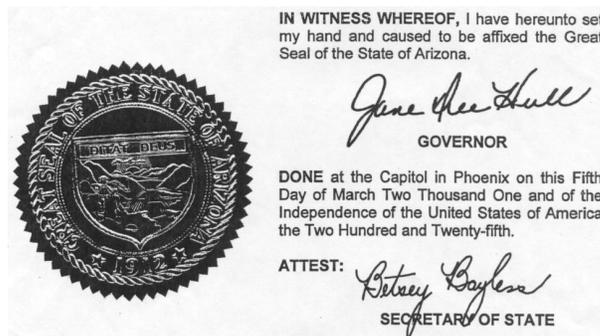
NOW, THEREFORE, I, Jane Dee Hull, Governor of the State of Arizona, do hereby establish the Governor’s task force on Efficiency and Accountability in K-12 Education consisting of no fewer than fifteen business and civic leaders who shall serve at the pleasure of the Governor. In order to ensure that taxpayer dollars are

being used in the most efficient manner in support of K-12 education, the task force shall institute a systemic review of all maintenance and operating (M&O) budget issues. Items for review shall include, but are not limited to:

- How schools can direct the maximum amount of federal, state, and local funding for public education into the classroom, including a review of administrative costs and overhead and school district budget balance carry-forwards;
- Whether school districts should be unified, consolidated or eliminated to lower administrative costs, and if so, how;
- Whether expenditures that are outside the revenue control limit impact the equality of M&O funding, and if so, recommendations for changes to the current system;
- How schools can establish teacher performance pay plans that take into account individual and collective student achievement.

The task force shall present an initial set of findings and recommendations by December 15, 2001, and shall report on their progress.

This task force shall be reviewed for continuation by December 31, 2002.



A P P E N D I X C

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A P P E N D I X D

Research Resources

Accountability Subcommittee

Accountability: Rewards and Sanctions for School Districts and Schools. Ziebarth, Todd. Education Commission of the States: March 2001.

This issue brief provides a state-by-state look at how rewards and sanctions are built into education accountability systems across the nation. Tables and narrative summaries synthesize the data.

Assessment and Accountability Systems: 50 State Profiles. Goertz, Margaret and Mark Duffy. Consortium for Policy Research in Education: 2001. Available: http://www.cpre.org/Publications/Publications_Accountability.htm

This document includes survey data on the assessment and accountability systems in place between 1999 and 2000 in each of the 50 states. Consortium for Policy Research in Education researchers collected data from state Web sites, by reviewing state documents, and through interviews with the directors of assessment, accountability, and Title I programs in each of the states. Survey topics include: The State Assessment System, Performance Data, The State Accountability System, Identifying and Assisting Low-Performing Schools, and Alignment of the State Accountability System and Title.

Benchmarking Best Practices in Accountability Systems: Executive Summary. American Productivity & Quality Center, in association with the Council of Greater City Schools and the National Alliance of Business: 2000.

The sponsors of this report convened representatives of 14 urban school districts and other organizations to identify best practices in accountability systems. School district representatives were asked to envision a top-level, performance-based accountability system and list its essential characteristics. This report includes seven major areas that were identified by these school districts as critical components of a strong accountability system.

Building a Workable Accountability System: Key Decision Points for Policymakers and Educators. Ananda, Sri and Stanley Rabinowitz. WestEd: 2001.

This Knowledge Brief identifies and annotates seven key questions that must be carefully addressed in developing or refining a statewide education accountability system: 1) What are its primary goals? 2) What indicators should be included? 3) Which students should be tested? 4) And when? 5) What accountability model best serves the purpose? 6) What consequences can the system support? and 7) How can intended and unintended consequences be evaluated?

Chapter 115C: Elementary and Secondary Education. North Carolina General Assembly. North Carolina General Statutes: 2000.

This document provides information on the reward and sanction components of the North Carolina accountability system.

Does Charter School Attendance Improve Test Scores? The Arizona Results. Solmon, Lew, Kern Paark, and David Garcia. Goldwater Institute's Center for Market-Based Education: March 2001.

While the percentage of academically successful Arizona charter schools has not been quantified, the Goldwater Institute analyzed how students in charter schools perform in comparison to those in public schools. This technical report compares the SAT-9 scores of Arizona students enrolled in charter schools with those in traditional public schools (grades 3 to 12) over three years beginning with 1997 scores. The report shows some advantages for charter school students.

Education Code. Texas Legislature Online. The Texas Statutes: 1999.

This document provides information on the reward and sanction components of the Texas accountability system.

Exploring Rapid Achievement Gains in North Carolina and Texas. Grissmer, David and Ann Flanagan. National Education Goals Panel: November 1998.

The National Education Goals Panel analyzed national student performance data for 33 indicators linked to the eight National Education Goals. The analysis concluded that North Carolina and Texas made the largest average gains in the nation on the seven National Assessment of Educational Progress (NAEP) tests given between 1990 and 1996. The gains were significant and sustained. The most plausible explanation for the test score gains are found in the policy environment established in each state between 1990 and 1996.

“Salaries: Per Capita Personal Income.” Arizona Tax Research Association. *The Statistic*: 2000.

This report from the Arizona Tax Research Association (ATRA) explains that, although the American Federation of Teachers ranks Arizona 41st for average teacher salaries according to its Interstate Cost-of-Living Index, ATRA’s index places Arizona 24th for average teacher salaries according to per capita personal income. Michael Hunter of ATRA explains that per capita personal income is not a replacement for a cost-of-living index, but most accurately represents the underlying wealth of a state.

Are Small Schools Better? School Size Considerations for Safety and Learning. McRobbie, Joan. WestEd: 2001.

WestEd’s Policy Program compiled the most recent research on the effect of school size on various school experience factors. According to this Policy Brief, the most conclusive research indicates that schools’ safety and learning environment are most positively impacted by school size.

Survey and Analysis of Teacher Salary Trends 2000. American Federation of Teachers, AFL-CIO. The Research & Information Services Department: 2000.

This report provides state rankings and trends related to average teacher salaries through the 1999-2000 school year. It explains that the American Federation of Teachers ranks Arizona 41st for average teacher salaries according to its Interstate Cost-of-Living Index.

“The Family and Student Achievement.” RAND. Review of *Student Achievement and the Changing American Family*. David W. Grissmer et al.: 1994.

The review summarizes findings of a 1994 RAND study, which found that the single most important factor influencing student achievement was parents’ education. Family size and income were also found to be significant.

“Variables Affecting Student Achievement.” Wisconsin Education Association Council. Education Issues Primer: 1998.

This document, created by the Wisconsin teacher’s union, identifies four main categories of variables that affect student achievement: school, the family and the individual, social incentives, and socioeconomic conditions. It represents widely held, but by no means definitive, views.

Teacher Pay-for-Performance Models Subcommittee

“Alternative Teacher Compensation.” Goorian, Brad. *ERIC Digest*, Number 142: November 2000.

This piece provides a look at various alternative methods of teacher compensation currently proposed or in practice in school districts around the country. It provides information on establishing alternative models of teacher compensation.

Critical Issue: Rethinking the Use of Educational Resources to Support Higher Student Achievement. Miles, Karen Hawley. North Central Regional Educational Laboratory: 2000. Available: <http://www.ncrel.org/sdrs/areas/issues/envrnmnt/go/go600.htm>

This issue brief discusses the idea that as schools are held increasingly accountable for results, their need for additional resources grows (e.g., funding for teacher professional development and more classroom time in order to focus on individualized instruction).

“Designing Performance Pay Structures for Teachers.” Odden, Allan. AASBO, AEA, ASA, ASBA Joint Conference on Teacher Compensation: November 30, 2000.

This PowerPoint presentation outlines current teacher compensation reform efforts, knowledge versus skills-based performance pay, and important design concepts for all stakeholders to be aware of as state and local efforts continue to be drafted and implemented.

Education Week Articles

- “Denver Pay-for-Performance Pilot Still Has Far To Go, Report Says.” Archer, Jeff. July 12, 2000.
- “Iowa Approves Performance Pay For its Teachers.” Blair, Julie. May 16, 2001.
- “Lawmakers Plunge Into Teacher Pay.” Blair, Julie. February 21, 2001.

“Merit Pay and ‘Pay for Performance’.” Muir, Ed. American Federation of Teachers: 2000. Available: <http://www.aft.org/newmembers/k12/merit.html>

This article provides a brief history of merit pay programs in schools. It uses selected research evidence to create some “dos and don’ts” for legislators drafting contemporary merit pay or pay-for-performance systems.

“Pay-for-Performance and Merit Pay.” National Council on Teacher Quality: Teacher Quality Clearinghouse. Key Issues [Online]: 2001. Available: <http://www.nctq.org/issues/merit.html>

This site provides an overview along with updated categories such as Places to Watch, Recent Developments, and Research and Reports related to this education reform approach.

Performance-Based Pay for Teachers in Wisconsin: Options and Opportunities. Hruz, Tom. Wisconsin Policy Research Institute Report, Vol. 14, No. 4: June 2001.

This report provides a synthesis of successful merit pay programs for teachers being instituted around the nation. It suggests that school-based performance awards may be the best approach for an alternative teacher compensation model in Wisconsin.

“Reinventing Teacher Compensation Systems.” Consortium for Policy Research in Education. Policy Brief: September 1995. Available: <http://www.ed.gov/pubs/CPRE/fb6/fb6e.html>

This piece describes some state efforts to align teacher compensation systems with organizational reform goals. It also outlines the process and technical principles involved in designing a comprehensive, skill-based teacher compensation system, some of the aspects of which include: adequate funding, involvement of all key parties, an objective and credible assessment system, and group-based performance awards.

School-Based Performance Award Programs: Design and Administration Issues Synthesized from Eight Programs. Consortium for Policy Research in Education. University of Wisconsin-Madison: 1999.

This report provides an analysis of how eight different school-based teacher compensation programs operate. The key elements analyzed include the program's origin, the process used to design it, the student achievement measures, and the reward criteria and reward program.

“School Reform, TURN, and Teacher Compensation.” Urbanski, Adam and Roger Erskine. *Kappan*, Vol. 81, No. 5: January 2000. Available: <http://www.pdkintl.org/kappan/kurb0001.htm>

Codirectors of the Teacher Union Reform Network explain how key dimensions of school reform, specifically improving the quality of instruction through alternative teacher compensation models, require new forms of labor/management collaboration. The authors delve into reconceptualizing the role of unions, the importance of partnerships across interests, what new teacher compensation looks like, and different types of performance pay models.

“Teachers Approve Merit-Pay System: Cincinnati’s First Public District in U.S. to Pay for Performance.” Pilcher, James. *The Cincinnati Enquirer* [Online]: September 16, 2000.

This article describes the characteristics of the first district pay-for-performance system and the implementation issues it has and will continue to face in Cincinnati.

“Teachers Working into Pay-for-Performance.” Tortora, Andrea. *The Cincinnati Enquirer* [Online]: January 23, 2001.

This article explains that many teachers in Cincinnati, the first U.S. district to pay teachers based on performance, are struggling with the in-class, unannounced reviews that are part of the reform. This article details Cincinnati’s program.

The Pros and Cons of Performance-Based Compensation. Solmon, Lewis C. and Michael Podgursky. Milken Family Foundation: June 2000.

This report provides a historical background as well as the pros and cons of performance-based pay for teachers to explain some of the rationale used in creating the Milken Family Foundation’s systemic school improvement effort: the Teacher Advancement Program.

Third Year Implementation Assessment of the Performance Pay Plan for Teachers (1996-'97): Executive Summary. Hall, Gene E. and Edward P. Caffarella. Douglas County School District, CO: May 5, 1998.

This report summarizes the implementation evaluation of what has been called the “most comprehensive performance pay plan in the nation.” Third-year results evidence the benefits of a multiyear process to conceive the plan and obtain support from all vested parties, as well as the fact that a group incentive has emerged as the most powerful and widely accepted component.

“Why Merit Pay Will Improve Teaching.” Malanga, Steven. *City Journal*, Vol. 11, No. 3: Summer 2001.

This article uses the merit pay experiences of private industry to support arguments related to increasing merit pay for teachers. It examines several cities’ efforts to adopt alternative models of teacher compensation and sites’ increased teacher recruitment as a rationale for adopting such models.

Unification/Consolidation of School Districts Subcommittee

“Bigger School Districts Are Less Efficient, Study Says.” The Heartland Institute. *School Reform News*: February 2000.

This article summarizes the findings of a study from the Alexis de Tocqueville Institution. The study’s author, Mike Antonucci, suggests that large school districts should be broken up as they generally devote a smaller portion of their resources to student instruction than do smaller districts. This article also refers to the results of a 1990 Clemson University study, which concluded that “school district size is the most significant factor in determining school size, with consolidation/reorganization plans generally resulting in larger schools.”

Compounding Disadvantage: The Effects of School and District Size on Student Achievement in West Virginia. Howley, Craig. Appalachia Educational Laboratory, ERIC Clearinghouse on Rural Education and Small Schools: 1996.

Howley suggests that policymakers should adjust school and district size to relevant student circumstances as opposed to arbitrary economies of scale. He finds that in West Virginia, small schools and districts hold particular benefits for educating relatively impoverished students, whereas larger schools and districts do well at educating affluent students. This is important research for legislators considering district reorganization or consolidation policy.

“Despite Court, Funds for Schools Still Not Equal.” Lovekin, Kris. *The Press Enterprise*, Riverside, CA: December 18, 1994.

This article describes some of the politics around the issue of school district unification. For example, lowering the salaries of high school teachers creates automatic opposition to any unification effort. It also discusses the experiences of California districts in Val Verde and Murrieta Valley in relation to unification.

District Realignment Activities in the States. Sturm, Pepper. Education Commission of the States: 1996.

This brief identifies state-level efforts at consolidation and deconsolidation of school districts.

Education Week Articles

- “Tex. Finance Bill Signed Into Law, Challenges Anticipated.” Harp, Lonnie. June 9, 1993.
- “Nebraska Reforms Fuel District Consolidations.” Keller, Bess. September 16, 1998.
- “District Mergers Continuing to Redraw Educational Maps.” Johnston, Robert C. March 27, 1996.

“Jack and the Giant School.” Mitchell, Stacy. National Conference of State Legislatures: 1999.

This piece attempts to debunk the myth that “giant schools” are more effective than smaller ones in the hopes of curbing school consolidation efforts. It includes a brief review of characteristics that result in the greater effectiveness of small schools: high parental involvement, positive/nurturing environment, and higher participation in extracurricular activities.

“Losing Local Control of Education: Cost and Quality Implications.” Walberg, Herbert J. Heartland Policy Study, No. 59. The Heartland Institute: November 22, 1993.

This article reports on the results of a study, which examined 37 states and the District of Columbia, controlling for the influence of per-pupil spending and enrollment of minorities. Researchers concluded that school district size, school size, and state share of funding are all significantly and negatively related to student achievement, or as school systems become more centralized, student achievement falls.

Rural School Consolidation and Student Learning. Fanning, Jim. ERIC Clearinghouse on Rural Education and Small Schools: 1995.

This brief examines the pressures that have led to school consolidation, the effect of consolidation in addressing social and fiscal pressures, the role of community in education, and the ways school consolidation undermines that role.

“School District Reorganization in Illinois: Improving Educational Opportunities for Students.” Hall, Robert F. and Robert L. Arnold. Annual Conference of the National Rural Education Association: October 14-17, 1993.

Using evidence obtained through case studies of five districts in Illinois that have reorganized/consolidated since 1983, the authors explain that preliminary evidence suggests that the advantages of consolidation greatly outweigh the

disadvantages. Some of these advantages include: broader curricula, higher salaries and greater benefits for teachers, and a more efficient school system for taxpayers.

“School District Size and School Performance.” Howley, Craig. *Rural Education Issue Digest*, Appalachia Educational Laboratory: 2000.

This issue digest examines school district size policy over the last century. It explores the research related to the relationship between district size and student achievement. Howley concludes that claims, which link district consolidation to improved school performance, are not supported by research. Additionally, he suggests that district leaders should consider the deconsolidation of larger districts that serve poor communities.

“Study Says School Consolidation Reduces Student Performance but Saves Costs.” Edelman, Mark. Iowa State University Extension to Communities: April 23, 2001. Available: <http://www.exnet.iastate.edu/newsrel/2001/apr01/apr0117.html>

This article summarizes the results of a school district consolidation study by Oklahoma State University (OSU) economists. The OSU analysts concluded that consolidating small school districts into larger ones lowers achievement test scores. The decrease in student performance occurs even when adjusting for differences in sociodemographics and school expenditures. The OSU analysts concluded by suggesting that part of the negative impact on student test scores could be offset if the consolidation savings were used for additional instructional support in the merged districts.

The Rural Education Dichotomy: Disadvantaged Systems and School Strengths. Dunn, Randy J. Educational Policy Publications, North Central Regional Educational Laboratory (NCREL): 2000.

This publication discusses previous and contemporary trends toward district consolidation in rural districts and explores some other ways that rural districts can be supported.

Other Reports and Information Provided to the Task Force

Expenditures Outside the Revenue Control Limit Subcommittee

Budgeted Excess Utilities, FY 2000-2001. Arizona Department of Education.

This report includes data on the budgeted excess utilities for fiscal year 2000-2001.

Small School Adjustment Districts, FY 2000-2001. Arizona Department of Education.

This report includes data on the small school adjustment districts for fiscal year 2000-2001.

Teacher Pay-for-Performance Models Subcommittee

Arizona Career Ladder Program. Arizona Department of Education.

This report describes the Career Ladder program, a summary of its statutory requirements, and a listing of school districts participating in the program.

Task Force Subcommittees as a Whole

Education Task Force Reports and Prior Reform Recommendations. Arizona Governor's Office and other state agencies.

This report includes a summary of prior school reform reports including those by:

- Arizona Joint Select Committee on State Revenues and Expenditures (1989)
- Better Schools for Arizona, Arizona Business Leaders for Education (ABLE) (1990)

- Report of Governor's Task Force on Education Reform to the People of Arizona: Reform, Restructuring, and Rededication (1991)
- Reforming Education in Arizona, Morrison Institute (1991)
- Education Reform Group (AEA, ASBA, ASA, Arizona Congress of Parents and Teachers, Pima County Collaborative, etc.) (1994)
- Education 2000/Proposition 301

A P P E N D I X E

Achievement Results

- >> Arizona's Instrument to Measure Standards (AIMS)
- >> Arizona Stanford Achievement Test Results
- >> History of NAEP Participation and Performance in Arizona

ARIZONA'S INSTRUMENT TO MEASURE STANDARDS (AIMS)

Percentage of Students by Performance Standard

Statewide AIMS Results for Spring 2000								
Subject	Grade	Falls Far Below	Approaches	Meets	Exceeds	Total	% Meet or Exceed the Standard	
Math	3	18.5%	35.0%	32.3%	14.2%	100.0%	46.5%	
	5	23.6%	38.1%	22.7%	15.6%	100.0%	38.3%	
	8	49.7%	34.4%	11.1%	4.8%	100.0%	15.9%	
	10	72.4%	11.2%	15.8%	0.5%	99.9%	16.3%	
	11	74.8%	12.6%	12.5%	0.1%	100.0%	12.6%	
Reading	3	12.0%	17.6%	45.6%	24.9%	100.1%	70.5%	
	5	15.4%	19.7%	46.0%	18.9%	100.0%	64.9%	
	8	29.9%	18.1%	38.1%	13.9%	100.0%	52.0%	
	10	12.3%	19.6%	46.7%	21.3%	99.9%	68.0%	
	11	28.3%	29.6%	34.9%	7.2%	100.0%	42.1%	
Writing	3	13.3%	19.0%	59.3%	8.4%	100.0%	Completes Requirement	
	5	20.6%	32.5%	45.5%	1.3%	99.9%		
	8	14.8%	37.8%	46.7%	0.6%	99.9%		
	10	18.1%	48.9%	32.5%	0.5%	100.0%		55.7%
	11	28.8%	51.8%	19.2%	0.1%	99.9%		38.4%

Statewide AIMS Results for Spring 2001

Subject	Grade	Falls Far Below	Approaches	Meets	Exceeds	Total	% Meet or Exceed the Standard
Math	3	13.9%	33.6%	35.1%	17.3%	99.9%	52.4%
	5	21.4%	33.6%	27.4%	17.6%	100.0%	45.0%
	8	46.6%	38.6%	10.9%	3.9%	100.0%	14.8%
	10	49.7%	19.1%	21.3%	10.0%	100.1%	31.3%
	11	58.4%	18.5%	19.2%	3.9%	100.0%	23.1%
	12	70.1%	15.2%	12.5%	2.2%	100.0%	14.7%
Reading	3	10.8%	17.7%	44.2%	27.3%	100.0%	71.5%
	5	21.5%	23.7%	41.1%	13.7%	100.0%	54.8%
	8	23.4%	20.4%	39.4%	16.8%	100.0%	56.2%
	10	10.6%	21.6%	52.4%	15.3%	99.9%	67.7%
	11	18.7%	36.7%	39.9%	4.7%	100.0%	44.6%
	12	33.1%	36.6%	26.9%	3.5%	100.1%	30.4%
Writing*							Completes Requirement
	10	15.4%	49.7%	34.2%	0.7%	100.0%	68.2%
	11	34.0%	56.2%	9.8%	0.0%	100.0%	37.9%
	12	46.7%	46.1%	7.1%	0.0%	99.9%	25.9%

*Writing scores for grades 3, 5, and 8 are not available at this time due to scoring discrepancies.

ARIZONA STANFORD ACHIEVEMENT TEST RESULTS

Spring 2000

Grade	Number Tested			Percentile Ranks*		
	Reading	Math	Language	Reading	Math	Language
2	54212	57302	57097	52	55	43
3	57442	58462	58240	48	52	54
4	57775	59512	59123	54	55	48
5	59404	60441	59983	51	55	45
6	58857	59698	59342	53	60	44
7	57127	57370	57492	52	56	54
8	56487	56577	56816	53	56	49
9	56068	57023	56408	43	59	40
10	47677	48363	47843	42	50	44
11	40078	40557	39887	45	55	44

Spring 2001

Grade	Number Tested			Percentile Ranks*		
	Reading	Math	Language	Reading	Math	Language
1**	52519	0	0	60		
2	51223	54029	53703	53	57	44
3	54982	55839	55680	50	54	56
4	56230	57856	57450	55	57	50
5	59622	61166	60552	51	57	45
6	57483	58396	57871	54	63	45
7	56536	56820	56683	53	58	55
8	54119	54511	54496	55	58	50
9***	51236	51925	51480	43	61	41

* Percentile ranks range from a low of 1 to a high of 99, with 50 denoting average performance for the grade.

** Offered for the first time in Spring 2001.

*** Only grades 1-9 were tested in Spring 2001.

HISTORY OF NAEP PARTICIPATION AND PERFORMANCE IN ARIZONA

Subject	Grade	Year	SCALE SCORE		ACHIEVEMENT LEVEL		
			State Avg.	[National Avg.]	<i>Percent at or Above</i>		
					Basic	Proficient	Advanced
Mathematics (scale: 0-500)	4	1992	215	[219]	53	13	1
		1996	218	[222]	57	15	1
		2000	219	[226]	58	17	2
	8	1990	260	[262]	48	13	1
		1992	265	[267]	55	15	1
		1996	268	[271]	57	18	2
2000		271	[274]	62	21	3	
Reading (scale: 0-500)	4	1992	209	[215]	54	21	3
		1994	206	[212]	52	24	6
		1998	207	[215]	53	22	5
	8	1998	261	[261]	73	28	2
Science (scale: 0-300)	8	1996	145	[148]	55	23	2
Writing (scale: 0-300)	8	1998	143	[148]	80	21	1

Source: NAEP State Profiles (<http://nces.ed.gov>)