

**Remarks as Prepared for Delivery by
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“Ten Years of K-12 Lessons Learned and Reform Opportunities in 2009”

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In today’s times, like never before, we find our country facing new, uncharted territory.

Every morning, we track the newswires and financial tickers, looking to see whether we are “up” or “down.” Indeed, it is our human tendency to check the barometer every day – in our lives, in our workplaces, in our cities and in our world.

So, after many decades of education reform, are we up or are we down?

Let’s look at the facts.

Over the last 30 years, the United States has doubled per pupil spending. Yet student achievement has remained flat.

Here’s our 70/70 conundrum. As a nation, we spend 70 percent more per student instructional hour than the average spent in nearly all other industrialized countries. Yet 70 percent of our eighth graders aren’t proficient in reading.

Once at the top of the list, the U.S. today ranks behind nearly two *dozen* other countries in math, science and high school graduation rates. America’s gaping achievement gaps between high- and low-income students are significantly and shamefully larger than many of our competitor nations.

We spend more and yet perform far worse than our peers. We are actively creating an underclass that threatens our society, our democracy and our standing in the world.

As much as these facts and figures are cause for concern, however, we have just as much reason for hope.

We have entered a period of unprecedented opportunity. Our new President and Secretary of Education have expressed a strong commitment to dramatically improve public schools through *innovative* means.

Sizeable new federal stimulus resources for reform also now provide the opportunity to leverage dramatic improvement where it is needed most.

And many examples of successful education reform show us that dramatic student improvement in the toughest places is not just possible, it is happening and it *can* be replicated.

For example, relatively new, innovative organizations like New Leaders for New Schools, Education Pioneers, The New Teacher Project and Teach for America are hitting their stride and making major inroads for students.

Strong, bold new leaders like Joel Klein in New York City and Michelle Rhee in Washington, D.C. are courageously pushing through long-needed reforms. And proven military, business and civic leaders are increasingly stepping forward to contribute their leadership skills to education reform.

A robust movement of high-quality charter schools has attracted tens of thousands of low-income parents to their enrollment waiting lists.

And thanks to national leaders on both sides of the aisle, we have a real national focus on data, a renewed emphasis on achievement disparities across subgroups and on the urgent need to take responsibility for improving education for minority youth.

Tonight, I hope to share with you the lessons we've learned after 10 years of investing and the opportunities we believe warrant immediate action at all levels.

I want to reserve time for a dialogue. So let's dive in. Let me start with some brief background on The Broad Foundation.

History of The Broad Foundation

Over a five-decade career in business, Eli Broad founded two successful Fortune 500 companies – KB Home, formerly Kauffman and Broad Homebuilding, and SunAmerica. When he sold SunAmerica in 1998, he wanted to find a way to give back to the country that had been so good to him.

Eli looked long and hard at the ways in which philanthropic dollars could make a difference.

He was struck by the degree to which education was a common denominator across social issues: a healthy economy, a decent standard of living and a thriving democracy.

Simply put, he saw education as the single most important area in which he could contribute.

When our foundation began 10 years ago, two of us spent a year traveling the country and speaking with hundreds of education leaders to assess the overall education landscape and figure out where we could best make a difference.

We decided that The Broad Foundation would focus on developing strong leadership, efficient management systems and competition as catalysts to spur dramatic improvements in student

achievement. We made the decision to focus on the 100 largest urban areas in the country, where 25 percent of all students – and a disproportionate number of traditionally disadvantaged poor and minority students – attend school.

Eli was also particularly interested in venture philanthropy: funding or creating out-of-the-box solutions to chronic problems, and then measuring the student “return on investment.”

Finally, and this is key, we wanted to find and help scale up best practices that raised student achievement and narrowed achievement gaps *even if* external factors like poverty, crime and lack of support at home went unchanged.

Lessons learned after 10 years of philanthropy

In the 10 years since we started investing in education, we have painstakingly tracked student progress and the programmatic outcomes of our more than \$400 million in investments.

Needless to say, we have learned a great deal.

Through The Broad Superintendents Academy – a program we created to recruit, prepare and place talented executives from all sectors in school districts – we’ve learned that it is indeed possible to improve student achievement, by putting the right district leadership in place.

Since 2002, graduates of the program have filled 53 superintendent positions and 70 senior school district executive positions. Here in Colorado, I am proud that two of our graduates are serving as superintendents in the Aurora and Pueblo school districts: John Barry, a retired, decorated Air Force General and John Covington, a talented career educator.

Every one of our graduates who has served as superintendents for at least three years is outperforming comparison groups in moving students out of the lowest reading and math proficiency levels. And 85 percent are meeting or exceeding proficiency standards in reading and math faster than comparison groups.

Through The Broad Residency for Urban Education, we’ve learned that there is a strong demand from school districts to hire private sector managers who can put modern operating procedures and controls in place.

When we asked talented, private sector professionals – primarily M.B.A.’s – to take significant pay cuts and come make a difference in young people’s lives, they surprised us by applying by the thousands. Today, hundreds of Broad Residents work in 30 urban school systems and charter management organizations, efficiently managing finances, facilities, human resources and IT and freeing up millions of dollars for the classroom.

And many Broad Residents now work in the instructional side of the house – managing groups of schools and improving teaching and learning systems in the districts and charter management organizations they serve.

Through our grants to redesign school district human resource departments in Chicago, New York and Boston, we've seen dramatic results. When these districts implemented online application and hiring systems, the quantity and *quality* of teacher applicants *improved* because paperwork and hiring timelines were significantly reduced. These districts were able to be more *selective* in who they hired. Teachers were hired faster, and the best teachers stayed in the district longer.

I could talk for hours about the student results of our high-quality public charter school grantees like KIPP, Uncommon, Green Dot and Aspire. Let me simply say that the low-income and minority students they serve are performing far better and improving far faster than their neighboring school district peers.

We have also learned that not all reform investments pay off. For example, we have yet to see an improvement in student achievement from many of our district-level principal training investments. And after smart, large-scale district-wide reforms in cities like San Diego and Oakland led to initial student gains, we were discouraged when the progress was halted because district governance structures abruptly changed.

Five 2009 reform opportunities

Of course, while it is instructive to look back at lessons learned, we are gathered here tonight to talk about the future. Where should we look to find the next best thing in education reform?

Let me share a story that may provide a clue.

Johnny is 7 years old.

Every day, Johnny hands his second-grade teacher drawings of pictures using only gray and black crayons.

Worried about Johnny's strange behavior, his teacher summons an educational psychologist to find out what is wrong.

The psychologist talks to the boy, but doesn't see anything obvious.

The psychologist then gives Johnny a series of tests.

Test after test, nothing shows up.

Finally, in desperation, the psychologist gives Johnny some paper and a box of crayons.

Johnny opens the box and a big smile spreads across his face. "In my regular class," he says, "I got an old box of crayons. All that was left inside were the gray and black ones."

Like the adults in this story, the education reform industry is well adept at spending countless hours and resources searching for solutions, hypothesizing, testing, and re-testing.

Tonight, I ask you, what would happen if we looked instead at the common sense solutions right in front of us?

I hope to leave you with five significant opportunities I think exist right now to rebuild our country's public education system to prepare our students to be internationally competitive in this modern world.

And I am pleased that President Obama embraced many of these reforms yesterday during his remarks to the Hispanic Chamber of Commerce. In fact, the very congruence of ideas among a growing number of leaders in the field and the new administration in Washington speaks volumes about the momentum that is building for a new approach to education reform in this country. An approach that thinks the status quo is unacceptable, and that innovation and results matter more than ideology.

Here are the five opportunities that lie before us:

First: Let's provide our students with more opportunities to learn.

Thanks to New York Times columnist Tom Friedman, the notion that "the world is flat" has become commonplace. Our children will compete for jobs with children from far corners of the earth.

But did you know that by the time students in other countries have graduated from high school, they have obtained the equivalent of **one year more** of education than their American counterparts?

Unlike most of our competitor nations whose school calendars match modern societal needs, America's six-hour school day is rooted in the needs of an agrarian society – where children worked in the fields before and after school. When was the last time you saw a child rush home at 2:30 in the afternoon to pick vegetables?

While students in other countries spend hours on homework after school, most American children spend six to seven hours a day watching television and playing video games.

Our youth also take 10-week breaks from academics during the summer. That means our students are in school 180 days a year, while countries like South Korea educate their students for 225 days, and Italian students attend class 210 days. In fact, American students get only two-thirds of the *academic* hours of their international counterparts.

KIPP charter schools have shown us what happens when we apply a modern school calendar. All told, KIPP students get about 60 percent more class time than they would in a traditional public school. And the results are astounding: In Washington, D.C., KIPP fifth-graders improved so much that they rose from the *bottom* 15 percent to the *top* 25 percent of students on a nationally normed achievement exam.

Massachusetts is also paving the way in this area. The state legislature there voted to give schools in 12 districts the resources to provide students with 30 percent more learning time. What prompted them to put this common sense reform in place? Data showed that every single one of the highest performing urban high schools in the state of Massachusetts used an expanded school day to help students learn more.

Second: Let's attract and keep talented teachers.

Over the next decade, our nation must increase teacher recruitment by *35 percent* because of a retiring teacher pool. But how will we do this *and* get enough *quality* teachers in our classrooms?

Countries like Finland, Singapore and Canada recruit their teachers from the top third of college graduates. Not us. Aside from the groundbreaking work of Teach For America, top college graduates are not attracted to teaching. But why?

Again, let's look at the facts. We know that teaching offers the intrinsic gratification of helping young people. And we know that this incentive alone has resulted in the status quo.

So from a common sense standpoint, what additional recruitment tool would fundamentally persuade our most talented young people and mid-career professionals to come and teach? And what would convince our very best teachers not to leave the profession?

If you are picturing something green, you are on the right track.

We *must* reward teachers just like other professionals. Studies across industries, across nations and across political ideologies have long revealed what many believe to be common sense: the opportunity to earn a higher salary attracts talent, motivates employees and encourages good employees to stay.

Districts like Denver and Houston have for several years now paid teachers bonuses based on their performance and provided differential pay in hard-to-staff areas. And guess what: teachers are embracing the new salary structure and most importantly, student achievement in both districts is on the rise.

Two other thoughts on attracting and retaining great teachers. First – we believe that there needs to be a shift from the focus on teacher *quality* to a focus on teacher *effectiveness*. In today's economic climate, it is unforgivable that most school systems conduct layoffs by seniority and not by performance. And, even more unforgivable is the fact that most school systems don't have a true mechanism to even *determine* teacher effectiveness.

Second – Why is better pay for better teachers an anathema to many teacher unions? It is not the pay, frankly. It is because performance-based pay opens the door to rethinking teacher *evaluation* and how to connect teacher evaluation systems – which are poorly designed in nearly all districts, by the way – with student achievement. Who is best served if a teacher is rated as “excellent” on the district’s evaluation system, but year-after-year falls in the lowest percentile in raising student achievement?

Study after study shows that teachers are *the most important* element in raising achievement. If we do not tackle teacher effectiveness head on by raising standards of practice, paying for strong performance based on student achievement, and firing teachers who do not demonstrate achievement gains, all other reforms may be for naught.

Third: Let’s create strong, American standards.

Did you know that high school students in the State of Washington are required to take two years of math, while students in Ohio must take four? Children need the same amount of English, math, science and history, regardless of whether they are from Maine or Mississippi or Montana.

Children who have been told they are “proficient” by one state have the right to expect that when they go to apply for a job or a university in another state, they will indeed *be* proficient – ready for college and for work. Students – regardless of their family’s income or ZIP code – have a right to expect that the “A” on their report card is meaningful, not relative – that it is not in fact a “D” when compared to their peers nationwide or across the globe.

Nearly every other industrialized country figured this one out long ago. We need challenging, internationally competitive content and performance standards and assessments for all students – not just some. On this note, we are pleased to see early indications that Pres. Obama and Sec. Duncan plan to lead the charge for common, rigorous American standards.

Fourth: Let’s grow more *proven, successful* public charter schools.

Charter schools, as you know, are the topic of debate in many school districts. For every outstanding charter school, there are as many poorly managed ineffective charters.

In our home city of Los Angeles, our investment strategy has been to grow the platinum standard – public charter schools with the strongest track records of improving student achievement and reducing achievement gaps.

Consider this: only 48 percent of students in the Los Angeles Unified School District graduate on time. Yet of the students who attend Aspire Public Charter Schools – three-quarters of whom are Hispanic or African-American and two-thirds of whom are low-income – 98 percent graduate on time. Year after year.

In cities like L.A. where public charter schools are clearly outperforming neighboring district schools, they are putting pressure on the entire system to improve. When the goal is to raise the performance of *all* our public schools, competition is not something to be feared, it should be embraced.

Fifth: Let's encourage accountable, elected officials to take responsibility for public education.

Over the last eight years of awarding The Broad Prize, which honors the most improved urban school districts in the country, we've collected reams of academic performance data on the 100 largest urban districts.

When we look closely at the districts that have shown the most dramatic student gains over the longest period, the data reveal something quite interesting.

Nearly every such district is under a nontraditional governance structure. Either their mayors have stepped up to become accountable for their city's schools, like in Boston or New York, or they are governed by appointed school board members who are accountable to their city council, like Norfolk, Virginia, *or* they are governed by *stable, near unanimous* elected school boards: like Long Beach and Garden Grove in California, and Aldine and Houston in Texas.

So why do we only see significant district-wide gains under these particular governance structures?

There are two main reasons.

First, because when top leaders strategically agree with one another, their superintendents and principals receive clear direction, autonomy and support to align resources with the sole objective of raising student achievement. Although elected school boards generally have well-intentioned members, their rampant disagreements, special project requests, and adult agendas can pull their superintendent and district resources in competing directions – and in directions that often don't lead to improvements in teaching and learning.

Second, in the case of mayoral control, those on top are directly accountable to the public. They can be voted out. Few Americans can even name the members of their school board. But they all know who the mayor is.

There you have it. Ten years of hard work and five common sense solutions. I hope these will provide a starting point for our conversation tonight.

Thank you so much for your attention, and I look forward to your questions and our conversation.

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