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The Future of Schooling: Educating America in 2014

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“Nation at Risk” No More
U.S. Students Out Perform

The
FUTURE
of **SCHOOLING**

Educating **America** in 2014



McREL

At Mid-continent Research for Education and Learning (McREL), we draw upon the best of nearly 40 years of education research to create practical, user-friendly products that help educators create classrooms that provide all students with opportunities for success.

Based in Aurora, Colorado, McREL was incorporated in 1966 as Mid-continent Regional Educational Laboratory, a nonprofit organization created to help educators in the nation's heartland bridge the gap between research and practice.

McREL continues to fulfill this mission, serving as the Regional Educational Laboratory and Eisenhower Regional Consortium for Mathematics and Science for the states of Colorado, Kansas, Missouri, Nebraska, North Dakota, South Dakota, and Wyoming.

However, our work, funding and clients, and impact now extend well beyond these seven states. Today, our 100-plus staff members provide a comprehensive package of top-quality school improvement products and services to educators from across the nation and around the world.

Our research and development work provides teachers and administrators with valuable information about proven, effective approaches to the challenges in education today. By building on research to solve specific problems, McREL develops widely acclaimed PreK-16 educational products that are used in classrooms nationally and internationally to help educators maximize student learning. More information about our products and services is available on-line at www.mcrel.org.



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Preface

Prepared for an uncertain future: The legacy of responsible leadership

What are the global, demographic, economic, technological, political, and generational trends that will shape the world in which we will live and work in the year 2014? What are the chances that all or some combination of these trends will converge in ways that create a future fundamentally different from our past experiences and current realities? What might be the effect of these trends on America's education system? What are the implications for organizations, like McREL, that provide services and/or sell products to the education market? How should leaders anticipate and prepare their organizations for a future shaped by the potential convergence of these trends? These are just some of the questions that motivated McREL's leadership team to initiate the process that produced the materials offered here.

McREL is a non-profit organization with a mission to "make a difference in the quality of education and learning for all through applied research, product development, and service." Our contracts with the U.S. Department of Education and others over the last 40 years allow us to carry out programs of applied research and to develop products and services for K–12 educators based on that research. The future of our organization relies heavily on the level of available funding for education research and development, as well as the condition of America's education system. A significant change in either will require our organization to reposition itself in the education market.

In 2003, we began wondering about the questions above and how we should prepare for the year 2014 and beyond. Why, you might ask, did we focus on the year 2014? Consider the following:

- 2014 will be the final year of the No Child Left Behind Act (assuming it is reauthorized in 2007), and we will know how many schools in America made or failed to make "adequate yearly progress."
- In 2014, baby boomers, those 70 million Americans born between 1946 and 1964, will be retiring in significant numbers, and their retirements could lead to disturbing shortages in the supply of qualified teachers and administrators.
- 2014 is the year in which many economists forecast the Social Security trust fund will begin to disburse more funds than it receives in order to accommodate the high number of retiring baby boomers.
- As the baby boomers retire, members of a new generation, Generation X, with a different set of characteristics and priorities, will take positions of power and authority.
- 2014 closely coincides with the period during which some economists predict the most dramatic economic downturn since the Great Depression of the early 1930s.
- Information and digital technologies are increasingly moving the control of learning away from institutions and toward individual students. By 2014, these technologies will expand the options and choices individuals and families have in all aspects of their lives, including education.
- Around 2014, members of our management team, comprised almost entirely of baby boomers, will be of traditional retirement age, creating an obvious need for succession planning.

Any one of these developments potentially could make an impact on our clients, our funders, and our work. The combination of any of them could create fundamental changes in the business environment and the market place, and that would imply significant changes for McREL.

In 2003, we knew little about the implications of an aging American workforce and the associated stresses it could place on public and private resources for education research and development. The same was true of our understanding of the impact of rapid advancements in information and digital technology, and of the inherent challenges to the goal of leaving no child behind in our increasingly competitive global economy. Yet, one thing was clear to all of us - things were changing, and the ten years from 2004 to 2014 just might be unlike any experienced in recent history.

So, we began collecting data on workforce and student demographics, forecasted costs of entitlement programs and health care for seniors, emerging technologies and their likely impact on schooling and learning, generational characteristics, economics, the implementation of the No Child Left Behind Act, globalization, energy consumption, and school choice. The more data we collected, analyzed, and synthesized, the more apparent it became that we must prepare now for an uncertain future. As a leadership team, we concluded that preparing our organization for whatever uncertainties lie ahead would be our legacy.

Thus, we embarked on a deliberate journey to the future resulting in the scenarios we offer here. Our approach began by identifying trends of concern to us and experts who could bring us new knowledge and provoke thoughtful and critical inquiry about certainties and uncertainties between 2004 and 2014. Our senior management and program staff (nearly one-third of our organization) engaged in a rigorous process of learning, deliberating, and archiving key insights about trends and the implications for government and politics, work and the workplace, home and lifestyles, and schooling and learning. Our board of directors, comprised of state and national education, policy, and business leaders, informed our deliberations and critiqued the staff's work to be certain it was plausible and useful. We developed internal expertise in the process of writing and using scenarios offered by the Global Business Network and, ultimately, envisioned not one but a total of 16 possible futures, each of which will provide us guidance as we chart our organizational course in the years ahead. Our objective was to create a resource for McREL, as well as for the leaders of other organizations, who see scenarios as a tool to aid their own preparations for an uncertain future.

Though we have not answered all of the questions that motivated this work, we have developed a resource that we believe will serve us well in whatever future we experience. Through these scenarios we are confident we can anticipate the world in which we might live and work in 2014, monitor what unfolds in "real time," and develop timely, appropriate strategies to position our organization to survive and thrive as we realize our mission of making a difference in the quality of education and learning for all.

Our leadership team appreciates the support of the McREL Board of Directors and their involvement in this effort. We are grateful as well for the hard intellectual work of the McREL staff members who brilliantly contributed to this product. Finally, we are pleased to share these materials with our clients, partners, funders, and competitors. We all have much at stake as we anticipate the world of 2014 and beyond. It is in all of our interests to thoughtfully prepare for that world and that time. If these materials contribute to your preparation, then the world in which we live now, and the one in which we will live and work in 2014, will be better served.

J. Timothy Waters, Ed.D.
CEO and Executive Director
McREL

Introduction

“The narratives of the world are without number. . .the narrative is present at all times, in all places, in all societies; the history of narrative begins with the history of mankind; there does not exist, and never has existed, a people without narratives.”

~Barthes

Throughout history, stories have recorded the past and shaped the future. This publication offers three such stories. It is the story of one organization’s journey in preparation for a changing world. That journey resulted in another set of stories about the future of education in 2014 offered here. Finally, it may be the first chapter in the story of our own futures as stakeholders in the American educational enterprise — a story that will be shared as history with future generations.

Like most stories, there is no single “truth” within. Rather, readers will draw individual interpretations of the stories’ meanings and will respond in kind. In sharing these stories, we hope to challenge, inspire, and motivate the education industry to prepare for a changing world. Indeed, we believe that if we don’t act now in response to the anticipated changes ahead, the legacy we leave for future learners will be insufficient to meet the challenges ahead.

To say the obvious, the future will come. The only question is, will we be prepared to survive and thrive in the future or will we become obsolete and irrelevant in the new world? We choose to be prepared and hope you will join us.

Our Story

At McREL, we approach all of our school improvement efforts from three basic assumptions:

1. We must get the most possible out of our current educational system for the benefit of every student.
2. However, U.S. schools, as currently designed, are not likely to meet the expectation that no child is left behind.
3. Therefore, we need to prepare for the inevitable changes in the system of schooling to come.

A frank evaluation of our current system of schooling readily reveals its weaknesses when faced with the goal of bringing all students to proficiency on challenging standards. As states struggle with implementing the No Child Left Behind Act, questions about the very nature of schooling have emerged. Is the length of the school day adequate for all children? Should public schooling begin at age three or younger for some or all children? Are the systems for preparing and developing our teachers and principals sufficient to provide the numbers of high-quality school professionals we will need? Can state and local budgets afford the kinds of increases that might be needed if the current system is to succeed? And what is the most essential set of knowledge and skills students need to achieve in order to thrive in the future?

We may not be able to know with certainty the answers to these questions, but by asking, “What if?” in a disciplined way, we can imagine the possibilities of tomorrow and then take action today that will position us for success in the future. Accordingly, McREL is preparing for the future using a process called “scenario planning.”

Why Scenarios?

“Stories are the way to capture the hopes, dreams and visions of a culture. They are true as much as data are true. The truth of the powerful and irresistible story illustrates in a way data can’t begin to capture. It’s the stories that make you understand.”

~Carl Sessions Stepp, professor, Philip Merrill College of Journalism

Scenarios are stories about the future that take into account key drivers of change and how those drivers may interact with one another to create alternative futures. These alternative futures, or scenarios, are not predictions of the future but, rather, plausible future realities that can guide strategic organizational decision-making in the present. Thus, scenario planning is a strategic planning tool based on the premise that, although the future is uncertain, organizations must act. Scenarios can help organizations take actions now that will maximize their competitive advantage in the future.

For many years now, business leaders all over the world have benefited from engaging in the process of writing scenarios. They use these to develop responses to potential future conditions in order to gain a competitive edge in an uncertain market. Educational leaders, we believe, can benefit from this process as well as they seek to ensure their organization’s relevance and sustained contribution to helping all students succeed in a changing world.

Writing scenarios about the future of education requires “reperceiving” the future and imagining all aspects of the way the world might be, not just those factors that relate specifically to education. Indeed, the political environment, the economy, security issues, technological innovations, and social values will all impact and contribute to the unfolding of the future of education. It is for this reason that we have studied and catalogued future trends in all of these areas as potential “Drivers of Change.”

Exploration of the Future

“Plausible impossibilities should be preferred to convincing possibilities.”

~Aristotle

At McREL, we began our journey to the future by inviting six nationally-known experts in a wide array of disciplines to share with us their knowledge about the key drivers of change and their anticipated impacts on major social institutions. The data gathered from these experts was documented and is continually incorporated into our discussions about what the world might be like 10, 20, or 50 years from now.

Glen Hiemstra, founder of Futurist.Com, launched our exploration into the future with information about the potential for radical anti-aging techniques, genetic therapies, nano-technology, and changes in the nature of work and retirement. Chris Dede, chair, Learning and Teaching at the Harvard Graduate School of Education, exposed us to concepts of “ubiquitous learning” made possible by a variety of breakthrough technologies. Noted educational demographer Harold (Bud) Hodgkinson taught us about the impact of major demographic changes (aging, racial diversity, immigration) on our future lifestyles, workplaces, schools, and other public institutions.

From Neil Howe, historian, economist, and demographer, we also learned about the characteristics and historical impact of different generations and as well as the different leadership styles we might expect as baby boomers retire. Jack Jennings, president and CEO of the Center on Education Policy in Washington, D.C., and a former subcommittee staff director and general counsel for the U.S. House of Representatives’ Committee on Education and Labor, provided a glimpse into the future of education

policy and the No Child Left Behind Act, in particular. Finally, we learned about the economic impacts of consumer behavior and the “Great Winter” forecasted by the Harry S. Dent Foundation from its president, Rodney Johnson.

These speakers provided the inspiration for us to begin a disciplined approach to discovering trends of the future in many different areas. We archive these trends in a matrix showing the interaction between various drivers and the following key institutions of our lives: homes and lifestyles; jobs and workplace; government and policy; and education and schools. We identify articles in the daily press and in professional journals and categorize them based on what they tell us about how different drivers, such as technology, economics, demographics, and globalization, are likely to impact any or all of these institutions. As we build the archive, we are constantly reminded of the many ways in which forces that are beyond our control may have an impact on the future of education. At the same time, we draw inferences from this information and incorporate those insights into our ongoing strategic planning process.

Asking “What if?”

“We tell stories in order to feel at home in the universe.”

~Roger Bingham, historian

Scenarios answer the questions: What if the many driving forces of change converge to cause events we did not expect? What if the future is not as we imagine but is, instead, different, requiring different responses from us? How does this future world look? Who has power? What policies are in place to support schools? What can we do to prepare to survive and thrive in this world? How can we manage the multitude of uncertainties ahead?

Scenarios are rich with ideas about how the many uncertainties we can identify today may unfold tomorrow and it is important to cast our exploration net as widely as possible so as not to miss drivers that may not seem obvious but which, upon closer consideration, are likely to have an important impact.

At the same time, although uncertainty about the future abounds, there are some forces, events, or conditions that we can “predict” with a fair degree of certainty will exist. We define those conditions as “predetermined” and, for the purposes of writing scenarios, assume that they are highly likely to occur. These predetermined elements help to ground the scenarios in reality and increase their plausibility. For example, we found that lengthening life spans, aging baby boomers, and increasing ethnic diversity were among the predetermined elements we agreed needed to be accounted for in the stories we would write.

Critical Uncertainties and Predetermined Elements

Below is a sample of some of the predetermined elements and critical uncertainties we used in our scenarios categorized according to the key drivers of change we have been working with: demographics, technology, economy, global issues, values and popular culture, and policy.

ECONOMY	
Predetermined	Uncertain
<ol style="list-style-type: none"> 1. Work increasingly will be flexible, stint-based, and not dependent on location. 2. As baby boomers age and spend less, the economy will decline. 3. There will be significantly more work available in elder care, ranging from providing personal “lifestyle” services to healthy older adults to supporting the transition to death. 	<ol style="list-style-type: none"> 1. What will be the impact of the war on terror on the economy? 2. What will be the impact of deficit spending on the economy? 3. How will the social security and healthcare crises be resolved?

TECHNOLOGY	
Predetermined	Uncertain
<ol style="list-style-type: none"> 1. Technology will enable customized learning to occur any time, any place. 2. Learners will demand and have significantly greater access to information of all kinds and from all sources. 3. Portable, wireless technological devices will be ubiquitous and integrated into every-day life. 	<ol style="list-style-type: none"> 1. Will the Internet remain free and publicly accessible, or will the “digital divide” persist? 2. What changes in curriculum will new technologies require (e.g., science will include nanotechnology, human genetics and artificial organs)? 3. What will the impact of advances in technology be on our security – will we be more secure or more vulnerable to hackers and terrorists?

DEMOGRAPHICS	
Predetermined	Uncertain
<ol style="list-style-type: none"> 1. The proportion of elderly in the population will increase. 2. Diversity (e.g., culture, language, ability) among students and general population will increase. 3. Gen Xer's will move into positions of authority. 	<ol style="list-style-type: none"> 1. Will there be a difference among immigrant, minority and white Gen Xers and Millenials? 2. Will the Millenial generation fulfill its promise as the "hero" generation, or will it be seen as the "entitlement" generation? 3. What will the impact of homeland security measures be on immigration and student visa policies?

POLICY ISSUES	
Predetermined	Uncertain
<ol style="list-style-type: none"> 1. The demand for accountability in education will continue. 2. Geriatric issues (health and retirement benefits) will become a rising political priority and drain on government budgets. 3. More states will be faced with adequacy and equity school finance lawsuits. 	<ol style="list-style-type: none"> 1. How will the current RED/BLUE divide be resolved? 2. Will a viable third political party emerge? 3. What will become of those schools that are "reconstituted" under No Child Left Behind?

GLOBAL ISSUES	
Predetermined	Uncertain
<ol style="list-style-type: none"> 1. The U.S. will experience increased competition from China and India. 2. The academic performance of U.S. students will continue to be compared to their international peers. 3. Increasing global demand for fossil fuels (because of industrialization of China) will lead to increases in energy prices. 	<ol style="list-style-type: none"> 1. Will China develop as a superpower? 2. Will the loss of international students result in a U.S. loss of international brain power and a shift in innovation to other countries (China, India)? 3. Will alternative sources of energy become the norm or will the end of "cheap oil" lead to an American crisis?

VALUES, MEDIA, and POPULAR CULTURE	
Predetermined	Uncertain
<ol style="list-style-type: none"> 1. People will expect and demand immediate responses, customized solutions, and access to information. 2. There will continue to be value conflicts among Americans in terms of religion and the role of government in the individual's life. 3. There will be a blurring of the boundaries between reality and unreality (e.g., entertainment and real life, reality TV, talk shows). 	<ol style="list-style-type: none"> 1. Will competitiveness among students and their parents for access to good schools, resources, etc., increase or decrease? 2. Will morality be legislated or adjudicated or left to personal choice? 3. Will communities become more or less fragmented?

Developing the Framework

Scenarios emerge from a framework created by selecting two “critical uncertainties” to focus upon. Critical uncertainties are generated from the exploration process that yields a long list of uncertainties, such as you see on pages 4-6. In order to develop a useful scenario framework, one must determine which of the many factors that could drive the future in different directions are the most critical to the topic at hand.

How do we determine, out of so much uncertainty, what is most critically uncertain? In building scenarios, context is everything. For example, although local and state education agencies may be equally concerned about the future of education, the most important factors impacting the individual futures of each type of agency may be different. That is, a state agency may be concerned with the future role of the federal government in education while a school district is more concerned about the changing nature of its student population and how best to serve a diverse enrollment. As we considered our own organization’s future, we were naturally interested in the futures of the whole range of educational entities we serve. In addition, we were interested in broadening the relevance of our work to the larger educational community. Thus, we divided our staff into four working groups, each representing a different hypothetical educational entity, each with its own “focal issue” of concern to guide the development of a set of scenarios tailored to the characteristics of each respective entity.

Our four hypothetical organizations, which we refer to as “clients,” are as follows: 1) a state education agency; 2) a school district; 3) a research and development organization like ours; and 4) a national parent advocacy association. Naturally, each of these entities is concerned with the broad topic of the future of education and, thus, many features of the scenario sets we have created overlap. And yet, each set also has unique features that relate to the client’s own context and provide rich and relevant indicators for determining implications and options for the client’s organizational planning.

Identifying critical uncertainties is the “hard work” of the process. Our teams struggled over the course of several workshop sessions in an attempt to get this right because the rest of the scenario building process

depends entirely on the framework created in this step. Ultimately, the team must narrow its selection to just two critical uncertainties. These form the “x” and “y” axes of a Cartesian plane, with the resulting four quadrants of the graph representing four possible scenarios for the future (see Fig. 1).

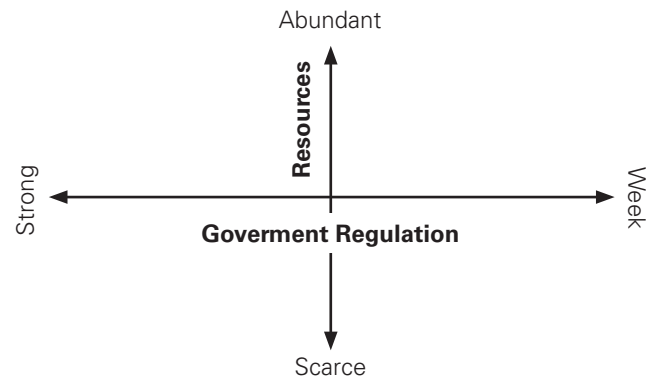


Figure 1

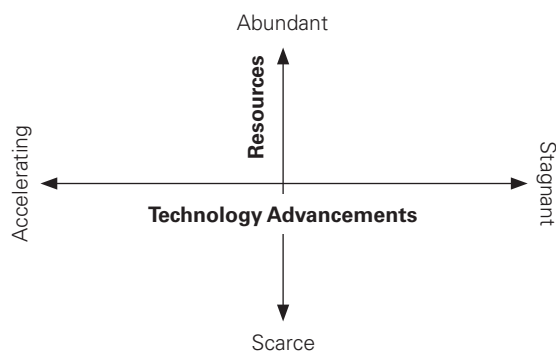
The scenario-building teams must identify the critical uncertainties as well as the end points of each on the axis. For example, our scenario-building team all agreed that an important factor influencing the future of education will be the extent to which resources (both human and financial) are available for education. That is, it is uncertain as to whether, in the future, educational resources will be abundant or scarce, and, undoubtedly, this uncertainty is critical to the future of our client agencies. And, for a variety of reasons, we can imagine a future world in which resources grow, and we can also imagine, for different reasons, a world in which resources shrink. Thus, “resources for education,” with the characteristics at each end of the axis being labeled “abundant” or “scarce,” provided a reasonable axis for the framework.

But what about the other axis? We discussed a range of possibilities including:

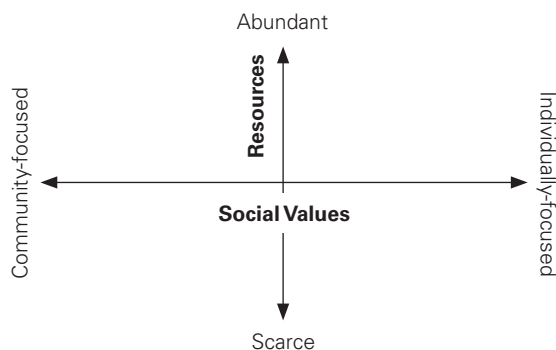
1. **Role of Government** In the future, will government play a big role in determining what, where, when, and how students learn, or not? Will there be more regulation of education by governmental authorities, or will the free market prevail? Clearly, for our client groups, the way in which government controls, supports, or ignores education will make a

difference in the ways in which each entity works. Thus, for this axis, we could imagine two extremes of governmental influence over education, e.g., “strong government regulation” or “weak government regulation.”

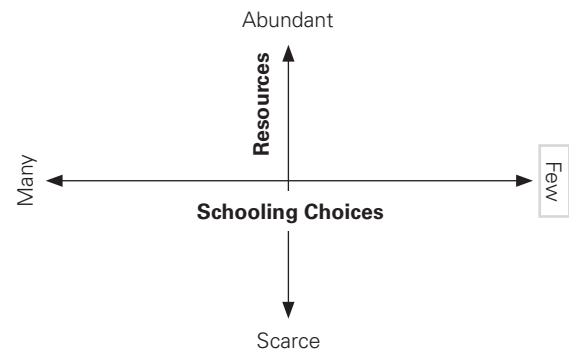
2. **Technology Development** Will technology advance exponentially, offering a wide array of learning options for students and teachers, or will developments in technology slow down or stagnate? The ends of this axis might be labeled “accelerating” and “stagnant.”



3. **Social Values** The question of what the public will value most a decade from now will certainly influence the future of schooling. This factor was raised by every working group, but identifying the axis ends was difficult. There are many dimensions of social values that could have an impact on the future. Some suggestions were “conservative/liberal,” “supportive of public education/not supportive,” and “community-focused/individually-focused.”

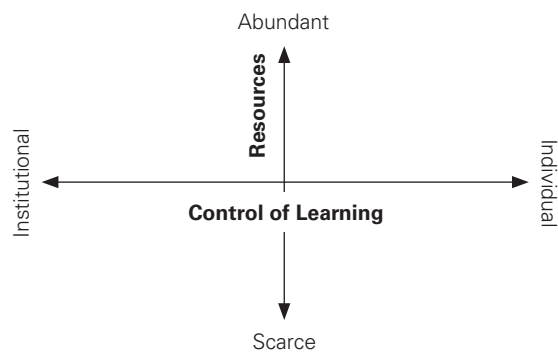


4. **Choice of Schools** The extent to which parents or students can choose how, where and when to receive education as well as the amount and variety of choices available has already changed dramatically within the last decade. But there is significant controversy about this trend and various forces are extant which either promote or hinder the notion of “choice” in public education. Thus, “schooling choices,” whether “many” or “few,” or “public” or “private,” or “customized” or “mass-produced,” presents another possible axis for the matrix.



5. **Control of Learning** Who decides the curriculum, the instructional delivery method, the time and place of learning? Today, in general, we have an institutionally controlled system in which states and local districts determine standards and the structures for ensuring that children have an opportunity to gain proficiency. Although individual classroom teachers do their best to focus learning opportunities on each student, the system is certainly more of a “one-size-fits-all” model than a “to-each-his-own” design. But, in an era of mass customization provided by technological advances, along with increasing diversity in the student population, will such a uniform system continue to prevail or will there be more pressure to individualize and customize learning to meet the unique needs and talents of students? Thus, an axis in which “control of learning” is defined as “institutional” or “individual” is a likely critical uncertainty.

As you see, each scenario framework yields four quadrants, each of which defines a particular world



of the future. For example, in Figure 1, the upper left quadrant will become a scenario in which the government has very little, or no, control over the provision of education, and resources for education are abundant. The scenario writers must consider how such a world could have developed. What caused the government to lose control over education? Did the so-called “revolt” against the No Child Left Behind Act, begun with a variety of state legislative actions and lawsuits against the federal department of education in 2005, result in a wholesale rejection of government involvement in public education? Did the high cost of meeting the needs of all students, made more critical as the outcome of school finance adequacy lawsuits increased the school funding bill for states, dissuade the government from maintaining its involvement? Or did the private sector simply provide more effective or desirable alternatives to the public system, causing a massive exodus of students from the public schools?

Similarly, this is a world in which resources for education are abundant. How did that happen? What is the relationship between a loss of government control and an increase in funding? And where did the money come from? The scenario must answer these and many other questions in order to paint a full picture of the world a decade from now.

Ultimately, as you will see, each of our scenario teams settled on the framework with the greatest relevance to their issue and one that would provide them with rich and challenging stories of the future.

Implications and Options

Scenarios are written not only to engage and challenge; they are intended to provide organizations with strategic guidance for addressing key issues ahead. As such, what is done with each story after it is completed is as important, or more important, than the process of creating them. Once an organization has created these future worlds, it must ask itself, what does it mean for us? For example, what would a world in which parents have access to vouchers and a plethora of high-quality educational choices mean for a local school district? How, for example, should a local school district respond (some would say, compete) in such a world? What value can it provide?

Understanding how that world came to be and what other factors may be in play helps the organization consider options for the future. For example, one explanation for an increase in schooling choices could be that advances in technology led to the creation of more choices in educational offerings. A school district facing this scenario might reflect on the current state of technology in the school district. Are technology and its applications strengths or are they untapped resources waiting to be developed? The implications of the scenario relating to the state of technology may provide some clues as to how the future developed this way and what opportunities currently exist for the district to improve the delivery of education to local students. The latter become “options” for actions that may be taken today by the school district in anticipation of this sort of world unfolding.

The Scenarios: The Stories Within the Story

“Scenarios are stories. They are works of art, rather than scientific analyses. The reliability of (their content) is less important than the types of conversations they spark.”

— Arie de Gues, *The Living Company*

The following four sections of this report are our stories of the future. You will note similarities and differences among them that reflect the context of the educational entity they were written for, the characteristics of the individual members of each team of writers and the spirited debates they required to reach consensus, as well as the logical outcomes of the worlds created by the particular critical uncertainties chosen by each group.

Each set uses a different “vehicle” for telling the story. The Sandia State Education Agency, for example, describes four different scenarios through the voice of a single imaginary chief state school officer who has attempted to lead her agency through the various highs and lows imagined within the scenario framework. Middleton School District’s story is told through the eyes of an education reporter who attends board meetings and writes about the positions and actions of the school board as well as the responses to those from the broader community. Parents for Education tells its stories through a newsletter to members written by the association’s president. Finally, our research and development organization envisions potential changes in the education marketplace through “keynote” speeches delivered by a representative of an organization that has succeeded in that particular world.

Although the stories vary, we have followed a common format to make them easier to read and compare with one another. Each set begins with some background information to orient the reader to the characteristics of the organization and the purpose of the scenarios for the organization. This is followed by a diagram and description of the particular critical uncertainties that form each group’s scenario framework.

At the beginning of each individual scenario, there is a summary of the “deep causes” that could lead to this particular scenario. These causes are intended to strengthen the plausibility of the scenario and provide clues to the reader about how certain events in the story may have come about. The actual scenario, or story of the future, follows.

At the end of each story, we provide an “Analysis.” This is how we make the stories “actionable” and show how they can be used in strategic planning for the organization. There are three parts to the Analysis section: Implications of the scenario for the organization; Indicators that the future is moving in the direction imagined by the scenario; and Options for actions the organization might take today to prepare for the world ahead. These analyses are not intended to be prescriptive or exhaustive. Rather, they demonstrate the kind of learning that can be extracted from the scenarios to assist an organization in planning for the future.

Finally, at the end of each of the four sets of scenarios, you will find a set of discussion questions to help you find connections in the scenarios to your own organization and work. Scenarios are always best when written with deep knowledge of the actual context of the organization and an understanding of the particular issue the organization is facing. Our scenarios are written for hypothetical organizations, which are undoubtedly far less complex than your own organization. And yet, we believe, and hope, that you will find that the current and future worlds faced by these imaginary educational leaders are not far off the mark from what you can expect to face in your own work in the years ahead.

A Note About Generations

In our exploration of the future, we learned a great deal about generations from economist and historian Neil Howe. We found Howe's explanation of the various characteristics and motivations of people born during different periods of history compelling; in fact, Howe's theories provided cogent explanations for variations in behavior among our own staff representing different birth cohorts.

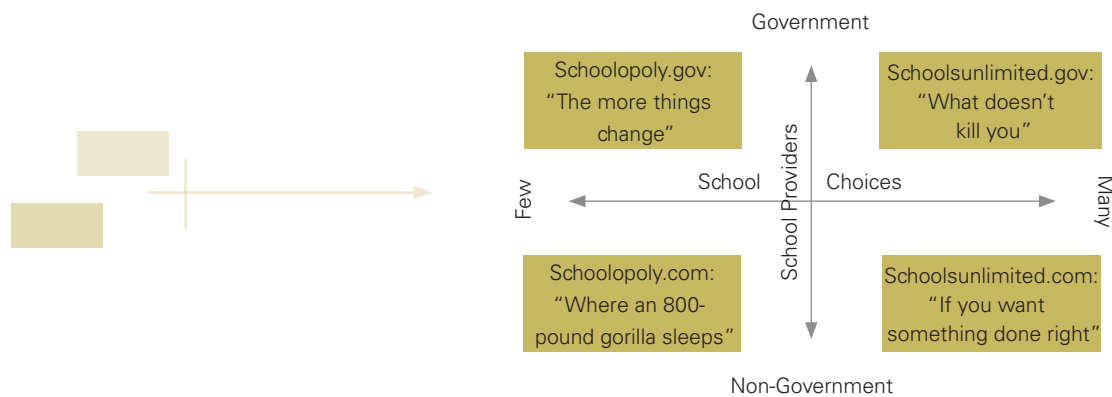
The stories you are about to read include characters from different generations whose actions and responses to events in the scenario are explained based on Howe's generational framework. Below, for your reference, is a thumbnail sketch of each of the living generations referred to in our stories.

Generation	Birth Years	Examples	Characteristics
G.I.	1901–1924	John Kennedy Ronald Reagan Judy Garland John Wayne	Good kids; heroes; endured Depression; won WWII; built big things (moon landing, Great Society)
Silent	1925–1942	John McCain Gloria Steinem Martin Luther King, Jr. Elvis Presley	Helpers; supporters and improvers of the system; married and had children at a young age; experienced “mid-life crises”
Baby Boom	1943–1960	Bill & Hillary Clinton George W. Bush Steven Spielberg Oprah Winfrey	Dr. Spock babies; rebellious; focused on inner fulfillment; arbiters of cultural values and political correctness
Generation Jones*	1954–1965	Rosie O'Donnell Barack Obama John Stewart Jodie Foster	Balanced between idealism and pragmatism; anonymous; looking for economic success and meaningful work
Gen-X	1961–1981	Salma Hayek Kurt Cobain Tiger Woods Chris Rock	Latch-key children; born during drop in birth rate; pragmatic; skeptical; tough; resilient; non-institutionally aligned
Millennials	1981–?	Sarah Hughes Jessica Lynch Michelle Wie	“Babies on board”; protected by parents and society; high expectations and standards; team-oriented “good kids”; largest and most diverse generation in history

*Generation Jones, a term coined by Jonathan Pontell (<http://generationjones.com>), is not part of the Howe framework but is a construct that provides what many of our own staff born

between these years feel is a more accurate representation of their own characteristics than either the Baby Boom or Gen-X models.





Research and Development Organization Scenarios

Introduction

The following four scenarios portray for providers of education research, development and technical assistance services (i.e., organizations similar to McREL) what the education market might look like in the year 2014.

We based these scenarios on the interaction of two critical uncertainties:

1. the extent to which schooling will be provided by public institutions or private institutions
2. the extent to which such a market will present education consumers (i.e., parents and students) with many or few choices.

As shown above, we have labeled the four quadrants created by the intersection of these axes:

1. Schoolopoly.gov: "The more things change"
2. Schoolsunlimited.gov: "What doesn't kill you"
3. Schoolsunlimited.com: "If you want something done right"
4. Schoolopoly.com: "Where an 800 pound gorilla sleeps"

The following four scenarios are "stories" delivered from the point of view of a speaker in the year 2014. In each case, the speaker represents an organization or entity that has achieved success in the scenario; thus, each speaker takes a positive view of the scenario. Readers may or may not agree that the future depicted is the "preferred" future, and the scenarios are not intended to persuade in that regard. Rather, they are meant to portray four distinctly different worlds and the ways in which different providers of educational products and services have responded.

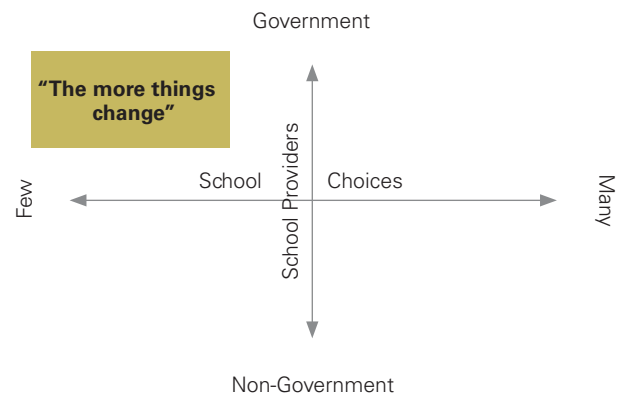
Underlying the scenarios are some key assumptions about deep causes or events that might create each of these scenarios. Descriptions of these causes and the critical uncertainties that the scenario considers appear in a preface to each scenario. All of these deep causes are evident in the following scenarios, which provide some supporting evidence in the form of footnotes to demonstrate, where possible, how current trends and events could influence the future of education.

Schoolopoly.gov: The More Things Change

Deep Causes

In this scenario, public institutions are the key providers of schooling and offer limited choices to parents and students. The following deep causes could lead to this scenario.

1. Schools are increasingly perceived as demonstrating significant improvement on a variety of academic and non-academic indicators under the No Child Left Behind Act (NCLB); thus, public support for public schools as well as for strong federal control of education grows.
2. Discrepancies in academic rigor and data collection across states and districts coupled with continued student mobility drives the need for more standardized education at the national level.
3. As a result of financial and other scandals and an inability to demonstrate effectiveness on a variety of indicators, alternatives to public schools become less attractive to parents.
4. A “Fourth Turning,” or prolonged period of crisis, creates a more culturally conservative society, one that clamps down on children and individual freedoms.
5. Public schools increasingly reflect these conservative values, prompting social conservatives (who in recent years have grown increasingly disenchanted with public schools) to become more supportive of public education.
6. Global pressures and student mobility create a need for a unified approach to education, one which aims to produce equitable results and forge a cohesive cultural identity for students; in short, high-quality education becomes a matter of national security.
7. Global threats from terrorism and competition from emerging Asian economies (e.g., China and India) cause the American public to seek government solutions to public problems, as they did during the “New Deal” era of the 1930s.



“The More Things Change”

Today, as I stand before you, prepared to report on the progress of this great nation’s public schools, I am filled with pride at what we have accomplished together. Here, on the steps of this high school, it’s impossible not to feel the history of this place. As you know, 57 years ago this night, Governor Orval Faubus called out the National Guard to keep nine African-American students from receiving the same quality of education as their white peers. Fortunately for them — and us — he was ultimately unsuccessful in his efforts. And since that time, our nation’s public schools, to borrow from an old advertising slogan, have come a long way, baby.

“The More Things Change”

Time: September 2, 2014

Place: Central High School, Little Rock, Arkansas

Scene: Sylvia Brown, the U.S. Secretary of Education, is giving the 2014 State of Education address.

The road has been rocky, to be sure, and our journey will never truly end. But as I reflect upon the tremendous strides we have made together and the stature our schools enjoy both here and around the world, I feel we are far closer to the top of the mountain than to the shadows of the valley.

R & D Organization Scenario #1

Just 12 years ago, our nation's lawmakers found the will, over the complaints of some educators and so-called experts, to pass the ground-breaking No Child Left Behind (NCLB) law. You may recall that, at the time, many worried that NCLB would cause as many as three-quarters of our schools to be labeled as "failing."¹

Well, history proved these "chicken littles" wrong. The sky didn't fall. Our nation's schools weren't all shut down or taken over by states. Instead, exactly what the framers of this law hoped would happen, did happen — our schools got better.

It's an inspiring story that is well worth repeating. So if you all will indulge me, I'd like to take you on a 10-year trip down memory lane, starting in the year 2004.

2004: Cracks in the System

In 2004, you saw many conservative groups, fed up with the lack of safety, discipline, and character — as well as the secular teaching in public schools, calling

upon their members to boycott public schools. As Ed Gamble, executive director of the Southern Baptist Association of Christian Schools, said at the time, "What has happened is not so much that the Christians are leaving the public schools as that the public schools have left the Christians."²

In 2001, the No Child Left Behind Act was passed by Congress. The law originally stipulated that schools that failed to demonstrate adequate yearly progress toward ensuring academic proficiency of all their students for four consecutive years, would be taken over by their states or shut down. It also stipulated that for schools receiving federal Title I funds, the clock had started ticking two years earlier.



In some states, which were ahead of the federal law, 2004 was the first year that "failing" schools were eligible for take-over. For example, in Colorado, a handful of schools were converted into charters on account of their state accountability systems.³ At the time, some predicted that many more schools would soon follow these schools into state takeover and reconstitution.

¹ Olson, L. (April 3, 2002). " 'Inadequate' Yearly Gains are Predicted," *Education Week*. 21 (29) 1, 24-26.

² Mansfield, D. (February 5, 2005). "Southern Baptists See School Movement Grow," *Fort Wayne Journal Gazette*. <http://www.fortwayne.com/mld/journalgazette/living/10826042.htm>

³ Sherry, A. (August 3, 2004). "CSAPs show 'miniscule' improvements: Cole Middle School First to Face Charter Fix. *Denver Post*, p. A,1.

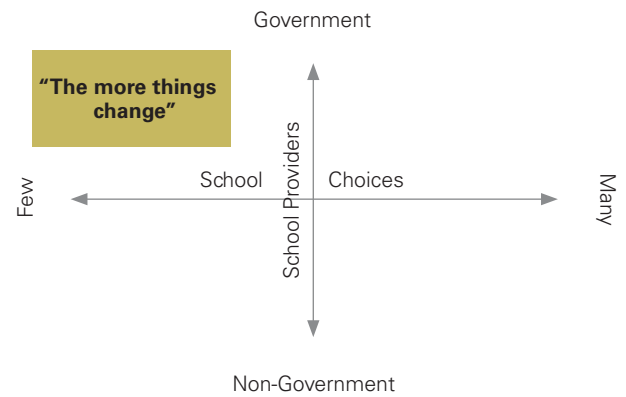
⁴ In April 2005, U.S. Secretary of Education Margaret Spellings announced that the U.S. Department of Education will entertain proposals from states to waive rules under the federal No Child Left Behind Act so long as they can prove their student achievement is rising. "It is the results that truly matter, not the bureaucratic way that you get there," Ms. Spellings said. Spellings announced that department also will soon propose new rules making it easier to assess students with disabilities. Source: Hoff, D. (2005, April 13). "States to Get New Options on NCLB Law: More Flexibility Promised as Spec. Ed. Rules Eased," *Education Week*. 24 (31) 1,38.

2005: An emerging science of education

By early 2005, however, we saw that the sky wasn't really falling down on our public schools. For starters, the Department of Education relaxed some of the rules and regulations regarding No Child Left Behind.⁴ Partly as a result, and also as a result of a lot of hard work in schools, student achievement improved in many states — so much so, that fewer schools than were expected were in danger of being taken over or closed by their states.⁵ Indeed, some big changes were happening inside our nation's schools. They were getting more focused on all their students and using research, not just hunches or folk wisdom, to help their students.



The What Works Clearinghouse started getting filled with more and more helpful information on its way to becoming the rich resource it is today. At the same time, the U.S. Department of Education really started growing into the role we play today — providing quality assurance for education programs big and small, helping educators know which programs and service providers they can trust. Public schools had always had a lot of good people who worked very



hard, but in some cases they were working hard using misguided, unscientific techniques. So by relying on research and using grant programs such as Reading First, schools began working “smarter.” As a result, achievement began rising across the board.⁶

In many ways, the U.S. Department of Education has become the Food and Drug Administration of education. You know, education used to be a lot like medicine back in the early 1900s, when the field was still filled with quacks and roving snake oil salesmen peddling their wares on an unsuspecting public. Up until the start of this century, education was the same way. You had fly-by-night professional developers who would breeze into town, hawking some new fad. Educators really had no way of knowing whether any of this stuff worked, but now they do. We have a lot fewer service providers than a decade ago, but the ones we do have, are on the whole, a lot better.

⁵ Rouse, K. (December 9, 2004). “School Report Cards Improve,” *Denver Post*, p. B-1.

⁶ A study released in April 2005 by the Council of the Great City Schools reported that urban districts were making steady progress on state math and reading tests and that performance gaps between students of various racial and ethnic groups were narrowing. Source: Gewertz, C. (April 6, 2005). “Urban Districts Report Steady Academic Gains,” *Education Week*. 24 (30), p. 5.

⁷ Goodwin, B. (May 2003). *Digging Deeper: Where the public stands on standards-based education*, Aurora: CO, McREL.

Yet, despite these improvements in test scores and the knowledge base for guiding school and classroom improvements, public schools were still missing something parents said was even more important to them than academics — values and character.⁷ More than anything else really, parents wanted to know that they were sending their children to a place where they'd be safe, adults would pay attention to them, and they'd grow up to be good people.

2006: Back to the fold

In 2006, Americans began to sense a sea change in our culture. With ongoing conflicts abroad and the unfortunate terrorist attacks in Las Vegas and Orlando, our sense of security and our economy suffered. But as often happens in a people's darkest hour, we began to pull together as a nation and see the value in providing our children with a safe, orderly place to learn.⁸ So despite budget cuts at the federal, state, and local levels, lawmakers found ways to keep funding our nation's schools. Baby boomers, who had once been labeled the "me generation," showed an unexpected willingness to sacrifice for their children and grandchildren.⁹

Moreover, America's people of faith — emboldened by political victories, a growing number of media outlets catering to their values, and a Supreme Court less prone to strike down laws reflecting local values — decided that instead of abandoning public schools, they should, to quote loosely from the first book of the Bible, "shape them in their image."

At the same time, a new generation of pragmatic public school leaders emerged who were willing to create schools that appealed to local values.¹⁰ Some found it ironic, if not a little hypocritical, that Gen-Xers, who had been regarded in their own youth as rowdy, "bad kids," were so willing to impose rules and religion on their own kids. I still remember one father,

ABOUT FACE

Once called to abandon public schools, Christian conservatives are opting to 'take them back'

who had tattoos up and down his arms — he was a real sight, believe me — telling me, "I'm hardly religious, but I don't mind you putting the ten commandments up in the schools. If it'll scare some kids straight and keep them from making the same mistakes me and my friends made, I'm all for it."

John Parks, a Baptist minister in the same town where I was a superintendent, put it this way. He said, "What you notice right off about these younger principals is they have no axe to grind. They're not out there pushing for prayer in schools or abstinence-only, nor are they standing in the way. They're no preachers, that's for sure; but they make mighty fine deacons."

⁸ In their book, *The Fourth Turning: What the Cycles of History Tell Us About America's Next Rendezvous with Destiny*, William Strauss and Neil Howe predict that a period of crisis in American culture, what they call a "fourth turning" may occur sometime around 2005, propelled by a catalyst event such as a terrorist attack. They argue that such crisis periods are marked by a rising "demand for order" and civic authority. During these periods, they assert that people "rediscover the value of unity, teamwork, and social discipline" (pp. 255-256).

⁹ Strauss and Howe also predict that as baby boomers enter elderhood (ages 63-83), they will seek a "preservation of values that will seem antiquated to others" (p. 282). Whereas their Silent and GI generation predecessors exacted a financial burden on youth while ceding moral authority, boomers will do the opposite — make financial sacrifice while imposing their morals on youth, seeking "ethical perfectionism" (p. 282).

¹⁰ Strauss and Howe conjecture that as Gen-Xers enter mid-life (ages 42-62), they will likely "clamp down on children" and "sense the need to restore community" (p. 289). As a generation, their weak, "we are not worthy" sense of self-esteem will make them more apt than their Silent, GI and boomer elders to sacrifice for the greater good (p. 290). Finally, Strauss and Howe predict that millennial young adults (ages 21-41), will be much more likely than their Gen-Xer predecessors to be "mannerly, civic-spirited, and emotionally placid" (pp. 294).

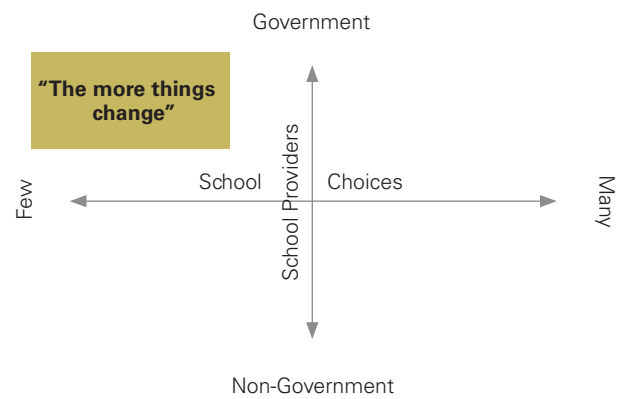
R & D Organization Scenario #1

In late 2006, the conservative ideology of many boomers and the pragmatic side of Gen-X parents, who were anxious to do whatever it took to keep their kids out of trouble, reached a tipping point as a growing number of ministers, parents, and people of faith began calling for conservatives to “take back the schools.” Over the next several years, in more and more places, prayer returned to schools; morally relativistic “character education” programs were replaced by Bible-based character education; “intelligent design” was added to science standards in several states; and abstinence-only programs became the rule, not the exception. And finally, as this fine looking bunch of students in front of me here tonight demonstrates, more and more public schools began to require students to wear uniforms.

2007: Derailing deregulation

In the 1980s and 1990s, Americans were fond of deregulation. “Tell me what to do and then stay out of my way” — that was the attitude. And while excessive red tape never helped anyone, in 2007 and 2008, the “Chartergate” scandal — the rash of charter schools across the country that went bankrupt and closed mid-way through the school year, leaving parents and students high and dry — taught us all an important lesson about the need for government to know what’s happening with its tax dollars. In light of the charter school scandals, it’s no surprise that Congress voted to reauthorize the No Child Left Behind Act in 2007 and, in doing so, struck a balance between giving schools enough freedom to do what they needed to do to create safe, supportive places of learning and continuing to provide enough oversight to make sure a school that opened its doors in September would still be around in May.

In all fairness to those many charter school operators who did run tight ships and provide their students with a good education, Chartergate came along at the wrong time, when the softening economy, coupled with some natural disasters — Hurricane Maurice on the East Coast comes to mind — led to bankruptcies among some large insurance and mortgage companies. All of that caused the public to place less faith in free-market solutions and more in government solutions. That’s not to say that a lot of good ideas first pioneered



by charter schools aren’t still with us — they are, but most of them have been folded into our public schools in one way or another. The Chartergate scandal also prompted us to get firm with charter schools, academically, demanding that they meet the terms of their charters and, if not, face a very public execution. Once again, while we may have fewer choices than we did a decade ago, we have better choices. The good ideas have remained and been absorbed by the system; the bad ideas, well, they’ve been left in the dustbin of history.

2008: Public schools off the ropes

If you had tried to predict the future of public education in the late 1990s and early years of the 21st century, you might’ve predicted that it would soon go the way of the dodo bird because public schools would soon buckle under the competitive pressure from charter, private, and home schools. We know now, of course, that didn’t happen.

One big reason was that public schools quickly learned from the successes of public

**Straight
rows,
starched
shirts &
strict rules**

Products of
permissive
parenting,
Gen-Xers are
clamping down
on their own
kids

school alternatives, not just in terms of academic success but also in terms of learning what parents were seeking when they sent their kids to non-public schools or decided to teach them at home.

But many sociologists have observed that something else important happened in our culture here in America. Over the past few years, we have begun to reverse a 50-year trend of everybody going their own ways — the whole “me” generation thing — and begun to pull together as Americans. A lot of that has to do with the fact that few of us have been untouched by the tragedies of terrorist attacks and economic hardships in recent years. We’ve been drawn together by mutual adversity.

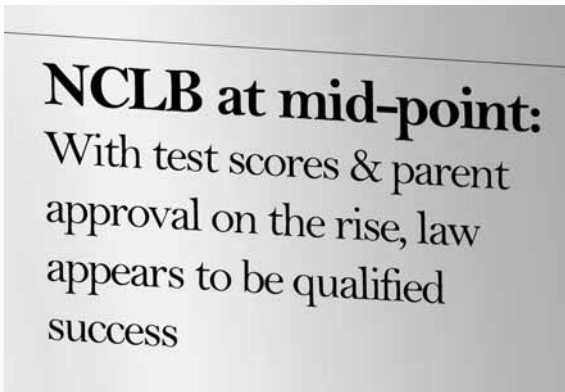
We also have a new generation of young parents and teachers. Boomers established a reputation for being a self-centered “me” generation; Gen-Xers for being a cynical, detached generation that really didn’t care to join anything. You put those two generations together as parents and educators and you can almost predict the result — our schools started falling apart. My own generation of baby boomers were at each other’s throats about everything under the sun, like how to teach reading (phonics or whole language?), science (evolution or intelligent design?) mathematics (new math or flash cards?) sex-ed (condoms or abstinence?). You name it; we found a way to fight about it. Gen-X parents, meanwhile, were too cynical to stick around to fix public schools; they just wanted what was best for their own kids and doubted that public schools were capable of “saving” their or anyone else’s kids.

Fortunately for our public schools, a new generation, the Millennials, started teaching in our schools and bringing their kids to our schools in the late 2000 decade. As a generation, these Millennials seem to believe much more strongly than their elders that they can accomplish more together than they can as

individuals. And throughout their lives, they haven’t displayed the wild streak of boomers or Gen-Xers.¹¹

As teachers, they don’t put up a fuss when they’re asked to teach curriculum aligned to the National Assessment of Educational Progress, something which would’ve been unthinkable to the previous generation of teachers so obsessed with “local control” and academic freedom. I’ve found that most of today’s teachers seem to like knowing that all across the country, our schools and teachers are all working together on the same page. And as parents, they are very different than the generations that came before them. For starters, they got married and settled down young, so they’re young parents. But they’re committed to their kids. They volunteer; they come to school on Saturdays to clean up the playgrounds. They like the idea of a community school, where all the kids in the neighborhood come together to learn. And they like knowing that their kids are learning the same thing as other kids. And most important, they’re happy leaving schooling up to the experts — a right, which I might add, schools have earned by showing they know what they’re doing.

My son, who is of that Millennial generation, got married at 21, just two months after he graduated from college. He recently enrolled my granddaughter in kin-

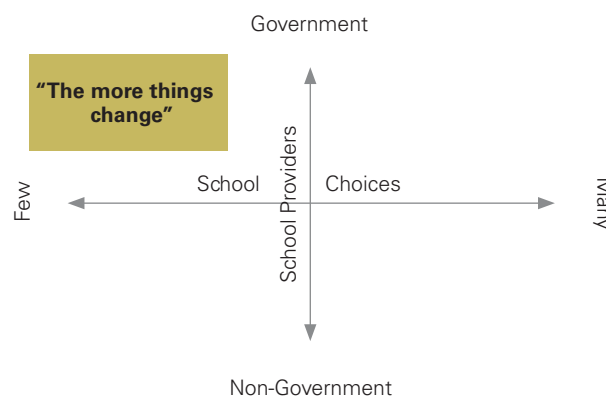


NCLB at mid-point:
With test scores & parent
approval on the rise, law
appears to be qualified
success

¹¹ The “Child-Well Being Index,” released in March 2005 by the Foundation for Child Development, reported that since 1993, children have been engaging in less risky behavior. Most notably, the teen birth rate has nearly been cut in half, falling from 20 births per 1,000 girls in 1992 to an estimated 10.9 births per 1,000 girls in 2004. Likewise, the number of youths ages 12-17 who were victims of crime fell from 120 per 1,000 children in 1994 to 45 per 1,000 in 2004. Jeffrey Butts of the Urban Institute, commented to the AP, “Maybe we have the next ‘greatest generation’ coming along here.” The report’s author, Duke University professor Kenneth Land, explained the trend, in part, due to the fact that parents who grew up in the 1970s and early ’80s who saw or experienced the effect of drug use are more assertive about controlling their own children’s behavior. Source: The Associated Press. (March 30, 2005). “Children Today Doing Better than Parents Were: Kids Engaging in Less Risky Behavior, but Still Eating too Much.” <http://www.msnbc.msn.com/id/7328492>

dergarten over in Lake Jackson, Texas. When I went down to see him last weekend, he told me, “When I was in school, parents were different; they’d come in hollering and shouting, raising a stink if a teacher so much as looked at their kid wrong. Most parents my age aren’t like that. It seems like most of us figure it’s best to stay out of the school’s way and let them do their jobs. I mean, who am I to tell them how to teach my child? That’s what they went to school for, isn’t it? I wouldn’t want them coming into my office and telling me how to do my job, would I?”

My son is right. Today’s schools are run by well-educated experts, who know what they’re doing. Now, I know there are some people who say that our schools are too much alike and don’t create a “unique” experience for every kid. And I know there are some local-control zealots — I tend to think of them as soldiers on an island who don’t know the war is over — who say the federal government plays too strong a role in education, dictating curriculum to schools and states. Well, to those people, I point out that for two centuries we let states and districts assume the lead role in education and what did we get? Unscientific approaches to learning, dropouts, illiteracy, and children unprepared for life success. Moreover, by standardizing data reporting and testing we’ve made it a lot harder for states, districts, and schools to game the system. As a result, schools nearly across the board were forced to perform or perish. As you know now, most have risen to our higher expectations and performed wonderfully.



2009: Schools on the rise

In 2009, near the midway point of the No Child Left Behind legislation, the nation took stock of the law and found most of the earlier kinks in it had been worked out, and more importantly, student test scores were on the rise on a variety of indicators. At the state level, scores were rising steadily on a new generation of computerized “smart” assessments, at the national level, NAEP scores were showing steady growth — partly because a growing number of states have aligned their own assessments with NAEP — and, at the international level, scores were up as well.

Indeed, after years of bad press about U.S. students’ unfavorable comparisons to their international peers, we finally started to notice that American students, more than those in any other country, had been quietly climbing the charts in international comparisons.¹² The test scores seemed to confirm the impression of many parents and taxpayers that our schools were not only getting better, but were truly becoming a source of civic and international pride.

2010: All in the family

In 2010, the U.S. Census Bureau reported that, as a nation, we had begun to rediscover family, often out of necessity. The census found that more of us were living

¹² For example, between 1995 and 2003, U.S. 8th graders’ results on the TIMSS science test increased significantly from an average score of 513 to 527 — while the international average fell from 488 in 1999 to 473 in 2003. While U.S. scores are still well below the top scorer, Singapore (578), it is one of the few countries with sustained improvement in its TIMSS scores.

**Cultural ‘salad days’
over?**
More Americans
prefer “melting pot”
to “tossed salad”
metaphor

in three-generation households as financially strapped young parents either moved in with their parents, or invited their parents — many of whom had either failed to save adequately for retirement or seen their pension and Social Security benefits cut — to live with them to help out with the bills and childcare. My own family is a good example. My daughter and son-in-law are living with me in Arlington while he finishes up law school at Howard. I’m on the road a lot, so it’s nice to have someone at home, watching the house and feeding my dog. And the best thing of all is that I get to see a lot of my new baby granddaughter, who gets to spend the day with her granddad who retired a few years ago. Our nest is pretty full, but I wouldn’t have it any other way.

Over the past several years, America has been a kinder, gentler place for our children. The divorce rate is down, teenage pregnancies are now just one-tenth of what they were in 1994, and more of our children are living with two parents — and sometimes more, when you count their grandparents. Not surprisingly, with more adults around to offer them guidance, our kids are doing better in school.

2011: Return to the “common school”

Starting in 2011, bloggers and reporters began noticing a new sea change in American life. Several years earlier, sociologists had observed that people were “bowling alone.” Today, however, Americans are much more civic-minded, and our schools are at the center

**Cash-stripped
schools tap a
new pool of
cheap labor:
Semi-retirees**

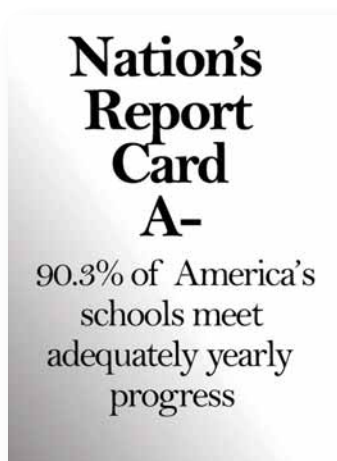
of our new sense of community. As Americans, we have rediscovered a common sense of purpose and learned that we are far more alike than different. We have built our schools around shared values of democracy, hard work, and equality. Indeed,

some say that our schools represent the best values of yesterday — the sense of individual morality and propriety of the 1950s with the sense of social justice and equality of the 1960s.

At the same time, for many of us, the old metaphor of America as a “tossed salad” — separate races and cultures jumbled together but not really mixing — doesn’t hold as much currency as the older idea of a “melting pot” where people of different races and cultures come together to create a new, blended culture. You can see that face in our faces. The number of mixed-race families, either from mixed-race marriages or multi-cultural adoptions, continues to grow more rapidly than any other ethnic or cultural category.¹³ My granddaughter in Lake Jackson, for example,

SEEING RED
Some teachers
worry Mars
race puts too
much focus on
math, science
& technology
education

¹³As of 2003, 1 in 6 adopted children were of a different race than their parents, and 1 in 15 marriages were mixed-race marriages, up from 1 in 23 in 1990. Data show a significant rise in mixed-race families due to interracial marriages and multiracial adoptions. “All in the (mixed-race) Family: a U.S. Trend.” Wiltenburg, M., Paulson, A. (August 28, 2003). *Christian Science Monitor*.



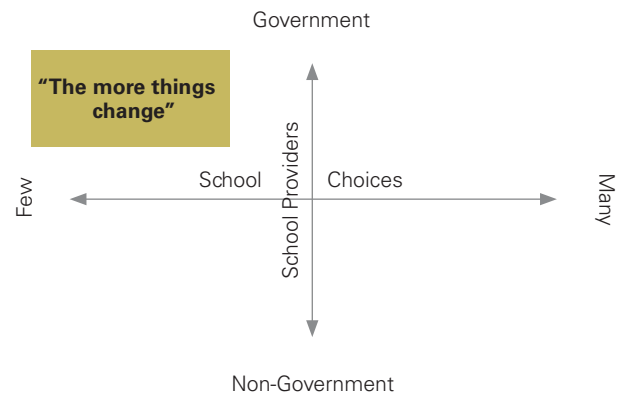
is part Black, Cherokee, Irish, Mexican, and Vietnamese. She'd get a cramp trying to check off her ethnicity on a census form. Where did her parents meet? In public schools. You see, our schools really are a melting pot through which Americans are not losing their identities, but rather creating a new one.

2012: Silver (haired) lining

The past few years have been hard on everyone economically, but for our schools, there has been a silver lining — or actually, if you'll excuse the pun, a silver-haired lining. Semi-retirees are finding out, or perhaps re-discovering, that schools are a great place to work and volunteer. I was recently visiting Los Angeles Public Schools where I learned that semi-retirees now comprise a quarter of that district's workforce. One first-grader I spoke with, her name was Angel, which couldn't have been more fitting, told me she has three "grandmas" who watch after her — one in the morning, one in the afternoon, and one she lives with who greets her when she comes home after school. I thought that was a real sign of the times!

2013: The Mars race is on

In 2013, the President challenged the country in her inaugural address to ensure that Americans are the first to Mars — in seven short years. Here's a compelling thought: one of the first Americans to set foot on Mars in 2018 may be a high school student today in one of our public schools. To get them there safely, ahead of the Chinese and Europeans, we know that our schools must become the best in the world at teaching science, mathematics and technology. This is no easy task, but I, and I am sure you all here tonight will agree with me, am confident that our nation's public schools are up to the task.



2014: Leaving no child behind

As you know, this summer, the vast majority of our schools got great news. More than 90% of our nation's schools have risen to the challenge set by lawmakers 13 years ago when they passed the No Child Left Behind Act of 2001. Sure, there are pockets of disappointment — 10 percent of schools not achieving this goal is still too many. But let's reflect for a moment. In 2001, people said our schools would never rise to meet this audacious goal. But across the country, our schools and the hardworking students and teachers (and semi-retirees!) in them have risen to meet this challenge. Sure, there are still a few voices out there who say our schools are too rigid or don't allow students to express themselves like they did in the old days. To those people who would prefer to go back to the past — when students were left behind in unsafe, unproductive schools, which were in turn served by fly-by-night companies and providers who were better at marketing the latest fad than developing products and programs based on scientific research — I say, it's a free country, you can teach your child at home or send them to a private school. But if you want your child to go to a safe, structured, rigorous environment where they can receive the best education in the world, send them to one of America's fine public schools.

Analysis of Scenario #1

Implications

In this world, the federal government exercises extensive control over schooling and the programs schools use to maintain levels of achievement. Because a strong federal presence in schools led to improved measures of productivity, a high value is placed on conformity to federal guidelines and expectations. Providers of products and services to the education market must deliver evidence-based solutions, demonstrating the effectiveness of their strategies, tools, and related materials. It is also possible the federal government will establish lists of “approved programs and/or providers” who meet their standards. It will be in the strategic business interest of any provider of programs and/or services selling to the education market to be on these lists. The standards would likely include a scientific research base; evidence of quality, utility, and impact/efficacy; consistency across various educational settings (urban, suburban, rural, large, small, etc.); affordability; scalability; and sustainability.

To survive in this world, service providers will need strong advocacy at both state and federal levels. It will not be enough to simply focus on and to meet these standards. Providers must maintain high visibility and credibility with federal and state officials who approve the lists of approved providers. These federal and state officials are a key audience for provider message(s). In addition, because education research and development in this world is funded almost entirely by the federal government, organizations receiving R&D funding will need to maintain strong relationships with key executive leaders and program officers in funding agencies (e.g., NSF and IES).

Indicators

The following trends and data points are possible indicators that the future may be moving toward this scenario:

- Improving achievement scores at the state, national, and international levels
- Decreased state and local resistance to NCLB, perhaps as a result of modifications to the law, increased funding, and/or fewer schools being identified for sanctions
- Increasing parent satisfaction with schools on the Gallup/PDK annual survey
- Increasing utility of and reliance upon the What Works Clearinghouse
- Level or increased federal funding for education
- Increasing standardization of statewide assessment programs, either through regional compacts among states or through efforts to align state tests to the NAEP test or to adopt the NAEP for state testing purposes
- Conservative religious values (e.g., posting of the ten commandments, allowing school prayer, providing abstinence only education, including “intelligent design” in science curricula) are increasingly reflected in the public schools
- Increasing public confidence in government and public schools

Options

With the emphasis on “evidence-based” approaches, scientific research, and conformity, providers in this world could consider the following possible strategies and/or actions.

- Step up advocacy efforts, making strategic use of evidence along with the testimonials of key clients/users of products and services.
- Maintain positive relationships with the executive leadership and program officers in key funding agencies.
- Make effective use of research funding to evaluate the effectiveness of existing, research-based solutions/interventions.
- To ensure fidelity to a government-approved program, service providers may need to develop a standard approach to “training of trainers” aligned with a rigorous quality assurance process and quality standards.
- Given the need to create affordable and scalable services, education services providers may consider recruiting external consultants who will contract to use provider products and deliver provider services as “project staff” under the supervision of regular provider staff.
- Exploit the use of “mixed media” (face to face, e-campus, web cams) to support high-quality, scalable, sustainable, affordable service delivery.
- Develop and nurture relationships with key power brokers — namely, political and government officials.
- Consider ways to align programs and services with what may increasingly become a *de facto* national curriculum that will likely contain a strong emphasis on mathematics and science.

Schoolopoly.com: Where an 800-Gorilla Sleeps

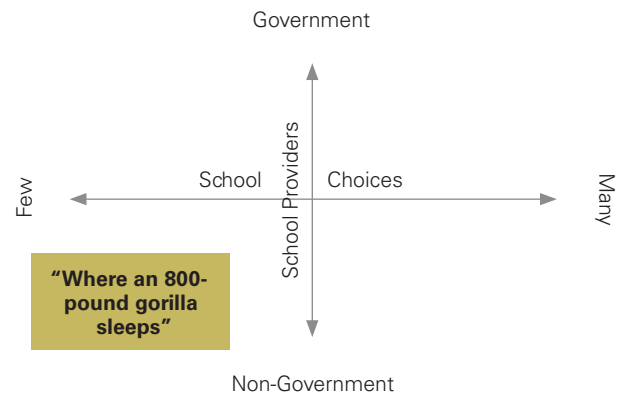
Deep Causes

In this scenario, private institutions are responsible for schooling the vast majority of children, yet offer limited choices to parents and students. The following deep causes could lead to this scenario:

1. The failure (real or perceived) of public schools to adequately educate all children and/or the success of privatized models spurs the privatization of education.
2. Perceived failures of government cause the public to blame government for their problems and seek non-governmental solutions to a variety of issues, including education.
3. Increasing government obligations to support other entitlement programs (e.g., Social Security and health care) prompt lawmakers to turn to privatization as a strategy for reducing education spending.
4. Large, successful companies move into the education marketplace and quickly gain dominance, resulting in limited choices for parents and students.
5. Student mobility creates a market for school franchises as parents seek out consistent education opportunities when they move to different locations.
6. Technology creates education efficiencies, providing sufficient margins to entice large companies to enter the market.

I'm sure you've all heard the old joke about the 800-pound gorilla. You know the one — where does an 800-pound gorilla sleep? The punch line: Anywhere it wants.

Here in this room tonight, we have many 800-pound gorillas. I mean that figuratively, of course; I don't want to dissuade anyone from eating your tiramisu, which is very good — my compliments to the chef.



"Where an 800-pound Gorilla Sleeps"

Time: December 14, 2014

Place: Key West, Florida

Scene: Sam Patel, CEO of Challenge Schools, Inc., is delivering the keynote address to the 5th Annual Conference of the Education Provider Industry Association.

You see, throughout the 1980s and 1990s, business people complained that schools needed to be run more like businesses focused on the bottom line — in their case, student achievement. Tonight, more than 30 years after the Nation at Risk Report and 10 years after the passage of the No Child Left Behind law (NCLB), I think we'd all agree that schools have become more like businesses. In fact, as the large crowd here tonight attests, schools have become businesses — and not just any business, but big businesses — 800-pound gorilla businesses.

Inside this room, I'm sure most of us see this is as a positive development. Outside this room, though, there may be some difference of opinion. Okay, that's a bit of an understatement. I know there are some people who aren't happy with the way things have turned out, but I say that our schools may not be perfect, but for us here tonight, there's one big difference. We can now do something about it.

When Ann at Education Providers Industry Association (EPIA) first asked me to provide some historical context for this conference by reviewing the history

of our industry over the past 10 years, I told her, “You’ve got the wrong guy, I’m no historian.” She said, “Sam, just tell your own story — you’ve lived the history and been a major part of the transformation of education from government schools to corporation schools.”

So here it is - my arguably unscientific, personal retrospective of transformation of the education market from a government monopoly to an industry dominated by large corporations, many of which didn’t even exist 10 years ago. And the ones that did were hardly gorillas; at best, they were maybe squirrel monkeys.

2004: Cracks in the government monopoly

My career in the education industry and, thus, this history, really begins in the year 2004, the year that I seized on a business opportunity and opened my first tutoring center in Philadelphia. My reasons for doing so were far from noble. I saw that the No Child Left Behind Act had created a huge opportunity for people who could provide after-school supplemental services,¹⁴ and I had read somewhere that one of the best franchises to open was a Sylvan Learning Center. At the time, I didn’t have \$140,000 to drop on the franchise fee, so I decided to open my own business, the first ever



Challenge Center.

At that time, Philadelphia was really the vanguard of the movement to privatize education. Edison Schools, as you may recall, had won a huge contract to run the city’s schools and Kaplan, a year later, landed a big contract to develop and provide a unified curriculum to the district.¹⁵ It was an exciting time to be in the education business. All these big players moving into the market, and me, with my little after-school reading center next to the tattoo parlors on South Street.

Also in 2004, you saw all these online schools really start to take off, giving public schools a run for their money.¹⁶ Well, some of them were public schools — rural schools way out in the middle of nowhere, which had figured out how to shore up

their dwindling enrollment by bringing in kids “virtually” from all around the country. My friend, Rick Romano, who owned a small, struggling educational software company, and I saw a big opportunity there and went for it. In 2004, we started incorporating his educational games for kids into our reading program and put them online. We started getting parents from all around the country interested in the Challenge Reading program. And the kids, well they were already interested, because as far as they knew, they were just playing computer games.



¹⁴ CNBC reported in December 2004 that investment analysts were giving strong markets to supplemental service providers, reporting that the “\$4.6 billion market for K-12 tutoring should continue to grow at a 15 percent clip for the next five to ten years.” Source: Thompson, M. (December 3, 2004). “Tutoring Gets Good Marks from Investors: Private Learning Centers See Rapid Sales Growth.” Online at: <http://msnbc.msn.com/id/6645890/>

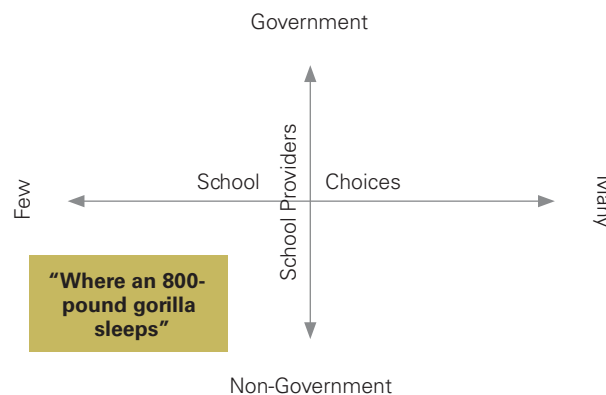
¹⁵ Snyder, S. (February 16, 2005). “Phila. Schools to Hire 3 Firms to Run New High Schools,” *Philadelphia Inquirer*.

¹⁶ In November 2004, the *Denver Post* reported that the number of students switching from traditional brick-and-mortar classrooms to full-time virtual schools in Colorado had soared from 166 to 4,237 over the past five years. Those figures, which did not include students who are taking one or two online courses to supplement their classroom education, were making officials in the state’s smallest districts jittery. Source: Rouse, K. (November 9, 2004). “Online Ed Puts Schools in a Bind,” *Denver Post* A-1.

R & D Organization Scenario #2

2005: NCLB against the rocks

You remember No Child Left Behind? In a lot of ways, 2005 was really the beginning of the end of the No Child Left Behind law, even though it sort of limped along for several more years after that. In fact, it was really only allowed to sunset a couple years ago. For those of you who don't recall, NCLB was initially a huge boon to guys like me. It created a market for our services that had never existed before.¹⁷ But one of the



Utah Is Unlikely Fly in Bush's School Ointment

things that began to happen in 2005 was that states, which were already strapped for cash, began to push back against the law in earnest, saying it was underfunded and unworkable.¹⁸ Where the real resistance came wasn't from liberal states, what we were calling "blue" states back then, but rather conservative strongholds, "red" states, like Utah.¹⁹

2006: The takeover makeover

In 2006, the No Child Left Behind law required states to raise the bar on schools and more than 40 percent of the nation's schools suddenly found themselves facing sanctions like providing parents other

school choices and supplemental services, and the granddaddy of them all, reconstitution. In fact, a quarter of the nation's schools now appeared to be well on the path to being taken over by their states or some similar consequence. The public, not fully understanding why schools had suddenly gotten so bad, grew doubtful that public schools would ever be able to fix themselves. At the same time, suburban parents weren't exactly thrilled that urban kids were starting to enter their schools in fairly significant numbers, thanks to the choice sanctions in the law. As you might

From bad to worse:
*1/4 of nation's
schools now face
state takeovers or
charters*

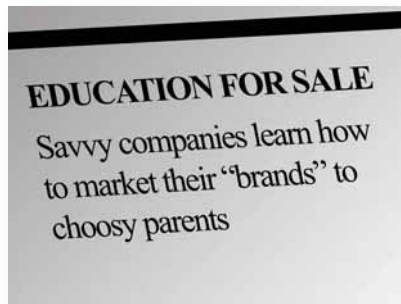
¹⁷ In October 2004, Trimaran Capital Partners, an investment group which owns Reddy Ice distributing, Urban Brands clothing company, and Norcraft Cos., which makes kitchen cabinets, purchased a chain of Florida private schools that cater to children with special needs and are funded largely through school vouchers. Trimaran Managing Director Jay Bloom touted the lack of significant competition in teaching disabled students as one of the reasons for his company's \$21 million purchase of Nashville-based Educational Services of America. Source: Miller, K. (February 22, 2005). Investment firm sees profit in disabled students. *Palm Beach Post*. http://www.palmbeachpost.com/news/content/news/epaper/2005/02/22/m1a_VOUCHER_0222.html

¹⁸ On February 23, 2005, a special task force created by the National Conference of State Legislatures released a bipartisan report that recommended fundamental changes to President Bush's No Child Left Behind education reform law to increase its effectiveness. The NCSL report included 43 specific recommendations to revise the act, which it criticized as a "one size fits all" system that stifles innovation at the state level. Source: Morlagh, J. (February 23, 2005). States want changes to No Child Left Behind. United Press International.

¹⁹ Republican legislators — and professed supporters of President Bush — led a well-publicized push for Utah to opt out of the No Child Left Behind Act. On February 9, 2005, *EducationWeek* reported that many red state Republicans are opposed to what they see as the law's "raft of prescriptions as encroaching on state and local turf and imposing unwarranted costs." (Davis, M). (February 9, 2005). "Utah Is Unlikely Fly in Bush's School Ointment," *Education Week* 24(22), pp. 1, 21.

R & D Organization Scenario #2

expect, 2006 was a growth year for private, parochial, and church school enrollment. I know it was a huge year for the Challenge Schools. We jumped

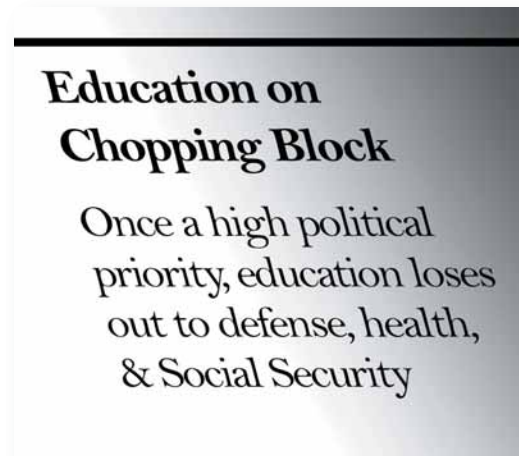


into the charter market with both feet, opening 12 charter schools in Pennsylvania, Maryland and Delaware. It was actually a fairly easy sell for us, since parents

and kids were already familiar with our products. We had also been scrambling like mad to get the data we needed to prove it all worked and were finally able to put up some pretty convincing numbers.

For service providers like Challenge Schools, the mid-2000 decade was a thrilling time. We could all feel that the government school system — this monolithic system that had been built over the century — was about to collapse under its own weight. But no one was sure what would remain or rise out of the ashes. But already, you could see a few companies, like Challenge Schools, gaining some pretty good market share, establishing a real name for themselves, mostly through multiple charters. Because of NCLB, you had a rash of new charter opportunities. But you also had states that were increasingly unwilling to give charters to unproven programs or providers. So the vast majority went to a handful of the usual suspects — KIPP, Edison, Kaplan, Challenge, Sylvan, and some universities. Universities, in fact, had a big advantage coming out of the gate. I mean, what parent wouldn't want to send their child to the Harvard or Stanford charter school? Some universities found they could pocket some quick cash by simply selling rights to their name. Challenge Schools almost inked a deal with Columbia University until we took it to some

focus groups and learned that putting Columbia and Challenge in the same phrase made too many people think about the tragic accidents that occurred to NASA space shuttles with the same names.



2007: Education on the chopping block

Near the latter half of the last decade, several trends converged to lead to some pretty drastic cuts in public funding of education. Not only was NCLB increasingly coming under fire from both the left and the right, and more and more schools were failing, but we also saw that, in general, education continued to slide down the list of political priorities. This was no surprise considering that America's largest generation, the baby boomers, now had most of their kids out of school. That meant their priorities were shifting as well — toward concerns about health care, Social Security and fighting terrorism.²⁰

Basically, politicians started to realize that NCLB was a law that they couldn't support politically, nor afford financially. That was the kiss of death for NCLB. By 2008, both parties' presidential candidates gave NCLB a cool reception. That year, Congress made major alterations to the law, which by 2009-2010 would leave it basically without teeth — and nearly without funds.

²⁰ Public opinion polls suggest this trend may already be underway. As of February 2005, the vast majority of the public (85% according to the Gallup organization) continued to agree that education is an extremely/very important issue for Congress and the President to address. However, when asked to name which issue is most important to them, far fewer people (7% according to a Feb. 2005 Harris and Jan. 2005 AP poll, and 3% according to a Feb. 2005 *New York Times*/CBS News Poll) list education as their highest priority concern. Social Security, terrorism/international affairs, and the economy are cited far more often.

MERGER MANIA

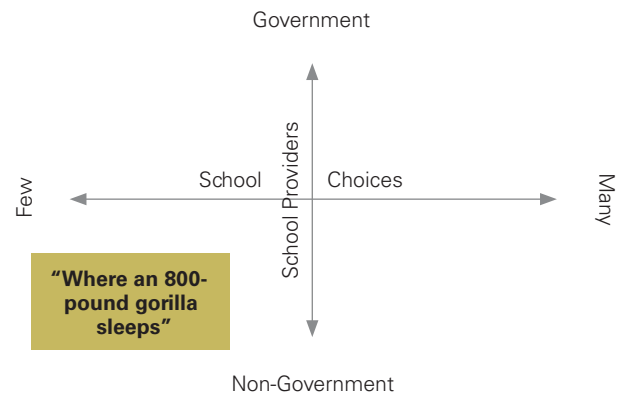
In a fight for survival, education firms find synergies and security in partnerships, mergers, and acquisitions

2008: Merger mania begins

Near the end of the decade, the top five education franchisors all experienced phenomenal growth, signing up more and more franchisees as public schools were converted to charters. But we also started to feel the strain of maintaining the fidelity to our models. In a lot of cases, we'd hire teachers who'd sit in a job interview and say, "Yeah, yeah, we'll do it your way." And then they'd go to their classrooms and teach just like they'd always done, which, you know, I hate to say it, usually wasn't so hot.

In 2008, Challenge Schools, for one, began buying out, raiding staff from, and merging with other organizations and providers. Over the next few years, you saw this long list of about 100 education knowledge companies — charter school providers, school reform model developers, publishers, federal regional labs and comprehensive centers, test companies — they all got whittled down to a list of about a half dozen big players. In those years, it felt like everybody was frantically looking for a date to the prom.

Companies began looking for synergies and merging into a handful of big players on their way to becoming the controllers of most of the education market today. A few publishers and professional development providers tried to stick it out on their own, hoping to provide services to all these new companies. But if they were good enough, they offered too much competitive advantage for the big boys to just let them sit there and help out the other guy, and, as a result, almost all of them eventually got snapped up by somebody. A few research firms, like RAND and some university and regional lab spin-offs have, of course, maintained



their independence, sort of becoming the J.D. Powers' of education, offering respected, objective evaluations of education programs, which as we all know, savvy parents are tuned in to and demand to see from school programs.

Basically, what started happening was that the red tape of the old bureaucratic "accountability" system slowly began to be replaced by a new form of accountability — market forces. Some people were prepared for this new reality and others weren't. Obviously, testing didn't go away, but thanks to technology, it did get a lot smarter and more cost-efficient. It's hard to believe that just a few years ago, really, kids were still taking paper-and-pencil tests.

Increasingly, state assessments were merged into single, large regional assessments as states created multi-state testing compacts.²¹ At the same time, the College Board's new generation of content-oriented tests became the standard for most colleges and universities, thus creating a *de facto* national (not federal — a big distinction, of course) test. So then schools all had a common measure and parents had a

Now what?

Schools taken over 4 years ago face state takeover again

Lawmakers reluctant to throw "good money after bad"

²¹ In 2004, the states of Rhode Island, New Hampshire, and Vermont announced plans to pool resources to create the New England Common Assessment Program. Students in all three states will take the same test, which should reduce the cost of testing from about \$25 per student to \$12 per student. The lowered cost allows for a higher quality of test with more open-ended questions, more open-response options for test takers, and fewer matching and multiple-choice questions. Source: Goldstein, M. (October 10, 2004). "N.H. Revamping Standardized Test," *Boston Globe*.

way to compare them. By 2008, the only piece missing in achieving Milton Friedman's dream of creating a market-oriented education system was the demand side of the equation; that is, giving consumers, in this case, parents, control over education dollars. But that was just over the horizon.

2009: The final nail in the coffin

The death knell for NCLB and public schools as we had once known them rang in 2009, when hundreds of schools that had been reconstituted four years earlier, now faced reconstitution again because they had failed, once again, to make adequate yearly progress. More important, this "double" failure of schools prompted increasing numbers of lawmakers to throw in the towel with public education in general and NCLB, in particular. Some "old school" educators hoped naively that with NCLB gone, the federal government would finally get off their backs and things would return to normal for them — the old "this too shall pass" notion they had clung to since the passage of the law.

But really, as much as some educators resented it and assumed it was a conspiracy to ruin public schools, it seems now in hindsight that NCLB had been public school's last hope — a last ditch effort to demonstrate that a government-controlled system of education could provide high-quality learning for all kids.

The demise of public schools, though, came just

a month after the September 2009 news that schools had twice failed to measure up. I'm sure you know what I'm talking about — the "perfect storm" meltdown of October 2009, when rising oil prices, federal debts,²² and the falling dollar came together to cause the collapse of the stock market, massive layoffs, and bankruptcies.

After that point, not only was there no more public support for public schools, there was a shrinking pool of public funds. To some extent, public schools fell victim to, but also may have contributed to, the public's larger loss of faith in government in general. You know, some people have scratched their heads at why our country hasn't responded the way it did after the stock market crash of 1929 when we implemented a system of government controls and safety nets. But here's the big difference: back then, people felt that unchecked capitalism and an unregulated stock market had caused the depression. In short, business was to blame, so we turned to government for support and protection — a system, of which public schools were a part — that lasted for seven decades.

This time around, though, it's different. It's the opposite, really. Most people blame not business, but government, for this meltdown. Five decades of deficit-spending, politicians lacking the spine to touch the "third rail" of Social Security, and then unable to agree whether privatization or preservation was the right approach to solving the problem, led to the drastic devaluation of the dollar and subsequent market crash. I heard a New York stock broker who lost his job after the October meltdown, sum up the sentiment of the

SMOKE & MIRRORS

Despite vouchers & tax credits, education costs have shifted to families

NCLB Left Behind School law to sunset in 2010

²² On February 22, 2005, reports that the central bank of South Korea was shifting reserves from U.S. dollars into sounder currencies caused the dollar and stock market to plunge — until the reports were eventually denied. Nonetheless, David M. Walker, the accountant in charge of the federal government's books has warned that if federal deficits continue unchecked, "it's inevitable" that the Asian banks who are currently financing U.S. federal deficits will lose confidence in the U.S. dollar and demand higher interest rates from the U.S. government. "The crunch is coming," Walker warns. "We are at risk. We are at serious risk." Source: Farrell, J.A. (February 27, 2005). "U.S. Deficit Builds House of Cards," *Denver Post*.

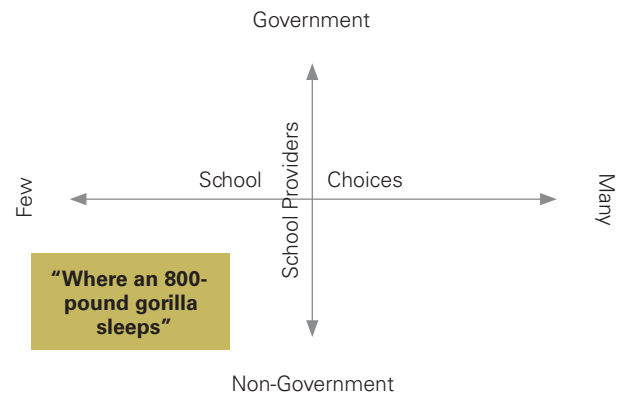
R & D Organization Scenario #2

country, when he said, “If you want something done right, do it yourself. If you want something royally screwed up, get the government involved.”

2010: Dollars in parents’ hands

By 2010, several states had followed Florida’s lead of creating statewide voucher programs. For a lot of state lawmakers, vouchers seemed like the only logical response to evidence that neither public schools nor charter schools were making the grade.²³ After the crash, a lot of lawmakers became increasingly convinced that private providers could provide education far more efficiently than public schools because they could better figure out how to utilize economies of scale and get rid of the “administrative blob” that former secretary of education, William Bennett, and others, had claimed bogged down public schools.

At the same time, the federal government extended child care tax credits to K–12 tuition expenses, putting up to \$3,000 per child in the hands of parents. In some states, parents now had more than \$6,000 in their hands, through state vouchers and federal tax credits, that they could spend anywhere, from private to parochial to home schools. Sure, it wasn’t quite enough — most franchisor’s operating costs were closer to \$8,500 per student. With some help from fundraisers and “sweat equity” — our painting and landscaping Saturdays, that sort of thing — we can usually bring the difference down to less than \$2,000, and we find that a lot of parents are willing to pay an extra \$150 or so a



month to send their kids to top-quality schools. So all in all, the vouchers and tax credits were a huge boon to charter franchisors — not to mention church and parochial schools, which have become the low-cost education alternative for lower-income parents, you know, because most have free rent and a steady supply of volunteers and offering plate collections. At any rate, by 2010, what had been unthinkable just a decade before — a system of education provided mostly by non-governmental institutions — was now becoming commonplace.

At Challenge Schools, we were busy beyond belief, signing up new franchisees left and right. We had been, frankly, a little worried that after NCLB went away, so too would our business, since there wouldn’t be as many charter conversions. But with parents now flush with voucher dollars, the market was wide open.

Some people never saw it coming — they assumed that the American public would never go for vouchers like they did. But if you had read the opinion polls closely enough, you would’ve seen that vouchers were just waiting to happen. While polls showed mixed results in terms of public support for voucher programs, most parents, when polled, said if they had a voucher, they’d enroll their children in a private school.²⁴ In other words, while the public in general hadn’t yet

²³ To date, research on charter schools has yielded mixed results. Some studies have produced positive findings: a 2003 Rand Corp. study found California charters perform as well as or better than traditional schools, and a 2004 Harvard University study found charter school students were more proficient in reading and mathematics than students at nearby traditional schools. But other studies have reported negligible or negative outcomes: a March 2005 Economic Policy Study found that the “average impact” of charter schools “is negative” and a 2003 American Federation of Teachers study found fourth-grade charter school students were performing about a half-year behind students in traditional public schools.

made up its mind about what was best for the system as a whole, parents had already made up their minds about what was best for their own kids, in particular.

It was also about this time that the federal well finally ran dry for a lot of organizations that had once relied on government funding to provide services to states, districts, and schools leading to a major shake-out of research and development organizations and service providers. The few that survived — those that learned how to market their services and compete effectively — emerged bigger and stronger. The rest have been acquired or just plain shuttered.

800-lb. Gorillas School law to sunset in 2010

2011: Business steps in to fill the void

I remember after the “perfect storm” thinking, ‘Thank goodness for our new system of entrepreneurial school leaders.’ It’s the people in this room tonight who were able to quickly adapt to the changing reality. I know at Challenge Schools, the economic downturn forced us to come up with inventive ways of lowering tuition costs. As I alluded to earlier, we, for example, borrowed the “sweat equity” notion from Habitat for Humanity, through which parents, many of whom were now unemployed, donated services at our schools in exchange for reduced tuition. In some ways, we’ve recreated that old, old notion of public schools — when settlers came together with their lumber and nails to build a school and offer boarding to the teacher.

Today, of course, the biggest difference is that instead of people coming together and creating governmental entities, we create corporations. And instead of

looking to government to solve our problems, we look to businesses. Through their places of work, parents have banded together to create on-site schools, from pre-K to 12. Most businesses, of course, have no business being in education. So they turned to the established providers of schooling to create their corporate-sponsored schools. I know a lot of people in this room have benefited from such relationships. Last year, Challenge Schools signed big contracts with Microsoft, Saturn, and Tyson Foods to provide schools for their employees — talk about an interesting mix.

You may have heard that during the last great depression, more millionaires were created than at any other time in our history. I suspect the same thing may happen during this downturn, which hopefully won’t turn into a full-blown depression.

2012: Consolidation & vertical integration

When I first got into the charter school business, I naively figured that at \$6,500 per kid we could afford to provide an outstanding education and offer great dividends to our shareholders. We’d buy up an old building, maybe get some tax credits. Then we’d pay teachers well — \$40,000 or \$50,000 a year — at \$6,500 per kid it would only take 10 kids to cover their salaries, and the remaining 10 could cover the other stuff, which I wrongly assumed couldn’t cost that much.

That was before I fully accounted for all the other necessary expenditures — books, software, computers, school furniture, professional development, data management, assessments, you name it. Initially, I had no idea how much those things cost; but soon learned, and soon saw all my profits and dividends going right out the door.

So I adopted an aggressive five-year vertical integration plan. Instead of paying other companies for all that support stuff, Challenge Schools would own

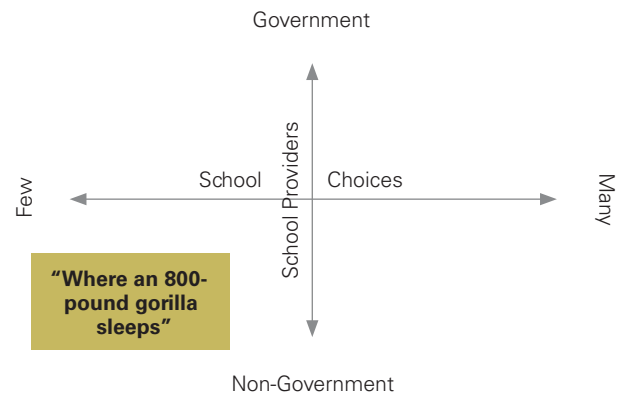
²⁴ The 2003 Phi Delta Kappan/Gallup poll of parents’ attitudes about schools found, for example, that while 60 percent of respondents opposed vouchers, 62 percent of respondents said they would use a voucher to send their child to a private school. In 2004, 54% of respondents opposed vouchers and 56% said they would send their children to a private school if they had a voucher. Source: Rose, L.C., Gallup, A. (2004). “The 36th Annual Phi Delta Kappa/Gallup Poll of the Public’s Attitudes Toward the Public Schools,” *Phi Delta Kappan* 86(1), 41-58.

Shakeout continues Five companies now educate $\frac{1}{2}$ of nation's kids

them. Our strategy is now mostly complete. Textbook publisher? Got it. Software developer? Already had it. Professional development? Got it. Data management? Got our own software. Challenge Schools can now almost outfit an entire school, well, except for classroom furniture, but we may soon change that. Here's the other thing that has really changed that equation — technology. I've heard it said that in the 1980s, American businesses spent billions of dollars on computer technology, but it wasn't until the 1990s that they finally figured out how to use technology to create productivity gains. Schools, which were about 10–15 years behind businesses in adopting technology, have really only recently figured out how to use computers and other communication technologies to improve student learning and reduce costs.

You know, originally, schools would just buy computers and stick them in the back of the classroom. But over time, they figured out how computers could aid with assessment, data tracking, reporting to parents. All kinds of stuff that districts and schools used to have to hire people to do, our teachers can now take care of with the click of a button. We have swipe cards so our teachers never have to take attendance. We have computerized assessments so they don't have to spend

**Packed in like
sardines, class
sizes mushroom
in inner-city
“welfare” schools**



hours after school grading tests and quizzes. Even better, the “smart tests” immediately identify patterns in student errors and recommend instructional changes.

2013: Shakeout

You may have recently read in *Education Week* that the nation's top five education providers now educate more than 50 percent of the nation's students. Think about that for a minute. There's a handful of us in this room tonight who are responsible for half the kids in America. I would venture a guess that, collectively, all of us in this room tonight are responsible for educating as many as 75 to 85 percent of the nation's students. But that means we have a huge responsibility, which is why I opened my remarks tonight with the joke about the 800-pound gorilla.

2014: The need for corporate responsibility

I know I probably shouldn't do this, but I'm going to anyway; I'm going to call out the elephant in the room: poor rural and urban kids. They're the biggest blemish on the otherwise amazing transformation of the education industry we've helped create. The critics of this transformation accuse us of creating two education systems in this country — one for the haves, and one for the have-nots.

To those folks I would point out that we've always had two education systems in this country; that's nothing new. But here's what's new: We can do something about it. We are the 800-pound gorillas. If we really want something to get done, we can get it done.

Now, I know there's no profit in serving blighted urban communities or poor, isolated rural communities. I know that their vouchers don't come close to covering their costs, especially if they have special needs or need extra help learning English or need their school to provide them with free breakfast and lunch.

But those kids are no less special than the kids in the exurbs. Look, I think a lot of us got into this business because we believed it was important. So tonight, I'm announcing that Challenge Schools, Inc. is creating a new, nonprofit foundation called Expanding the Challenge, through which we'll collect donations and start opening schools in impoverished areas. I'd ask you all to consider how your companies might also find new ways to serve all kids, so when someone stands at this podium 10 years from now, they'll be able to say with confidence that we were all part of the solution for leaving no child behind.

Analysis of Scenario #2

Implications

In this world, strong federal presence and intervention in education is a failed strategy. As a result, strategic alliances have formed between providers of education programs, products, and services which now dominate the market. Organizations that prosper in this world have either become 800-pound gorillas, or have allied themselves with one (or more). These alliances will be shaped and formalized based on the value that each ally adds to the proposition. Part of the "value proposition" will be based on the visibility, credibility, and reputation of the participants. Accordingly, branding (and co-branding) will become an increasingly critical strategy and asset in marketing and selling to consumers of education programs.

There are two key audiences in this world. The first are decision makers in the 800-pound gorilla organizations and their allies. The second are parents, who will be deciding into which "franchise" school they will enroll their children.

With only a few 800-pound gorillas providing programs in this world, franchising schools is a key business strategy. This requires scalable training and development for franchisees. The use of "mixed media"

will be an essential means of delivering this training.

Research and development in this world is funded by the private sector. There is strong support for testing solutions and developing evidence of impacts and outcomes to support the approaches used by the 800-pound gorilla organizations.

Indicators

The following trends and events are possible indicators that the future may be moving toward this scenario:

- Rapid expansion of a handful of well-defined school models (e.g., KIPP, Core Knowledge, Montessori)
- Charter schools' or public school alternatives' demonstration of compelling evidence of their effectiveness
- Rapid expansion of voucher and/or private school tax credit programs
- Rapid growth in the number of children educated in public school alternatives, especially if a large portion of this growth is concentrated in a relatively limited number of school models — for example, if a few players appear to corner the market on charter school conversions
- The percentage of children educated in alternative settings reaching a "tipping point" in bellwether areas (e.g., suburbs and exurbs), where support for public schools has traditionally been strong — for example, even a relatively small percentage (e.g., 25%) of parents removing their children from public schools in these areas could drain needed resources from public schools and rapidly tip the balance in favor of alternative models
- Profits posted by private education companies leading to an influx of capital needed to support the development and expansion of private models of education

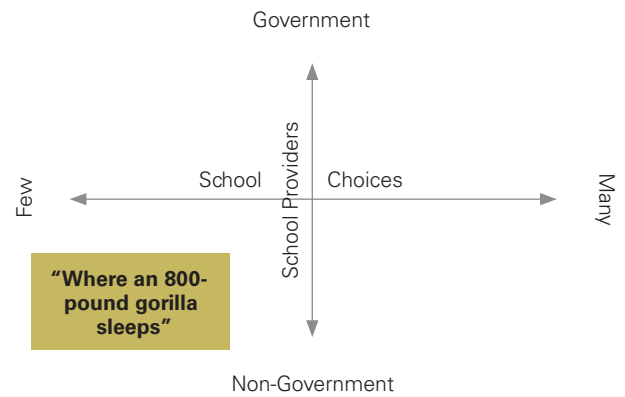
R & D Organization Scenario #2

- Continued declines in public confidence in government's ability to solve problems
- Continued declines in public concern about education (i.e., other issues, such as health care and Social Security continue to surface as more important political priorities)

Options

Options in this world are limited. Providers can either work to become an 800-pound gorilla, or ally themselves with one or more organizations likely to emerge in this way. Positioning provider organizations to ally with more than one of the 800-pound gorilla organizations will require the following actions.

- Sharpen an internal understanding of the value providers add to programs offered by other organizations.
- Emphasize the use of mixed media in the design and delivery of all professional development offerings.
- Increase the use of mainstream and education media news and editorial coverage to increase brand visibility.
- Develop and demonstrate evidence of the impact and outcomes of products and services.
- Look for and establish relationships with potential gorillas (e.g., software companies, supplemental service providers, universities, successful charter school model providers, and other organizations with recognizable education-related “brands” such as museums and media companies).
- Become a recognized provider of independent education research and evaluation with visibility with both education companies and parents (e.g., a “J.D. Power of education”).
- Prepare supplemental materials to support instruction on and development of learning skills for the 21st century (i.e., in literacy, mathematics, and science).



SchoolsUnlimited.gov: What Doesn't Kill You

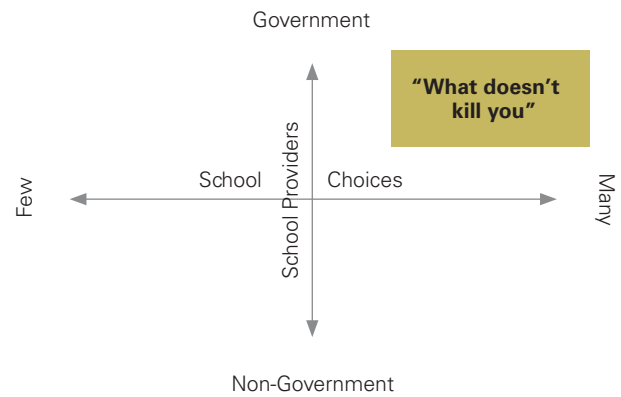
Deep Causes

In this scenario, government has strong control over the education market, which offers many choices for schooling to parents and students. The following deep causes could lead to this scenario:

1. Public school choice models (e.g., charter schools) demonstrate effectiveness and gain strong support from taxpayers and parents.
2. Parents accustomed to choices and customization in other markets, increasingly expect the same level of choice and customization in the education marketplace.
3. An increasingly diverse and fragmented public, which is unable to agree on common values or outcomes for schools, necessitates the creation of multiple models of schooling.
4. A new coalition (possibly a third party) of political moderates supports the proliferation of charter schools as a compromise solution for offering a wide array of choices to a fragmented public while nonetheless maintaining some government control over education.
5. Technology enables government to monitor, and hold accountable, multiple models of schooling.

I've been asked to offer my thoughts on what schools may look like 10 years from now. I know that you probably figure that as the CEO of a well-known, nonprofit education research and development organization that serves schools around the country, I would have my finger on the pulse of change. Well, I hate to disappoint you, but I'm going to sum up my thoughts on what will happen with education in the future in four words: I have no idea.

You see, the past 10 years have brought so many profound and unexpected changes to education, that I'm hesitant to make a fool of myself by saying something here this afternoon that we'd all get a good laugh about in 10 years.



"What Doesn't Kill You"

Time: September 22, 2014

Place: Winter Park, CO

Scene: Miguel Garcia, CEO of School Success Corporation, is giving the keynote address at the Schools of the Future Conference.

But what I can offer is this: a history of the past 10 years of education. I started out in education 30 years ago as a historian, teaching history in the Los Angeles public schools. So that's what I do: I constantly look back and analyze how much things have changed and why.

So I think it may be important for us here at this conference to retrace our steps. By doing so we'll see how much our world has changed in the past 10 years and may get a better idea of how much change we could expect to see in the next 10 years.

So, class, open your textbooks to page one. See, right there, how odd that sounded? Well, it didn't sound so strange 10 years ago. Okay, object lesson over. Please turn off your personal computers and join me in a walk through recent history, starting in the year 2004.

**States
want
changes to
No Child
Left Behind**

2004: Seeds are sown

Looking back, you can see that all of the seeds of change for the past 10 years had already been sown in 2004. For example, the No Child Left Behind Act (NCLB) was moving more and more schools closer to being taken over or converted into charters by their states. Online and distance learning was burgeoning. The number of home schoolers had passed the 1 million mark. The charter movement was strong and growing. Religious conservatives were being called to leave public schools. Of course, at the time, like the Biblical parable, it would've been hard to know which seeds would fall on hard ground, which would be carried away by the wind, and which would sprout into substantive changes.

Southern Baptists
see school movement grow

2005: Charters take root

During the summer of 2005, we saw the first wave of under-performing schools — schools that had failed to meet adequate yearly progress as defined by NCLB — being converted into charter schools. Immediately, states began looking around for successful models of schooling.

At the time, there really weren't too many to choose from, at least not if you held them to the high standard of effectiveness as demonstrated by scientific

Cole first to face charter fix

cally based evidence. You may recall that the What Works Clearinghouse had just begun and there was very little in it to give educators and policymakers much guidance. I should add that back in 2005, the future of the charter school movement really appeared to be up-for-grabs, as they were producing mixed results.²⁵ Some schools were showing strong gains, but on the whole, most charter schools did not appear to be adding much value to their students' learning. So the few programs around the country that were able to demonstrate success really started to catch on.

Also in 2005, states began to push back forcibly against the law, calling it under-funded and in need of several revisions.²⁶ What was perhaps most striking is that the real resistance to the law came not only from more traditionally liberal states, but also from conservative states like Utah²⁷ and other places that were strong supporters of George W. Bush.

Like dandelions in the summer sun
With higher state bar on test scores,
charter schools are popping up
everywhere this summer

²⁵ As noted earlier, research on charter schools has generated mixed results to date. Some studies have produced positive findings: a 2003 Rand Corp. study found California charters perform as well as or better than traditional schools, and a 2004 Harvard University study found charter school students were more proficient in reading and mathematics than students at nearby traditional schools. But other studies have reported negligible or negative outcomes: a March 2005 Economic Policy Study found that the "average impact" of charter schools "is negative" and a 2003 American Federation of Teachers study found fourth-grade charter school students were performing about a half-year behind students in traditional public schools.

²⁶ On February 23, 2005, a special task force created by the National Conference of State Legislatures (NCSL) released a bipartisan report that recommended fundamental changes to President Bush's No Child Left Behind education reform law to increase its effectiveness. The NCSL report included 43 specific recommendations to revise the act, which it criticized as a "one size fits all" system that stifles innovation at the state level. Source: Motlagh, J. (February 23, 2005). *States want changes to No Child Left Behind*. United Press International.

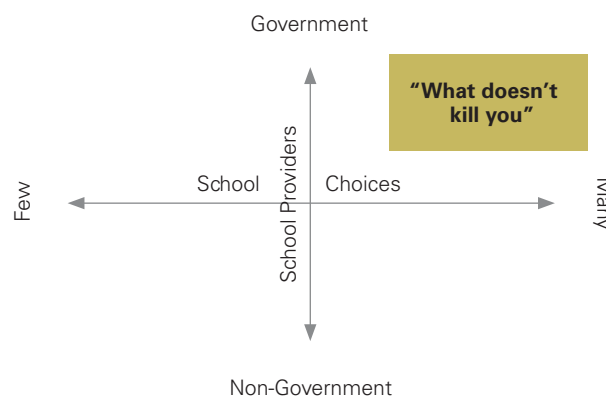
²⁷ Republican legislators — and professed supporters of President Bush — led a well publicized push for Utah to opt out of the No Child Left Behind Act. On February 9, 2005, Education Week reported that many "red state" Republicans are opposed to what they see as the law's "raft of prescriptions as encroaching on state and local turf and imposing unwarranted costs." (Davis, M). (February 9, 2005). "Utah Is Unlikely Fly in Bush's School Ointment," *Education Week* 24(22), pp. 1,21

Finally, on a personal note, I should add that the framework for the School Success Corporation was sketched out on a napkin late that fall. At the time, I was working for a regional laboratory and a good friend of mine, Langston Davis, was thinking of opening a charter school in inner city St. Louis — one which he wanted to be based on rigorous research, yet be individualized to the needs of its at-risk students. He asked me if I could help him design such a program and said nothing was off the table. “If it works, it works,” he said. His question was something that I felt like I had spent two decades waiting to be asked, so I gladly took him up on his challenge.

2006: Divides remain, charters grow

By 2006, it became apparent that we were no closer to solving the bitter partisan and cultural divide that had split the country. Democrats, hoping for a mid-term bounce poured millions into increasingly cantankerous Congressional battles, which brought accusations of fraud from both sides. In this environment, public schools were limping along, generally improving, yet not fast enough to outpace the rising bar of adequate yearly progress (AYP) targets. In the summer of 2006, as states were required to raise the bar on AYP, another, much larger wave of low-performing schools was taken over by their states and turned into charters. Once again, educators were in a mad scramble to find effective models of schooling.

I’m pleased to say that the kids in my friend Langston’s school performed very well, attracting some considerable media attention. People started calling Langston and asking him how he’d done it. The first thing out of his mouth was “research.” The second thing was my name. My phone started ringing off the hook and I hung out my shingle as the School Success Associates and hired some of my old regional laboratory friends to answer the calls. You see, there was a growing body of evidence in those days. The What Works Clearinghouse was starting to take off. But educators needed people to help them sift through all the evidence. And that’s where we came in. We’d separate fact from fiction and train teachers and school leaders to apply the research to their classrooms and schools.



2007: “Pruning” public schools

By the fall of 2007, fully one-fifth of the nation’s kids had enrolled in charter schools — three-fold growth in three years. More and more, big public schools were being replaced by small charter schools, sometimes operating within the same four walls. It was not unlike what happens when you prune a bush in your yard. You cut a branch, and two or three grow back in its place. Back in those days, for each big, unsuccessful, overgrown school we trimmed, three or four new ones would sprout in its place.

Generally speaking, as these fragmented schools took the place of larger schools, they reflected the increasing balkanization of our country and communities. Although some people resisted it, saying that our schools should be “common schools” where our kids would learn to come together as Americans, in reality, sometimes breaking a school up into a bunch of smaller

**New
milestone:
25% of
nation’s
students
now
enrolled in
school of
choice**

units was the only sensible solution. You had parent groups nearly coming to blows over which model they wanted for their kids. Some wanted ethnic-centered curriculum; others wanted core knowledge. Some wanted a constructivist approach; others direct instruction. Some wanted a laptop in every backpack; others wanted to ban calculators. Some wanted athletics; others wanted arts. Some wanted evolution; others intelligent design. Some wanted bilingual; others wanted immersion. It was impossible to please everyone.

Savvy educators learn how to “brand and market” public schools

You also had a new generation of school leaders — so-called, “Gen-Xers” — who were an entirely different breed than their boomer predecessors. They were far more pragmatic and much less focused on the big picture. I dug up a quote from David Masterson, who ran a fine arts-oriented charter school in the Bronx, that nicely sums up Gen-Xers’ more pragmatic (and arguably less philosophical) approach to education. In response to a reporter asking him whether he thought, in the long run, it was good for the country to have all these schools going off in their own separate directions, giving kids’ very different experiences, he replied, “Is it good for the country? Maybe not. But is it good for my kids to go to a school that nurtures their talents and challenges them? Absolutely. I’m trying to help the kids I can help — the ones right here in this school. The alternative, you know, is trying to provide all things to everyone, and in reality, providing nothing to anyone. That’s how our schools used to operate and in my opinion, it didn’t get us, or our kids, very far.”

In case you’re wondering, I just turned 54 last week, which technically makes me a member of “generation Jones” — the generation sandwiched between boomers and Gen-Xers.²⁸ Actually, I feel very much like a hybrid of boomer idealism. I’m deeply motivated by a desire to help all kids, but I also have that Gen-Xer pragmatism. I never got caught up in the reading or math wars or any of that stuff. Like my friend Langston, who is a Gen-Xer, my attitude is very much, “if it works, it works.”

In this fragmented environment, the best solution for districts or state charter boards was to say, ‘Fine, show me the evidence your approach works and you can go off and do your own thing.’ At one point, School Success considered developing a “franchise,” a model for schooling that we would sell to charter operators. We didn’t get very far with that plan, though, because in this environment everyone basically wanted to do their own thing. You saw a few organizations try to make a go of the franchise concept — I’m thinking of Edison and KIPP and some others — but as the market became increasingly fragmented and locally driven, it became harder and harder to make that model work. I just read somewhere that KIPP, Edison, and Sylvan, the three most popular charter models in the country, represent less than 10 percent of the total enrollment of the country. Church schools account for about another 10 percent. Everybody else is ordering from the *a la carte* menu when building their school programs.

2008: Removing thorns from NCLB

By 2008, the tide began to turn on school takeovers, due in part to a lot of schools, especially a lot of the newly converted charter schools, making some significant progress, but also due to some regulatory and legislative changes to the No Child Left Behind law. With the 2008 election season in full swing, neither party wanted to necessarily come out in favor of the law, nor

²⁸ Demographer Jonathan Pontell coined the term “Generation Jones” for this age group, born between 1954 and 1965, which he notes comprises the largest adult generation in the U.S. The name “Jones” denotes both the fact that this generation has remained largely anonymous (a generation “Smith” or “Doe”) and represents an average family next door balance between boomers’ idealism and Gen-Xers’ cynicism. Source: Generation Jones Web site: http://generationjones.com/index_old.htm

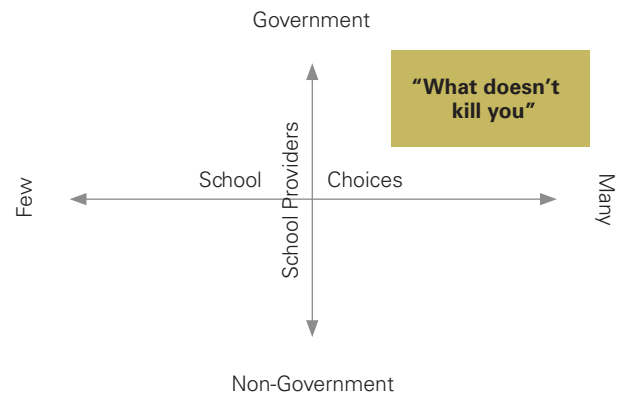
NCLB MAKEOVER:

Federal law, dubbed
'good looking from afar,
but far from good looking,'
gets face lift

against it, so members of both parties realized the best solution was to take it off the table altogether. They tweaked NCLB just enough to quiet the most strident critics — creating, for example, more accommodations for special needs kids and tracking English Language Learners as a subgroup throughout their entire academic careers. Yet they kept enough of the law, like the testing and reporting requirements and a newly modified AYP system, in place to keep its supporters happy, more or less.

Most educators and state lawmakers applauded these changes as bringing a needed dose of common sense to the federal law. A few people worried that there might be some shenanigans; for example, they worried that the ranks of special needs kids might swell as schools sought to get more kids out of the AYP spotlight. But for the most part, such gaming of the system has been the exception, rather than the rule.

I suppose in a way, charter schools were in the right place at the right time — as some of the fangs were removed from NCLB, test scores started to climb. Most members of the general public didn't understand the regulatory nuances, and so, charter schools got most of the credit for saving the day. But also, as more parents enrolled their kids in charter schools, which had also always enjoyed high levels of parent satisfaction, school approval ratings climbed as well.



2009: Compromise grows in the furrows

The outcome of the 2008 Presidential election caught many pundits by surprise. But it shouldn't have. Since the 1990s, a plurality of voters had identified themselves as independent.²⁹ For the most part, these voters were moderate, swing voters. Such voters neither identified with

All things in moderation?
Will McCain and 'common sense' third party be able to rule from the center?

religious conservatives, who began asserting themselves more strongly in the Republican party after the 2004 election, nor with traditional liberals, who began asserting themselves more strongly in the Democratic party after its White House and Congressional losses.

So it should've surprised no one that some moderates from both parties looked across the aisle and wondered if they had more in common with one another than with their own parties. For example, Democrats

²⁹Lost in recent media coverage of the split between Republican and Democrats and "red state" and "blue state" America is the fact that Americans appear to be even divided into thirds with even percentages of adults reporting that they consider themselves to be Republican, Democrat, or Independent — for example, Republicans, Democrats and Independents were evenly tied at 31 percent in an October 2003 ABC News / Washington Post poll. Source: Polling Report — <http://www.pollingreport.com/institut.htm>

such as Joe Lieberman, Max Baucus, Ben Nelson, Mark Pryor, and Barack Obama, as well as the “Blue Dog Democrats” in the house, all felt slighted by Howard Dean’s winning the party chairmanship back in 2005. And conservative, yet socially moderate Republicans like John McCain, Olympia Snowe, Chuck Hagel and Arlen Specter began to split with the administration on a number of issues, including stem cell research.

And so, when John McCain, whose hero had always been Teddy Roosevelt, father of the renegade “Bull Moose” party in the early 1900s, failed to secure his party’s nomination in the summer of 2008, we should’ve all seen what was coming next. As a maverick, McCain had strong appeal with Gen-X voters, who as a small generation demographically, had never wielded much political power. So, too, Silent generation voters, a smaller voting block than boomers, the nation’s largest age group, had also been eclipsed by boomers at the polls — with no member of their generation ever making it to the White House. But by combining forces in the resurrected Reform Party, middle-aged Gen-Xers and elderly “silents” found they could assert political authority over the ideologically divided boomers.

As you know, all these factors added up to John McCain winning the White House in 2008. McCain won handily among Gen-Xers and McCain’s own Silent generation peers. Meanwhile, Hillary Clinton and Bill Frist split the vote of the more ideological boomers, who apparently, like former Attorney General John Ashcroft, felt that the only two

things you find in the middle of the road are “a moderate and a dead skunk” — and didn’t want to be either.

In terms of education, McCain and the Reformers’ “live and let live” approach to governance quickly demonstrated they were happy to oversee the further proliferation of charter schools, which they saw as a good compromise solution — one that allowed for many aspects of schooling to be deregulated (by waiving, for example, requirements on teacher certification) in exchange for demonstration of student achievement and fiscal probity. Charters appealed to moderates, who were more intent on preserving the public system of education than public schools themselves. I think they also figured out that getting behind charter schools was simply politically expedient as they had long enjoyed high levels of parent satisfaction while voucher programs continued to have mixed public support.³⁰

Reed Hanson, a freshman Congressman from Nevada, who was elected as a Democrat, but defected to the Reform Party even before he was sworn in, bluntly stated the new party’s position on education in *Newsweek*: “My philosophy is test them [schools] and go over their financials, but otherwise, leave them alone. Our society is too diverse and divided for a one-size-fits-all approach to education to work. And frankly, I really don’t care if a school wants kids to sing the Hallelujah Chorus every morning standing on their heads as long as their [test] scores show their kids are learning and their balance sheets show they’re not spending their money on antique lava lamps and trips to the Bahamas.” When asked if he supported vouchers, Hanson quipped, “Frankly, vouchers scare me. I don’t want my tax dollars going just anywhere. Public dollars should stay in the public system, which I might add, will get the job done if we just let it. As my grandma used to say, let’s not throw out the baby with the bathwater.”



**I'M O.K.,
YOU'RE O.K.**
New generation
of politicians
revive lost art
of compromise

³⁰ Charter schools appear to occupy the political middle ground between traditional public schools, supported by the left, and free-market oriented voucher programs, supported by the right. In May 2005, Eric Rofes and Lisa Stulberg, two self-described progressives who supported charter schools, expressed concern at a forum sponsored by the policy wing of the centrist Democratic Leadership Council, that Democrats are becoming increasingly hostile to charter schools out of deference to teachers’ unions. Their book, *The Emancipatory Promise of Charter Schools: Toward a Progressive Politics of Choice*, embraces charter schools as a means of improving education for disadvantaged children. Source: Hendrie, C. (May 15, 2005). “Authors Urge Left-leaning Advocates to Back Chartering,” *Education Week* (24) 38, p. 9.

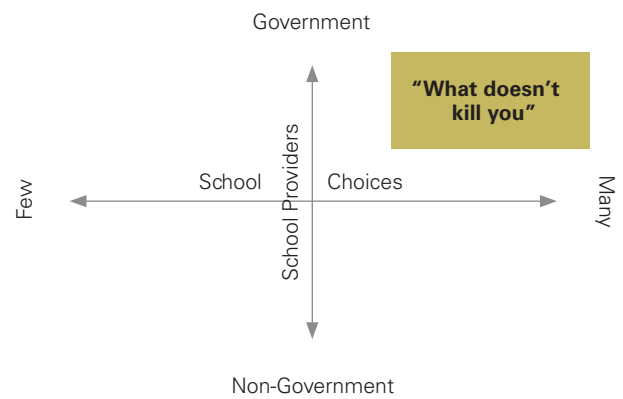
R & D Organization Scenario #3

These new centrists, while still relatively small in number — 70 members in the House, and 14 in the Senate, wield disproportionate power in Congress because they're the swing votes. By driving a moderate agenda — one which resists both tax cuts and spending increases — they've helped to get the government's financial house in order by making some tough choices with our entitlement programs — such as raising the eligibility age for Social Security to ultimately, as you know, 72 by 2020 and means-testing the program. They also pushed through some tough choices on Medicare, which I know not everyone is happy about — especially if you're one of the 75-year-olds who needs a third heart surgery. But making all these fiscal fixes has averted a federal budget disaster and freed up spending at the federal, state and local levels for other priorities, such as education.

But before I give moderates all the credit for getting government entitlements under control, I should point out that MSAs (medical savings accounts) have also made folks a lot more frugal when it comes to health spending. That's helped a lot. Well, and so has the black market for pharmaceuticals. Even though no one likes to talk about it much, I saw a recent story on CNN that estimated that nearly one-third of the medicines consumed in this country were obtained illegally — imported from labs in China and other places that have ripped off U.S. and European companies' patents. The reporter doing the story quipped that the generation of Jimi Hendrix, Hunter S. Thompson, and Jim Morrison are back to using illegal drugs; only this time around they're medicinal, not recreational.

2010: Faith-based schools sprout up everywhere

In 2010, a more conservative Supreme Court ruled that faith-based organizations could open charter schools, so long as they could demonstrate that no tax dollars were used to support religious education and their doors were open to any child who wanted to attend the school. It was



a bit of a ruse, of course, because in many cases, the heavily religious nature of the school and/or strict parent involvement requirements tended to weed out kids who wouldn't quite "fit in."

Almost overnight, enrollment skyrocketed in parochial charter schools. A year later, when sectarian schools were granted waivers from teaching and testing their children on state science standards, their enrollment also shot "heavenward," in the words of a pastor who opened a religious charter school in Bentonville, Arkansas. At School Success, our clients spanned the whole gamut — from Core Knowledge to Montessori, bilingual to immersion, religious to secular. To be honest, some of our people found themselves unable to check their own ideologies at the door when working with, on the one hand, a school where the kids start the day off in prayer, or on the other hand, a school where they end the day with a gay awareness rally. In short, not everybody could get on board with our "if it works, it works" mantra.

2011: Budding success

You've probably also seen the latest results from 2011 TIMMS test. Our kids continue to gain ground on Singapore, and now rank anywhere from third to seventh — depending on which subject area and grade level you're looking at. Just think, less than 30 years ago these kids' parents were told

'NATION AT RISK' NO MORE

Over-achieving, tailor-instructed kids show up their 'slacker' parents & international peers

that their lack of education was putting the “nation at risk.” And now we have countries all around the world worrying about how they are going to keep up with the Americans. Ten years ago that wouldn’t have seemed possible, though it maybe should have considering that American kids’ scores on international comparisons actually started increasing in the mid-90s.³¹

2012: Weathering the drought

I know the last few years have been a tough time for everyone. The stagnant economy has hit a lot of people hard. The upshot of the rise in unemployment is that schools have had no trouble finding good teachers who are willing to work for very little. We’re all learning to make do with less. I know we’ve all been asked to wring more pennies out of our budgets. Our kids never cease to amaze me. They, too, are learning to “make do.” More importantly, they’re learning to rediscover community in their schools. Have you seen the new fashion trend? Today in the airport, everywhere I looked I saw them — school letter jackets. Can you believe that? Most boomers and especially Gen-Xers wouldn’t have worn a letter jacket on a dare, but that’s the new thing for these kids. Don’t get me wrong. I’m not making fun of them. I wish I’d had that kind of school pride. You know the most popular song last week? “Be True to Your School,” no kidding. Well, it sounds a little different — okay, a lot different — than the way the Beach Boys sang it, but the sentiment is the same.

2013: The bloom is back on the government rose



You may have seen the headlines last year. For the first time in 44 years, since 1966, the majority of Americans reported last year that they trust government in Washington to do what is right.³²

That’s a tremendous change. Many pundits say that our revived education system, while not really controlled by Washington, nonetheless is a big part of why people now feel good about government. Also, deficit spending is back under control and we’re making real progress on transitioning Social Security out of the pay-as-you go system. You all here this afternoon should feel equally proud of your accomplishments.

A majority of college kids now say they have a positive view of government and would like to work for government. That’s a dramatic shift from a decade ago when only 29 percent of college students were interested in government jobs.³³ These kids’ new-found interest in civil service couldn’t come at a better time. As our schools are faced with a massive wave of retirements, we now have lot of bright-eyed, eager young teachers ready to fill the ranks.

³¹ As noted earlier, between 1995 and 2003, U.S. 8th graders’ results on the TIMMS science test increased significantly from an average score of 513 to 527. Indeed, the U.S. is one of the few of the 35 countries participating in the assessment that has demonstrated sustained improvement in its TIMMS scores.

³² Since 1958, The National Election Studies at the University of Michigan has constructed a composite “trust in government” index based on Americans’ responses to the following questions: 1) How much of the time do you think you can trust the government in Washington to do what is right — just about always, most of the time or only some of the time? 2) Would you say the government is pretty much run by a few big interests looking out for themselves or that it is run for the benefit of all the people? 3) Do you think that people in the government waste a lot of money we pay in taxes, waste some of it, or don’t waste very much of it? The higher the score on the index, the more positive Americans feel about the federal government. After peaking in 1966 at a score of 61, the index fell over the next quarter century to a low of 26 in 1994. Since that time, it has been climbing again, rising to 43 in 2002. Source: National Election Studies, http://www.umich.edu/~nes/nesguide/toptable/tab5a_5.htm.

³³ A 2004 survey conducted for the Panetta Institute found that 29% of college students reported being very or fairly interested in working for government — a statistically insignificant change from 2002 when the corresponding percentage was 30%. Source: Peter D. Hart Research Associates (May 2004). Attitudes, Politics, and Public Service: A Survey Of American College Students. Washington, DC: Panetta Institute for Public Policy.

2014: School districts wither on the vine

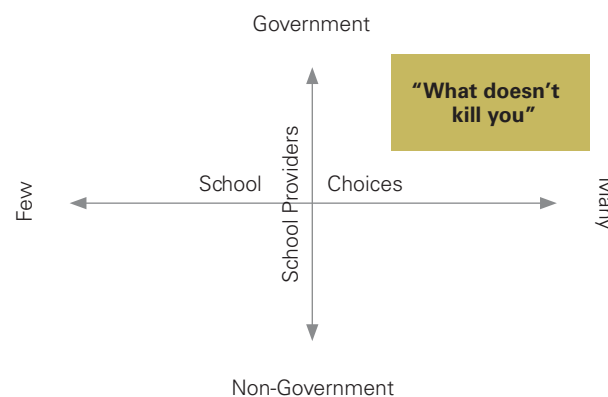
The past several years have been hard on many school districts. With states increasingly seeking to replace education funding through local property taxes with more equitable means, they have begun to control increasingly large percentages of school funding — as much as 85 percent in some states. Many states, as you know, have increased sales taxes, which, in turn, have put tremendous political pressure on local authorities to significantly reduce their own property taxes. As a result, states are the new locus of control in education since they hold most of the purse strings.

School boards have also become increasingly marginal players in education. In some places, they simply

serve as ombudsmen — places where parents can lodge complaints about school fraud or wrongful expulsion, that sort of thing. A few boards, especially those who granted

charters themselves instead of having them granted through state agencies, have retained some control over schools, serving as auditors with the authority to revoke, or recommend states revoke, a school's charter. In a lot of places, they serve more as property managers, renting buildings to charter schools. As a result of their diminished stature, a growing number of school boards can't even find people to serve on them.

Some mourn this loss of "local control," while others celebrate it since they feel it makes schools less subject to the whims of local politics. In reality, I think that we've seen that plenty of local politics still remains in education. Only nowadays it's at the school level in the form of charter school boards. We are also seeing more local control of education today than at any time in history.



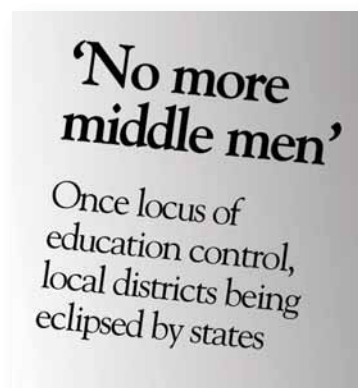
For districts, the old phrase — necessity is the mother of invention — certainly rings true. Or perhaps, necessity is the mother of re-invention, might be more accurate. We've seen districts re-invent themselves as purchasing co-ops. And some of the more entrepreneurial ones — I'm thinking of a couple in Arizona — have found new ways to stay afloat by providing consulting and training services to schools both inside and outside what had once been their districts. Districts have, in fact, become some of my biggest competitors for consulting services in a lot of markets.

So now we

return to the present day, where we can look over a field of education that looks far different than it did 10 years ago. Clearly, the most interesting change that has occurred over the past 10 years is that public school choice

has come to full fruition. Now I know that many of us in public education, myself included, originally viewed choice programs, including charter schools as a serious threat to public education.

Many decades ago, some people in this country held a similarly dim view of labor unions, which they saw as the beginning of a slippery slope toward Communism. In hindsight, though, many historians — including some frustrated Italian Marxists who developed



the theory of hegemony to explain why Communism never took root in Western Europe and the United States — have concluded that by raising living conditions for workers and diffusing their angst, labor unions may have helped to prevent the rise of Communism in those countries.

So, too, it seems that in hindsight, charter schools, rather than sending us down a slippery slope toward privatized education, as the teacher unions had argued, may have actually diffused the public angst about public schools that had been brewing for several years, and in so doing, increased support for public funding of education — which in the end, I would argue, is really what we were all fighting to save.

So in closing I offer the following observation, which, clichéd though it may be, nonetheless seems to summarize the past decade for publicly funded education providers: “What doesn’t kill you ... only makes you stronger.”

Analysis of Scenario #3

Implications

This is a world in which parents are the primary audience for schools as they seek to enroll their children in schools/programs most closely aligned with their aspirations for their children and their personal values. This is not a world in which time and energy is spent on “school improvement” as it has been understood through the ‘80s, ‘90s, and first half of the current decade. Schools of various types are committed to continuous improvement, like other businesses in the service sector. Rather than schools promoting themselves to the general public, they market and sell to niches within the education market.

In this world, there are two audiences for providers of research-based products and services. First are those running the variety of schools that have emerged. They will be interested in low-cost, knowledge-embedded, “plug and play” resources for increasing productivity. It is likely schools will seek to distinguish themselves from others based on publicly accepted endorsements, the equivalent of a “Good Housekeeping Seal of Approval” and/or the brands of products and services they are using. This may provide opportunities

for providers of research-based products and services. The kinds of branded products these schools might find attractive are materials/tools for teaching content area reading skills, math and science knowledge, and 21st century learning skills. The second audience is parents to whom providers will need to promote their products and services as the “added value” they are seeking in the schools in which they enroll their children.

In this world roles of the federal government are to fund education research and development and to designate preferred providers of research-based products and services. The expected result of R&D programs will be the kind of low-cost, easily utilized, research-based products and services that individual schools can afford.

Indicators

The following trends and events are possible indicators that the future may be moving toward this scenario:

- Rapid growth of charter schools, most likely created by a growing number of NCLB-related state takeovers of “failing” schools.
- Re-authorized NCLB retains adequate sanctions to promote the expansion of alternative, publicly funded models of education.
- Increasing evidence that charter schools are effective in raising student achievement and satisfying student and parent needs.
- Rapid expansion of structured, regulated voucher and/or private school tax credit programs designed to promote equitable education funding.
- Political ascendancy of moderate politicians who view less directive education policy as a solution to the nation’s cultural wars (e.g., school results matter more than regulations).
- Shifting public and political debate toward saving public funding of schools, rather than saving public schools.
- Increasing public confidence in government and in new models of public schools.

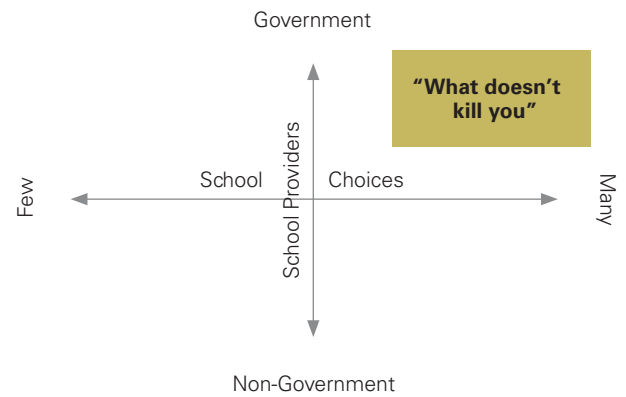
R & D Organization Scenario #3

Options

Providers of research-based products and services must determine in this world if they intend to compete as schools or sell to all or a set of the competitors. Providers that choose to compete as a school/educational program will have to make decisions on all of the variables that impact learning in formal educational settings.

Providers that choose to sell to schools rather than compete with them will need to be clear on how their products and services add sufficient value to schools to make them more competitive. For example, they might add value by:

- Establishing their own, recognizable brand and customer (i.e., parent) demand for their products and/or services.
- Co-branding their products and services with recognizable school brands — much like Intel did with the “Intel inside” logo and motto.
- Providing outside evaluation/accreditation processes that emulate programs like the Baldrige award.
- Delivering professional development to school boards and superintendents on how to fulfill the new roles in which they will find themselves as corporate directors and portfolio managers.



In this world providers will:

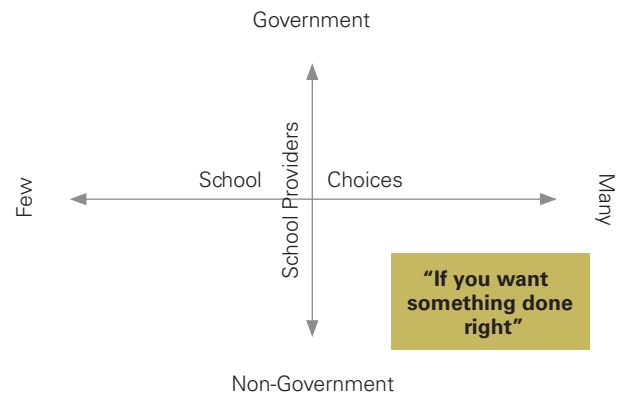
- Develop sales, fulfillment, and distribution capacity or establish relationships with publishers or others with the capability to reach national and international customers.
- Promote their products and services to parents who will use them to determine which schools provide the highest quality programs e.g. “we don’t make the schools, we make them better.”
- Offer low-cost professional development to school personnel interested in purchasing their products for use in their schools.
- Demonstrate an ability to satisfy government standards.

SchoolsUnlimited.com: If You Want Something Done Right

Deep Causes

In this scenario, government has limited or no control over the education market, which offers many choices to parents and students. The following deep causes could lead to this scenario:

1. Public schools fail or are perceived to fail in effectively educating students, while non-public school models are seen as successful;
2. Parents, accustomed to choices and customization in other markets, increasingly expect the same level of choice and customization in the education marketplace;
3. Economic downturn and/or increasing government obligations in other areas (e.g., Social Security and health care) causes education to become less of a funding priority for government, resulting in cuts to public funding of education;
4. Pragmatic Gen-X parents, more concerned about their own children than abstract principles such as “the public good,” walk away from public schools;
5. Vouchers weighted according to student need become the preferred mechanism for creating equitable funding of education;
6. Off-the-shelf, high-quality education resources enable students to learn in a variety of settings; and
7. Limited funding for education dissuades large companies from entering and dominating the market; as a result, schooling is delivered by a hodge-podge of generally small providers (e.g., faith-based institutions, parents, educational software companies, etc.).



My mother, who was a successful corporate attorney here in Chicago, always used to say, “If you want something done right, do it yourself.” Meanwhile, my father, who was tired of her coming in the door at 10 p.m., always used to say, “If you want your dinner while it’s still warm, delegate.”

There’s some truth probably in both sayings. But as I prepared my remarks for tonight, I kept coming back to my mother’s words — which I believe are both good advice and a call to action for us here at the Third

“If You Want Something Done Right”

Time: September 22, 2014

Place: Chicago, IL

Scene: The CEO of Accelerated Learning Materials, Kristen Jensen, is giving the keynote address at the Third Annual Education Curriculum and Software Expo.

Annual Education Curriculum & Software Expo. It’s hard to believe this is our third event. So much has changed over the past three years; the changes in education have been truly astounding. I know these are uncertain times for many of us. I say that as a business person, an educator, and a parent.

Sometimes, when change is swirling all around you, the best thing to do is take a deep breath and get some context for what’s happening. In other words, it’s hard to know where you’re going if you don’t remember where you’ve been. So to help us all take stock of the

changes we're seeing and may continue to see in the world of education, I'd like to review the past 10 years

More parents pull kids out of Detroit schools, try charter.

But exiting ones are nearly full: Only a few new facilities will open in fall.

of education and describe how our field has gone from one dominated by a government-controlled monopoly to a fully privatized market, one full of possibilities for the future.

schools were closed, 3,400 students pulled out of their neighborhood public schools, resulting in one provider opening 12 new charter schools in a single year. "(Charters) have a more structured environment. It is more personable," parent LaSonya Buckines told *The Detroit News*.³⁶ Likewise, in Cincinnati, a growing number of African-Americans, dissatisfied with the services their children were receiving in public schools, were joining the burgeoning home-school movement.³⁷

All of this is to say that as early as 2004 and 2005 parents were asserting more and more control over schools, "voting with their feet" as they say. Moreover, despite mixed results for charter schools, the public demand for alternatives to regular public schools was far exceeding supply.

2004: Public school alternatives on the rise

In 2004, the U.S. Department of Education released a statistic that may have startled some public school educators: the number of children homeschooled in the country had passed the one million mark, growing 29 percent in four years.³⁴ When surveyed, parents of these children, who represented 1.7 percent of the school-age population, cited three main reasons for deciding to educate their children at home: 1) concerns about the environment of regular schools (31%), 2) flexibility to teach religious or moral lessons (30%), and dissatisfaction with academic instruction at other schools (16%).³⁵

At the same time, a growing number of parents were putting their children into charter schools. For example, in Detroit, where a record 33 regular public

More students being homeschooled

2005: Choice, customization & "on-demand" services

In every other aspect of their lives — dining, clothing, transportation, entertainment — you name it, people were growing more and more accustomed to multiple choices and getting what they wanted, when they wanted it. They were also receiving increasingly individualized services. Amazon and Netflix, for example, were creating tailored suggestions for books to buy and movies to rent, respectively.

³⁴ Princiotta, D., Bielick, S., (ESSI), and Chapman, C. (August 2004). 1.1 Million Homeschooled Students in the United States in 2003. Washington, DC: National Center for Education Statistics, U.S. Department of Education. <http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2004115>

³⁵ Ibid.

³⁶ MacDonald, C. (March 4, 2005). "More Parents Pull Kids Out of Detroit Schools, Try Charters," *The Detroit News*. <http://www.detroitnews.com/2005/schools/0503/06/D01-107451.htm>

³⁷ In March 2005, the *Cincinnati Inquirer* reported that nationwide, 85,000 black children learned at home in 2003 — roughly 5 percent of the nation's 2 million home schoolers. Frustrated with public schools, black parents join the movement to educate children themselves. Joyce Burges, founder of the National Black Home Educators Resource Association in Baker, La., said that homeschooling has become a civil rights movement for black parents trying to take back their children's education. "Within five years, there's going to be an explosion ... of parent-directed learning," she predicted. Source: Smith Amos, D. (March 15, 2005). "More African-Americans Turn to Home Schooling," *Cincinnati Inquirer*. <http://news.enquirer.com/apps/pbcs.dll/article?AID=/20050315/NEWS0102/503150381/1077/news01>

R & D Organization Scenario #4

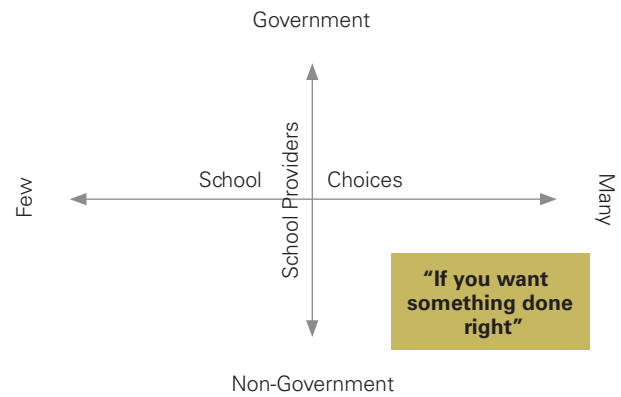
In addition, more and more retail services were becoming “on demand.” Napster, iTunes, and other music vendors were satisfying a music listeners’ whims by providing places for them to buy a favorite song for less than a dollar and be listening to it a minute later on their iPod. Similarly, cable, satellite, and computer companies were making it increasingly simple and cheap to purchase movies on demand. No more



waiting in a long line at the video store on a Friday night. Simply download a movie onto your multimedia computer, turn on your TV, and dim the lights.

In short, technology was helping other sectors provide highly responsive services to consumers. In contrast, public schools were slow to offer the same number of choices and tailored responsiveness. And so by 2005, the forces that would lead to the rapid demise of public schools were already in place, including parents’ dissatisfaction with the safety and academics in public schools as well as an increasing plethora of choices available in other industries and technology-driven “on demand” services.

Finally, the last nail in the coffin for public schools, which was already in place early on in the decade, was the No Child Left Behind Act (NCLB). Public schools, even those in affluent suburbs, found they were increasingly unable to measure up to the rising bar of adequate yearly progress. No matter how much public



school educators tried to explain what they deemed to be the unreasonable expectations of NCLB, an increasingly skeptical general public saw their explanations merely as excuses for being unable to deliver what the private sector appeared to be poised to deliver — a higher-quality, tailored education for every student.

2006: Right solution, wrong problem

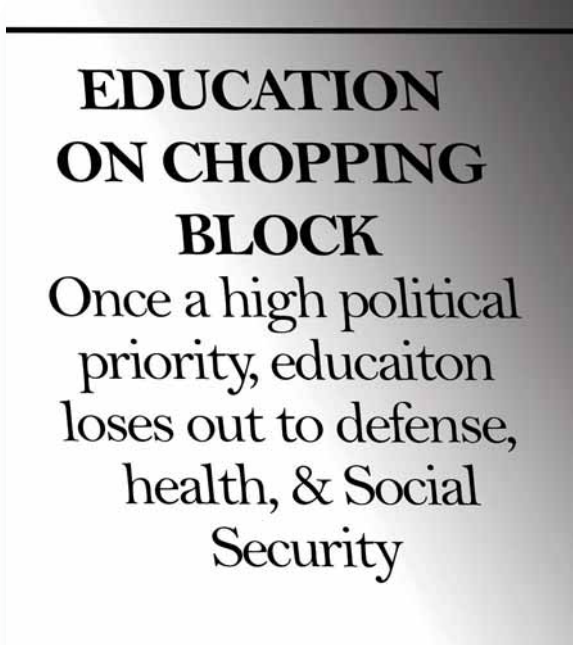
In all fairness to public schools, which were run by many well-intentioned, intelligent people, our schools were designed to provide something which was really no longer desirable to the general public — a standardized education. The standards movement of the 1990s and early 2000s was designed to improve the academic rigor of public schools, but parents’ chief concerns with

Dropping out
Gen-X parents
seek public school
alternatives—
anywhere they can
find them

³⁸ Through a series of focus groups conducted in 2002 and 2003, McREL learned that “people’s chief concerns about schools were generally about non-academic issues such as safety, discipline, character, and values. Parents were far more worried about ‘chaos on the playgrounds,’ ‘bullying’ or a general ‘lack of control’ in public schools, than test results” (p. 4). Goodwin, B. (2003). *Digging Deeper: Where Does the Public Stand on Public Education?* Aurora, CO: McREL.

schools centered more on non-academic issues, such as values and the extent to which schools help children develop their own unique, and often non-academic, talents.³⁸

So while public schools worked frantically (and for the most part, successfully) to improve test scores, parents generally had other priorities. They were less concerned about good test scores, and more with whether schools provided a safe place for their children where they could develop strong, positive values, and their own unique talents. Public schools, meanwhile, which remained focused on raising test scores, were essentially jousting windmills as far as the public was concerned.



EDUCATION ON CHOPPING BLOCK

Once a high political
priority, education
loses out to defense,
health, & Social
Security

So as more and more schools — including those in affluent suburbs — failed to meet the AYP provisions of No Child Left Behind, parents and the general public seemed content to stand idly by, like Nero playing the fiddle as Rome burned, as they watched public schools collapse under the weight of NCLB. The hue and cry that some educators expected from

outraged suburban parents as their schools were placed on watch lists never materialized.

Instead, parents appeared all too anxious to enroll their children in parochial, church, or private schools. “It was a decent school. I liked some of the teachers. But it was too big for its own good. I know Katie was starting to fall through the cracks,” Diane Rosen, a mother from Denton, Texas, told the Dallas Morning News after her daughter’s public school was closed. “I’ve enrolled her in a church school down the street, which should be good for her. I mean, she needs to get religion somewhere, and Lord knows she’s not getting it from home.”

2007: Public education’s death by a thousand cuts

By 2007, a number of factors started to converge. For starters, parents were increasingly losing faith in public schools — fostered, in part, by a continued string of headlines saying that public schools were failing. As you know, most people were just skimming the headlines and failed to read the actual articles below them which said that, overall, student test scores were improving, yet because of the rising bar of AYP and low performance of a few subgroups — entire schools were getting labeled as “failing.”

Also, people heard what they wanted to hear, which was that if their school actually failed altogether, they’d get a new school or more choices. And that’s really what they wanted — more choices. They wanted the same freedom and number of choices in the education market that they found in other markets. In fact, you started seeing parents actually pulling their kids out of school on test day, so that their kids would get counted as a zero on the state test and the school would get converted into a charter.³⁹

Rebecca Hernandez, a woman interviewed by *USA Today* magazine put it this way. “I can go to the grocery store and choose from 40 different varieties of laundry

³⁹ In March 2005, the *Aurora (Colorado) Sun Sentinel* reported that parents, angered by the Aurora Public Schools’ decision to close a dual immersion school on account of not being able to staff the school with highly qualified teachers, pulled their children out of school during the statewide assessment. In all, 57 students missed the test and were counted as zeroes, ensuring that the school, which had already failed to meet the adequate yearly progress for two years in a row, was one year closer to being converted to charter status.

R & D Organization Scenario #4

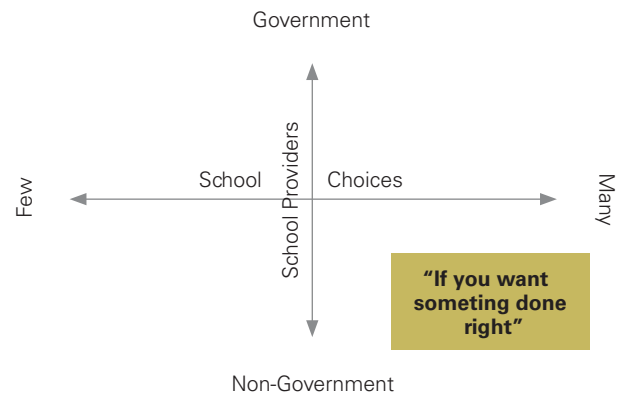
detergent, so it's nice to have at least a few different choices when it comes to the most important decision I can make in my life — where to send my kids to school.”

At the same time that schools were struggling to meet the requirements of No Child Left Behind, government at all levels was having a harder time making ends meet. Social Security, which had been put on the national radar two years before by President Bush, was far from being solved and with every passing

year the problem was growing more acute. At the same time, Medicare and Medicaid were taking ever larger bites out of state and federal

budgets. Roads were deteriorating, our military efforts were expanding throughout the Middle East, and rising interest rates were suppressing the growth of the economy. Combine this with the fact that the youngest kids of baby boomers were now graduating from high school and that the new parents of school-age children, Gen-Xers, were a far smaller, and less politically active, group of voters. All of these trends added up to education nearly slipping off the political radar screen.

Starting in 2007 — earlier in some states and locales — public education began to die a “death by a thousand cuts.” At the time, some commentators expressed frustration that Gen-Xers could so quietly stand by as they watched their school fees rise and subsidized education fade away. But for a lot of Gen-Xers, who were, like me, former latch-key kids, being



neglected by their elders was hardly anything new. So we didn't protest nearly as loudly as baby boomers would've if politicians had made the same deep cuts to education back when their kids were in school.

2008: Vouchers spread like wildfire

Budget
"shell game"
transforms
vouchers
into tax
credits,
shifts
education
burdens to
parents

You may recall the forest fires that popped up everywhere out West during the dry summer of 2008. The other things that spread like wildfire were voucher programs in Nevada, Arizona, Utah, Colorado, and Idaho. Perhaps the most surprising was the California referendum which created a voucher program in that state — arguably one of the most liberal states in the

country. Some protested that vouchers were actually a shell game — designed to buy off parents by putting

California
creates nation's
largest voucher
program

⁴⁰ In 2001, Ted Halstead and Michael Lind of the Gen-X think tank, The New America Foundation, proposed a similar policy in their political manifesto, *The Radical Center*. Halstead and Lind argued that a true voucher program — one that covers the full cost of a high-quality education (\$6,000 or more) would overcome the inherent disparities of an education system funded through local property taxes. In light of inequities among states (with impoverished states, for example, spending far less per pupil than wealthier states) they called for a nationalized voucher system. But such a system would require a complicated, and potentially politically unfeasible, system of federal tax collection and re-distribution. However, Halstead and Lind note that a number of states have already been forced through litigation to equalize funding, thus one possible scenario that might unfold is that states, not the federal government, would create weighted voucher programs in response to court orders to provide equitable funding of education. Source: Halstead, T. and Lind, M. (2001). *The Radical Center: The Future of American Politics*. New York: Doubleday.

money in their hands, usually around \$3,000 — while, in effect, taking money out of their pockets by depriving their children of \$6,000 per child worth in free public schooling. Still, most parents seemed content to take the money and run to a private school.

More than anything else, the idea of “Robin Hood” vouchers — vouchers weighted according to student need⁴⁰ — accelerated the proliferation of voucher programs. On one hand, the idea appealed to liberals by creating a mechanism for ensuring that schools with students with higher needs — for example, with many kids receiving free and reduced-priced lunches, or with limited English proficiency, or learning disabilities — had adequate incentives to serve all students well. On the other hand, it appealed to conservatives, who had long been in favor of school choice and voucher

California creates nation's largest voucher program

systems. And from a very practical point of view, “Robin Hood” vouchers helped many states get released from court orders requiring them to spend significantly more public dollars to provide adequate and equitable education.

Vouchers were also coupled with tax credits to offset some of the additional expenditures, but on average, studies at the time found that parents were paying \$2,000 more per child out of pocket each year. While most middle and upper-class households could find a way to pay another \$200 per month for their kids, working poor families were particularly hard hit. Churches and other organizations tried to step in and save the day, but many parents, especially those with larger families, smaller incomes, or both decided they were better off educating their children at home — or in schooling “co-ops”, where neighbors would come together to teach their kids in each others’ basements.

That’s where Accelerated Learning Materials saw a big opportunity. Parents now had \$3,000 in their hands for each child. A lot of them couldn’t afford to

send their children to regular schools — nor did they want to after the terrorist attack on the high school in Crawford, Texas — so they needed high-quality materials that could both teach their children and teach them how to teach their children. I think the Crawford attacks, while less devastating in terms of numbers

— 50 students and 12 faculty members — actually did a lot more damage to the American psyche than 9-11. If something like this could happen in small town America — just miles from the President’s ranch, no one felt safe. As you may recall, the next day nearly 25 percent of the nation’s students were reported absent from school. Many of them never came back to their public school.

At Accelerated Learning, we understood parents’ concerns for the safety of their children, as well as their desire to ensure that their children got a good education at home. So we brought together curriculum designers, software engineers, education researchers, and former teachers, like myself, to create what we called “self-executing” materials. The key, of course, was making our classroom materials interesting for students and easy for parents to understand. We added computerized, adaptive online assessments that kids could take during the year to see how they stacked up against other kids across the country.

2009: Gold rush?

As late as 2004, close to 90 percent of U.S. students attended public schools. Five years later, new figures from the U.S. Department of Education would show that less than two-thirds of students were now attending public schools. In short, in just five years, nearly a quarter of the nation’s public school students had moved from a public school setting to a private or home-school setting. Meanwhile, at the local level,

**New high
water mark:
One-third
of U.S. students
now learn
in private
institutions or
at home**

R & D Organization Scenario #4

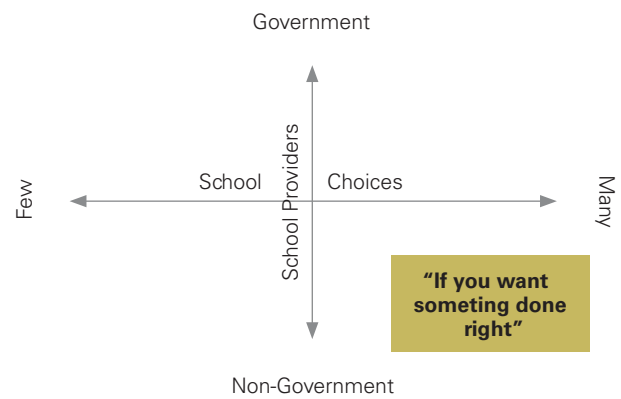
school districts, faced with multiple school closings, found themselves in a new business: real estate — either selling their schools outright or renting them out to private companies.

Although a number of newspaper editorial boards lamented the loss of public schools and the rise of increasingly inequitable education opportunities, some education entrepreneurs like David Nance, who ran a string of schools in the San Francisco Bay area, noted that, “Some people say that we’ve created two school systems — one for the haves and one for the have-nots. But frankly, we’ve always had two school systems; we just had a different way of distributing the dollars. Now instead of being forced to send their kids to particular schools or pay into a system they don’t support, people can choose where their kids learn and which schools to support. Good schools, like ours, raise lots of dollars in charitable funding because people believe in what we do. You can’t say the same thing for most public schools.”

In 2009, you saw a lot of big companies coming in, hoping to ring up big sales from the new free market of education. Some likened California’s voucher program and the mad rush to the market that followed to the gold rush days of the 1840s. But with the crash of the market in late 2009, the education market dried up and the “gold in them thar hills” seemed to turn, almost overnight, into fools’ gold.⁴¹

2010: Fool’s gold

As you no doubt recall, the economic crash of 2009 brought an old slang word back into the American vernacular: “welch” — as in the U.S. has welched on its foreign debts; blue chip companies had welched



on their pension payments, and state lawmakers had welched on their voucher obligations to parents, replacing them with far less generous state and federal tax credits. The entire chain of events prompted Time magazine to put a single word on the cover of their January 4, 2010 issue: “Welch!”

In the place of vouchers, many states and the U.S. Congress created tax credits for education, which were not a bad deal, provided you had a job. At Accelerated Learning Materials, and other similar companies I imagine, we found parents were becoming increasingly frugal with their dollars. These “education pawn shops” — used educational materials stores, such as “Back 2 School” franchises — were popping up everywhere. In 2010, Inc. magazine rated “Back 2 School” franchises the “best bet” for franchisors.

MILTON FREEDMAN TURNS 100

Nobel prize winning father of school vouchers pleased to see vision of market-driven education come to fruition

⁴¹ In March 2005, the *Orlando Sentinel* reported that nearly one-third of Florida’s charter schools ended the 2002-2003 school year in the red — up from less than one-fifth in 1999-2000. Moreover, it noted that most of the schools in the red were run by for-profit management companies. A review conducted by the state of Florida concluded that high start-up costs, inaccurate enrollment projections, and a dearth of financial-management expertise and administration by management companies contributed to the financial difficulties. Source: McClure, V. (March 15, 2005). Report: “Charter School Debt Rises,” *Orlando Sentinel* <http://www.orlandosentinel.com/news/local/state/orl-loccharter15031505mar15,1,4963590.story?coll=orl-news-headlines-state&ctrack=1&cset=true>

⁴² Edison Schools Inc. — one of the vanguards of school privatization — has experienced a rocky road. Its stock price climbed to \$38 per share before plummeting in 2003 to less than 14 cents after skittish investors bolted when Edison’s efforts to run more than 70 schools in the Philadelphia area encountered fierce opposition, resulting in its contract getting pared down to just 20 schools. Source: *Frontline*. (July 3, 2003). “Public Schools Inc.” <http://www.pbs.org/wgbh/pages/frontline/shows/edison/>

Over the past few years, we've seen a number of big players who had originally hoped to make a lot of money in the education market back out, deciding that what looked like a gold rush a few years before had turned into fool's gold. Simply put, as everyone in this room knows, while we as a nation still spend a significant amount of money in education, the margins are terrible.⁴² We don't get into this business because we want to retire in the Bahamas; we do it because we want what's best for our kids — and other kids. I got into the business because I was passionate about creating something better for my kids; I soon realized that I wasn't alone. A lot of parents wanted something better for their kids, too. I know at Accelerated Materials all of us, and not just the accountants, are constantly looking for ways to lower costs because we know if we can squeeze another dollar here and there out of production costs, we can help more kids.

2011: About face on vouchers

By 2011, Congress and statehouses around the country were finding it increasingly difficult to fund public education — either through traditional direct funding mechanisms or vouchers. Many more state legislatures resorted to budgetary sleight of hand — “buying off” parents by giving them vouchers, which when added together, represented dramatic cuts in education funding. As a result, education groups that had once fought vigorously against charters and vouchers now found themselves with their backs against the wall, fighting to maintain funding for vouchers.

2012: To each his own

Okay, so that's the bad news — there's not much money in education. The good news, of course, is that there is lots of opportunity. At first, those two statements may seem contradictory, but here's what I mean. Four years ago, I read a commentary on the back page of EdWeek, in which Geoffrey Hansen, then superintendent of Boston Public Schools, warned that education would soon be controlled by a few, gigantic companies. “For those who complained that education was in the hands of a government monopoly, let's see how they like it when it's in the hands of a private monopoly — one that's accountable to no one,” wrote Hansen.

Fortunately, for us and our kids, Hansen, whom I know is a very intelligent man, turned out to be wrong. Education isn't controlled by a few corporations; it's controlled by parents, who are each free to make their own decisions about what kind of education they want for their children and what they want their children to be learning. Our kids have benefited, too. We now have everything under the sun when it comes to choices for education. We have high-tech curricular programs, arts programs, carpentry and other trades programs, religious programs, secular programs, evolution, intelligent design ... you name it. Instead of constantly trying to fit square pegs into round holes, parents can now shop in a complete education marketplace to purchase “holes” that fit their kids.

Now I know there are some people who lament the

ABOUT FACE:
Educrats fight to
preserve what they once railed
against: vouchers

fact that we no longer have large public schools where kids must learn how to get along with one another. To those people, I'd say, think back to when you were a teenager and ask yourself, how well did the kids in your high school get along with one another? How many people do you know who look back on their high school experience with fondness? Most people I talk to remember cliques, clashes, and claustrophobia.

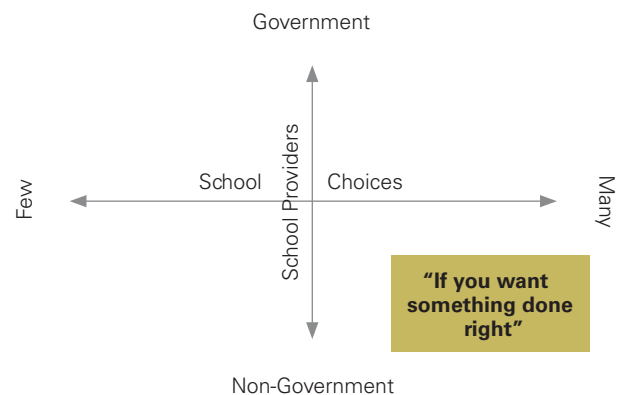
Kids these days have found new ways to connect — through sports, ballet, and other activities that used to be sponsored by schools, but frankly, never should have been — it was such a distraction to their mission. Speaking from personal experience, I've got two teenage daughters at home who I can tell you are hardly deprived because they're not being shuffled through a high school with 2,000 other kids — and believe me, their phones still ring off the hook, even though there are only 50 kids in their school, which is now held in just four rooms of the old high school down the street.

2013: Closing the book on No Child Left Behind

Last year, Congress quietly repealed the No Child Left Behind Act, which would have required that by this year, all schools demonstrate that all of their students were proficient on state education tests. Obviously, there wasn't much point anymore to asking public schools, most of which no longer exist, to pass tests that states can no longer afford to administer, and most parents and students never cared much about anyway, to be held accountable to a stripped-down federal Department of Education which no longer has the ability to enforce the law.

It's ironic, I suppose, after all the debates in the 1980s and 1990s about federal testing, that we've created, through private industry, the equivalent of a national test — the College Board examination.⁴³ It's the one test that most parents care about — not state tests that, with the exception of a handful of states that required students to pass exit exams in order to graduate from high school, had few stakes or relevance for parents and students.⁴⁴ If you don't agree with that assessment — ask yourself, did you ever hear of a parent paying to help their kids score better on a statewide assessment?

I know that for most education providers today — whether they create educational materials or educate students directly — the one question every parent asks is how many kids are at College Board grade level or above in your program?



2014: Whither public schools?

This year, I read a headline I would've never expected to see 10, or even five, years ago: 70 percent of our kids now learn at home, private or church schools. That's almost a 180-degree turnaround from 10 years ago. The latest figures I read break it down this way: 30 percent of kids are in church or parochial schools, 25 percent are in private, secular schools, 15 percent are in home-school settings — either in their own homes taught by their parents or through online coursework, or an in-home school — and the remaining 30 percent are enrolled in public schools.

NCLB quietly goes away
Once hailed as landmark law, NCLB undone by budget cuts and backlash from left and right

⁴³ In March 2005, College Board released long-awaited revisions to the SAT test — the biggest changes to the test in more than a decade. By dropping the analogy sections and quantitative comparisons, and adding an essay and algebra II-type math, College Board touts the test as measuring students actual learning and content knowledge, not simply innate aptitude, which critics, including college admissions officials, had contended was a major flaw of earlier versions of the examination. Source: Kumar, K. (March 10, 2005). "Revamped SAT Makes Debut," *St. Louis Post Dispatch*. www.stltoday.com/stltoday/news/stories.nsf/education/story/EB88E2761B1892C286256FC100184B99?OpenDocument

⁴⁴ As of 2005, market analysts said test preparation — for the SAT and ACT tests — was a \$500 million industry, which had been growing by 4 to 5 percent during previous years. However, as a result of the new SAT, the market now appears to be experiencing 25 percent growth. Ibid.

⁴⁵ Most of our remaining public schools are in inner cities or isolated rural areas where, apart from online and homeschools, the public school tends to be the only game in town.

Sure, I know there are some who lament the passing of the traditional public school. But I look at the kids that Accelerated Learning is helping to teach and ask myself if they are better off in a large, impersonal public school, where no one cared if they succeeded or failed? Or are they better off being taught by their parents and others who care about them?

My own kids, for example, attend a “micro-school,” a high school with just 50 kids run by four former teachers — an English teacher, a math teacher, a science teacher, and a social studies teacher — who rent out four classrooms in the high school complex down the road from our home. They do a lot of team teaching with integrated curriculum thanks to our Accelerated Learning materials. Adults also pitch in a lot, donating supplies and time as guest lecturers, that sort of thing.

True, the teachers will readily tell you none of them are getting rich; they’re basically just padding their retirement incomes, which are pretty slim because of the solvency problems with the state pension fund. Well, one teacher is young, so she gets free tuition for her three kids, which is a pretty good deal since after-voucher tuition is still about \$2,500 per year per child.

My kids and their friends love their school. They’re challenged and engaged — they have to be because instead of different tracks for smart, average, and struggling kids, every kid in the school is expected to take rigorous courses, including calculus. And all the kids get so much attention from their teachers that it’s nearly impossible to fall through the cracks.

I have no question when it comes to my kids — and most kids out there — that our current system, as messy and uneven as it might be, is doing a better job meeting the education needs of the vast majority of our students. In short, over the past decade we have

put the control of education where it belongs — not with unions, bureaucrats or politicians, but rather in the hands of parents. I come back to the words of my mother — if you want something done right, do it yourself. That’s what parents all over this country have done during the past 10 years. And in my mind, that’s true democracy.

Whither public schools?

Once in every neighborhood, public schools are going the way of the VCR

Analysis of Scenario #4

Implications

In this world education has become a cottage industry, characterized by teaching co-ops, home-schooling, and neighborhood or community-based programs. The primary audience for providers is parents who are driving the education market. Products for use in homes or for students to take from home to use in school will be the highest priority for providers of products and services. Many of these products will be web based and may be purchased on a subscription basis.

Government plays a very small role in this world, deferring to parents and local communities decisions about what is best for their children. Research and development is self-funded with profits from the sale of products. There will be a small group of providers who prosper in this environment. These will be the providers with marketing savvy, and low-cost, high volume, widely used products, the sales of which generate sufficient margins to fund ongoing research and development.

⁴⁵ By way of comparison, parents offered the following responses to 2004 The Gallup/PDK survey question: Suppose you had a school-age child and were given a voucher covering full tuition that would permit you to send that child to any public, private, or church-related school of your choice. Which kind of school do you think you would choose? 40% of parents whose children were enrolled in public school said they would choose a church-related private school; 38% of public school parents said they would keep their children in public schools; and 17% said a non-church related private school; 5% said they didn’t know. Source: Rose, L.C., Gallup, A. (2004). “The 36th Annual Phi Delta Kappa/Gallup Poll of the Public’s Attitudes Toward the Public Schools,” *Phi Delta Kappan* 86(1), 41-58.

R & D Organization Scenario #4

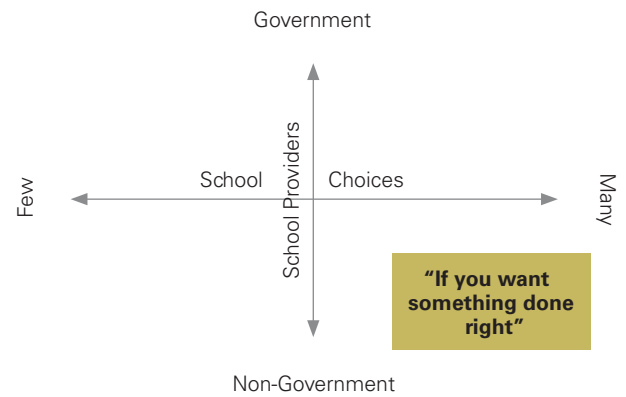
Indicators

The following trends and events are possible indicators that the future may be moving toward this scenario:

- Continued, rapid growth of enrollment in non-public school settings (i.e., home, private, and parochial schools).
- Rapid expansion of voucher and/or private school tax credit programs (or loopholes allowing parents to make “tuition donations” to church-based schools).
- School closures in urban, rural, and suburban areas due to declining enrollment brought about by parents removing their children from public schools.
- Long waiting lists for private and church schools demonstrating high demand for public-school alternatives.
- Safety and cultural concerns continuing to top parents’ list of concerns about schools.
- Lack of evidence that charter and public schools are capable of raising student achievement.
- Continued education budget cuts at federal, state, and local levels.
- Declining public concern about education (i.e., other issues, such as health care and Social Security continue to surface as more important political priorities).
- Declining public confidence in government.

Options

Visibility with parents is essential in this world. They are the primary audience for providers of products and services. Accordingly, advertising needs to target parents in the same ways they are targeted by producers of other consumer goods and services. Providers need to produce inexpensive research-based products that can be sold on a mass basis. Developing publishing, sales, distribution, and fulfillment capacity and/or relationships with publishers with these capabilities will be essential. Providers who prosper in this environment will

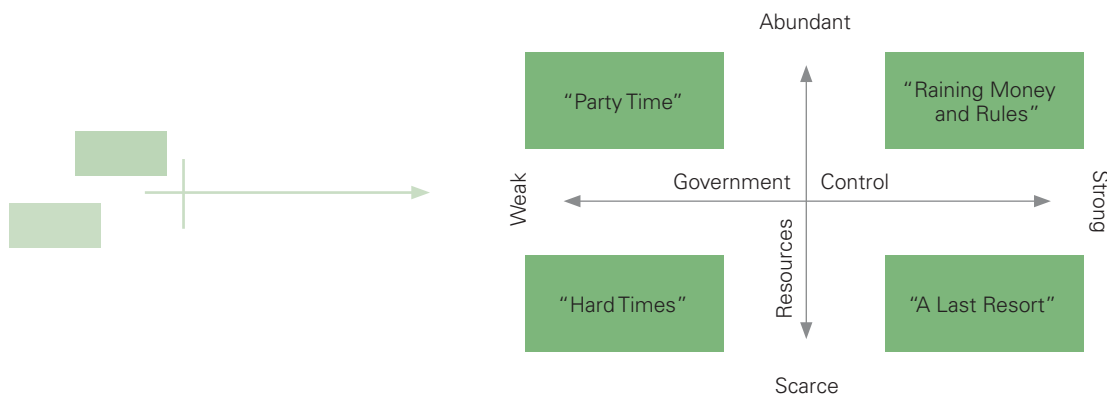


- Create name visibility with parents.
- Create inexpensive products that can sell in mass.
- Make substantial investments in marketing.
- Produce and sell self-executing products, complete packages.
- Tailor their products to be web-based, just-in-time, and in multiple languages.
- Partner with other recognized entities, co-branding selected products.
- Seek foundation funding to address the needs of underserved populations.
- Create materials aligned with de facto national curriculum (e.g., College Board examinations).

Discussion Questions

1. Are the critical uncertainties that form the scenario framework those that you would choose or are there other uncertainties that seem more critical to you?
2. Are the stories plausible? Could they turn out to be true? If not, what would you change?
3. Can you think of other implications and options for the organization in addition to those written in the Analysis sections?
4. If you were leading an organization of this type, what would you do now to prepare for these imagined futures?





State Education Agency Scenarios

Introduction

Sandia is a geographically large, sparsely populated state in the Great Plains. There are two medium-sized urban centers which account for 60 percent of the state's population. The remaining population is scattered across the state's nearly 62,000 square miles of agricultural, forest, and desert lands. Sandia's population reflects recent large influxes of immigrants from Mexico and other Spanish-speaking countries.

The major industries in Sandia are agriculture, mining, and logging. These extraction industries have traditionally been at the mercy of world demand for raw materials and repeated boom or bust economic cycles. This has led to widely fluctuating revenue streams for the state.

The Sandia Department of Education (SDE) serves the entire state's public K–12 education community. As state departments of education go, it is somewhat small, due to the low state population and a conservative state budget. Because of the uncertainty in state revenues from year to year, state investment in agency infrastructures has been lean. SDE employs approximately 100 full-time staff. While salaries are modest, the state retirement system provides a better than average pension and thus is an incentive for individuals to consider employment with SDE. The Chief State School Officer in Sandia, Dr. Andrea Corey, is a strong leader, but she has indicated she may be retiring soon. Her approach to managing the department is to maintain focus on what is most important—serving the children of the state.

The major operating departments of SDE focus on school and district accreditation, educator licensing, state-wide assessment and standards, federal programs management and monitoring, and education finance administration. The two largest offices are Title I and Special Education. Over half of all SDE staff are federally funded. The department also houses the state board of education, the state library, and adult basic education programs.

As with most state departments of education, Sandia faces many challenging issues, including lack of financial resources, challenges of implementing the No Child Left Behind Act (NCLB), complexity of many school choice initiatives, maintaining a highly qualified cadre of teachers, and addressing the special demands of their growing migrant and non-native English speaking populations.

Education Finance

As in most states, education is the largest single item in the state budget. In past years, the newspaper and local TV stations have called the state to task over its distribution of funds, which some view as inequitable. Now the state is facing school finance litigation questioning the equity and adequacy of state aid distribution systems. Consequently, staff expects to begin working on an extensive modification of education funding formulas as the state legislature addresses the adequacy of overall financing of K–12 education. The challenge will be to devise a method for allocating funds in ways that fulfill constitutional requirements and produce desired results in line with NCLB. Pressure from other sources on the state’s general operating budget, including spiraling transportation and health care costs, means that SDE cannot expect to see substantial increases in funding in the near future.

NCLB

SDE has struggled with the accountability portions of NCLB. Developers of the state assessment addressed four levels of proficiency rather than the three called for in NCLB, which required a revamping of the system shortly after it was launched to accommodate this federal law. Over the past two years, nearly half of the state’s schools have failed to make adequate yearly progress as measured by the state assessment. Supplementary services are scarce and costly to provide in rural areas and in the state’s two urban centers. Due to limited capacity within the agency it has been a challenge to monitor quality and impact among the available supplementary service providers.

School Choice


Sandia has enacted a voluntary statewide school choice program. The voluntary nature of the program together with the lack of funding for transportation and wide disparities in per-pupil spending among districts hamper the success of the program. In rural areas, choice is a near practical impossibility due to the long distances between attendance centers. Students are more likely to want to transfer from a school district with less local revenue to a district with higher per pupil spending rates. The state’s funding formula uses the “sending” district’s contribution, so there is little incentive for a school district to accept these students.

Teacher Quality

SDE faces a two-fold problem with the state’s teacher workforce. A substantial percentage of teachers are near retirement age. Those with fewer than five years in the profession comprise the next largest group of Sandia teachers. There are proportionally fewer experienced teachers who are many years from retirement. Teacher salaries in the state have typically been on the low end of the national average, with even lower salaries paid to teachers in rural areas. This, coupled with the isolation of many rural communities and limited opportunities for advancement, prompts many experienced teachers to move to more financially rewarding jobs in larger towns and cities. These factors also inhibit teacher recruiting and limit the pool of experienced candidates for leadership and administrative positions.

Migrant and Non-Native English Speaking Populations

Because Sandia’s population reflects recent large influxes of immigrants from Mexico and other Spanish-speaking countries, Sandia’s state government, and SDE in particular, face politically charged questions



about the extent to which taxpayer services should be extended to immigrants, particularly those who do not have legal status. Uncertainty about the nation's direction on immigration policy fuels uncertainty in SDE and the school districts it serves about the nature and extent of education services that will be required for immigrant and second language students. Until there is agreement and clarity on this issue, SDE and local school districts continue to provide services to the degree possible given the limited funding they receive.

Focal Issue

A newly formed task force will examine the long-term implications of emerging demographic and economic trends in Sandia as well as on the national and international scene. The task force, consisting of senior and mid-level staff, board and community members will formulate strategies for anticipating and responding to potential changes in government regulation and resources that will shape SDE's agenda a decade from now, in the year 2014.

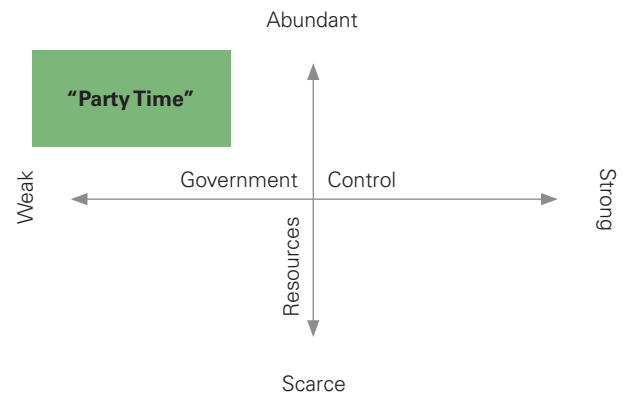
State Education Agency Scenario #1

Deep Causes

This scenario assumes that government and private financial support for K–12 education is abundant and that federal regulation has diminished considerably. State departments of education find themselves in a completely new kind of environment where their role as monitors and enforcers of federal education regulations has diminished. Meanwhile, the level of funding available to public education, from both public and private sources, has increased substantially. State department of education staff are faced with re-envisioning their roles and learning how to assert influence in an environment where major funding for K–12 education comes from sources outside their purview. Furthermore, they will need to pay particular attention to maintaining organizational coherence. Given the shift in the regulatory environment, many new options are available to those who are creative and agile enough to take advantage of them.

The following deep causes could lead to this scenario:

- States succeed in obtaining relief from regulations under NCLB.
- Federal regulations shift from governing public education to ensuring quality education products and services for all.
- Voter disapproval of a strong federal role in education coupled with pragmatic thinking from the Gen-Xers who assume new congressional seats leads to a different federal approach to funding education. This new approach focuses on setting standards, designing useful assessment systems, and ensuring quality.
- The war in the Middle East ends, reducing the drag on the federal treasury and freeing up funds for other purposes.
- State agencies are given more latitude in how they achieve their missions, opening the door for more flexible approaches, including public-private partnerships.



- Private technology companies create programs specifically to fund innovation in technology solutions for schools. This creates markets for these solutions and more business for the technology companies.
- Many for profit and nonprofit companies open schools that deliver customized learning and assessment services to specific segments of the education market.
- Investment scandals perpetrated by some education service providers result in the public needing some independent assurance that educational choices are reputable and high quality.
- Business interests prevail in the immigration debate, opening the doors to increased numbers of new workers from Mexico and Central America.

“Party Times”

Time: 2014

Place: *The Fourth Annual Future of Education in Sandia conference being held at an upscale resort in the northern mountains.*

Scene: *Dr. Andrea Corey, chief executive officer of the public-private partnership Education for Sandia's Future, is delivering the keynote address to assembled conferees. The audience includes many public and private school leaders as well as representatives from numerous private sector companies that have sprung up over the past ten years to address the demand for highly customized, decentralized education solutions. In addition to the conference, there is a large trade show with exhibitors from all over the country.*

Good morning and welcome to the fourth annual Future of Education in Sandia conference. I want to thank conference organizers for once again choosing a splendid venue for this event, and for doing an outstanding job of organizing the educational and social events we'll be enjoying throughout the course of the conference. Before you return home, please be sure to spend time in the exhibit hall, where you will experience the biggest trade show we have ever had in conjunction with this conference. As I was walking through the hall earlier this morning, I saw many familiar vendors, names, and faces, plus lots of intriguing new ones. Who would have thought that there could be so many different products and services available to assist in our children's education? My, we live in exciting, rewarding, and sometimes surprising times.

This morning, I begin by reflecting upon world events over the past ten years that have shaped education into what it is today. Indeed, the educational enterprise is very different now than it was fifteen years ago when I first assumed the role of chief state school officer in Sandia. For me, it has been a challenging and sometimes bumpy ride. I've had to learn new ways of thinking and working in order to serve as an effective leader for our enterprise. No longer do we speak of “public education” or “K–12 education.”

Those old boundaries first blurred and then went away completely as a flurry of innovation, fueled by reduced regulation, increased financial resources, and greater collaboration across public and private sectors, created a new world of opportunities for both purveyors and consumers of education products and services.

As you know, five years ago, in 2009, the Sandia State Department of Education (SDE) joined with a consortium of private businesses and foundations to create the public-private partnership Education for Sandia's Future. This unique venture embraced a mission to harness the best that public, charitable, and private organizations have to offer for the education of our children. The partnership has created a platform for business and industry to pool their resources to fund and guide education development that supports the future workforce needs of this country. The charitable and philanthropic members of the partnership, vigilant over the “social good” that might come of our work, ensured that our efforts did not become simply the tool of business interests. The role of government, through SDE, evolved from regulation to that of research, evaluation, and quality control provider.

Such a partnership would not have been formed had it not been for a loosening of the reins in 2007. When state regulations about the kinds of enterprises a state agency could participate in were eased, SDE won the right to be a charter authority, opening the door for more charter schools and state-chartered districts. This would not have been possible had it not been for two other dramatic changes. First, there were changes in federal and state regulations governing how tax-generated funds for education could be used to achieve the ultimate goal of leaving no child behind. And second, private enterprise, fueled by public spirit and of course, self-interest, seized the opportunity to inject new vitality into the moribund sector of the economy that produced goods and services for education consumers.

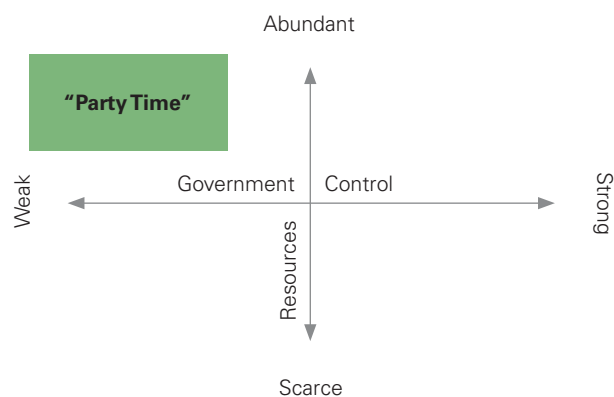
The impetus for these changes came from some likely and unlikely places. Let's start with the likely. Beginning in 2005, the states, led by Utah, mounted a revolt against the No Child Left Behind Act (NCLB) by passing legislation that put state education regulation above federal regulation. It was the first of many such actions to restore the concept of federalism to

State Education Agency Scenario #1

our way of governing. The states were emboldened by the 2005 report Task Force on No Child Left Behind: Final Report released by the National Council of State Legislatures (NCSL). In that report, NCSL urged the federal government to remove obstacles in the law that stifled innovation and to create a waiver system for innovative programs that had demonstrated effectiveness. NCSL also urged the federal government to fully fund NCLB and reduce the regulatory burden passed along to states so that they could exercise financial flexibility in meeting their unique needs. In addition, NCSL recommended that the government remove the one-size-fits-all method for measuring student performance and encourage the development of more sophisticated and accurate systems that gauge the growth of individual students. You will recall, I'm sure, that many states were shocked by the Government Accountability Office's finding that NCLB did not violate the Unfunded Mandate Reform Act.

What ensued was a fight over whether the federal government could withhold funding from dissenting states. Due to voter disapproval, coupled with pragmatic new thinking from Gen-Xers who were assuming congressional seats, the federal government relented on its plan to withhold funding from states that hadn't toed the line. The selection of Margaret Spellings as Secretary of Education in 2005 signaled the beginning of this trend. No longer would the federal government tell states and local school districts how to improve outcomes for all children. Instead, the government began to assume the role of guaranteeing quality products and services for all, and creating a national system of testing that was second to none. As the "quid" to the federal "pro quo," the states agreed to accept the national test results as the basis upon which diplomas would be granted, as well as how admissions to state supported colleges would be determined.

As the existence of a national test suggests, a *de facto* national curriculum had slowly but thoughtfully emerged, born out of the standards movement from the 1980s. To its credit, the U.S. Department of Education, in its new role of promulgating the curriculum while monitoring test development and administration, did a bang-up job of both. To borrow a well-worn phrase, the



federal education department designed a better mouse trap, and the nation beat a path to its door. The new national tests were good, and last year, private colleges and universities began to accept them as entrance exams for the first time.

Relieved of the massive administration and enforcement costs associated with federal education regulations of the past, the Department not only focused its resources on the quality and utility of the national testing program, but it also set aside more dollars for "no-strings-attached" block grants to states. At about the same time, on the international scene, the United States withdrew its troops from the Middle East after helping to stabilize democratic regimes in Iraq, Iran, Syria, Afghanistan, and Palestine. Without the wartime drag on the national treasury, tax rates declined but revenues increased and business flourished, so there were more federal dollars available for social programs. Social Security and Medicare rescue, issues that were once in the forefront because of the tremendous financial challenge they presented for the country, no longer worried us.

As for states, with their new-found flexibility in administering federal block grants, they plunged wholesale into modified voucher programs, allocating both federal and state funds to individuals rather than institutions. This sparked a flurry of lawsuits, however, and the success of many of these suits against state school finance schemes resulted in many states simply retreating from involvement in regulating school finance at all. This created even more flexibility at the local level.

State Education Agency Scenario #1

An unlikely catalyst for the blossoming of entrepreneurship and the development of new education products and services was the Bush administration's proposal in 2005 to eliminate funding for the Enhancing Education through Technology state block grant program, the primary source of federal funding for school technology. This action had the surprising effect of actually being a boon to educational technology. Recognizing the loss of school business this cut would precipitate, technology companies banded together to fund their own school technology programs. Microsoft, IBM, Apple, and a host of other companies pooled their resources to continue school technology programs based on new models that Microsoft had developed. Their motivation might have been to replace revenue from the programs they would lose when the federal funding was eliminated, but in reality, they created something much larger — a market for new products and services. Since, hundreds of technology companies have launched new development programs aimed at creating and marketing all manner of hardware, software, and services for schools.

Yet another market opened for technology companies as the number of home schoolers increased when the regulations were lifted. Education consumers found themselves with more disposable income as a result of the improving economy and lower taxes. They became more interested in purchasing products and services that would allow them to provide supplemental, customized education opportunities for their children at home, on vacation, or in the backseat of the family minivan. Continued increases in resources spurred the technology industry to invest in new, creative approaches to learning, fueling advances in virtual learning technology never seen before.

The explosion of innovation in education was not limited to technology firms. Many retired and semi-retired baby boomers, still committed to supporting the democratic purposes of education, pursued entrepreneurial ventures investing in the development of many of the new products and services displayed in the adjoining exhibit hall. As a side benefit, boomers who have stayed in the workforce have continued to pay into Social Security and Medicare, thus relieving some of the pressures on these systems.

As you have listened to this retrospective, you have heard how the lifting of regulations on schooling, fueled by pressure for more choice from Gen-X and Millennial parents, sent the demand for a variety of educational opportunities skyrocketing. From the traditional public school building down the street to the storefront mini-school to online schools and interactive virtual environments to schools in church basements and corporate day care centers, to deluxe “see-the-world-while-you-learn” tours, the multiplicity of ways in which education is now being delivered is staggering!

This profusion of innovation in the education marketplace has not been without its downside, however. As with most boom-time industries, the explosion in the education marketplace attracted the best and the worst of entrepreneurs and businessmen. In truth, the vast majority of new education businesses have delivered on their promises. Some, in fact, have produced tremendous value for consumers. On the other hand, many of the new companies were established by well-meaning individuals who were very poor business people. As a result, their ventures quickly came and went, as consumers who purchased their products and services found that the tech support line was disconnected or their efforts to contact the company were unsuccessful.

Worse yet, other companies were little more than bait-and-switch schemes, promising the world and delivering nothing. Then there were the Ponzi schemes, where entrepreneurs solicited new investors, using promises of great returns. In fact, old investors were simply being paid with money from new investors; there was no actual new business development. Eventually the pyramid collapsed and everyone lost money except the organizers of the scheme, some of whom are now enjoying the hospitality of the state prison

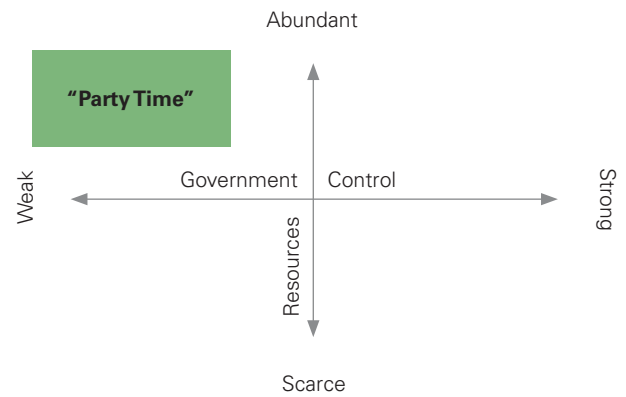
State Education Agency Scenario #1

system while others are sunning themselves on distant beaches.

In the midst of all of this business activity, many companies, both good and bad, “went public.” This created a whole new investment sector, attracting huge sums of money from private and institutional investors. These publicly traded companies found themselves under the jurisdiction of the Securities and Exchange Commission. In a few isolated but notorious cases, more company officials found themselves staying at the gray bar hotel.

Concerned about the quality of some of the education products and services available to consumers, the U.S. Department of Education sought authority for, and eventually established, the Education Quality Commission. Known as the EQC, it is funded by a value-added tax on all education products sold. While it has no actual regulatory authority, this commission makes good use of its “bully pulpit” by insisting that the Department fund and disseminate research on the effectiveness of education products and services through a revitalized What Works Clearinghouse. It turned to state departments of education as independent, public sector organizations, to conduct the research and evaluation necessary to determine effectiveness, thus creating a whole new line of business for state agencies. Along the way, SDE realized that while many consumers were savvy enough to protect themselves from shoddy products and services and confidence schemes, others needed a helping hand. Eventually, we created and produced a new product: Consumer Reports for education products.

New lines of work like this one have kept our agency viable. After all, much of our former business relied on administering and monitoring federal programs. With this work largely dried up, we have gone from being providers of technical assistance to being research and evaluation firms. Along with this change in our core business, we refocused our staffing efforts, seeking new expertise. Most of our recently hired staff members were recruited from universities and private research organizations. We now have more applicants



for positions within SDE than ever before, and the caliber of applicants is truly astounding. Ten years ago, we would have lost this caliber person to other professions, such as medicine.

I’ve talked quite a bit this morning about the many new educational products and services but very little about the consumers of these products and services. One of the largest issues we faced as a state and a nation during the past decade was the tremendous influx of immigrants, most of whom didn’t speak English. In the face of competing public concerns about legal and illegal immigration, business interests won out, heading off restrictions on immigration in order to ensure themselves the steady supply of labor needed to fuel the growing economy. It was incumbent upon the education community to provide the opportunity for second-language learners to become proficient in English and in other subjects so that they could function effectively in our society and as an essential part of our workforce. This created the need for a whole new range of products and services to address the particular needs of these students. The industry and workforce development partners in our public-private partnership provided many of the resources to develop these new tools. Inspired by the challenge, they turned their ever-mounting inventories of barely obsolete computer equipment into well-equipped storefront learning laboratories for language learners and other non-traditional students.

As I conclude this look at the changes over the last decade and how they affected the business sector, I can

only ask, who would have thought it? A whole new industry has arisen from the need for periodic testing to determine whether our children were achieving the goals in their individual plans and diagnosing their ongoing learning needs. Now, there are testing centers on seemingly every street corner, as well as a multitude of secure online testing centers. The tests they administer are available in a range of languages and modes in order to address the differences in how children learn. As you know, these centers not only report results related to achievement of specific individual learning goals, they also provide detailed, individual diagnostic and prescriptive information. At last we have assessments that actually help us deliver better instruction. It was a welcome development that was a long time coming.

So, here we are today, living in a vastly different world from just a decade ago. Learning anytime anywhere is a reality and individualized learning is now the norm and is not just for a chosen few. As a nation, our literacy and numeracy rates are up. Children are learning! Public and private organizations have found new ways to work together for the betterment of society and commerce. In this new world of learning, opportunities abound. Today I invite all of you to join me in this grand new enterprise. The future is ours!

Analysis of Scenario #1

Implications

Reduced government regulation in general is likely to result in an increase in business activity and increased tax revenues. As states reduce their regulatory control over public schooling, more decisions will be left to parents. Some states may fare better economically than others. This could result in differences in the quality and variety of education opportunities from state-to-state. Federal efforts to ensure quality will serve to promote some consistency.

There will be increased options for customized education for specific segments of the school population, including immigrants requiring specialized services. School choice will be the rule, not the exception. Commercial companies, especially technology firms, will be big players and funders. SEAs will have a different role, more focused on ensuring quality through research and evaluation. As a result, SEA staff will need a different mix of skills. Assessment/testing will be even bigger business than it is now.

The potential exists for the SEA to become fragmented and not systemic in its approach, and for it to lose touch with its customers. Communication between different sections of the SEA could decrease and SEA programs could begin to operate independently or at cross purposes with one another.

State Education Agency Scenario #1

Indicators

Events and trends that could signal the development of this scenario include:

- States prevail in gaining relief from NCLB requirements.
- State agencies gain more flexibility in how they are allowed to operate as organizations.
- There is reduced pressure on federal education funding due to reductions in defense spending, reforms in Social Security and Medicare, and increases in tax revenues.
- The federal role in education shifts away from dictating outcomes and funding programs at the state and local level to being more of a national leader in ensuring quality.
- State economies begin to grow and legislatures are willing to spend on education.
- Commercial firms increase their investment in education through direct funding of programs and through aggressive pricing of products and services to schools.
- National surveys show an increased interest in education by the general public.
- Consumers of education products and services begin to select alternative providers at a greater pace, leaving the public education system.
- SEA staff and programs begin to grow.

Options

For SEAs to continue to be relevant and effective in this environment, they must clearly understand their customers' needs and act on that knowledge to plan their work and deliver coordinated, high-quality services. They will need to work with state legislatures to ensure that they have flexibility to collaborate with other public and private organizations in creative ways. Along with this, SEAs should encourage participation of commercial firms, including the technology sector, whenever possible, while avoiding selling out to commercial interests.

There will be an increased need for staff with research and evaluation skills, as well as those who understand the needs of second-language learners. Collaboration with higher education and private research organizations will bolster research and evaluation capabilities. Future staffing requirements should be examined continually to ensure that SEA staff skills are a match with customer service needs. It will be vital to broaden the definition of public education in order to encompass a wide range of strategies for delivery. To remain coherent and focused, the SEA must engage in rigorous organization-wide long-term planning and increase communication across the agency. Furthermore, SEAs should look for and exploit opportunities for collaboration and leveraging across agency programs.

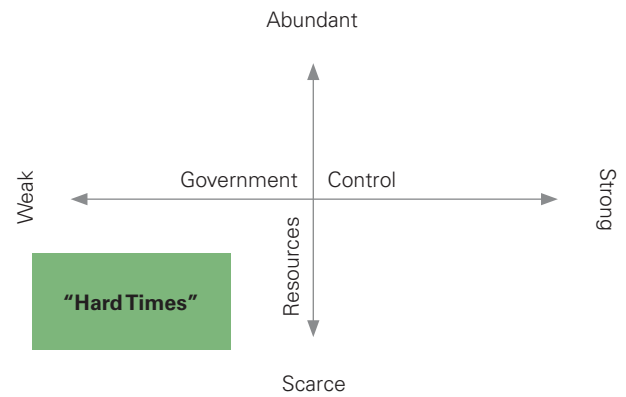
State Education Agency Scenario #2

Deep Causes

This scenario assumes that government financial support for K–12 education is limited and that government regulation of K–12 education has declined considerably at both federal and state levels. Likewise, state departments of education have seen their roles as major conduits and managers of federal funding for K–12 education decline. In the past, as much as half of the funding flowing to these agencies has been through the federal Title I and IDEA programs. Staff assigned to these programs is no longer needed for these specific tasks. These state agencies are struggling to find a role in the new environment.

The following deep causes could lead to this scenario:

- America experiences a general economic decline due to the high costs of the war in Iraq and its aftermath, homeland security, Social Security and Medicare, and soaring oil prices resulting in cuts to education spending.
- States succeed in obtaining relief from regulations under NCLB or simply opt out of the program, declining the federal dollars associated with compliance.
- As one way of addressing the lack of resources, states reduce their own regulatory control over public schools by watering down accreditation standards.
- Economic decline leads to reductions in spending for other social programs, including early childhood education, preventive health programs, and other services for disadvantaged families resulting in increased numbers of school-age children going without basic health care such as immunizations and vision and hearing screenings.
- School enrollment drops due to new, more restrictive immigration policies at the national level and a general loss of faith by the public in the safety and quality of public schools.



"Hard Times"

Time: 2014

Place: The conference room of the offices of Sandia's State Department of Education

Scene: Dr. Andrea Corey has convened a strategic planning session with her senior staff to identify how the agency will continue to support Sandia's educators and students.

Thank you all for clearing your schedules to be here today. As you know, we've planned a day-long session to do the important work of identifying opportunities for SDE to focus on in the coming years. Together, we will determine how to take advantage of those opportunities in a way that will have a real, measurable impact on Sandians.

If you haven't already, please help yourself to the continental breakfast in the back of the room. Because of the serious nature of this meeting, I received special approval from the board treasurer to waive our policy of not using district funds to provide food at meetings. However, continental breakfast was as much of a "meal" as I was able to get covered and so, as you know, you will have to pay for your own lunch, which will arrive at noon. We've scheduled a 15-minute break at mid-morning and mid-afternoon. I have turned off my cell phone and trust that you, too, have turned off your cell phones, pagers, PDAs and other electronic devices.

State Education Agency Scenario #2

We are at a crossroads in our life as an agency. By rethinking our role and focusing on the needs of our customers, we can improve public education for all of the children of Sandia as well as secure the future of SDE. If we don't succeed in clearly identifying our goals and ways to achieve them in the coming years, we run the risk of becoming at best an anachronism and at worst a footnote in history. We need to focus our attention squarely on the business of the day.

I will begin by recounting events over the past ten years that have brought us to our situation today. This is more than storytelling, so bear with me as I revisit events that you might remember only too well. You see, I believe that by understanding our past, we can better plan our future.

Let's begin in 2002, the year the No Child Left Behind Act, called NCLB for short, went into effect. To some, NCLB was the single largest intrusion on local control ever perpetrated on public education by the federal government. To others it was a demonstration of strong commitment to education from the highest levels of our government. We are not here to debate which view was right but to deal with the outcomes of this legislation and the impact it has had on our state. Coincidentally, NCLB came into effect at the same time that our country embarked upon a huge and costly national security and defense program, including foreign incursions in Iraq and Afghanistan and, later, Iran and North Korea. As you will recall, the dollars our nation spent on these wars were nearly matched by the cost of security measures at home. We also watched as oil prices sapped dollars out of the economy and public and private pension funds melted away. The pension debacle throughout the airline industry that erupted in 2005 when United Airlines was desperately trying to stay in business was only the beginning. Something had to give. What gave, as you all know, was federal support for public education.

In 2005, Sandia was among the states that first revolted against the unfunded mandates of NCLB. Utah led the revolt by passing legislation that put state education regulation above federal law, and the rest of us followed, attempting to restore the concept of federalism to our way of governing. A fight ensued over whether the federal government could withhold funding from dissenting states. But here was the rub

— with all the other demands on the federal budget, federal funding for education was steadily declining anyway. In the end, states regained control, in part because the feds didn't have the money to stay in the game. In some cases, as a practical and face-saving measure, the feds agreed to "allow" state regulations to assume primacy as long as on paper they were equal to or more stringent than their federal counterparts. In other cases, states simply elected to walk away from federal funding rather than comply with the many requirements that accompanied it.

The devolution of authority for many programs back to the states was a double-edged sword. States, including Sandia, did regain some authority and autonomy. But, at the same time, youth crime and delinquency rates went up as federal funding for law enforcement at the state and local levels was cut. By the same token, as the feds returned more and more responsibility and authority to the states, Medicaid coverage for children decreased resulting in increasing rates of childhood infectious diseases and other previously preventable illnesses.

Increased outsourcing in major economic sectors put downward pressure on salaries and benefits and caused significant unemployment in some industries. State taxes went up to replace declining federal dollars, but with those dollars going out of our paychecks, we all had less to spend. Sales tax revenues went down as a result and other taxes were increased to make up for the lower sales tax revenues. And I don't have to tell you that higher property taxes made housing less affordable, do I? We've seen families moving in together to reduce expenses. In some cases, homeowners have resorted to the time-honored practice of taking in boarders.

As these events have played out, we've seen a steady decline in the size and influence of our own agency. Without federal dollars to distribute, manage, and monitor, our importance to local education agencies has declined. Because we can't provide resources to school districts as we did before, they no longer think of us as a resource when a new need arises. With the loss of state and federal revenues, we've had to cut staff again and again until we are now at less than a third of our size in 2004. Let me stop here to acknowledge that those of you who are left have done yeoman's

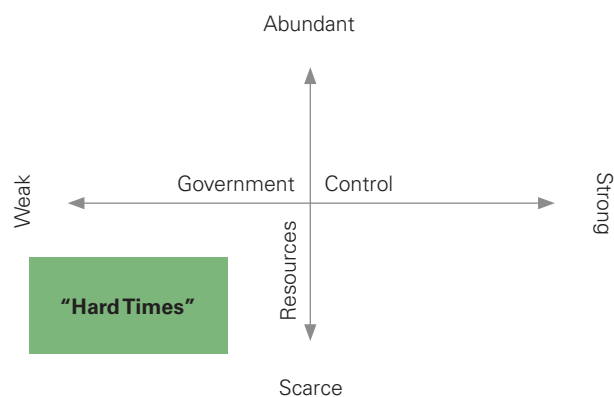
State Education Agency Scenario #2

duty at serving our state's children and their schools. I am in awe of your commitment, and I am committed to leaving no stone unturned as we seek out ways to revive our agency to meet our mission of providing quality education to all the children of this great state.

I've painted a pretty bleak picture of these shifting federal priorities but not all of the events of the past ten years can be attributed to the federal fallout. The very nature of our population has served up its own set of challenges. Like a set of book ends, trends in both our young and old populations have put the squeeze on our social and economic systems.

For example, there are the elderly. Think about it. Beginning in 2011, nearly 70 million baby boomers began turning 65. Many had already left the workforce through early retirements. Fortunately, a good share has stayed in the workforce, continuing to contribute to Social Security and Medicare and putting off collecting benefits. Boomers, my generation incidentally, were the single largest generation in our history. Through our contributions to tax revenues, the federal government was able to design and implement major programs to address the needs of students who for a variety of reasons required additional educational services. Title I assisted generations of low-income students by providing additional resources to their schools. The Individuals with Disabilities Education Act was a tremendous source of help for students with physical and mental handicaps, and an essential source of revenue for the schools working hard to meet the needs of these special students. Now that a huge portion of our federal tax dollar is devoted to supporting retirees and providing for their medical care, there are far fewer dollars available for other things. The states have been left holding the bag in terms of serving its younger citizens.

Here in Sandia we have an even greater problem. Many retirees are moving to our state to take advantage of the wonderful climate and low state taxes. The 2010 census confirmed this shift in our population. In the next election, it will be a hard sell to convince these people to part with more of their fixed incomes to pay for school bond issues. At the same time that the elderly are moving to Sandia, young people are leaving the state, looking for better jobs and new opportunities.



Where are our children? To answer this, look back to 2005, when a popular backlash against lax enforcement by the Immigration and Customs Enforcement agency reduced the number of both legal and illegal immigrants. The Minute Men civilian border patrol was just the opening salvo in many vigilante efforts to turn back illegal immigrants. Because of this, our school-age population has declined and become much less diverse in terms of culture and language.

Serving the needs of the children we do have has become more difficult each year. We have long been aware of the relationship between student achievement and poverty, but we still struggle with the percentage of children living below the poverty line, many of whom live in households headed by a single mother. When Medicaid funding was cut, prenatal and well baby care was less available for those mothers and children who needed it most. As a result, more children come to school these days with special needs. Declines in immunization rates have resulted in epidemics of measles, mumps, and whooping cough. Scarlet fever is again on the rise. We fear the day the first case of smallpox is diagnosed.

There is no denying that the growing gap between the haves and the have-nots reveals itself in the faces of our public school students. As public education becomes more starved for resources, parents who can afford it are sending their children to private or parochial schools. When Sandia passed its school choice legislation in 2007, it opened the door for an exodus of students from public schools. Not only did this further reduce the financial resources available

State Education Agency Scenario #2

to public schools, it typically left public schools with higher percentages of hard-to-serve students. As state resources to support higher education have declined, tuition at our state colleges and universities has gone up, making higher education less accessible to many of our young people. Again, I don't need to remind you of the statistics about earning power as they relate to a post-secondary education.

Wealthier families are not the only "refugees" from public schools. Even low-income parents, already frustrated by low test scores, also now worry about school safety—particularly after the so-called Columbine II massacre in Tennessee. As a result, many have turned to home schooling, parochial, or other private schools. This is why we must rethink our mission and role. Can we maintain our mission of improving learning for all children in Sandia and still support the public education system? I know some of you have seen me as a baby boom dinosaur as I have consistently worked to uphold our traditional system of public education. Believe it or not, I now believe that our future as a state agency and our only hope of meeting our mission lies in meeting our obligation to our children, regardless of where they attend school.

I can see some of you thinking, well, well, maybe an old dog can learn new tricks! Well, the impact of all of these changes on Sandia's public schools is pretty obvious, even for an idealist like me. First, our declining enrollment has required us to reduce our teacher workforce, resulting in larger class sizes for many children. Secondly, even though technology continues to improve in quality, sophistication, and affordability, pressures on budgets have limited the ability of schools to take advantage of technology as a means of enriching instruction and creating new opportunities for students. Third, because elderly voters are reluctant to pass bond issues for school facilities and equipment, buildings are deteriorating.

Throughout my long career in this industry, I have always viewed our teacher and administrator workforces as the saving graces for the system. Even in hard times, high quality people continue to join the profession and we know it's not the salary, fringe benefits, or other perks that come with a career in education that attracts them! No, it is commitment — commitment to the belief that as teachers they can make a differ-

ence, commitment to the future of our children, and commitment to the idea of public service. And joy in seeing the dawn of understanding in a child's eyes, the excitement of a chemistry project gone incredibly right, and the satisfaction of having a former student give credit to a teacher for helping him or her find direction in life. And yet, despite the rewards of teaching, for some the rising costs of obtaining the certificate and the low projected lifetime earnings of the job are forcing them to pursue more lucrative careers. As more and more baby boomers head into retirement, the difficulty of replacing them looms large.

Of course attracting and keeping the best and brightest in the teaching workforce has always been one of Sandia's biggest challenges. When the state legislature passed the tuition forgiveness program in 2007, it went a long way toward encouraging young, bright, technology-savvy teachers to stay in our rural and economically depressed urban schools but unless we can do more to improve their salaries, I believe even that significant break on tuition will not be sufficient incentive for many young people to go into teaching in the future.

It's true that I've been describing a landscape as bleak and dark as a Dickens novel, so let me point to some bright spots. On the plus side, more and more schools and districts are creatively solving some of their problems by banding together to share services and thus reduce expenses.

In addition, throughout the state, small business has blossomed, due in part, some say, to decreased federal regulation and the fact that many large corporations have moved their operations offshore for lower labor costs. Small business owners, aware of the need for vibrant local economies to sustain them, are far more willing than before to support their public schools, if not with cash, at least with time, as more and more companies are providing paid leave for parents who volunteer in the schools.

Following the loss of federal funds for K–12 education, many of the burdensome federal regulations that complicated our jobs, sapped resources, and stifled creativity also fell away. With fewer and less burdensome regulations, we are in a better position to tap the creativity and innovation in our own communities.

Research has shown that high-quality elementary

State Education Agency Scenario #2

and secondary education results in higher lifetime incomes, lower crime rates, and a higher quality of life. Research also shows that not all programs produce positive results — program quality is key. In the absence of federal oversight of our programs, it is up to us to guarantee the quality of the education experiences we provide to our children; it is up to us to advocate for academic rigor; it is up to us to ensure that our needy and mentally and physically challenged students get the support and services they need to reach their potential.

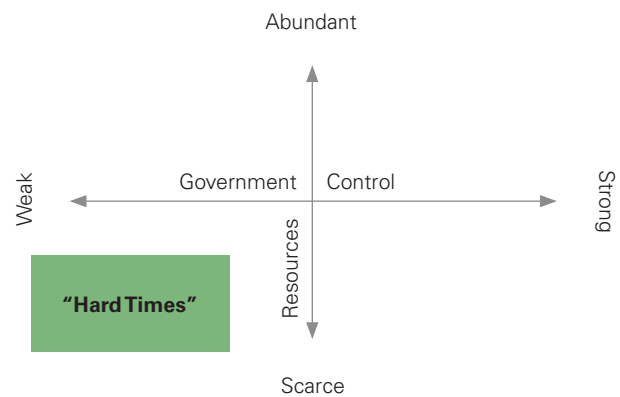
So, we are at a crossroads in our role as an agency. We can continue business as usual or we can seize the opportunity to reshape ourselves and our program plans for the future. We can become an agency that focuses effectively on improving all schools by enhancing teacher quality, ensuring quality programs, engaging local business communities in efforts to support public education, and leveraging innovative technology to improve learning opportunities for all. We've got a lot of work ahead of us, so let's get started.

Analysis of Scenario #2

Implications

In the world described in this scenario, states have more freedom from federal regulation but do not have a wealth of resources with which to exercise this new authority. State agencies, if they have a role at all, may become by default the guarantors of quality in education.

The SEA has experienced substantial cuts in staff due to reduced revenues. At the school level, a wealth of social ills are impacting education and learning, including increases in childhood illnesses, more latchkey children, and fewer home resources for purchasing school supplies and other necessities. Juvenile crime rates and discipline problems in school are likely on the rise. There are fewer children in general because of smaller immigrant populations which were formerly responsible for higher birth rates. Parents are losing confidence in the quality and safety of the public education system, as demonstrated by increasing numbers of students moving to private, parochial, and home schools. Because of state budget pressures, higher



education is less affordable as tax support for public colleges and universities has declined.

Teachers could be in short supply due to the expense of obtaining the necessary education as well as the low salaries offered even experienced teachers. To mitigate pressures on funding, there will be a greater need for service integration across human service, health, and education agencies. Some local economies could be healthier in comparison to the national economy, offering some avenues for additional support for those public schools.

State Education Agency Scenario #2

Indicators

Events and trends that could signal the development of this scenario include:

- States prevail in gaining flexibility in NCLB requirements, causing federal oversight for accountability to decline.
- States loosen their own regulatory control over public education.
- There is continued downward pressure on federal education funding due to competing priorities and/or lower revenues.
- SEA revenues decrease and staff layoffs increase.
- Welfare and Medicaid spending declines in the face of increasing need.
- Public health indicators slide.
- The child poverty rate increases.
- Crime rates increase, especially juvenile crime.
- Proponents of limited immigration prevail – rules and enforcement tighten.
- The overall birthrate declines.
- Consumers of education services begin to select private providers at a greater rate.
- Districts report greater difficulty in recruiting teachers.
- Government deregulation of major business sectors results in rapid growth of local small businesses.

Options

Public schools, in general, will struggle with limited resources and greater percentages of high-needs students. For SEAs to continue to be relevant and effective, they must become adept at coordinating and integrating resources across their own programs. They will also need to reach out to other human service, health, and education agencies in order to leverage limited resources and meet the needs of the large populations of high-needs students. Continued advocacy and engagement with state legislatures could result in a greater commitment to support education from the state level. Looking beyond state borders for opportunities to work with other SEAs could result in cooperative agreements for sharing services. At the same time, local businesses could be a source of additional support, so SEAs must connect with those communities and communicate key messages about the importance of good public schools.

In order to regain “market share” and to maintain quality, SEAs and public schools must identify the most effective strategies for school improvement and implement them. It will be vital for the SEA to choose a few key priorities and focus on them rather than attempt to do a little bit of everything. Because SEA staff complements will be declining, it will be important to develop plans for keeping the best staff on board. Because of anticipated shortages of new teachers, SEAs will need to help districts develop strategies for attracting and keeping good teachers. To address declines in new teachers, the SEA will need to work with higher education and the state legislature to develop ways of maintaining affordability in teacher preparation programs, including possibly school loan forgiveness and subsidized education in exchange for required service in inner city or rural communities. States could also consider ways to entice retired baby boomers back into the teaching workforce.

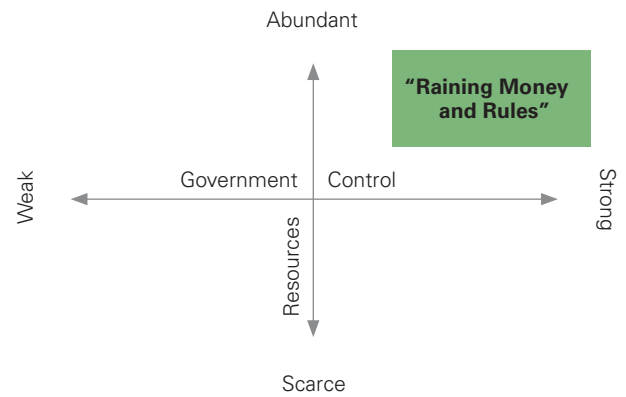
State Education Agency Scenario #3

Deep Causes

This scenario assumes that government financial support for K–12 education is abundant, as are the regulations attached to the awarding and distribution of these resources by the federal government. State department of education staff are faced with the complex task of administering the wide range of resources allotted to them and maintaining compliance with federal regulations attached to those resources while ensuring that the bulk of the funds provide direct services and physical resources to schools and students. The task facing SEA managers is to manage the flow of state and federal revenues and regulations as efficiently as possible.

The following deep causes could lead to this scenario:

- Peace in the Middle East results in reduced pressure on the federal budget and lower oil prices, thus freeing up funds for other purposes.
- Breakthroughs in surveillance technology reduce homeland defense expenditures while increasing border security.
- Realistic plans for saving Social Security and Medicare are in place.
- U.S. influence at the international level is revitalized leading to a renewal of national pride and confidence.
- The Guest Worker program increases immigration from the south and changes how immigrant children are served by public schools.
- Increased income allows more parents to send their children to private schools, forcing the public schools to become better in order to maintain market share.
- Increased quality and choice in public education results in increased public trust in the system.



"Raining Money and Rules"

Time: 2014

Place: The virtual meeting room of Sandia's State Department of Education (SDE)

Scene: Dr. Andrea Corey is briefing new SDE staff on the department's role and responsibilities. Most of the assembled staff members are sitting in virtual meeting rooms at regional "hubs" created by SDE to move staff as close as possible to the constituents they serve.

Welcome to Sandia State Department of Education. As part of your new employee orientation, we will meet this way once a month for the next six months in order to provide you with the best induction experience possible. You are a select group. I know you all had other choices about where to work. I'm glad you chose SDE, and I intend to do everything I can to make your tenure here productive and rewarding. We do important work here, and you now have the opportunity to contribute to it.

We're using SDE's new virtual meeting rooms as a way to come together while being mindful of the time and money it would have taken to bring you all together physically. We hope that our virtual meeting rooms will increase our productivity and reduce the travel wear and tear on our staff. And for those of you who wanted to work for SDE but did not want to move to Portales, virtual meetings have been a win-win for you and the agency. As "Gen-Xers" and "Millennials"

State Education Agency Scenario #3

you all grew up with this stuff and probably feel right at home. As a trailing member of the “boomer” generation, it’s still a little intimidating for me. I hope you will bear with me if I push the wrong button from time to time.

All of you have been hired by SDE within the past month and are joining other staff hired over the past couple of years when we began ramping up our recruiting efforts. Some of you will be in the field, working directly with teachers and school administrators. Others will be behind the scenes in management, research, or administrative and technical positions. As I hope you’ll agree, we offer a challenging, stimulating work environment, excellent benefits, and the opportunity for you to apply your expertise in pursuit of a personally meaningful mission.

Please indulge a former history teacher as I recap the significant events in our history that have brought our agency to where it is today. I hope through sharing this history that you will have a greater understanding and appreciation for the organization you’ve joined and the work we do. As you build your understanding of the influences that have shaped our agency and its work, you will be able to think more strategically about your own work and how it furthers the mission of SDE.

Our agency was first established early in the 20th century to assist the Sandia state government meet its education obligations to the children of our state. We began small, mainly focused on granting teacher licenses. As the years went by and the structure of public education became more complex, we grew in size, though not necessarily in influence. During the administration of President Lyndon Baines Johnson, we saw the first Elementary and Secondary Education Act, known as ESEA. The primary focus of this landmark legislation was to improve educational opportunity for economically disadvantaged students.

In 1970, education for “handicapped” children was authorized separately through the Education of the Handicapped Act, later renamed the Individuals with Disabilities Education Act, or IDEA. It was through these two laws, updated and amended over the years that the majority of federal support for K–12 education came about. In the intervening years the funding for the various programs authorized under these laws for the most part passed through state departments of edu-

cation like SDE to the local level. As those programs grew and became more complex, our job managing the flow of money and the regulations attached to those funds increased in size and complexity.

During the early part of the 21st century, public education went through a rough patch with regard to federal funding. There was a war, several in fact, and homeland security drained the federal treasury. Federal funding for education declined in the face of rising costs. Our agency went through a period of retrenchment due to declining revenues from federal programs. Our jobs were greatly complicated by the 2001 re-enactment of ESEA, named the No Child Left Behind Act of 2001. Through this act, federal control of K–12 education was increased through a greater emphasis on accountability, testing, and teacher quality. These requirements were attached to the ever decreasing flow of dollars through ESEA. We had fewer dollars with which to provide the required level of regulatory oversight, monitoring and reporting. It was not a happy time for SDE.

Three things happened that turned the tide, one fairly obvious in its impact and the others not so obvious. First of all, as we all know now, the preemptive war doctrine of President George W. Bush, first employed in the overthrow of Saddam Hussein in Iraq, led to dramatic changes in the previously despotic states of the Middle East. Since 2005, democratic elections have been held in a number of former international hot spots. As the new democracies have assumed more and more responsibility for their own security, the U.S. has been able to bring our troops home and reduce our financial expenditures in that part of the world. Some of you may not be old enough to remember our world before the formation of a stable, peaceful Palestinian state, but until PLO Chairman Yasser Arafat’s death, chances for sovereignty for Palestinians was grim. With Arafat’s passing followed by Ariel Sharon’s death, Israelis and Palestinians forged a new pact focused on safety for all.

President Bush’s naming an ambassador to the United Nations who was known for his criticism of U.N. policies and practices resulted initially in a greater breach in the relationship between the U.S. and the U.N. Some of us baby boomers were very concerned over the nomination because we didn’t like the

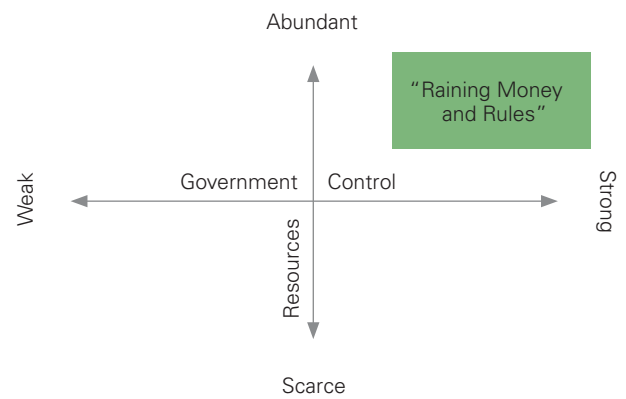
State Education Agency Scenario #3

unilateralism imposed by the U.S. in its dealings with the U.N. However, when the U.S. refused payments in support of some U.N. initiatives, the U.N. reconsidered its stance on several of our requests. This led to much-needed reforms and an increase in respect for the U.S. in the world governing body. It's hard to argue that the world isn't safer and sounder now because of this hard line. The fact is that the unilateralism expounded by the Bush administration helped the U.S. maintain its status as a world power and allowed our country to focus more of our resources as we saw fit.

The second key factor in the change that took place during that time was a sudden breakthrough in surveillance technology, allowing the Department of Homeland Security to achieve many of its goals without the huge expenditures of tax dollars originally anticipated. While civil libertarians and those concerned about privacy issues opposed the use of these new technologies, by and large the citizens of this country were willing to give up some privacy in exchange for more safety.

These changes in foreign policy and domestic security expenditures freed up more dollars for other purposes, and helped us to reduce the national debt. Without the pressure of a towering national debt, there was more money in the civilian economy. Business and investment grew, wages increased as unemployment declined, entrepreneurship blossomed, and the engine of our national economy sprang to life again. Tax revenues went up, and everyone had more money to spend for discretionary purposes, including education. As families of school-age children became wealthier, more and more of them were able to send their children to private schools. In order to maintain market share, public education needed to redouble its efforts to provide the quality and range of choices that parents were demanding. It required much ingenuity and foresight on our part to create attractive and viable options within the public education system to address the choice issue. In response to customer demand, SDE increased its support for the creation of magnet schools, charter schools, and technical schools.

This shift in federal priorities and spending had the added effect of diffusing a demographic time bomb that loomed on the horizon for all of us. Beginning in 2011, 70 million baby boomers began turning 65. Many



had already left the workforce through early retirements. Fortunately, many had also continued to work, thus continuing to contribute to Social Security and Medicare and delaying collecting benefits from these programs. The boomers were the single largest generation in our history, eventually to be exceeded only by their offspring, the Millennials. Advances in health care and healthier lifestyles meant that this generation would experience increases in average life expectancy not ever seen before. Not only were there lots of them, they were going to live "forever!" I know — I'm one of them and I plan to live to be 100.

We were facing the likelihood that more than 33 percent of the national electorate would be over 65 and mostly retired, with all the attendant costs of keeping Social Security and Medicare afloat. The Congressional Budget Office predicted steady declines in tax revenues along with hugely increased costs for supporting our elder generation. Thankfully, the reductions in war and national security expenditures that I described earlier allowed lawmakers to craft and fund realistic plans for heading off the impending collapse of Social Security and Medicare without devastating other sectors of the economy in the process. Contributions to these systems by burgeoning numbers of immigrant workers also have provided a fresh influx of revenue.

The third and perhaps least obvious catalyst for the changes in the fortunes of K–12 education and the agencies serving it was the scientifically based research requirement contained in NCLB. Even before the passage of the first NCLB in 2001, there was general agreement among educators that school improvement practices needed to become more evidence-based. But

State Education Agency Scenario #3

there was consternation about how that could happen, given the complex nature and huge expense of conducting rigorous social science research. With an influx of new dollars to the federal department of education, there was a re-dedication to the goal of evidence-based school improvement practices, and a refocusing on improving the quality of education for all. In order to conduct the necessary studies, gather and analyze the data, and replicate results, the federal department of education greatly increased its allocations to programs that demonstrated they could carry out these activities. These programs were designed and managed by the Institute for Education Sciences and implemented through state agencies such as SDE, in collaboration with the revitalized What Works Clearinghouse. Suddenly we and agencies like us found ourselves in the position of needing to hire staff and develop capacity to do this work. It may come as a surprise to you that, in 2001, SDE had no research and development staff at all. Now it is our largest and most well-resourced department.

Now I'll take a moment to talk about a topic that you might not think about very much but that has quite an impact on our work here at SDE — demographics. Here again, outside events transpired to create yet another growth industry for our agency. With the institution of the Guest Worker program in 2008 to help meet the pressing labor needs of our growing economy, there was a large influx of Spanish speaking children into our public school system. This population growth contributed to further economic expansion, which contributed revenues to state governments, which then increased available money to spend on education.

Some districts relied upon native language programs where children were taught and tested in their native language. This was done based on the presumption that these children would eventually return to their native countries and thus needed to be proficient in their native languages as well. Other districts pursued traditional bilingual and English as a Second Language programs. Regardless of the approach taken to addressing English-language learning and second language populations, there was an increased need for teachers proficient in other languages and cultures. Federal education and labor department programs that

supported the Guest Worker program were given to the states to administer. Increased state revenues for education services for these populations contributed even more to the resources SDE had at its disposal for meeting the needs of immigrant workers' children.

We were experiencing continuous change. A *de facto* national curriculum had come about as a result of the standards-based education movement. Addressing the needs of a more demanding and discerning customer base within the context of this curriculum, coupled with the requirements of NCLB, was an added challenge. This forced us and other agencies like ours to take a hard look at the product we were delivering and to dedicate ourselves anew to providing the best public education experiences possible to our children. In fact, the requirement for scientifically based research on effectiveness turned out to be a huge economic boon to this agency and an incredible benefit to the children we serve in that it helped us do a better job of delivering programs and strategies that worked. By adopting proven models of systemic reform we have been able to promote more effective use of data and improved accountability. By re-examining the role of technology, we have been able to reduce paperwork and shift resources to focus on improvement efforts.

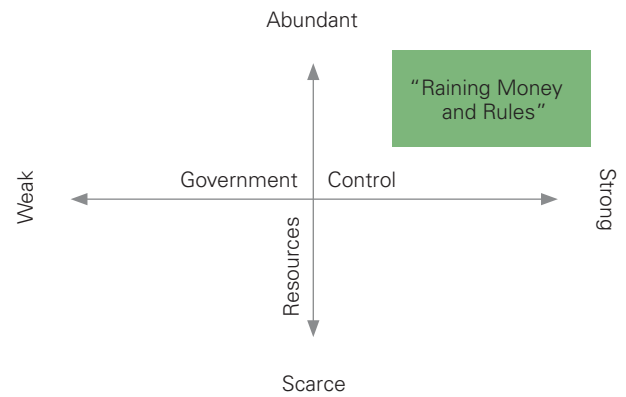
Another key trend that has shaped our work has been the increased focus on high school reform. Beginning in 2005, governors, chief executives, and education leaders have met annually at the National Education Summit on High Schools to discuss the need to strengthen requirements for rigorous coursework, bring colleges and universities together with K–12 education to set common expectations, improve teaching and principal leadership, and expand education options for students. Some of the additional funding that has been available to us over the past few years has allowed us to focus on creative solutions to this need, including stronger articulation of requirements across the P–16 continuum, more opportunities to earn college credit in high school, restructuring the final year of high school to assure a smoother transition to college, and greater attention to post-high school education and training options for non-college-bound students. Additionally, we have been able to support or establish a variety of extended learning opportunities, including after school programs and Saturday academies.

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I must say that our efforts to improve the quality of public education have been met with some measure of success. Recent polls show that the level of parent trust of public education has increased substantially. Young people are flocking to the teaching profession again as teacher salaries have increased and the profession has taken on added respect in part because of the kinds of results we've been able to deliver. This influx of new teachers has placed added requirements on our agency, as we've continued to manage the credentialing process. The increased emphasis on professionalism among young and veteran teachers alike has meant that our agency has had to increase both the scope and quality of its professional development offerings. What has been the result of all of this change? I'm happy to say to you today, that we have become a better organization.

Our staff has nearly doubled in size over the past five years as we added technical assistance experts skilled in working with districts and schools to improve leadership, curriculum, instruction, and assessment practices to increase student achievement. Special needs students have received renewed attention, requiring us to hire more staff with special education expertise. The application of new technologies as tools for delivery and management of instruction, assessment, and professional development created a need for a cadre of technology consultants who could work with school staff. In the past, we had to rely on external providers for these services. Now, we employ this expertise within SDE, guaranteeing continuous access to the knowledge needed by Sandia educators.

The requirement for rigorous research to determine the effectiveness of school improvement practices resulted in the need for staff with research skills to design and implement studies and interpret results. We continue to have a need for staff skilled in the application of research findings to education practices. Data entry staff and analysts were needed to enter, manage, and make sense of the data. Still more technology staff were required to support the research and analysis teams. To conduct rigorous studies with experimental and control groups, more technical assistance staff were needed to train school staff in the proper implementation of the programs being studied so that research results would not be confounded by differences



in implementation from one site to another. These staff also monitored how programs were implemented.

As the need for experienced research, technical assistance, and technology staff increased, so did the need for support staff. New management positions were needed to oversee and guide this growing enterprise. Accountants were hired to manage the flow of dollars to the local sites. Grant writers were needed to write the applications that produced the federal awards. Policy analysts were hired to advise me, the chief executive officer of this organization, about trends in policy development at the federal and state levels that would have an impact on how to proceed.

The growth we experienced was phenomenal, but it was not without its drawbacks. Communication breakdowns occurred and difficulties arose in managing staffing, facilities, and quality control. Most critical among our challenges has been remaining focused and integrated. Given the increased array of resources available to us and the size of some programs, it would have been easy to work in silos, isolated from one another and far less effective than we would be by leveraging our efforts across programs. We did lose our bearings for a while, but by creating cross-program steering committees and work teams, we have to a large degree been able to regain our focus, even though there is still work to do. Looking both to our past and to the future, we know that our agency has gone through periods of boom and bust. Developing strategies to maintain our programs through periods of austerity is a challenge that will always be with us.

State Education Agency Scenario #3

With this detailed account of the history of the agency you've just joined, I've given you a foundation that I hope will serve you well as you help us take SDE into the future. Now, let's turn to today's events and get on with your orientation.

Analysis of Scenario #3

Implications

In the world described in this scenario, there is tremendous opportunity to be systemic and effective, but there is an equally strong potential to lose coherence and become fragmented. The potential exists for the SEA to lose touch with local education agencies and to view federal and state funding agencies as its customers. SEA staff will increase substantially. Communication between different sections of the SEA could decrease and SEA programs could begin to operate in a vacuum or at cross purposes with one another. Technology could offer effective solutions for maintaining communication and cohesiveness both across SEA staff and with SEA customers. Federal and state government will have expanded influence by virtue of abundant funding being channeled through the SEA, accompanied by significant rules and regulations. There will be a strong emphasis on accountability, with strong sanctions for failure to comply. A *de facto* national curriculum could emerge. High school reform will continue to be a key concern. There will be greater emphasis on research-based practice and less latitude for local education agencies to choose interventions that lack a research base, particularly when there is federal or state money involved. There will be an influx of immigrants needing specialized services. Many consumers will have resources to purchase private schooling for their children, forcing public schools to become more innovative and market driven in order to maintain enrollment. The teacher workforce could grow, requiring SEAs to step up capacity to deal with teacher credentialing.

Indicators

Events and trends that could signal the development of this scenario include:

- Defense and homeland security budgets consume a smaller percentage of federal outlays.
- The economy begins to grow at a faster than average pace.
- Federal and state funding for education begins to grow.
- SEA staff and programs begin to grow.
- Government requirements for annual testing and reporting and evidence-based practices increase.
- Guest worker program or similar immigration-friendly measures gain support in Congress.
- Consumers of education products and services begin to select private providers at a greater pace.

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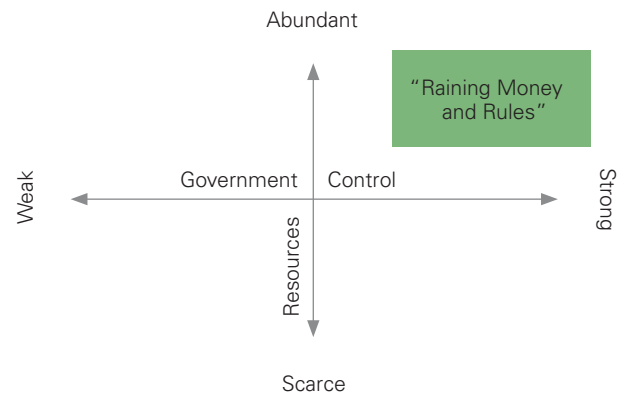
Options

For SEAs to remain effective in this environment, they must anticipate the effects of significant growth on communication, cohesiveness, and morale among their staff. They should embrace focused, rigorous, organization-wide long-term planning in order to combat a potential loss of focus in the agency's mission. In particular, agency managers should actively look for and exploit opportunities for collaboration and leveraging across agency programs.

The agency must work hard to understand its local education agency customers and their needs, and act on the knowledge gained. While attending to the needs of local customers, the SEA should not lose sight of the needs of agencies supplying funding for its programs. To build consumer confidence in public education, SEAs must build state infrastructures for accountability that provide the public with accurate, reliable information about the quality of local schools. State credentialing of teachers must ensure quality in the teacher workforce. Furthermore, SEAs must clearly address the quality and relevance of public education offerings, especially at the high school level.

Agencies should consider collaborating with higher education and private research organizations to bolster research and evaluation capabilities to promote increased quality in the public education system. Along with increased accountability and quality, increased choice within the public education system will attract parents who are seeking options for their children.

Larger second language learner populations will require more specialized services, requiring that SEAs have the capacity to provide effective technical assistance in support of these programs. Maintaining and enhancing technology infrastructure for communication and service delivery will be important.



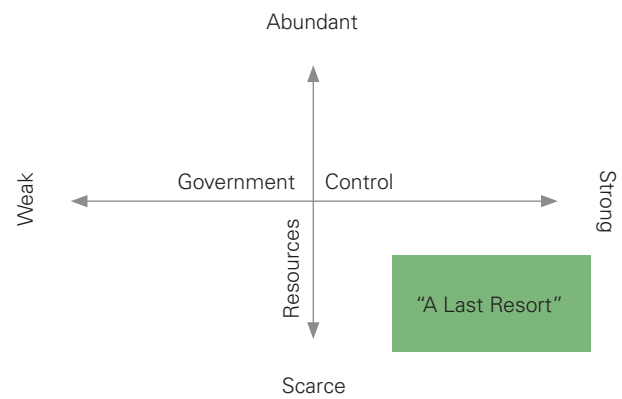
State Education Agency Scenario #4

Deep Causes

This scenario assumes that government financial support for K–12 education is limited, but that federal and state governments continue to seek to influence education through regulation. State department of education staff charged with administering and monitoring federal programs at the state and local levels face a daunting task. Not only must they administer the meager resources allotted and maintain compliance with state and federal regulations attached to those resources, but they also must be careful to balance the amount spent on administrative activities with the amount spent on services for the intended beneficiaries of the funds. Many affluent families have fled the public system, leaving schools to serve only those students who have no other options. In this scenario, Chief State School Officer Andrea Corey encourages her staff to stay focused on what’s important in the face of dwindling resources.

The following deep causes lead to this scenario:

- Wars, homeland security costs, Social Security and Medicare, and soaring oil prices put severe pressure on federal and state budgets, resulting in cuts to education spending.
- States fail to obtain substantial relief from regulations under NCLB, which remains focused on one-size-fits-all testing and unrealistic proficiency goals.
- States strengthen district and school accreditation requirements and implement other measures to increase control over how public education is provided.
- High school reform initiatives place additional financial pressure on state education agencies with no compensating federal support.
- Immigration policies result in high levels of legal and illegal immigrants from Mexico and Central America.



“A Last Resort”

Time: 2014

Place: Smitty’s Waffle House in Portales, Sandia

Scene: Dr. Andrea Corey is delivering her annual end-of-the-year “State of the Sandia State Department of Education” message to her staff and State Board of Education members who have assembled for the breakfast meeting.

- Wealthier families and social conservatives become dissatisfied with public education and are enrolling their children in private and parochial schools in greater numbers.
- First and second generation immigrants are assuming more prominent roles in business and politics.
- Technology offers cost-effective solutions to managing assessment and accountability data.

I want to thank all of you for getting up even earlier than usual to come here this morning. In years past, this event was held at a local steakhouse, but this year we’ve cut back on expenses. Luckily, Smitty’s was able to accommodate us and provide a bountiful breakfast buffet, so I hope you like waffles.

This is the tenth time I’ve come before you at the end of the year to report on the condition of education in our great state and to reflect on the role of Sandia’s Department of Education as it seeks to meet the needs of the children of our state. The past year has been

State Education Agency Scenario #4

a time of opportunities and challenges. Faith in our mission, to ensure the best possible education for the children of Sandia, at times seems to be all that has sustained us.

There are fewer of you here today than there were last year. The layoffs earlier this year hit hard, and we all miss our friends and colleagues who are no longer with the department. We hope that the new year will not bring another round of staff reductions but, as you know, the state legislature is discussing capping our funding at last year's levels. The federal government has once again held steady with its allocations to Title I and Special Education programs and has reduced funding for other programs. Several programs that provided substantial funding for our work are zeroed out in the president's proposed budget. Despite reductions in funding, the federal government has not backed off the regulatory burden that accompanies funding. To compound the problem, state funding for public education is equally tight. Our obligations to Sandia's students have not declined. If anything, they need more from us than ever before. We are forced to choose between spending our limited funds on school improvement or on maintaining regulatory compliance. It is a difficult line to walk.

The good news is that while we regret the loss of our colleagues and friends, those of you here today are the very best and brightest and most committed staff I have ever had. As a result of the challenges I just mentioned — funding shortages, declining staff, and high expectations, we are re-examining our role as an agency and the way we work together as champions of quality public education.

In the past we struggled with maintaining cohesiveness across the various funding streams. Too often, barriers between categorical programs separated us, and we went our individual ways rather than collaborating on behalf of Sandia's schools and families. We must re-examine these habits of thinking and working. Specifically, we must think creatively about how to maintain basic compliance while focusing our resources on school improvement. We need to keep our public schools alive, effective, and relevant to our customers. We will do the right work, despite any challenges and risks, knowing that the work will be hugely rewarding. To begin, I would like to review some of the local, na-

tional, and global events and trends that have brought us to where we are today.

Since the passage of the No Child Left Behind Act in 2001, Sandia, along with other states, has struggled to achieve the goals set out in the legislation. Because of the ever-increasing costs of homeland security, healthcare for our aging, and the ongoing war on terror, the federal government has never been able to fully fund the act, nor has it granted states the flexibility necessary to meet NCLB goals through their own innovation. In particular, the one-size-fits-all method for measuring student performance coupled with the 100 percent proficiency goal has meant unachievable expectations for many of our schools. And, especially significant to Sandia, is that these federal regulations do not consider the special challenges of adequately teaching students with disabilities and English-language learners; nor do they address the differences among rural, suburban, and urban schools.

We must face the facts. For twelve years we've striven to meet the goals of NCLB in the face of ever-increasing regulation and sanctions coupled with less and less financial support. Today, ten percent of the state's schools have been closed, and over 85 percent of the remaining public schools in Sandia are still classified as in need of improvement. In the face of declining personnel and fiscal resources, our agency is barely able to provide the required program administration and monitoring for our existing schools and districts, let alone help failing schools to get back on track.

Nor are our regulatory concerns limited to the federal level. Back in 2008, Sandia's state legislature voted to strengthen accreditation requirements for districts and schools. They imposed more rules about how districts can spend their state allocations and made it possible for the state to actually take over failing schools and districts. They even dramatically reduced the list of state-approved textbooks, further dampening local districts' ability to innovate.

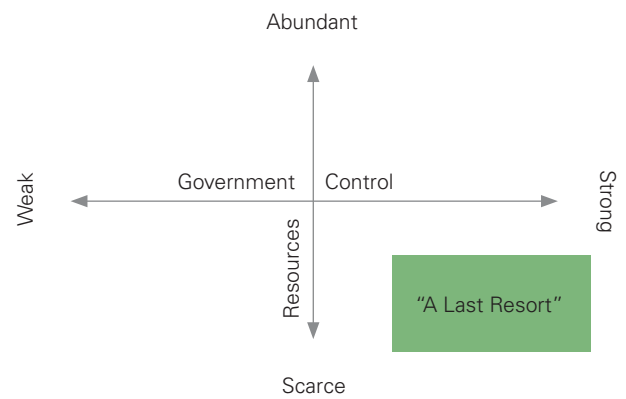
At the heart of our nation's financial pressures is the fallout from the federal government's borrowing binge of the early 2000s. In 2005, the administration's estimates for that fiscal year showed a record deficit of \$427 billion. Tax cuts from previous years were kept in place, and continued involvement in foreign wars placed a further drag on the economy. So, here we are

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in 2014 with a federal budget deficit double what it was in 2005 and even less money available for domestic programs, especially education. The long-term fiscal picture is bad and getting worse. Even more important, everything the current administration is proposing in terms of additional homeland security measures is going to have an even greater negative impact on our fiscal picture.

Another financial burden we've been facing has come with the increased focus on high school reform. Beginning in 2005 and every year thereafter, governors, chief executives, and education leaders have come together through the National Education Summit on high schools to discuss ways to strengthen requirements for rigorous coursework, bring colleges and universities together with K–12 education to set common expectations, improve teaching and principal leadership, and expand education options for high school students. We at SDE have worked hard to support our constituents as they strive to improve their high school programs. We've worked with community organizations and higher education to raise awareness of the need for creative solutions, including stronger articulation of requirements across the P–16 continuum, more opportunities to earn college credit in high school, restructuring the final year of high school to assure a smoother transition to college, and greater attention to post-high school education and training options for non-college-bound students. Unfortunately, in spite of the sustained interest of our politicians, there has been no additional funding available to support these initiatives.

Yet, the challenge of reforming high schools is an opportunity to make a real difference in the personal lives of our students and in the economic life of our country. Until the 21st century, the U.S. economy included a healthy manufacturing sector that provided good living wage jobs for people not educated past the high school level. That has all changed as manufacturing jobs have gone overseas, leaving behind mostly low-paying service jobs for those with only a high school diploma. Our children need a quality education that goes beyond high school to survive in the new economy. We are obliged to provide the kind of education they need to support their families. In recent years we have placed greater emphasis on promoting



continuity across P–16 programs and redoubled our attention on post-secondary, non-college education and training choices so that all of our students have the opportunity to pursue education past high school. There are early indications that our efforts are paying off. I am happy to say that declining graduation rates have leveled off and in a few instances have rebounded slightly. Again, the hard challenges we have faced have helped us focus on doing the right work.

Naturally, part of the challenge we've faced over the past ten years and will continue to face in the future is due to national demographics. Beginning in 2011, nearly 70 million baby boomers, the single largest generation in our history, began turning 65. Fortunately, a good number of us boomers, including me, have chosen to continue working, thus continuing our contributions to Social Security and Medicare and delaying collecting benefits. But, believe it or not, we can't work forever and soon, the level of tax revenues generated by our high salaries, which has, over the years, allowed the federal government to design and implement huge programs to address the needs of students who for a variety of reasons required additional educational services, will diminish. Title I assisted generations of low-income students by providing additional resources to their schools. The Individuals with Disabilities Education Act, what we call IDEA, was a tremendous source of help for students with physical and mental handicaps and an essential source of revenue for the schools working hard to meet the needs of these special students. In fact, soon, over 33 percent of the national electorate will be older than 65, retired from traditional workplaces, and pursuing

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their individual interests or volunteering and living on savings and meager pensions. As a result, the Congressional Budget Office is predicting slow but steady declines in tax revenues. Combined with ever-increasing demands on the healthcare system from aging boomers, well, you can see that the financial scene ahead is not encouraging.

Here in Sandia we face an even greater challenge. Many retirees are moving to our state to take advantage of the wonderful climate and low state taxes. In the next election, it will be a hard sell to convince these people to part with more of their fixed incomes to pay for school bond issues. At the same time that the elderly are moving to Sandia, young people are leaving the state, looking for opportunities elsewhere.

So, you might ask, where in all of this is there opportunity for us? First, our increasing population of retirees can be a tremendous resource if we view them as allies and partners in educating our children. Members of the boomer generation possess a strong social conscience. Growing up in the 60s, believing that we could change the world for the better through political action, we have always been attracted to “the cause.” Couple this altruism and belief with the fact that boomers tend to be wealthier, healthier and “younger” than previous generations of retirees, and you have a ready source of volunteers, waiting only for the right cause to inspire them to service.

Now let’s consider for a moment our school-age population. In the face of steady declines in revenues available to support public K–12 education, our school-age population is more diverse and harder to serve. Because federal policies encourage immigration, more and more of our children do not have English as their first language. Many children, both English- and non-English speaking, live at or below the poverty line and I don’t have to tell you what kinds of special needs these kids bring to school with them every day.

The good news is we are not alone. Human service agencies throughout the state have experienced similar budgetary pressures while at the same time have seen increasing demands for their services. In response, some state agencies have banded together to leverage their resources in service of the greater good. I’m pleased to say that our partners in the Departments of Children and Families and Public Health have been of

immeasurable assistance in exploring how we all can integrate our services to get more bang for our collective bucks.

Parents themselves have been another resource. Many second generation immigrants have moved into the mainstream, operating successful businesses, running for city council, managing state and local agencies, and occupying seats in the statehouse. As advocates for their own children’s education, as well as for new arrivals in this country, they are in a unique position to help bridge the gap between what their kids need and what the federal programs can no longer deliver.

As public education becomes more starved for resources, parents who are able to make a choice are sending their children to private or parochial schools. When Sandia passed its school choice legislation in 2007, it opened the door for an exodus of students from public schools. Not only did this further reduce the financial resources available, it typically left public schools with higher percentages of hard-to-serve students and more crowded classrooms. In fact, now only about 80 percent of all students attend public school, mainly in inner-city and rural districts. This is a drop of almost 15 percent from a decade ago. On the plus side, those parents who still send their children to public school are more involved than ever, and it’s not just the annual bake sale. Committed to their children’s futures and unable to afford private schools, they’ve banded together to force the public system to do better. It’s not always fun, but on the other hand, we know that parent involvement is one of the single biggest contributors to improved outcomes for children. Parents have served as a strong motivational force to improve all of our schools for all of our children.

Our young teacher population is another valuable resource that represents yet another opportunity for our state. One of Sandia’s biggest challenges in the past has always been to attract and keep the best and brightest in the teaching workforce. When the state legislature passed the tuition forgiveness program in 2007, it went a long way toward encouraging young, bright, technology-savvy teachers to stay in rural and economically depressed urban schools. Technology has consistently offered improved capabilities at a lower price. It is through the use of technology that we are

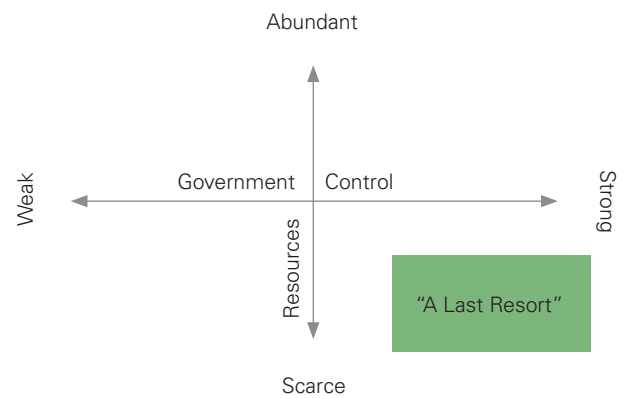
State Education Agency Scenario #4

able to bring cutting-edge programs and other resources to our isolated and economically challenged schools. Technology is the vehicle that takes our learners to places never before possible. When most of us in this room grew up, color television was high tech. Sixteen-bit computers showed up about the time we hit high school. ATMs, U-scan grocery lines, wireless networking, virtual reality — these were all amazing, and for many of us, just a bit uncomfortable at first. The young people coming out of our schools of education today were born with microchips in their cradles. They are what we call “digital natives.” All this technology is part of everyday life for them. Having a teacher workforce who knows what to do with these resources has been a blessing and a necessity.

Technology also has provided some of the solution to our accountability problems. New systems for assessment and for capturing and using individual student data help us tailor educational experiences to meet individual needs, and to test second language students in their native languages. They also allow us to report student achievement in the ways required by the federal government. It is sad to say, though, that two of the staff laid off last summer were from Sandia’s technology consultant team. The schools in our state must learn to grow their own technology expertise or rely on that available in their local communities.

So what does this all mean for SDE and our customers? Our parents expect teachers to be clearer about what we should be teaching. They are demanding that they employ the most effective instructional practices in our classrooms. They expect that they will use quality research to guide selection of curriculum and instructional practices. Here at SDE that means we need to be more skilled at understanding research and helping teachers translate it into practice. We need to be far more collaborative and customer oriented than in the past, despite continued regulatory obligations. We need to be clearer about what we need to do to recruit and retain the best teachers. We need to be more creative in leveraging our resources across programs to produce the biggest “bang for the buck.” And we need to be very skilled at using technology to support all of our efforts.

What does the coming year hold for us? There is an old saying, “Necessity is the mother of invention.” Our



opportunity lies in our ability to energize business and community groups to rally around public schools in their home towns and provide the necessary resources for quality learning. Research from the 1980s shows that when a small town loses its public school, the rest of the town dies as well. In urban and suburban areas, property values decline when neighborhood schools close down or are placed on academic watch lists. It is in our collective best interests to maintain our schools. I have long been a member of various civic groups and have always advocated in those groups for greater public support for schools. I am asking you, members of the State Board of Education, to likewise encourage your constituents to seek out ways of supporting schools. We need materials. We need equipment. We need volunteers. We need your help to prepare all of our young people for the future.

And you, staff of the Sandia State Department of Education, ours is a noble mission fraught with difficulty. I need you to remember our mission, do the right work, and keep the faith.

Analysis of Scenario #4

Implications

In the world described in this scenario there will be few resources and little flexibility in how to use them. The size of the SEA’s staff will decrease substantially and the remaining staff will need to do more with less. Staff morale is likely to decline. Federal and state government will promulgate many regulations but have little ability to enforce them, potentially leading to

State Education Agency Scenario #4

cynicism among SEA staff charged with assuring regulatory compliance. On the other hand, the potential exists for the SEA to focus on regulatory compliance at the expense of school improvement.

Many schools will be identified as in need of improvement. SEAs will need to be clear about their mission or run the risk of losing sight of who they are expected to serve. Because of economic conditions and a tight job market in other industries, teacher supply could be reasonably healthy.

There will be an influx of immigrants and special needs children into the public school system, creating the need for solutions targeted at these populations, thus draining resources for other needs. Local economies could be healthier than national economies, and possibly be dominated by first generation immigrants. Local school boards could become dominated by first and second generation immigrants, driving local education agencies to focus more on the needs of their children. Strong links to local community groups could be the saving grace for public education. Yet, this could result in a backlash against public schools from other parents who feel that their children are not being well served.

Indicators

Events and trends that could signal this scenario unfolding include:

- States do not prevail in seeking more flexibility in NCLB requirements.
- Continued demand for federal funds from foreign policy, homeland security, Social Security and Medicare.
- SEA revenues decline and staff layoffs increase.
- Other state agencies come under similar pressures.
- College attendance rates decline.
- Public health indicators slide.
- Immigration policies do not reduce the influx of legal and illegal aliens.

- Local economic indicators are more positive than national indicators.

Options

In order to be effective in this scenario, SEAs must become adept at coordinating and leveraging resources across programs. They should pick a few key priorities and focus on them. Regulatory compliance will be an issue but it will be up to the SEA to streamline its processes and rely on technology as much as possible to reduce the cost of monitoring compliance.

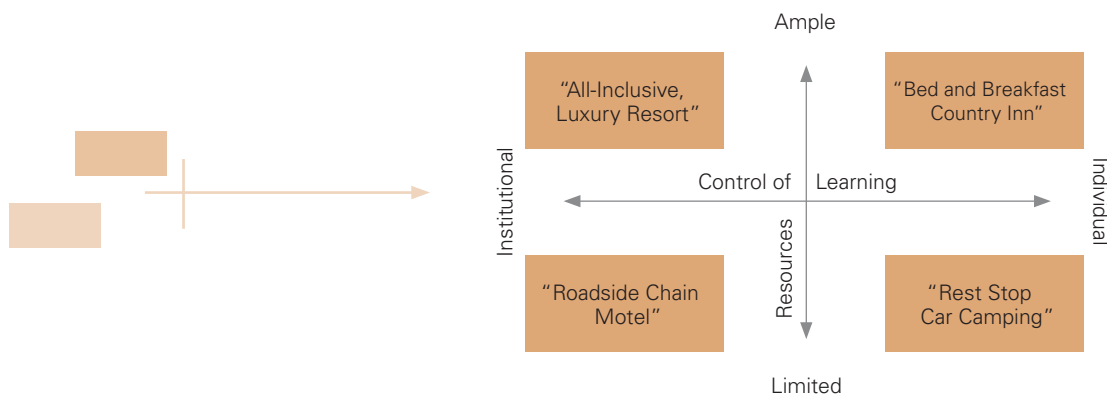
In order to deliver necessary services, especially to failing schools and special needs students, SEAs will need to coordinate their work with other human service, health and education agencies in order to leverage resources and avoid duplication of services. Political support for making the high school curriculum relevant to present and future workforce needs will require SEAs to take a more systemic view of the P-16 continuum while not losing site of the needs of non-college bound students.

To supplement human resources at the local level, SEAs will need to work with other state and local agencies to develop ways to harness the energy, skills, and commitment of retirees and other older members of society. They will also need to reach out to parents of school children to ensure relevance to this key stakeholder group, harness their economic support and ingenuity to improve local education, and maintain their commitment to public education.

Discussion Questions

1. Are the critical uncertainties that form the scenario framework those that you would choose or are there other uncertainties that seem more critical to you?
2. Are the stories plausible? Could they turn out to be true? If not, what would you change?
3. Can you think of other implications and options for the organization in addition to those written in the Analysis sections?
4. If you were leading an organization of this type, what would you do now to prepare for these imagined futures?





Local Education Agency Scenarios

Introduction

Historical Background

Middleton School District is one of the oldest districts in the western United States. Formed on June 8, 1862, the district originally consisted of a one-room school named Middletown. Historically, community members have placed high emphasis on the importance of education, and the district has been central in supporting the city's education initiatives. Many graduates from the district are community and state leaders.

Mission Statement

Middleton School District, in collaboration with parents and community members, is committed to a common purpose: Educating every child for a better tomorrow — promoting democracy through public education.

Goals

The primary goal of the Middleton School District is to preserve the democratic principles upon which our country was founded by improving student achievement for all students regardless of race, ethnicity, socio-economic status, gender, or educational background and to close the achievement gap between low- and high-performing students.

Governance

A single board governs Middleton School District and consists of seven elected members, each serving a four-year term. It is the policy of the board of education to provide high quality education for all students. The board encourages community members to attend board meetings and schedules a set time to hear public comments at meetings, held on the first Monday of each month from 6:00–9:00 p.m. at the Middleton School District office located at 545 Front Street in downtown Middleton.

The superintendent reports to the Middleton Board of Education. The superintendent is responsible for the overall operations of the school district and the implementation of board policies and procedures. This year, the district employs 667 teachers, 823 classified staff, and 42 management personnel.

Boundaries and Enrollment

The Middleton School District covers approximately 25 square miles and is located in the city of Middleton. The district serves a diverse student population of about 15,000 students in kindergarten through 12th grade. Water's Edge, to the east of town, is a nearby burgeoning community that is rapidly building new homes, parks, and along with them, schools.

Schools

Middleton School District maintains and operates 22 schools: twelve elementary schools, six middle schools, and four high schools. Elementary schools average 400 students, middle schools average 850 students, and high schools 1,350 students. The board of education adopted an open enrollment policy, permitting parents to enroll in the school of their choice if there is space.

Challenges

Middleton School District faces many challenges related to enrollment, staffing, student achievement, and budget. The student population has changed drastically during the past five years due to the increase of immigrant workers employed by local agricultural and manufacturing companies. This is reflected in an increase of immigrants from southeast Asia and Mexico who are predominantly from low socio-economic levels. In addition, enrollment at the elementary level has begun to decline.

The Middleton Teachers Association's contract includes a strong transfer policy, which an increasing number of teachers exercise in order to teach at the high-performing east side schools. Attracting and retaining new teachers and staff to lower performing schools is increasingly difficult and complicated by the fact that many teachers are nearing retirement in the next two years.

Although all but three elementary schools met Annual Yearly Progress (AYP) in 2004–2005, Middleton School District did not meet the district AYP for English-Language Learners, Hispanics, and special education students. Some board members are questioning whether the primary focus of the district, which is improving academic achievement for all students, might be having a negative, rather than a positive impact on its overall student achievement scores.

Finally, the district continues to reduce its spending as it experiences state and federal budget cuts. With no hope for increased funding on the horizon, the board of education has established a finance committee for the first time in its history.

FOCAL ISSUE: What steps can Middleton School District take now to ensure that it is a high-performing district in 2014?

In 2005, the board of education approved the formation of a 20-member district strategy team, which includes administrators, teachers, parents, and board and community members, to generate strategies for thriving in the future and realizing the district vision of being a high-performing district. The team has focused its work on exploring the potential for changes in the locus of control of learning (from institutions to individuals) as well as possible increases or decreases in the availability of resources for public schools.

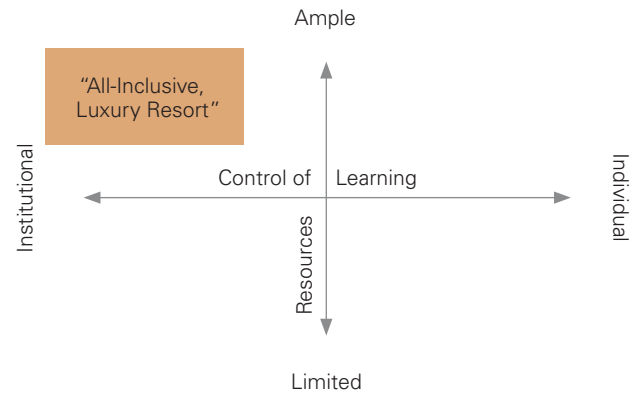
Local Education Agency Scenario #1

Deep Causes

This scenario assumes that the traditional institutional configurations that have defined American public schools over the past three centuries remain the primary form of schooling and that resources for education are abundant as a result of the following causes:

- The success of the No Child Left Behind Act of 2001 in dramatically improving student achievement for all subgroups except exceptional needs students.
- National attention focused on China's emerging economic dominance attributed in part to the strong mathematics and science skills of their students as reported in TIMMS.
- Adequate funding for education at the federal, state, and local levels as a result of the public's realization that money used in the "right ways" can lead to improved student achievement as well as school finance litigation that led to changes in school funding.
- Increased partnerships with corporations providing supplemental funding to local education agencies.

Like vacationers to "Club Med," students enjoy many educational luxuries within a highly structured environment in this scenario. The supplemental "bells and whistles" make this well-defined and standardized education attractive.



"All-Inclusive, Luxury Resort"

Time: 2014

Place: Middleton, USA

Scene: *ED-MONTHLY* covers education-related topics of interest to the western states. In addition to legislative updates and news articles, it runs op-eds and feature sections. For the past couple of months, an *ED-MONTHLY* reporter has been attending Middleton School District's monthly board meetings, hoping to be the first with "breaking news" to report. She's been tipped off to expect a possible partnership with a very big corporate player. Tonight she gets lucky — the board makes its surprise announcement about a corporate partnership with MicroTech Computing to improve mathematics and science for K–8 students in the district. Her editor intends to run the "hot" story on the newspaper's Web site rather than hold it for next month's issue!

On February 28, 2014, Middleton School District Board President Michelle Couley announced Middleton's "Partnership for Innovation" with MicroTech Computing to a packed gymnasium of nearly 300 community members. The Middleton-MicroTech partnership was finalized on February 15, 2014, when MicroTech CEO Joshua Rhodes, Superintendent Guadalupe Martinez, and Board President Michelle Couley signed a landmark five-year agreement, which signifies a new era for the Middleton School District.

Local Education Agency Scenario #1

In addition to donating \$50 million dollars over the course of five years to improve mathematics and science instruction in the district, a MicroTech representative will serve as an *ex officio* member of the Middleton Board of Education. The partnership will fund new extracurricular PreK-12 science and mathematics activities, virtual apprenticeships for high school students, and extensive professional development for teachers, principals, and staff.

Reaching out to Business

Middleton district officials enthusiastically commented on the Innovation Partnership. Superintendent Martinez was the first to speak. Her remarks below provide insight into the board's motivation:

It is with great pleasure that we enter into this partnership with MicroTech. It is no coincidence that we find ourselves in this unique position today. Over the past decade, student achievement in Middleton School District has dramatically improved. In 2012, we were awarded the "No Child Left Behind — A Decade of Success" award from the United States Department of Education for meeting Adequate Yearly Progress in all of our schools for all subgroups. Districts across the United States like Middleton have demonstrated tremendous improvement in student learning, and we have made great strides nationally. Although this national honor commemorates our success, we have farther to go in order to thrive in an increasingly competitive global economy; we must achieve international excellence. We know from the 2011 Trends in International Mathematics and Science Study (TIMSS) results that our incremental improvement in mathematics and science is insufficient compared to the tremendous growth that countries like Singapore and China continue to make.

Following Dr. Martinez's remarks, Board President Couley reminded the audience that federal, state, and local funds have been adequate to support the district's education program in part because under NCLB educators learned how to effectively allocate funds to directly support student learning. This has put to rest the argument that money doesn't make a difference in

student achievement and has increased public support for funding schools. In addition, most states increased funding for schools as a result of the spate of school finance lawsuits in the first decade of the 21st century. Couley explained that the funding provided by MicroTech will allow the district to go the extra yard in providing additional training for teachers and in boosting students' interest in mathematics and science.

In other business of the evening, Couley welcomed Joshua Rhodes to the Middleton Board of Education stating:

MicroTech's presence on this board represents a breakthrough in the kind of thinking that has traditionally constrained our progress. Less than a decade ago, educators talked about making school relevant to the 'real world,' and businesses talked about the need for a well-prepared workforce. Today, we know that education and business need to engage in that conversation together as partners; that is what this partnership represents.

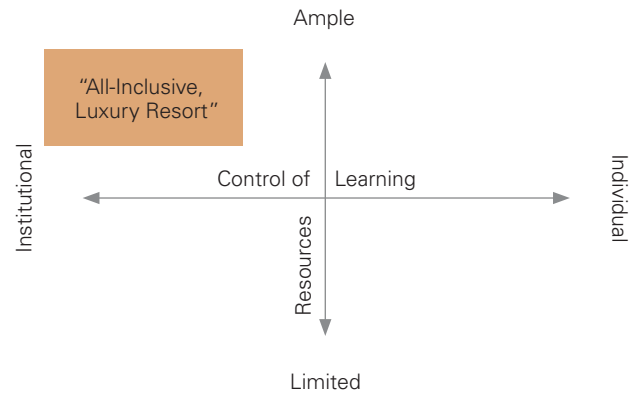
Martin Escobar, president of Middleton's Latino Chamber of Commerce spoke next. Escobar voiced his organization's support for the partnership and reminded listeners about the value of partnerships that provide continued economic growth to Middleton, the state, and the country. He expressed his hope that all students would benefit equally from the partnership before Middleton Teachers Association (MTA) President, Mary Shelton, took the podium. Shelton expressed teachers' appreciation for the funds that would support professional development but added that all areas of the curriculum need similar support.

Herbert Armstrong, retired principal of Middleton High School and current president of Middleton Senior Center, expressed general support of the partnership but concern about allowing a MicroTech representative an *ex officio* seat on the school board. Armstrong asked the school board to keep in mind that, "schools are not businesses and shouldn't be run by business rules. Ten million dollars a year shouldn't give MicroTech the right to make decisions that affect all the different aspects of schooling."

MicroTech Responds to Its Home-town's Call

MicroTech Computing is a national leader in molecular electronics. Established in 2004, the corporation is best known for its development of Safe Sensor — a personal security device that detects biological hazards. Located in the industrial park on the outskirts of Middleton, MicroTech employs approximately 1,000 staff members. More than 80 percent of the corporation's employees hold advanced mathematics and science degrees.

Finding qualified candidates to fill positions at MicroTech has become increasingly difficult, Rhodes said, describing the Middleton-MicroTech Innovation Partnership as, “a local solution to a global problem.” Over the past decade the number of jobs requiring mathematics and science degrees has increased by 32 percent and is expected to continue to rise due to the advances in nanotechnology, yet the number of U.S. students majoring in science, mathematics, or engineering has been decreasing for the past decade. At the same time, in countries such as China and India, undergraduate enrollment has exploded and the significant investments that foreign countries have made in their educational and research infrastructure have paid off. Fewer and fewer foreign students are enrolling in advanced degree programs in the United States. And those that do often leave as soon as they graduate because our Department of Homeland Security has made it so difficult for them to secure visas to work in the United States. American corporations find themselves looking for homeland solutions to this global problem. Developing corporate partnerships with education is a solution that just might work. Obviously, Joshua Rhodes agrees. His remarks from the board meeting follow:



Part of our long-term corporate strategy to attract top scientists and researchers is to strengthen PreK–12 mathematics and science education. We must prepare more students to enter our top research universities where they will gain the skills they need to work in industries that keep our nation's economy strong. And to better prepare our students, we must better prepare our teachers. We intend to work alongside the community and hand-in-hand with local colleges to see to it that our teacher education programs are among the finest in the nation. We have seen the incredible progress that Middleton School District has made over the past 10 years, and we believe that with our support, they will help produce the nation's top nanotechnologists.

The focus on improving mathematics and science education in the United States has intensified since 2005 when the Business-Higher Education Forum published its seminal report: *A Commitment to America's Future: Responding to the Crisis in Mathematics and Science Education*.¹ This report identified improved mathematics and science education as essential to maintain our nation's competitive edge in an increasingly global economy. Similar to the effect that *A Nation at Risk* had in 1983, this report has stimulated critical conversations about the viability of our economy at the national and local levels.

¹ Business-Higher Education Forum. (2005). *A Commitment to America's Future: Responding to the Crisis in Mathematics & Science Education*. Washington, DC: Business-Higher Education Forum.

The federal government responded to the crisis in 2012, when the 112th Congress approved a corporate tax code providing corporations with a 125 percent deduction on any long-term donations to public schools. This means that corporations like MicroTech that invest in education for five or more consecutive years can claim a greater deduction on their corporate taxes. In a follow-up interview, Joshua Rhodes described the new tax provision as a “win-win.”

Federal Mandates in Response to International Competition

Despite the improvements in education as a result of the No Child Left Behind Act of 2001 and America’s renewed confidence in our public schools and districts, the United States continues to struggle educationally on an international level. The federal government has made drastic changes in federal educational policies, shifting the focus from individual schools and districts to the nation. This year, the United States Department of Education will begin implementation of the Achieving National Excellence Act (ANEA) which was passed by Congress last year. The intent of ANEA is to improve the Nations’ Report Card and United States scores on the TIMSS, an international mathematics and science assessment given to 4th- and 8th-grade students in over 50 countries every four years. The United States has continued to make only incremental growth on the TIMSS. Since the 2003 TIMSS, our scores have continued to hover just slightly over the international average for both 4th and 8th graders in mathematics and science. In contrast, other countries such as Singapore and China have increased their scores by over 100 points since 2003, leaving the United States farther behind. The United States Department of Education (USDOE) plans to respond to this international educational crisis in 2015 with two new federal mandates.

The USDOE will increase accountability at the federal level through the implementation of annual National Assessment of Educational Progress (NAEP) testing in reading, writing, mathematics, and science for students in 3rd–12th grades in every district in every state. This represents a significant change in terms of the grades, content, and number of students

tested. Over the past decade, NAEP has been administered only in reading and mathematics and only to a sample of students in grades 4, 8, and 12 at the national level and grades 4 and 8 at the state level. Science and writing have been tested every four years at the national and state levels. In the January 15, 2014 press release about ANEA, Dr. Manuel Garcia, Secretary of Education since 2012, spoke to this issue saying, “If we are going to compete internationally, particularly in mathematics and science, we have to measure student learning nationally on a regular basis. Having more complete and frequent state-level data will help us better understand what we need to do to improve student achievement in these critical content areas.”

Perhaps the greatest controversy regarding the ANEA lies not in its substance but in its funding. In their annual state summit meeting, Alliance of States Executive Director, Alexis Starling, suggested that the federal government would not meet its financial obligation related to ANEA even though ANEA includes a funding mandate. Starling stated, “We have all become accustomed to the federal government’s use of unfunded mandates. Secretary Garcia recommended that Congress fully fund the national curriculum and the annual NAEP. We have heard this before from the USDOE with the Individual with Disabilities Education Act (IDEA) and No Child Left Behind (NCLB).” USDOE representative, Mark Ulrich, commented, “Policymakers and practitioners will soon see that implementing a national curriculum and national assessments are more cost effective than our current system.”

Despite the controversy that will inevitably ensue regarding any new federal mandate like the Achieving National Excellence Act, it is certain that we must make fundamental changes to compete with countries, such as China, that continue to outperform us educationally, economically, and even physically, as evidenced in the recent Olympics. Donald McBurns, Chair of the United States Olympics Committee, attributes the poor performance of U. S. athletes to a decision in 2008 to eliminate physical education programs from public schools in an effort to meet the accountability provisions and funding demands of NCLB. McBurns believes that public schools must re-assume

Local Education Agency Scenario #1

responsibility for physical education. After the closing ceremony of the 2012 Olympics, he had this to say:

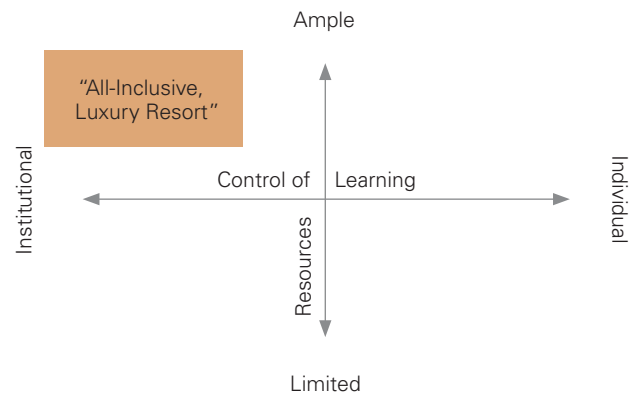
For the first time in history, China took more medals than the United States. Only eight years ago, we took 103 medals and they took 63. If China's performance this year is any indication of what is to come in 2016, we need to take a hard look at ourselves as a nation. China obviously is continuing on its path to becoming a super power. If we don't take action now, we'll be left in the dust.

For decades, America was able to make progress by attracting the best and brightest from other countries to its universities and industries. Now that other nations' education systems are outperforming the U.S. system and their economies are growing, there's no reason for these talented individuals to forsake their homeland. As more nations keep their best and brightest from America's shores, Innovation Partnerships like the one that Middleton School District and Micro-Tech Computing established offer a creative local solution to this growing national problem.

Analysis of Scenario #1

Implications

In a world like the one described in this scenario, there are enough resources to provide students with an "adequate" education but that education is falling short of the needs of business. This leads businesses, especially those with needs for employees with mathematics and science know-how, to form partnerships with schools. These partnerships are a double-edged sword. On one hand, they bring increased resources to schools and help schools better prepare students to move into the high tech work force. On the other hand, schools may experience a loss of control as business representatives assume positions on school boards and influence decisions about curriculum and instruction. Having business representatives on the school board causes changes in relationships among board members and between the board and the community. The business presence focuses attention on international competition and forces schools to emphasize mathematics and science. This may tend to narrow the focus of the curriculum and cause students who do not excel in mathematics and science to lose interest in district schools



because they feel the curriculum does not address their interests and talents.

Poor showings in international comparisons of mathematics and science performance lead to new accountability measures that are designed to improve performance. Teachers want to do what's needed to help students succeed, but there simply aren't enough teachers with degrees in mathematics and science to teach the advanced courses. Others, though experienced teachers, lack the specific content knowledge and skills to teach a robust mathematics and science curriculum that focuses on developing students' understanding rather than rote memorization of facts and procedures. Current professional development programs are insufficient in content and design to help teachers acquire the content knowledge and pedagogical skills they need to prepare their students to compete with students in other countries.

Local Education Agency Scenario #1

Indicators

Events and trends that are likely to signal the development of this scenario are as follows:

- Many schools make AYP, and NCLB is perceived as a success.
- The economy improves generally, perhaps due to changes in Social Security, Medicare, and Medicaid, and/or technological advancements in the fuel cell industry leading to a reduction in American dependence on oil for energy.
- U.S. TIMMS scores continue to lag, by a small percentage, behind other countries.
- Continued concerns about national security lend support to the notion of a national curriculum.
- Concerns about students' mathematical and technical skills begin to dominate the political rhetoric in much the same way as concerns about literacy do today.
- Support for testing at the national level increases.
- Businesses press for more involvement in education, particularly mathematics and science, and form partnerships with schools.
- Businesses receive incentives from federal or state government for partnering with schools.
- U.S. college student enrollment in mathematics, science and related majors does not increase sufficiently to meet the demands of business.
- China begins to reap the benefits of its students' success in mathematics and science as evidenced by China's advances in technology and other innovations .

Options

Success for Middleton School District in this scenario will depend on the ability of district leaders at all levels to “think outside the box.” For example, the district could learn about other countries' approaches to education, particularly mathematics and science education, and initiate a teacher and student exchange program with these countries. The exchange program could be one part of a professional development program that provides a variety of ways for teachers to acquire the knowledge and skills they need to teach in ways that increase students' understanding of the critical concepts in mathematics and science.

To strengthen its capacity to respond to changing conditions and to connect with community members and businesses, the school board could engage in a series of retreats. At these retreats, the board would develop strategies that will position their school district as an attractive potential business partner. The board also should clarify its mission, role, and operating principles; establish procedures for inducting new members; and ensure that the collective agenda focuses on serving all students well. Most importantly, the board should regularly demonstrate that it is equally committed to supporting parents and students with interests and talents in other academic areas.

Because testing will be pervasive in this scenario, district leaders should educate staff and community about the purpose of standardized summative assessments. They also should ensure that teachers use formative assessments to gauge and promote student progress and summative assessments to measure the success of the curriculum rather than to narrow its scope.

To provide needed professional development in all areas, and specifically in assessment, mathematics, and science, the district could designate someone as a liaison to higher education who would encourage local colleges to develop and offer fast-track, online, and weekend courses for teachers. Districts might support this professional development effort by offering recertification credits, bonuses, and other incentives.

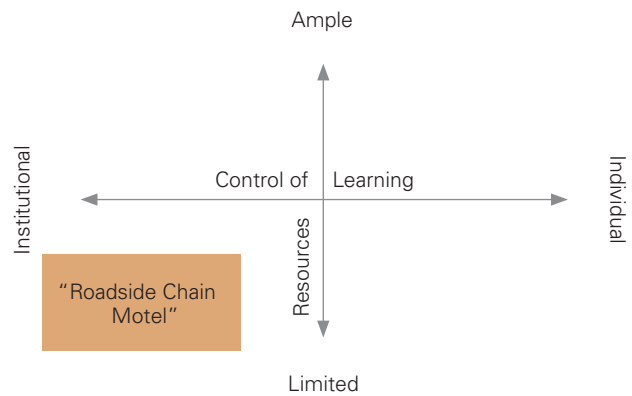
State Education Agency Scenario #2

Deep Causes

This scenario assumes that the traditional institutional configurations that have defined American public schools over the past century remain the primary form of schooling and resources for schools are inadequate as a result of the following:

- Significantly diminished resources for schooling due to increasing pressure on the national economy to pay for healthcare and pensions for the aging population and to meet the country's insatiable need for energy.
- The failure of the No Child Left Behind Act of 2001 to dramatically improve student achievement for students from Hispanic and other English-Language Learner groups and socio-economically disadvantaged subgroups.
- A strong federal presence in American schools including a national curriculum, national assessment, and sanctions for all schools failing to make adequate yearly progress requiring them to allocate all resources to the core academic subjects.

Like travelers staying in today's roadside chain motel, parents and students in this world will know what to expect. Students receive a reliable, standardized education, without any frills.



"Roadside Chain Motel"

Time: 2014

Place: Middleton, USA

Scene: *ED-MONTHLY* covers education-related topics of interest to the western states. In addition to legislative updates and news articles from around the nation, it runs op-eds and feature sections. For the past couple of months, an *ED-MONTHLY* reporter has attended Middleton School District's board meetings. Recently, she has watched board members struggle with some tough decisions. Tonight, the board approves a plan to eliminate all non-core academic classes, programs, and extracurricular activities from the budget in response to new mandates in the reauthorization of the 2001 No Child Left Behind Act (NCLB). She expects the announcement to set off some fireworks and thinks that tomorrow her editor will have one sizzling story!

ED-MONTHLY: Middleton School District Carves Up Curriculum

At their February, 2014 meeting, the Middleton Board of Education approved cuts to the 2014–2015 budget in a vote of 5 to 2, eliminating all non-core academic classes, programs, and extracurricular activities in Middleton School District's 18 schools. The district expects and is braced for community outrage over this dramatic decision. Over 100 parents were in attendance for the board vote.

Local Education Agency Scenario #2

Following the Pledge of Allegiance, Board President Michelle Couley made the opening comments, describing the state of the district:

We have reached a point when we as a board are faced with some of the toughest decisions we will make in our terms. The staff, students, and parents of Middleton School District have worked extremely hard to improve student learning for all students. Since 2009, when I was first elected to the board, we have made incredible progress. For example, over the past few years, our performance data has held steady or slightly improved. Seeking greater improvements in student achievement measurements, we provided professional development to teachers on Classroom Instruction that Works for English-Language Learners. We also began remedial programs and an after-school tutoring program. However, as you know, we have not succeeded in making the kinds of improvements needed for some of the more recently arrived students in our district; specifically, our students who are Hispanic, other English-Language Learners, and those from lower socio-economic situations. Although the federal government made major revisions to the accountability provisions in NCLB for special needs students in 2005, they did not grant the same latitude for other subgroups, and Middleton has continued to struggle to meet our Adequate Yearly Progress (AYP) targets.

As you also are aware, federal funding for NCLB was further cut in 2012 when education, which once dominated the country's policy agenda, was thoroughly eclipsed by health care and national security issues. And now we face a serious new challenge — the new Secretary of Education, Dr. Manuel Garcia, sent us a letter elaborating on the requirements of the reauthorization of NCLB, titled the Every Child Proficient Act (ECPA), enacted in late 2013. For those of you in the audience who aren't familiar with this history, let me fill you in.

The ECPA was based on research evidence that low-performing schools must focus their efforts if they are to succeed. And Senator Kwame Washington, champion of the bill, expressed its underlying principles pretty well when he said, "Let's get all kids reading at grade level and able to add and subtract before we go any further." The provisions of ECPA are to be implemented during the 2014–2015 school year. Because we did not meet the district AYP goals under NCLB, the new law requires us to use all of our federal and state funding for academics. That is why we are cutting all non-core academic classes, programs, and extracurricular activities. This is the hardest decision I have made in my career, and I believe that I speak on behalf of the board.

Juan Zamora, the board's most veteran member, thanked Couley for her courage in addressing the audience in such a forthright manner. His further comments follow:

I share your concern for the gravity of this decision. We, as a board, have dedicated many hours to fully understanding all of the information needed to make this decision, including talking to legislators and to you. We are well aware that this decision is not a favorable one for the community of Middleton, and I suspect we will hear that sentiment from the audience tonight.

After several other board members commented on the issue, the board heard two hours of public comments. Community members expressed concerns that ranged from issues related to immigrant students to childhood obesity. An unidentified parent asked what it would mean to ignore the federal requirement. President Couley responded that because of increasing numbers of subgroup students who need additional assistance and the supplemental federal funds available to support them, it would not serve the district well to try to create a budget based solely on local resources. The community's taxpayers who do not have children in the schools would not be likely to support the necessary tax increases.

Local Education Agency Scenario #2

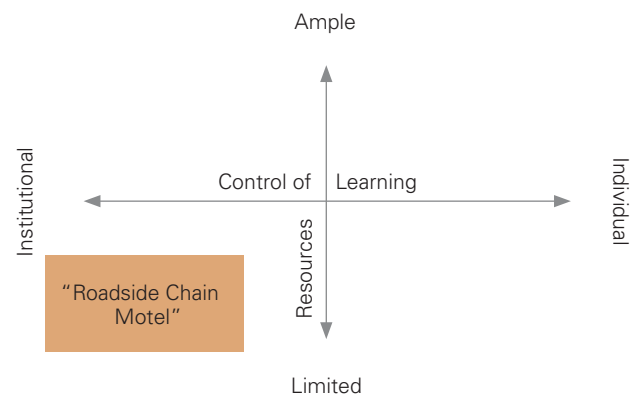
About one third of the speakers were Middleton teachers who provided the most ardent argument against the proposed budget cuts. Middleton Teachers Association (MTA) members flanked Association President, Mary Shelton, as she addressed the board, denouncing them for their “poor fiscal planning” and the impact on staffing. An excerpt from her remarks is below:

The proposed elimination of classes for art, physical education, and music will result in a workforce reduction of ten percent of our certificated staff. Most of our teachers, who are also members of the Middleton community, will be unemployed by June of this year. On behalf of MTA, I say that this is preposterous, particularly as I think about the many times you as a board have voted unanimously to implement remedial programs for our subgroups, even when the budget was in crisis.

Most of the community members commented on the long list of program cuts that included art, music, and physical education classes, all after-school programs, and all sports programs. Ms. Brittany Clarkson-Wong, Middleton High School PTA president, expressed outrage about the district-wide remedial English program for newcomer immigrant students, which was not represented on the cut list, calling the increase of programs for socio-economically, disadvantaged, non-White students “reverse racism.” Clarkson-Wong’s comments appear here:

As it is, my daughter Morgan cannot even get into an AP chemistry class this year because she did not make the lottery. She was number 34 and the cutoff was 32 students. Now it is less likely that our best students will get the quality education they need to get into college, while we spend our few precious dollars on students who are not American citizens and don’t even pay property taxes!

Ms. Carey Williams, mother of a Middleton Elementary School student, expressed a greater concern for the inequity between the education her oldest daughter received and what she believes her kindergartener will get under ECPA. She told the story that follows:



My oldest daughter, Annaliese, graduated with honors from Middleton High School in 2012. She was the Associated Student Body president and was the varsity swim team captain. Because of her education in Middleton School District, she now attends Rhode Island Institute of Technology. I now have twin boys who will be entering first grade next year. I ask you, how can you expect parents to choose to stay in a district that provides a worse education over time?

But Jason Anderson, president of the Middleton Bank, presented a different viewpoint from that of earlier speakers. When he made his comments, he was in the minority:

Our community will only be able to move into the future successfully if all of our high school graduates can read and do mathematics well. We cannot afford to have high school dropouts and even graduates in Middleton who cannot acquire and keep a decent paying job. I support these requirements, at least until we can deliver the basics for all kids.

Other community members expressed concern about the elimination of the district sports programs. Middleton Junior High School parent, Mr. John Smith, argued for keeping at least the sports programs and said, “My son Peter is just like every other junior high kid. I can get him up and to school every day because of sports. Without football, I don’t know how the teachers are going to keep students like my son focused.” The Middleton High School Raiders head football coach wasn’t hesitant to label the decision a mistake in his remarks:

Local Education Agency Scenario #2

I have been a football coach in this district for over thirty years. Sports are critical for many students. I can tell you that if half of our varsity team was not involved in football or some other sport, they would probably drop out of school or be involved in drugs. I don't mean that our team is full of derelicts, but you all remember high school. Kids need discipline and a sense of belonging that they won't get from school if there are no sports. I think this is a big mistake.

A District Caught in the Middle

How did the district get to this point? To recap recent events, on January 7, 2014, the United States Department of Education Secretary, Dr. Manuel Garcia, sent a memorandum to all state and district officials announcing the reauthorization of NCLB and the major accountability provisions of the act. Secretary Garcia opened the memo by saying, “The course our country has undertaken to improve student achievement for every child as we prepare future generations of Americans is a noble and worthy one. Although we have improved the quality of education for many of our students, we have yet to achieve the goal of leaving no child behind.”

The accountability provisions of ECPA are stringent and standardized on a national level. Secretary Garcia’s memo outlined the major provisions, which include adherence to the long-debated national curriculum that has just been completed, a mandatory federal assessment program for students in grades 3–12, and new sanctions for schools and districts that continue to fail to meet AYP. The goal of the re-authorization of NCLB, according to Secretary Garcia, is to ensure that by 2025 “every child is proficient.”

ECPA includes a national curriculum for core subjects (reading, writing, mathematics, science, and social studies). After years in committee, Congress was finally able to agree on the basic curriculum which states and districts are expected to adopt in May and fully implement by June 2015. This will likely be challenging for districts that have less than six months to dismantle their current curriculum and assemble a new curricular infrastructure, while at the same time

attending to the needs of current students. Middleton School District’s assistant superintendent of curriculum and instruction, Dr. Victor Padia, said, “We are used to building the airplane while we are flying it. However, every time we change directions, we lose ground. Our challenge is to continue to make progress, while at the same time implementing huge changes. I applaud Superintendent Martinez and the board for being proactive and for responding immediately to the secretary’s memo.”

The other major provision in ECPA is an annual assessment for students in grades 3–12. Under NCLB, each state had its own accountability program, including standardized state assessments, approved by the United States Department of Education (USDOE). The USDOE plans to expand the current national assessment program, National Assessment of Educational Progress (NAEP), from testing 4th-, 8th-, and 12th-grade students in reading and mathematics to testing 3rd–12th grade students in reading, writing, mathematics, and science on an annual basis. This streamlined approach to assessment will save millions of dollars over the cost of each state creating and implementing its own unique test.

This new provision will have serious implications for states that have adopted a state assessment program that only tests students at particular grade levels. Districts throughout the United States will increasingly find themselves caught between the local needs of their students and community members and the new federal mandates in the 2013 ECPA, the reauthorization of the 2001 NCLBA.

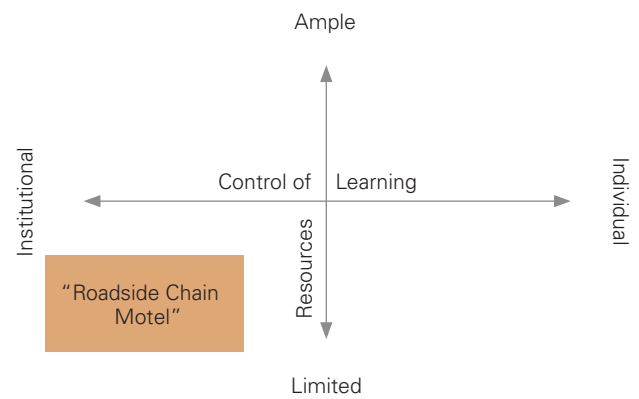
The most challenging aspect of ECPA will be the “draconian” sanctions for districts like Middleton that have failed to meet their district AYP goals. For example, in addition to focusing all federal and state funding on core academic classes, districts are required to accelerate learning for subgroups of students who do not meet AYP. This means that as districts reduce programs like art, music, and physical education, they will be required to increase spending on programs that improve learning for our nation’s underserved population.

Analysis of Scenario #2

Implications

In the world described in this scenario there are limited resources for the school district while enrollment of non-English-speaking students and others needing extra help is increasing. But even more difficult for the district and its Board are the new constraints on their ability to respond, created by mandated national curriculum and assessments. There will be a huge turnover in the teaching staff; first because of the elimination of all non-academic courses and second because of the inhospitable teaching environment with kids constrained to only academic classes throughout the school day and with an increased emphasis on preparing for and taking assessments. Some teachers will feel trapped — the only escape would be to move away — and their resentment will add to low morale. To add to the immediate burden, teachers will need to gear up to adopt the new national curriculum, which may require them to master new knowledge and skills.

The community and especially parents also feel trapped. Colleges continue to seek students with a broad range of experiences outside the academic curriculum. Businesses seek employees with work and life values that go beyond simply focusing on passing tests in academic content. The bright spots will be if finally no child is left behind unable to read and be fully employed above subsistence level for lack of the basic skills. This could be seen as an onerous but necessary rite of passage into a new future when all of America's kids are prepared to fully participate in the society.



Local Education Agency Scenario #2

Indicators

Events and trends that could signal the development of this scenario include these:

- Continued failure of schools and districts to move numbers of their children to proficiency levels, especially special groups.
- An increase in immigrant and other at-risk students in school enrollment figures.
- Research-based links between specific, well-defined curricula and gains in student achievement.
- Stronger public faith in assessments as indicative of a school's accomplishment.
- Continuing lack of a 'credible' research base to support the value of non-academic experiences.
- Failures of local school boards to assure their communities of their ability to manage the school toward higher student achievement.
- Increasing frustration of educators and parents with discrepancies in curricula across schools, districts, and states.
- Colleges and businesses refusing to continue remediation for enrollees or new employees.

Options

In order to survive in this scenario, the local school district will need to be highly creative in how it manages its teacher workforce and the implementation of the national curriculum, and how it understands and interprets success for its constituencies. If it simply knuckles under to the new mandates and carries them out with stoicism, the worst of the implications will be true. If instead, it undertakes some version of a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis and then builds a strong creative plan to maintain balance while still moving the subgroups toward proficiency, survival and a restoration of a full balanced education is attainable. In fact, having faced a crisis point and having prevailed should result in a far better system than before.

Bringing parents representative of the various groups within the district into much closer involvement in both determining the directions but also as auxiliary resources is a valuable option. Doing the same for business can also have huge payoffs. Parents and businesses can be critical to shaping after school, weekend, and summer programs to enrich the impoverished curriculum. They can also help motivate those students who have the longest distance to proficiency. Arranging teacher schedules to allow a balance of whole-class instruction and individualized work with students in need whether of basics or advanced projects is also an option. In response to this scenario, it is important to open the doors to joint problem solving rather than hunker down defensively.

Local Education Agency Scenario #3

Deep Causes

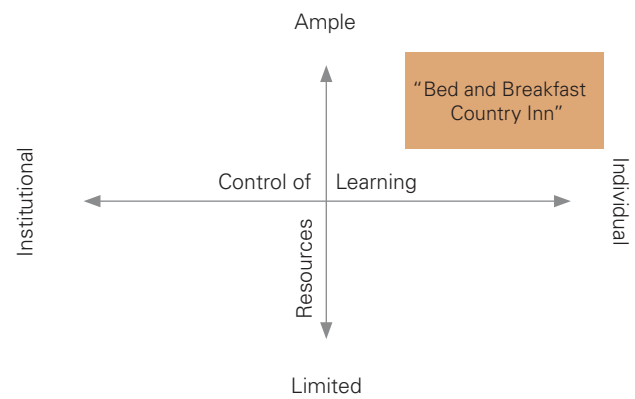
This scenario assumes that the traditional institutional configurations that have defined schooling — schools, districts, state education agencies — have devolved into new forms of schooling that are controlled more directly by the learner. In addition, there are abundant resources available for education. This devolution occurred over the course of a decade as a result of the following:

- Overwhelming evidence of the failure of the No Child Left Behind Act of 2001 to achieve its intended outcome — ensuring high-quality education for all children regardless of ethnicity, race, socio-economic status, educational background or exceptional needs.
- Congresses' 2010 decision to “give back” to states their constitutional authority over education following successful grass roots efforts by moderates, who have grown in numbers and political clout.
- Steady growth in the economy, particularly as evidenced in new jobs.
- Greater public willingness to fund education due to the positive public perceptions of new schooling options, such as enhanced opportunity schools.

Like owners of a bed and breakfast that provides vacationers with a unique and often customized country inn experience, schools cater to families who want an educational experience that is a little out of the ordinary but still offers all the basic amenities.

Families find exactly what they're looking for as they select from a wide range of appealing options.

ED-MONTHLY:
Selling or
“Selling Out”
Public Schools?



“Bed and Breakfast Country Inn”

Time: 2014

Place: Middleton, USA

Scene: For the past few months, an ED-MONTHLY reporter has routinely attended Middleton School District’s board meetings. Tonight, the board approves its first-ever marketing director position. The reporter is intrigued, given the board’s previous pattern of keeping a relatively low profile. The district has always released test data and annual reports, but it has never been interested in publicly pointing fingers or serving up kudos. The reporter thinks there is more to the story and wants to dig deeper — what exactly is this board up to, he wonders, and what will it mean to Middleton’s parents and students?

On May 14, 2014, in an unprecedented move, the seven-member Middleton School District Board approved the hiring of Corbin & Associates to provide consultative services to the district. Corbin & Associates is a national firm that has flourished since 2009 when 38 states passed tuition-credit programs. They specialize in advising traditional public school systems on how to better market their schools in what has become a highly competitive environment. Although the board and district officials agree that they need to find new ways to “sell” the many programs they now offer, some parents and community members who attended the board meeting were outraged, describing the district as “selling out.”

About 43 parents and community members attended the board meeting on Wednesday night, and a small but vocal group among them didn’t hold back

Local Education Agency Scenario #3

when given the chance to speak. Charging that the district was abandoning its fundamental purpose as a public education institution — preparing children to be effective citizens and promoting democracy — the group criticized the board’s motivation and ethics in what they viewed as a dramatic change in future directions. However, while not as animated in voicing their opposing opinions, several other parents spoke in support of hiring Corbin & Associates, a Littleton-based marketing firm.

Same end, different means

Positions for and against the decision split along generational lines, with opposing voices coming largely from older Baby-Boomers, while younger Gen-Xers and Millennials supported the change. Ms. Mary Shelton, Middleton Teachers Association (MTA) president and a veteran high school teacher was the first to approach the podium and address the board:

In my 30 years in this district, I have never been so compelled to speak up as I am tonight. Tonight, I speak to you as a parent, teacher, and representative of other teachers in this district. Both of my children graduated from Middleton public schools and went on to graduate from college. As a parent, I have been extremely pleased with the quality of education they received here. As a teacher, I am in contact with many parents who feel the same way, but I also am aware of parents who have left Middleton schools. Why leave? These parents tell me that they made their decision the day that this board made theirs — when the board decided not to testify to the state board about the tuition-credit program. As you will recall, many parents felt this program was inequitable and unsound. Teachers and parents spoke before the legislature, but board members remained silent. I ask you today, where were you? If we are going to preserve public schools, we need our elected leaders to speak up and not to turn over your responsibility to a profit-focused outside agency. Doing so is nothing short of giving in and selling our schools out to the market. I urge you to consider joining with us and other boards and associations this time. Together, we can work with our legislators to find and implement alternative ways to fund public schools in our

state without resorting to hiring marketing agents to put a spin on the many good programs we have worked so hard to establish.

Shelton’s comments rallied those of like mind, but the next speaker saw things differently. Laticia Hernandez had this to say:

I am not here to debate a past that is gone. I am here to ensure that my young children will have a future that is tied to the success of Middleton public schools. I am a single mother of two children who will attend Lincoln Heights Elementary. I’m like a lot of other folks who have been lucky to find steady employment in this good economy, but it’s still a struggle. Even with the new tuition-credit program, I can’t afford to send my two sons to an enhanced opportunity school, even though I’ve heard so many good things about them. Instead, I need Lincoln Heights to succeed. If Middleton schools don’t change with the times, then the only people that will send their children to public schools will be parents like me who don’t have a choice. That’s why we need help from Corbin & Associates. Ms. Shelton doesn’t like the idea of schools competing for students, but that’s today’s reality. Corbin can help our schools increase their enrollments and bring even more resources into individual school buildings so that all of our kids can have a good education.

After an hour and a half of public comments, the board engaged in a lengthy discussion about the issue. Board President Michelle Couley urged board members to take a “hard look at the current reality of schooling.” She hinted about her own position when she described the need for Middleton School District to find its “competitive edge” due to the increasing numbers of enhanced opportunity schools that were drawing more and more students from the district under the state’s new tuition-credit program.

Although Juan Zamora, the most veteran member of the board, acknowledged the effectiveness of the district’s strategic plan for the high schools, he raised concerns about the ineffectiveness of the plan at the elementary and middle schools, where enrollment is declining at what he called, “an alarming rate.” He said, “The enrollment data that Dr. Martinez provided

Local Education Agency Scenario #3

the board in our weekly update indicate that we have a serious problem, and as a board we are obligated to respond.” Board member Zamora also talked about the plans of Middleton’s Latino Chamber of Commerce to open an elementary school in 2015. “The state has given parents the financial means to put their money where they want their kids. If we want to stay in business, we have to create schools that parents want their kids to attend. To do that, we need help,” he said.

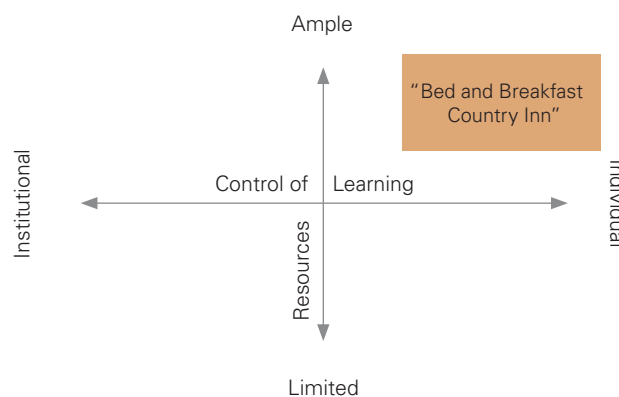
Peter Roland-Smith, board member and retired teacher, scoffed at Zamora’s ideas, referring to them as the “epitome of big business thinking.” He said, “It appears to me that we are straying so far from our mission that we are becoming a business. The next thing you know, we will be discussing how to increase our profits. Are we about the kids or the dollar?”

Superintendent Martinez shared her support for the new consultant contract in her report to the board saying, “The institution of education is changing as we speak. The question is not whether or not we agree with it, but how we will proceed. Over the last several years, we have added lots of ‘frills’ to our programs, yet we still refuse to think of ourselves as competing for families. Five new schools have opened their doors in our county alone since the state passed the tuition-credit legislation in 2011. If we want to survive these changing times, we have to attract and retain students at all levels.”

Tuition credit changes the landscape

The state’s enactment of tuition-credit funding can be traced back to 2009 when the No Child Left Behind Act of 2001 lay in ruins and the federal education budget finally dried up. By 2010, Congress had distributed what little federal funds remained for education to states through block grants, and most states responded by revising their existing school funding formulas to provide tuition credits for individual students, providing parents with an annual credit that they can use to pay for the education of their choice.

In our state, tuition-credit funding distributes monies to parents, guardians and caregivers of children in grades K–12 to attend schools of their choice, whether public or private. These resources have spurred the creation of a new cottage industry of schools, known as “enhanced opportunity schools.”



Hybrids of the public and private schools of a decade earlier, these schools attractively package and market their programs, along with their students’ test scores. Some perceive these schools as providing a better education, but others argue that the only difference between such schools and existing public schools is the money spent on marketing. Regardless of the perception, the fact is that the availability of tuition credits along with more school choices for parents has led to a loss of enrollment in many existing schools and districts. In addition, tuition-credit funding is not sufficient to cover the tuition at most enhanced opportunity schools, leaving disadvantaged families, once again, with limited choices.

Similar programs have been instituted in other states and, consequently, public schools and districts all around the country have had major drops in enrollment. In 2004, the United States Department of Education reported in the annual National Center on Educational Statistics (NCES) report that 88 percent of the students in our state ages 5–18 attended public schools. In contrast, today only 71 percent attend public schools, and 24 percent are enrolled in enhanced opportunity schools, according to the September 16th, 2014 issue of Education Week. Middleton is faced with the reality that parents, armed with tuition-credit funding, are opting their children out of the district schools and into enhanced opportunity schools.

Holes left by failed reform

The 2001 No Child Left Behind Act was not reauthorized when the 110th Congress convened in 2007. Large numbers of schools had failed to meet the Act's requirement for Adequate Yearly Progress (AYP). State governments feared that without Federal funding, the financial and administrative burden of managing these failing schools would be overwhelming. The only course was to disregard the Act's edicts. In response, the Federal government refused to provide fiscal relief to states. Meanwhile, the public outcry built to a crescendo and the highly-regarded Republican Senator Alicia Barry captured the populous' frustration in 2007 when she declared, "Congress has stranded our schools by withholding critical funding. As one of the Senators who originally voted for the Act, I am now compelled to personally apologize to my constituents and the American people." Senator Barry's comments portended the nail in the coffin for NCLB.

In the next congressional campaign, Sahid Raon, ran successfully for Congress on the premise of returning control over education to state governments and offering families tuition-credit funding that, he said, "will empower them to make informed decisions about where their children attend school." In his freshman year, Senator Raon worked to put control over education back in the hands of states. He then campaigned across the country in support of states' rights for tuition-credit funding. To date, 39 states have passed such legislation.

The rise of education consumerism

While No Child Left Behind failed to meet its intended outcomes, it did manage to produce a national preoccupation with individual student achievement results that spawned myriads of new schools throughout the United States. Today, there are more educational opportunities than ever, and parents, armed with tuition-credit funding, are asserting their individual rights to select the school of their choice for their children.

Lasting repercussions

Critics of enhanced opportunity schools argue that the greater emphasis on individual rights has resulted in an unraveling of progress following the 1954 Brown vs. Board of Education decision to integrate schools with students from different racial backgrounds. Professor Geraldine Melbourne, founder of the Civil Rights Center at New Hampshire Institute of Technology, said, "The school choice movement supported by tuition-credit state spending has created greater inequity than did the Separate Car Act of 1890! Traditional schools are occupied by low socio-economic minority students and enhanced opportunity schools are filled with white students who have the economic means to 'buy up' their education."

Irresistible appeal

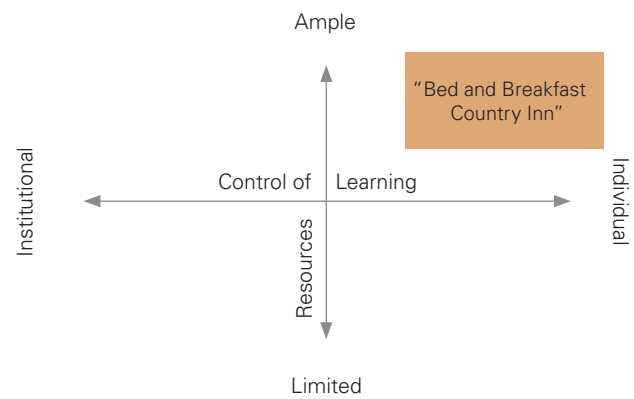
Despite the controversy around enhanced opportunity schools, parents whose children attend them believe that they are getting the best education possible for their children. Tiffany Jackson, a parent of three children who attend Best Bet Learning, has noticed a dramatic difference in her son Brandon's learning since he transferred from Lewis and Clark School in Middleton School District last year. "Brandon never liked school before. He struggled in every subject. I used to have to drag him out of bed every morning, and now he's eager to go to school," said Jackson. Ms. Jackson believes that the flexible schedule, use of technology, and the core curriculum at Best Bet Learning is working for her entire family. "I have the flexibility to schedule school based on our needs," she said.

James Pierson, the father of two former Middleton School District students, has different reasons for choosing an enhanced opportunity school. His 10-year-old daughter Samantha and 14-year-old son Craig now attend the Symmathium Virtual School. "Middleton's schools offered a very good environment," said Pierson. "They were well-maintained and had excellent technological facilities. But my wife and I both telecommute to jobs in Metropolis, and Symmathium Virtual School offered flexibility for our children." In addition, Samantha and Craig receive a prescribed learning plan with individualized instruction and highly qualified instructors who reside all over the country and world.

Local Education Agency Scenario #3

Room for everyone

While the Federal funding for public education has been methodically cut since 2005, the available resources for the players in the Middleton education market are still bright. Middleton, like many relatively smaller communities in America, has benefited from an influx of urban migrants who, through technological breakthroughs, can enjoy Middleton's smaller town atmosphere while still maintaining their higher-salary employment with city corporations. Middleton's tax base has grown as a result of attracting families with children. However, the same technologies that enable parents to work from home also give them alternative choices for educating their children. The tuition-credit has fueled the competition for the abundant education monies, and the Middleton School District was ill-prepared to deal with the competition. "The impact of the enhanced opportunity schools has forced Middleton to take stock of our mission: to educate every child for a better tomorrow — promoting democracy through public education," said Ms. Couley, Middleton Board President. "We must face the hard fact that more and more Middleton families are opting-out of the district's schools. In order to succeed, we must market the Middleton School District and compete for the young minds of this community. The hiring of a consulting firm will ensure that we have an audience in the future to perpetuate that mission."



Analysis of Scenario #3

Implications

The implications for Middleton School District in this scenario are all tied to the increasing strain of competition. In a world like the one described here in which the individuals have all the control in determining where and by whom they will be educated, institutions like public education may be caught off-guard and ill-prepared to "compete" for enrollment. In order to meet the pressures of this competition and attract enrollment, public schools like Middleton will need to get help in restructuring their connection to the communities they serve.

Enhanced opportunity schools will continue to grow at a rapid rate, and districts will scramble to find ways to survive in an educational world that values individualized learning. Public schools will continue to exist but must reinvent themselves as they face do-or-die situations.

Education will be less like one-size-fits-all and more specialized to meet individual needs. In addition, the development of technology and its use by individuals to form their own communities of online schools will make the idea of plurality and public education less palatable to parental generations who have grown up in a digital age. These parents will feel empowered to use these technologies to tailor schooling to their children's needs and their families' lifestyles, even at the expense of "socialization" if necessary.

Indicators

This scenario seems likely to happen given the following indicators:

- Improvements in technology that makes it easier for online virtualized schools to emerge.
- Increasing dissatisfaction with public education.
- Failure of the No Child Left Behind Act to accomplish its intended outcomes.
- Increasing number of alternative schooling choices that compete for enrollment including everything from home school to virtual schools.
- Passage of legislation either through many states or through the federal government that provides monies to individuals to choose their education choice.

Options

Based on the implications for Middleton in this scenario, they should begin to develop a robust technology infrastructure throughout the district so that they can offer innovative learning options for students that include providing online instruction. All instruction should be content- and media-rich. In order to innovate and be prepared to compete in this environment, schools need to think outside the public school paradigm, co-op with non-public schools, and forge partnerships with local businesses. These cooperative forays will kindle new ideas from many different paradigms and open up possibilities to new ways of leading and conducting the business of education. Schools in this scenario would be bolstered by enlisting the help of current district students and recent graduates in an ongoing focus group to help drive the strategy of delivering education to this individualistic-centered society.

Local Education Agency Scenario #4

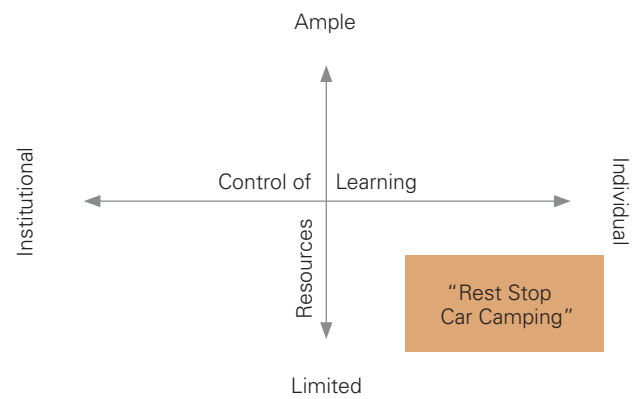
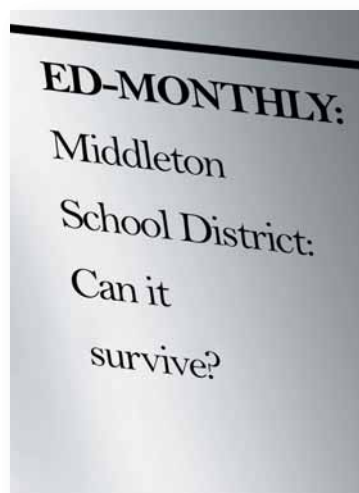
Deep Causes

This scenario assumes that the traditional institutional configurations that defined schooling — schools, districts, state education agencies — have devolved into new forms of schooling focused on providing many choices to meet basic individual needs of students. These new forms exist in an environment of diminished funds for students. This devolution occurred over the course of a decade as a result of the following:

- Significantly diminished federal and state resources for schooling as the federal government redirects funds to cover the skyrocketing costs of health care for an aging population.
- The opposition of older Americans to tax increases and pre-kindergarten funding initiatives, reducing available local resources for education.
- The failure of the No Child Left Behind Act of 2001 to improve achievement for all students, as evidenced by continued achievement gaps between white and minority students and higher dropout rates.
- Mounting pressure from Gen X and Millennial parents for a better, different, and more individualized education for their own students.

Like travelers wandering from place to place, rest

stop car camping offers a very basic minimum education with a variety of backdrops. Eventually, even die-hard campers can't help but wonder, is this what camping is supposed to be?



“Rest Stop Car Camping”

Time: 2014

Place: Middleton, USA

Scene: ED-MONTHLY covers education-related topics of interest to the western states. In addition to legislative updates and news articles, it runs op-eds and feature sections. For the past several months, an ED-MONTHLY reporter has been attending Middleton School District’s monthly board meetings, in which the board is reviewing the status of its schools and searching for options to meet the challenges of alternative opportunities for students. The editor intends to run a series about Middleton’s work and the precarious future of the district

At a March 30, 2014 working session, the Middleton Board of Education met with Middleton parents, staff, and community members to discuss how to reverse the trend of declining enrollment by attracting and retaining students in Middleton’s attendance area. With the expansion of choice options created by the state’s “All Children Moving Up” legislation in 2009, parents have been using state-issued vouchers to move their children to other public school districts, private schools, and newly-created “Home-Based” schools. The district, which has closed three elementary schools, one middle school, and one high school since 2011, is looking to the community for answers. According to Board President Michelle Couley, the board will host a series of special meetings throughout the spring to engage key stakeholders in discussions about

Local Education Agency Scenario #4

how to renew interest in Middleton's schools.

Four invited guests and a handful of public attendees joined the first discussion about the consequences of declining enrollment and possible ways to reverse it. According to President Couley, the board invited "key stakeholders who are well connected and have a pulse on Middleton." Guests were Brittany Clarkson-Wong, PTA president at Middleton High School; Cesar Romero, parent at Lincoln Heights Elementary School; Martin Escobar, president of the Middleton Latino Chamber of Commerce; and Carmen Arzuolo-Smith, principal of region 1, which includes one junior high and three elementary schools. Mary Shelton, the Middleton Teachers Association (MTA) president was in the audience.

Contrasting Points of View

The seven-member Middleton Board of Education and Superintendent Martinez listened for three hours as guests and others in the audience discussed their concerns about the viability of the district. Although in her opening remarks, Ms. Couley described Middleton's declining enrollment as, "the unraveling of America's greatest social institution — public schools," key stakeholders did not appear to share the board president's level of concern. Rather, their comments revolved around issues of quality and equity.

The Board's invitees offered contrasting points of view about Middleton's enrollment. Brittany Clarkson-Wong, parent, long-time Middleton resident, and current Middleton High School PTA president, spoke at length about the success of Middleton High School, describing a waiting list of anxious parents and students. In contrast, Cesar Romero, a Lincoln Heights Elementary parent, described his son's school as having a high student/teacher ratio, a dilapidated building, and a shortage of qualified teachers. Both speakers viewed the situation through their own experiences, and that is part of the dilemma. These schools reflect the changing dynamics and student demographics across the district, which Dr. Juan Zamora, the Board's most veteran member, described as "polarization."

At the Board's request, Ms. Clarkson-Wong described how Middleton High School has been able to retain its students and attract new ones over the past several years. Her comments follow:

I think that the key to Middleton High School's success is parent involvement. As you know, we raised more than \$200,000 last year, as we do most years, from private and corporate donations. This enables us to give students all of the extras that make school special. We offer students advanced placement courses, athletic programs, and even flourishing music and art departments, as well a variety of extracurricular activities. I know that you have cut everything in the district that is not the basic stuff. It is such a shame. I don't think that parents at other schools share the same commitment as the Middleton High parents.

Cesar Romero's description of Lincoln Heights Elementary School was a sharp contrast to Middleton High School. Lincoln Heights, located on the southwest boundary of the district, provides what Mr. Romero described as "a solid basic education" to a dwindling enrollment of 250 students. He said,

We believe that the teachers and parents at Lincoln Heights really care about our kids, but it is not fair that my son, Augustin, doesn't have the chance to play sports or learn music or art. It is not that the parents don't care; we do. We just don't have money to pay for the extras. Most of us work two and three jobs just to get by. I think that it is the district's responsibility to see that all of the kids have the same opportunities.

He went on to say, "Dr. Zamora, you said in your 2013 campaign that you were going to make this better for us. I can see that those were puras palabras."

Caught in the Cycle

The loss of funding due to declining enrollment is a vicious cycle for schools. As they gain students, they also gain resources which, in turn, help their schools become more attractive to new students. Many students transferred to the neighboring Eastmoore School District with its newer buildings and strong art and athletic programs, all funded through donations to the parent-established Eastmoore Community Foundation. Lincoln Heights Elementary, on the other hand, while supported with small grants from the Latino Chamber of Commerce, now has six voucher-funded Home-

Local Education Agency Scenario #4

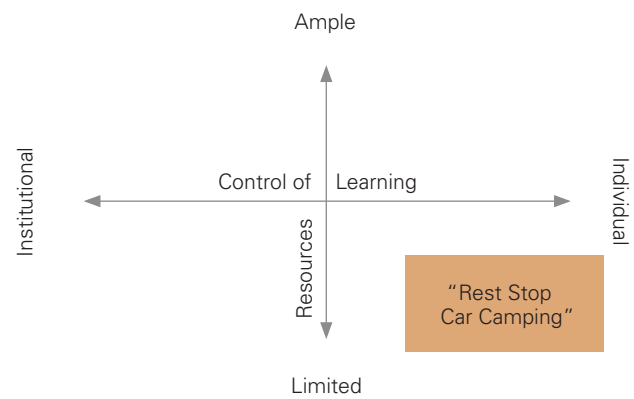
Based schools operating within two miles of the school, causing a further drain on enrollment.

Martin Escobar, President of Middleton's Latino Chamber of Commerce, shared Cesar Romero's sentiments and spoke directly to the board:

If the Board really wants to make a difference, then you can no longer allow parents to segregate their kids. When I look across this district at enrollment and achievement data, I see that the schools that are thriving are filled with rich white kids, and the ones that are struggling or closing are for poor Latinos. As long as the board permits this, we will continue to have inequitable education. You know that our organization has given what we can to Lincoln Heights Elementary over the past two years, but these grants have been insufficient compared to what the Eastmoore Community Foundation can provide. We are trying to build a strong, proud school, but attracting teachers and new students is a struggle. Our enrollment continues to decline and some classes are still taught by substitute teachers.

Principal Arzuelo-Smith, who serves three elementary schools and one middle school, offered another perspective:

Our district is in a time of change. Funds are limited. Our student population is changing. We receive less support from federal and state governments than ever. This is a time when we have to come together to make things work as a district. The state voucher program has shifted the focus from schools and communities to individual students. Parents have always wanted what is best for their children. Now, though, there is no sense of loyalty to a school or district. The four Region 1 schools that I am in charge of are all very different, but in every one of them, I see parents who really care and who want the best for their kids. Unfortunately, they don't all have the same means to contribute to their education, which means that our district is becoming more and more segregated, and Middleton is not the community it was ten years ago. We have to overcome this by working together as a district.



Searching for Workable Solutions

The board's invitees offered several possibilities for solutions, including corporate partnerships and increased virtual learning courses for high school students. Mr. Escobar's suggestion that the district impose a policy mandating that the district integrate its schools through assigning students to cross-town schools provoked the most spirited debate. Peter Roland-Smith, retired teacher and board member responded,

With due respect, Mr. Escobar, I don't think that you understand the position we are in as a district. Parents have all of the control because they receive state vouchers and tax credits for direct donations to public schools. The days of Brown versus the Board of Education are over. We surveyed parents and found education in a diverse student setting is very low on their list of priorities. The minute we mandate where students should attend school, we will lose even more students. As it is now, we have closed five schools in three years. Some years, as many as a third of our high school students are enrolled in the virtual learning program at Middleton High School, and we have a growing Home-Based school population, thanks to the state's decision that parents can become certified teachers once they have completed a short course and filled out some paperwork. We can't really mandate very much. We are in competition for the parents in our district. We have to attract them.

No Support from USDOE

Middleton School District, like many American school districts, is experiencing major changes that are likely to have an impact on future generations of students. Education pundits attribute the current deterioration of public education to the woefully inadequate federal and state funding formulas. In 2013, partly in response to the rising cost of delivering health care to aging Baby Boomers, as well as the uncontrollable costs of the War on Terror, the 111th Congress passed legislation that stripped power and funding from the United States Department of Education (USDOE). The federal education budget, which once provided as much as 10 percent of funding for individual school districts, now covers less than two percent of the cost of educating American schoolchildren. Although the viability of the USDOE has come into question again and again over the past five decades, the streamlined department is as close as it has ever been to being eliminated.

The USDOE has two major functions: national assessment and distribution of Title I funds. For 2014, the department implemented a national online standards-based assessment program that all students enrolled in second through eighth grades must complete annually. Since states are required to test every student who attends a public school or who receives a voucher, this standardized testing system saves states the expense of creating their own assessments and provides cross-state comparisons of student achievement — something states with declining populations are now using to lure new residents. The Department also has continued to provide Title I funds to socio-economically disadvantaged students through enhanced vouchers, although the new requirement that families demonstrate their eligibility through tax returns (a move some cynics believe is an intentional effort to reduce the financial burden of Title I on the federal government) is limiting the numbers of vouchers issued.

States and Parents Swap Roles

The role of State Departments of Education has also changed in recent years with the advent of state voucher programs. Although the programs vary by

state, most states offer an annual per-child educational voucher. To obtain a voucher, parents must enroll their child in a state-approved program and have proof of enrollment. Vouchers began to make sense to an economically-strapped public, particularly to those aging Baby Boomers who are far more concerned about paying for their prescription drugs than buying textbooks for someone else's children. In addition, successful tax reduction ballot initiatives, school finance lawsuits, and the real estate bust of 2010, all conspired to convince voters to provide each student with a voucher and then leave the rest to the market.

Most districts throughout the United States are struggling to adapt to the changes in public education, which is now primarily controlled by parents. Parental choice, which was an incremental change in the early 2000s, has exploded. Not only can parents choose their children's schools, they also can be the teacher or the principal. Thanks to state legislation, most states allow anyone with a bachelor's degree who can pass a criminal background check to become state-approved teachers able to run a Home-Based school. As low-paying service jobs increase and college-educated Americans find themselves choosing between unemployment and working for reduced pay, teaching has become an attractive choice for many. Home-Based schools are typically found in white, upper middle-class neighborhoods, where college-educated moms obtain licenses to teach neighborhood students out of their home in exchange for the student's voucher.

Sharon King, an unemployed technician with a Bachelor's Degree from the New Mexico Institute of Technology, runs a state-approved Home-Based school from her home. Ten neighborhood students between the ages of five and eight arrive at her home every morning to spend as much as six hours learning the state-approved curriculum, but they are not required to be there for any set length of time. Ms. King had this to say in a recent interview:

At first, when I got laid off, I was lost. At the same time, the other moms in the neighborhood and I had grown quite frustrated with the lack of rigor in our public school. We loved the teachers, but we wanted the school to be more academic. One of the neighbors suggested that I start a school since I had been the

Local Education Agency Scenario #4

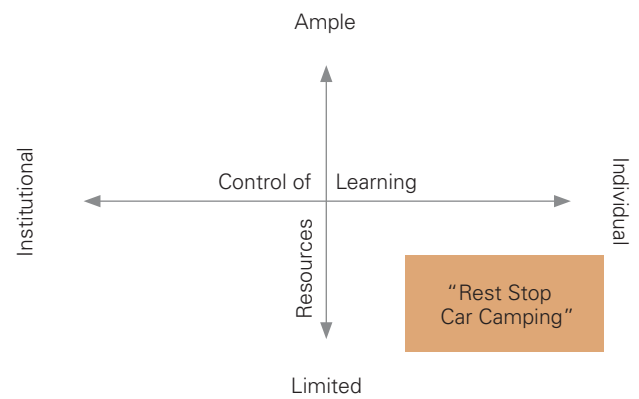
Brownie leader and knew something about working with kids. That's when I first seriously thought about it. Then, when the state offered vouchers and tax breaks for direct donations to schools, it just made sense. It's great. I teach 10 kids every day. They come for the time that they need to learn what they need to know. They are self-directed and motivated, and their parents are interested and involved. The kids set the pace themselves and do most of their work on computers. We follow the standards that most schools use, of course, and I get them, along with lesson plan suggestions, right off of the McREL Web site. Really, I just help kids learn. I like to think of it as "Montessori gone techno."

Analysis of Scenario #4

Implications

In this world, there are limited resources from the state for traditional public education and schools of all kinds must compete with each other for students and their state-funded vouchers. The more students that a school can attract, the more likely it is to be able to provide the quality of education parents demand. Because vouchers are not adequate in and of themselves to support traditional schools, inequity among public schools is increasing, both in terms of the quality and quantity of their offerings. Title I funds are distributed in the form of voucher enhancements to low-income students but do not provide a high enough level of funding. Special funding for low-income students is provided through Title I voucher enhancements which do not amount to enough to provide true equity. Schools become autonomous from the district in many ways, especially in funding, but this disparity in resources creates additional challenges for school boards as the neediest schools fall further behind those of relatively high quality. Families that are interested in education and can access alternatives will desert the under-performing schools leaving an increasingly desperate environment behind. In a declining enrollment environment, teachers will lose job security and begin to pursue alternative careers at a faster rate.

The newly created Home-Based schools provide alternatives for teachers. While the initial teachers



for these schools are expected to come from nontraditional sources using alternative certifications, existing teachers with an entrepreneurial attitude and who are tired of their existing school environments, may leave traditional schools to create additional Home-Based schools and take selected students with them. Home-Based schools are an affordable economic model because of limited overhead costs. Just as public schools will increase inequities between communities, Home-Based school quality will be greatly differentiated. Some will have the advantages of the best teachers and a small class size, and some will lack proper teaching. The role of the parent will be increasingly important to make sure choice options provide better quality than traditional alternatives. Through vouchers, families at the lower end of the income spectrum will now be able to fund options previously unavailable to them. This creates a very new world of competition for school districts that have been sheltered from this in the past.

Local Education Agency Scenario #4

Indicators

Events and trends that could signal the development of this scenario include these:

- Continued failure of schools and districts to move high numbers of their children to proficiency levels, especially special groups.
- Increased public support for alternative education options and the willingness of legislatures to create flexible funding mechanisms to provide for choices for more families who cannot afford to pay on their own.
- Increased availability of technology and off-the-shelf materials available for use outside of traditional classrooms.
- Decline in education funding, at national, state, and local levels, caused by the high price of settling school finance lawsuits and meeting the health care needs of aging Baby Boomers.
- More public acceptance of a “one-size-fits-all” approach to assessment and accountability.

Options

In order to thrive in this scenario, the local school district will need to be highly creative and proactive to maintain its student base. It may even need to selectively defend its base by abandoning the traditional pattern of offering schools to children on a geographic basis. To survive, the district might need to abandon schools in some geographic areas (with some initial loss of students) and focus on building programs within remaining schools that match parent and student interests. In addition, the district might attempt to “mirror” the more-attractive Home-Based and private schools by allowing the public schools significantly more autonomy.

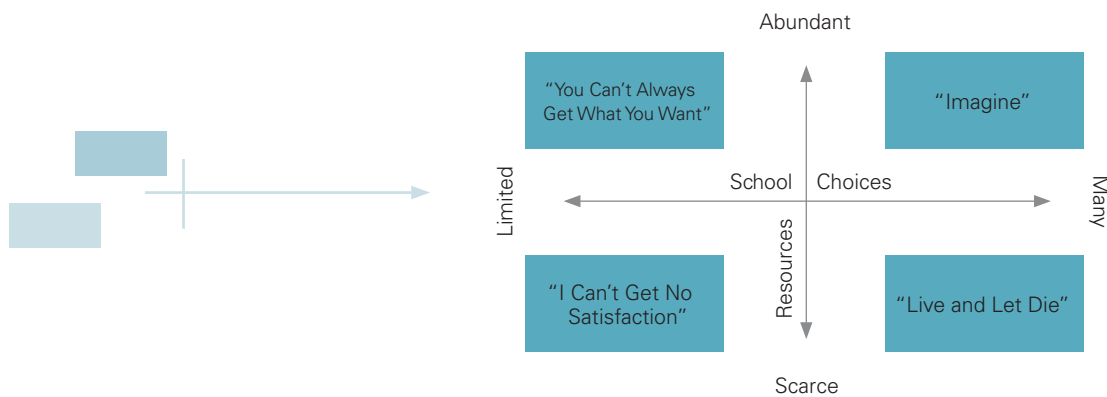
Middleton School District might consider undertaking some version of a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis, and then build a strong creative plan to maintain its position

in the community. Continuing to involve parents in both a public discussion and in the endeavor itself is essential to maintain their support and their sons and daughters as public school students. Doing the same with business and community groups is also essential to secure their financial support and to limit the fragmentation that can occur in a competitive world of choice.

Teachers will need to be brought into the process as the frontline of contact with the newly empowered students/parents. Students will expect quality classroom experiences, and both parents and students will be less willing to tolerate dissatisfaction of any type because they have the power to exercise other options.

Discussion Questions

1. Are the critical uncertainties that form the scenario framework those that you would choose or are there other uncertainties that seem more critical to you?
2. Are the stories plausible? Could they turn out to be true? If not, what would you change?
3. Can you think of other implications and options for the organization in addition to those written in the Analysis sections?
4. If you were leading an organization of this type, what would you do now to prepare for these imagined futures?



National Membership Association Scenarios

Introduction

Parents for Education (PFE) is a national parent group whose mission is to influence and support high-quality public education for all American children. With headquarters in Washington, D.C., Parents for Education works through national, state, and local chapters to ensure that the voices of parents about their children's education are heard and acted upon by local, state, and national policymakers. Parents for Education is a nonprofit association with six million members who are organized into more than 6,000 chapters throughout the United States and the District of Columbia.

For many years, the membership of Parents for Education hovered around the 12 million mark, but during the last decade, membership has steadily declined as many parents in more affluent school districts, who did not want to follow the dictates of a national organization, broke off and started their own local organizations. These organizations focused only on local issues and did not participate at the national level. However, this trend now is reversing, apparently as a reaction to the No Child Left Behind Act of 2001 (NCLB). Today's parents realize that national organizations play important roles when laws about their children's education are passed at the federal level, and membership is on the rise.

Membership in Parents for Education is climbing for another reason. Research supports the critical importance of parents in the academic achievement of their children, and Parents for Education has long championed the issue of parental involvement. Recent studies have shown that the key factor in the lives of children who "beat the odds" are parents who are involved in their education. Parents for Education welcomes this research; its leadership is committed to once again growing their membership in the belief that larger numbers will mean greater influence in improving children's education and lives. The leadership also is very aware of the uphill climb this effort poses.

National Programs

Parents for Education provides parents and families with a powerful voice to speak on behalf of every child. With a network of partnerships, Parents for Education expresses its concerns regarding children in state legislatures and on Capitol Hill. Any local district or state Parents for Education chapter can bring matters of legislative concern to the attention of the National Parents for Education. Through its separate political action committee, Parents for Education endorses candidates for public office who support its goals.

Local Programs

Because Parents for Education is the only parent organization in the country that is centralized and has a staff, it has the capacity to keep parents informed 24/7 about pressing issues in the schools in their area of the country. Not only does Parents for Education provide information on the issues, it provides access to locally elected representatives as well as the appropriate school district administrators who need to be contacted when crucial decisions are being made. The staff also can provide sample letters, e-mail messages, and templates that concerned parents can use to voice their opinions. Parents for Education is able to mobilize parents quickly and efficiently on issues of importance.

Member Benefits

Members of Parents for Education have access to a Web site; receive the monthly magazine, *Our Schools*; attend the yearly convention at discounted rates; and receive an electronic newsletter from the president on issues of special concern. Dues collected by local chapters go directly to the national chapter to meet staffing and administration obligations that sustain the organization while fulfilling its commitment to local chapters and its larger mission to serve as the voice of parents and children of the nation on education issues that affect every household.

National Parents for Education Goals

- Support excellence in teaching and superb academic outcomes in student learning.
- Support increased state and federal funding for education.
- Help parents develop the knowledge and skills they need to work for the improvement of their children's schools.
- Encourage parental and public involvement in schools at a grass roots level.

Focal Issue

How can Parents for Education remain a relevant, vibrant organization over the next ten years?

As they look toward the future, the leaders of Parents for Education know they face some serious challenges. With the population becoming more racially and ethnically diverse and the proportion of elderly increasing, Parents for Education could once again face a declining membership, despite the current upswing. This could present a potentially serious crisis in funding. Today, only one in four households has school-aged children. As the proportion of households with children declines, and more of those children are born into poverty, the leaders have embarked upon a scenario-planning process focused on the extent to which parents have schooling choices for their children and the availability of resources for education.

National Membership Association Scenario #1

Deep Causes

This scenario assumes that parents have extremely limited choices of where to send their children to school, but parents are happy with the situation since the Federal government is fully funding the public schools and the student achievement level is high.

The following deep causes could lead to this scenario:

- A major economic upturn has made it possible for the Federal government to fully fund NCLB.
- Public schools are receiving full funding but the government has insisted on a national curriculum, national assessments, and national standards.
- Continued concern about American students' poor showing on international assessments such as T.I.M.M.S.

"You Can't Always Get What You Want"

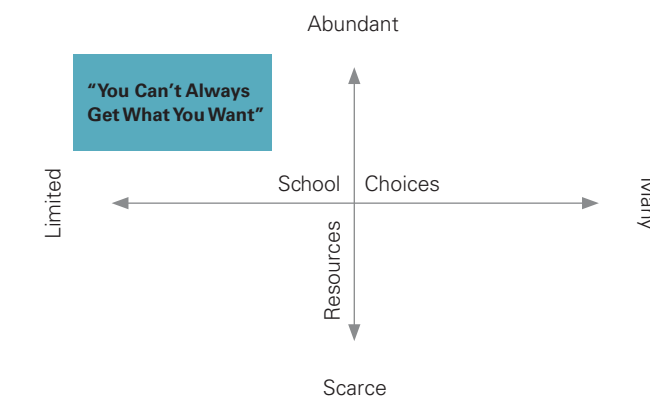
Time: June, 2014

Place: Washington, D.C.

Scene: Special Newsletter from the president of Parents for Education to its members

Dear Members,

Since 1965, millions of parents like you have belonged to an organization that makes a difference — Parents for Education (PFE), a visionary community committed to improving the lives and education of all children. We are a force for the good of children, a source of information and support for parents, and a strong advocate for public education. Parents for Education works for effective parent involvement, safe and



nurturing communities, and quality public education for children throughout the United States.

Today I can happily say that I have achieved my goals as President of Parents for Education and as most of you already know, I am stepping down in September to join President McCain's Cabinet as Secretary of Education. This is an honor that would never have been possible without the experience and support I have gained as your leader. The past ten years have been exhilarating and Parents for Education has made an invaluable contribution to the improved state of public schools in the United States.

When I first came on as President in 2004, the future of our schools and of Parents for Education did not look hopeful. Our organization had experienced a continual decline in membership.¹ The focus of Parents for Education was on surviving as an organization rather than on advocating for students. More and more children were being enrolled in private and parochial schools or being home schooled. Many children were being educated through online schools, some reputable and others not so reputable. Our country was embroiled in a war in Iraq and had a budget deficit in the trillions of dollars. The No Child Left Behind Act of 2001 (NCLB), which should have been a force for school improvement, was causing a rift within states and schools, and mutiny was on the minds of many school personnel and state legislators. Too many

¹ In 2000, the American Enterprise Institute for Public Policy wrote that membership in the National PTA had declined from a high of 12.1 million in 1962 to a low of 5.3 million in 1981. http://www.aei.org/publications/pubID.16054,filter.all/pub_detail.asp

schools were failing to make adequate yearly progress (AYP), even the more affluent suburban schools. As districts continued to miss AYP targets,² state departments of education were legally obligated to “do something” but were ill equipped to deal with the growing number of schools identified as failing. States, especially the key electoral states of California, Florida, Texas, Ohio, and New York, had no money to fund the needed improvements, and the future of public education looked grim indeed. The requirement of funding education to meet the mandates of NCLB was moving many states to the brink of bankruptcy.

The increasingly angry mood of the voters brought a more moderate group of legislators into office in the Congressional elections of 2006. Voters were fed up with political posturing in Congress. Even though the House, Senate, and White House were controlled by Republicans, politics had become more rancorous as the majority moved further to the right³ while the minority party moved toward the left.⁴ This centrist majority in Congress, led by Congressmen Tim Johnson (R-IL) and Steve Israel (D-NY) was able to work in a bipartisan fashion to address the spiraling national debt.⁵ Parents for Education campaigned hard for the new centrist leaders. It was gratifying to see our choices for Congress working together toward a common goal. Congress, with significant input from Parents for Education, passed into law NCLB II in 2008. The Joint Organizational Statement on No Child Left Behind Act of 2004 provided a framework for the NCLB II.⁶

The new law replaced NCLB’s “one-size-fits-all” proficiency targets with ambitious achievement targets based on rates of success actually achieved by the most effective public schools and allowed states to measure progress by using students’ growth in achievement as well as their performance in relation to pre-determined levels of academic proficiency. NCLB II also required states to use a national assessment and provide diagnostic information to schools to improve student learning. The law also ensured that improvement plans had sufficient time to take hold before applying sanctions and stipulated that sanctions should not be applied if they undermine existing effective reform efforts. This major revision to NCLB helped the law accomplish what it was supposed to accomplish — ensure that all children learned to read, write, and compute at least at grade level regardless of race, socio-economic status, native language, special needs, or country of origin.

The needed revisions contained in NCLB II would not have been possible if not for the dramatic upswing in the U.S. economy. Following the historic Iraqi elections of 2005, the Iraqi government had reached a stability that allowed for the pullout of the majority of U.S. troops. The historic Camp David Accord of 2006 between PLO President Mahmoud Abbas and Israeli Prime Minister Ariel Sharon had established a Palestinian State and an increasingly promising and stable peace in the region. The establishment of a democratically elected government in Lebanon, along with the developments in Iraq and Palestine, gave support to the Rice Plan in 2006. With the international community supporting Secretary Rice’s plan for economic support for the developing governments in the Middle

² David Shreve, an education policy expert at the National Conference of State Legislatures reported on current and projected AYP issues in 2003. Retrieved, May 21, 2005, http://www.nsba.org/site/doc_cosa.asp?TRACKID=&CID=1046&DID=31716

³ A pivotal event came in March, 2005 when President Bush and many conservatives in Congress attempted to intervene in a Florida controversy involving the removal of a feeding tube for Terri Schiavo. Fully 75% of voters felt that Congress and the President had overstepped their bounds. <http://abcnews.go.com/Politics/PollVault/story?id=599622&page=1>

⁴ The election of Howard Dean as Chair of the Democratic National Committee in 2005 alienated many Independent and even traditional Democratic voters.

⁵ In February, 2005, Representatives Johnson and Israel formed the Congressional Centrist Caucus. http://www.signonsandiego.com/uniontrib/20050216/news_1n16civility.html

⁶ Over 30 national education and religious organizations signed the Joint Organizational statement. <http://www.nsba.org/site/print.asp?TRACKID=&VID=2&ACTION=PRINT&CID=870&DID=34642>

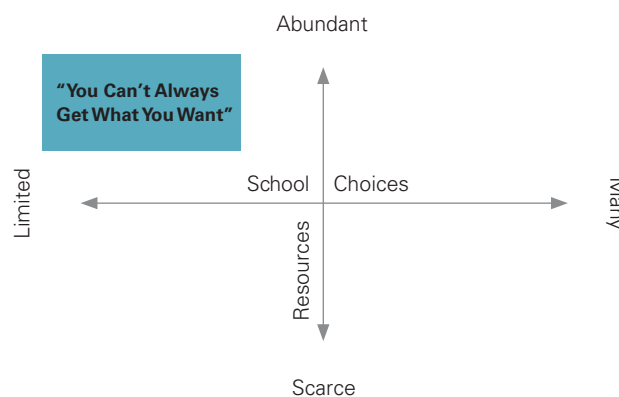
National Membership Association Scenario #1

East and South Asia, the financial burden on the United States was greatly reduced.

The following year, 2007, saw an unprecedented upswing in the gross national product (GNP) and reduction in the trade deficit brought on by two related events. A long sought after geological breakthrough led to an economical way to recover the massive amounts of oil trapped in shale deposits in the Western United States. Coupled with the large-scale adoption of the new, clean burning diesel led to energy self-sufficiency in the United States. These two developments led to a dramatic reduction in the cost of oil. The price per barrel of oil dropped below \$25 for the first time since the adoption of the \$22-\$28 price band for OPEC crude in 2000.⁷ The reduction in energy costs allowed American industry to gain a price advantage internationally, driving down the trade deficit.

In 2008, John McCain was elected President. Candidate McCain had run on a platform of continued economic growth and the creation and adoption of a national curriculum. After his election, he and his Cabinet were determined to eliminate budget deficits and their administration set the course for an economic upturn. Relaxed immigration policies for foreign scientists and engineers, and a rise in the value of the U.S. dollar led to a surge in our economy, aided by the growth of the business of nanotechnology, breakthroughs in stem cell research, and the resurgence of the high tech industry. The growth started small, but by 2012 the stock market had reached new heights and the jobless rate had reached new lows. More families than ever before were home owners, contributing to the property tax base, even in less affluent communities. It was no surprise that President McCain was easily re-elected that year.

President McCain also kept his campaign promise of advocating for a national curriculum, accompanied by national assessments and a national teacher license. While Parents for Education was initially quite leery of this idea, we finally did see the need based on



both the educational needs of students to compete on the international level and on national security. In exchange for a guarantee of adequate and equitable funding for all schools, Parents for Education agreed to support the national curriculum. Harkening back to the 1983 Nation at Risk report,⁸ politicians seized on the mantra, “If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war.” Though the debate on the nationalization of education was heated, a coalition of organizations including Parents for Education, the National Education Association, National School Boards Association, and Council of Chief State School Officers joined in overwhelming support. The National Governors Association overwhelmingly added their support as education spending at the state level had moved over a third of the states to the brink of bankruptcy. The deciding factor was the provision that moved education funding to the national level and stated, “No education law or policy shall be enacted without the funding needed to implement said policy.” There have been multiple court challenges by a few Western states and the American Libertarian Party, but to date, no court has issued an injunction.

⁷ WTRG Energy Economics Newsletter, October 19, 2002. Retrieved March 31, 2005, from <http://www.wtrg.com/prices.htm>

⁸ National Commission of Excellence in Education. (1983). *A Nation at Risk: The Imperative for Educational Reform*. Washington, DC: U.S. Government Printing Office.

As a condition for fully funding NCLB, Congress had insisted on a single set of standards, a national curriculum, and a national assessment system. At first this struck our members as too controlling. Nobody was happy about giving up local control of their schools or leaving their children's education in the hands of Washington, D.C. However, after a few years it became clear that the results were worth the compromise. The advantages of a national curriculum soon became evident. No longer would multiplication be taught in second grade in one community and in third grade in the next; nor would electricity be taught in third grade in one city and in fourth in the next. With the exception of local history and holidays, students who work their way through the country's public schools now cover the same material at approximately the same time of year, regardless of what school they are in. This is good news for our increasingly mobile society; as children move from one town to another or one state to another, they will no longer have to suffer through the same curriculum they did the year before, nor will they have to struggle to keep up because they've moved to a new school in the middle of challenging content they have never seen before. This is a very different situation than the one you and I grew up with, and it takes our standards-based curriculum to a whole new level.

By 2012 public schools had been receiving adequate funding from NCLB II for two years and most schools were thriving. The divide was no longer between good school and bad schools, but rather, good schools and great schools. Our organization focused on working with schools to insure that the nationalization of education did not lead to a "one size fits all" education. Our members were able to use those successful schools as models and they began to mount pressure on the school leaders in their communities to institute some of the same reforms: goal setting; training for school leaders; individualized instruction for students; ongoing and high-quality professional development for teachers. Soon, the parents of students in private and

parochial schools began to compete for places in these public schools.

As parents had lost confidence in the quality of American public schools, enrollment had declined from 90 percent in 2000⁹ to an all-time low of 81 percent in 2009. We are pleased to report that enrollment in public schools is again on the rise, with 91 percent of all students enrolled in public schools in 2014.

Using the model for free citywide wireless connectivity first implemented by Philadelphia in 2006, communities across the country saw the economic advantage in providing access to everyone. The ubiquity of wireless technology and students' ability to take advantage of it made it possible for students to access their curriculum, their teacher, and their assignments from wherever they might be. So as the population shifts and changes, students moving from state to state or community to community lose very little in the transfer as schools move towards a curriculum in which the same basic knowledge and skills are covered in every community. The School Interoperability Framework (SIF) developed in 2003 and mandated by the U.S. Department of Education in 2006, coupled with this ubiquitous access to the Internet, allowed schools, districts, and states to maintain a common database of student information.

For the most part, our fears about all children being lumped together, doing the same work at the same time with no individualized instruction, have not come to pass. While the national curriculum and assessment insure that all students are learning the same material at approximately the same time, national teacher licensure has required all teachers be trained in research-based instructional strategies. These strategies have helped teachers reach students with differing learning styles. Schools of education have been encouraged to teach these teaching strategies to their teacher candidates so they can gain apprentice licensure status upon graduation. Teacher licensure is now based on a teacher's ability to apply research-based teaching strat-

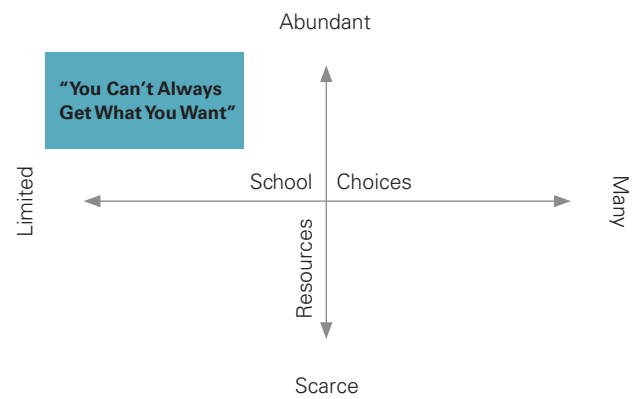
⁹ SOURCE: U.S. Department of Education, NCES, Schools and Staffing Survey (SASS). "Public, Public Charter, and Private Schools Surveys," 1999-2000. (Previously published as table 1 on p. 3 of Private Schools: A Brief Portrait [NCES 2002-013].)

National Membership Association Scenario #1

egies through an apprenticeship program loosely based on National Board for Professional Teaching Standards (NBPTS).¹⁰

Let me review once again, just how far we've come since my first term as President of Parents for Education. During my first term, our membership dropped precipitatively due to a falling birth rate and an aging population. The baby boomers were voting against raising taxes or passing bond issues for the schools; the birth rate was dropping and those women who were having babies were more often than not young and poor. It looked as though Parents for Education might go the way of the desktop — oblivion. But thanks to the grass roots efforts of Parents for Education's local chapters and our "Schools for All" partnership with the American Association for Retired People, we have brought the "sixties" generation, now in their sixties, into the public schools as organizers, tutors, volunteers, and continuing learners. Your efforts created realistic incentives for baby boomers to have a real stake in the education of children and see the importance of the local school building as a hub for all generations. And I am thrilled to report that our senior members are making an enormous difference! A full third of Parents for Education's current members are over 65. They clearly understand the value of a good education and the importance of community. As much as any additional funding the schools are receiving, the improvement in public education is due to the selflessness, creativity, and energy of our members who are 65 and older. I have recommended to President-elect Sanchez and your executive board that our organization's name be changed from Parents for Education to Americans for Quality Education to reflect this positive change in our organization. I hope that will be one of Dr. Sanchez's first actions as your new President.

Today it is with great pleasure that I am able to report to you the excellent state of our American public schools, thanks in large part to the diligent work of our members. But our work is not done. Our new



challenges include parents' time constraints, increasing cultural differences, and an insidious new factor: complacency. The public schools work better than they have in a long time. There used to be a vast gulf between the "good" schools and the "bad" schools. That gulf has been significantly reduced. The talk now is not of good and bad schools, but good and great schools. Most parents are very satisfied with the education of their children and we are now in danger of losing them to complacency. Perhaps we've done our job too well.

If we continue working together we can make it easier for busy parents who are currently non-members, and even more seniors to become involved with our organization. We can reach out to widely diverse communities in ways that can make a difference to today's traditional and non-traditional families, and we can provide training and resources to strengthen members' leadership and advocacy skills. Our organization has demonstrated the power to create change and build a better future for our nation's children.

¹⁰ The five core principals of the NBPTS are: Teachers are committed to students and their learning, teachers know the subjects they teach and how to teach those subjects to students, teachers are responsible for managing and monitoring student learning, teachers think systematically about their practice and learn from experience, and teachers are members of learning communities.

I have been honored to be President of Parents for Education for the past ten years. I feel confident that I am leaving it a stronger and more vibrant organization than it was when I arrived. I believe that I am leaving it in supremely capable hands. I wish Dr. Sanchez and the incoming Executive Board all the best and I have confidence that they will continue to help parents, schools, and communities understand not only the importance of partnership, but how each individual can become involved to improve the lives of all our children.

Best wishes,
Mary Rollins Washington, D.C.
National Parents for Education President, 2004–2014

Analysis of Scenario #1:

Implications

The implications for Parents for Education in this scenario are primarily political. While resources are abundant, schools were still not able to meet the needs of all students. This brought about the adoption of a national curriculum, national assessment, and national teacher licensure, in exchange for 100% funding. A national curriculum has the potential to improve the educational experiences of many children, but at the same time, leveling the educational landscape might also remove the high points as it removes the valleys. In this scenario, both gifted and severely handicapped students are underserved. This likely would lead to

political pressure to change the system to better meet the needs of these populations.

As schools increasingly open their doors to the public and become community hubs, support for schools should also increase. While the percentage of families with school-age students will decline, support for schools and schooling should remain high if all stakeholders feel connected to the school.

Finally, history has shown the economy to be cyclic. While resources are currently very abundant, what will happen as the economy declines?

Indicators

This scenario seems likely to happen given the following indicators:

- Increasing dissatisfaction with public education.
- Failure of the No Child Left Behind Act to accomplish its intended outcomes.
- Dramatic upturn in the U.S. economy.
- Passage of legislation that establishes a national curriculum, coupled with national assessments.
- National teacher licensure.

Options

Based on the implications in this scenario, it is important that the organization seek now to broaden their membership base. Efforts now to build strong alliances with other national organizations representing seniors, special needs students, and gifted students will make the organization stronger and more responsive to the diverse needs of all populations. The organization should be an active voice for all students as the national curriculum is developed and implemented. It should be the goal of Parents for Education to lobby for all students, not most students.

As the economy begins to improve, Parents for Education should be a strong, clear voice for education, helping shape the national agenda rather than react to it.

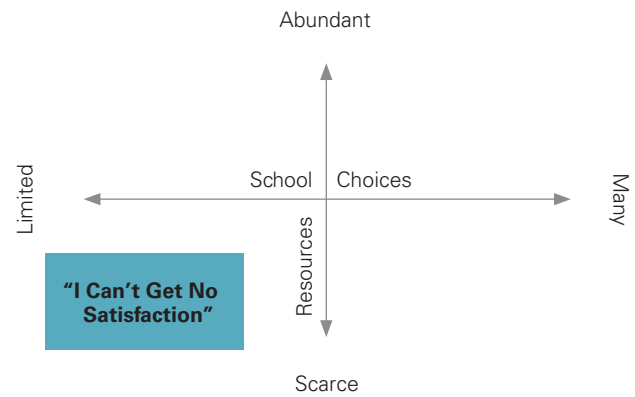
National Membership Association Scenario #2

Deep Causes

In this scenario, the U.S. K–12 education system is “one-size-fits-all.” There is one set of national standards; the public schools deliver one national curriculum; all public school teachers must adhere to a national set of instructional practices; and all students are required to pass one national test every two years and an exit exam to graduate from high school. Parents possess very few school choices unless they want to spend their own money for private schools. The government has minimal dollars to spend improving schools.

The following deep causes could lead to this scenario:

- In the elections of 2008, the new President and members of Congress run on campaign promises to repeal the No Child Left Behind Act of 2001 (NCLB) which has fallen into disfavor among a majority of Americans.
- Congress repeals NCLB in 2009 and, following an astonishingly rapid adoption of a constitutional amendment, mandates a set of national academic standards, a national curriculum, a set of national instructional standards, and national examinations.
- Owing to the expenditure of billions of dollars in defense against terror at home and abroad, the country continues to struggle with large budget deficits and diminishing discretionary spending.
- By the year 2014, fierce, intergenerational electoral competition breaks out between the young and the old, and because of their numeric superiority, the government backs the older generation and pays out what little free monies it has to Social Security and Medicare recipients, leaving ever decreasing amounts for K–12 education.



“I Can’t Get No Satisfaction”

Time: June, 2014

Place: Washington, D.C.

Scene: Special newsletter from the president of Parents for Education to its members

Dear Members,

For almost fifty years, Parents for Education (PFE) has been making a beneficial difference in the lives of parents, their children, and their schools. Through good times and bad, we have banded together around several basic goals that have guided our work. The goals of Parents for Education are these:

- Support excellence in teaching and superb academic outcomes in student learning.
- Support increased state and federal funding for education.
- Help parents develop the knowledge and skills they need to work for the improvement of their children’s schools.
- Encourage parental and public involvement in schools at a grass roots level.

A Look Back

Today, Parents for Education faces an unprecedented dilemma in its history, and the signs for its future are discouraging. When I first was elected president in 2004 the future of our schools and of Parents for Education was not promising, but the current state of affairs is even more uncertain. Early in my tenure, we were losing members. There was little commitment on the part of the dwindling numbers of parents of school-aged children to advocate for the benefits of public education. More and more children were being enrolled in private schools, parochial schools, or being home-schooled. Some children were already receiving their education online. Our country was heavily invested in the war in Iraq and other anti-terrorist initiatives, and was sustaining serial budget deficits in the billions of dollars. The No Child Left Behind Act (NCLB), which was passed with much bi-partisan goodwill in 2001, should have been a force for good. Unfortunately, its application and enforcement caused a backlash between many states and the federal government, rifts within states, and divisions within school communities. Too many schools were failing to make adequate yearly progress (AYP), even the more affluent suburban schools. Other schools were being taken over or shut down completely. The states, especially the most highly populous states, had very little money to fund improvements necessary to meet the requirements of NCLB, so discontent with the law and the U.S. Department of Education rose to a nearly mutinous level among the states.

At the same time, economic competition with our major trading partners began to escalate. As you know, at the end of the 20th century, after 50 years of strenuous national effort, the United States had won the Cold War. Almost immediately thereafter, at the start of the 21st century, we entered a period of unparalleled trade wars with countries who did not and do not share our political and cultural values. Some of those countries, particularly India and China, were graduating thousands more engineers and scientists than the United States, further heightening Americans' fears concerning our strategic trade competitiveness and primacy in the world.

This national anxiety, combined with increasing budget deficits, current account deficits, massive

amounts of foreign indebtedness, the war against terror, and widespread public dissatisfaction with NCLB produced a domestic political blowback in the domain of K–12 education. It's easy to forget that since the founding of our country, until this current administration, states were responsible for K–12 education, and all states delegated K–12 education to local school districts. Through time, of course, this meant 50 different education systems, and at least 15,000 permutations based on the number of school districts in the United States, mostly funded by local property taxes. This situation was governed by the 10th Amendment to the Constitution, meaning that authority not delegated to the federal government was reserved to the states.

By the time then-Senator Frist ran for president, the American public was alarmed by the apparent decline in our comparative academic accomplishments vis-à-vis our principal trade partners — an alarming decline in foreign nationals taking advantage of American Ph.D. programs, especially in mathematics, science, and engineering; thousands more Chinese and Indian engineering graduates than similar American graduates; and continued poor test results in mathematics and science among American K–12 students compared with many of our most competitive trading partners. At the same time, our sense of vulnerability to acts of terrorism, both at home and abroad, had not abated. Voters were ready for a fundamental change in the system.

During his presidential campaign, in an off-the-cuff reply to a blogger's question about the poor state of education in the country, Senator Frist commented that perhaps it was time to revisit the 10th Amendment and the federal role in education. When pressed, the candidate explained that he believed the old system of local control of K–12 education was outdated because the new century brought with it educational challenges that could be addressed best only by federal effort. Instead of trying to implement educational reforms piece-meal through the traditional means of federal carrots and sticks, he said, we should amend the Constitution to permit the federal government to assume responsibility for K–12 education.

Naturally, Senator Frist's comments were fuel for a media firestorm with people expressing astonishment that a conservative Republican was proposing to

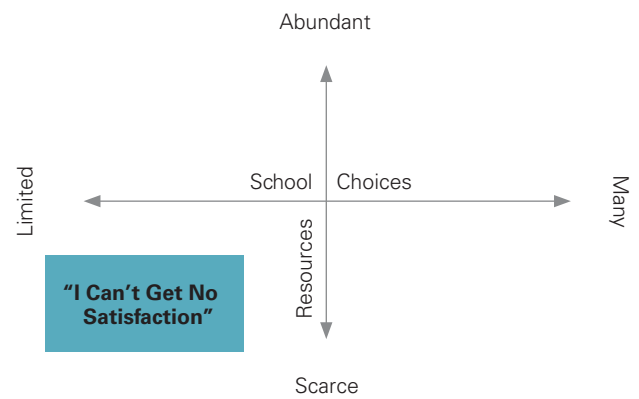
National Membership Association Scenario #2

abandon the long-cherished system of “local control” of education. Pundits at first thought this would be the death-knell for the Frist campaign, but the opposite occurred. Unexpectedly, voters steadily warmed to the idea. It gave them a sense of security that we were finally going to get our educational system under control and regain our superiority in the world. Some congressional candidates and members of Congress jumped on the band wagon, setting an example for others to follow. Public support slowly built, and Senator Frist was elected president, despite the risk he had taken. Quickly following his election, Congress passed a constitutional amendment federalizing K–12 education in the United States. States, in turn, ratified the amendment. In the wake of the amendment’s passage, federal authorizing legislation abolished local property taxes earmarked to fund local schools, and in their stead established a national sales tax to pay for K–12 schooling.

The Current Situation

With so much support for this new approach to American education, why is the picture today so gloomy? As I take my leave of this fine organization, Parents for Education faces daunting challenges to its mission. Among them are these:

- A rapidly aging population with waning commitment to the education of our children;
- A federal government struggling to balance spending between the needs of our senior citizens and our young;
- Colossal expenditures required to fight the continuing war on terror and persistent budget and trade deficits, all of which compete for domestic discretionary spending;
- Parents who are working longer hours and in some cases are holding down two and three jobs in order to make ends meet;
- An overwhelming and bewildering diversity of languages and cultures in our schools; and



- A seeming inability to train teachers properly to meet the needs of American students facing the competitive rigors of the 21st century.

It is not my intention in this letter to paint a hopeless picture of our education system. On the contrary, I firmly believe in our nation’s future. But as I take my leave, I must speak the truth as I see it and acknowledge openly the constraints we face. Only with a clear view of where we have been can those of you who will continue the fight for high-quality public education chart your path to the future.

Demographics, Economics, and National Security

Permit me to elaborate on the demographic challenge facing our organization and our public schools. The number of children per household continues to drop and the number of children born to married couples is leading that drop. In most families with two parents, both parents are working. The number of children being raised by single mothers in poverty is rising. Accordingly, there simply are fewer parents than there once were to join and support Parents for Education. We are grateful for those parents who recognize the importance of being involved in their children’s education and who are able to join because they have the time and the money. Unfortunately, they do not represent the broad spectrum of children in our schools today. Parents for Education is in danger of becoming an organization that no longer represents all families and all students, but rather only those who are middle and upper middle class.

More than 30 percent of the American population is now over 65 and only 8 percent are under 30 years of age. The peak spending years for the largest segment of the population are over. This has meant a substantial drop in consumer spending and a major decline in the economy. Worse, the over-65 generation is receiving a disproportionately large percentage of our national budget for Social Security and Medicare, which has become a huge, unproductive drain on the economy. Add to that our national security spending and interest expense on the nation's indebtedness, and we're left with comparatively little federal funding for our schools, despite the constitutional shift in K-12 responsibility from the states to the federal government. Uncomfortably, our government is caught in the unenviable position of having to choose between two populations — the young or the old. The government has repeatedly postponed opportunities to invest in future generations, bowing to the pressures exerted by the baby boomers, leaving our youngsters in mediocre schools with run-down buildings. In some situations, schools suffer from a dearth of supplies and technology and students routinely receive lackluster instruction.

As you might expect, public schools have adopted an expedient view of what it means to provide a suitable education. Stripped of their historical authority by constitutional amendment, local school boards have become mere purchasing agents, contracting with local and national suppliers for curriculum, tests, and instructional services that purportedly meet federal regulatory requirements.

Under our nationalized regimen for K-12 education and due to budgetary constraints in the country, schools now offer very little individual attention for those students with special gifts, special needs, language deficits, or emotional problems. We now have a public school system that emphasizes “the three Rs” and science, but sponsors few sports, physical education, fine arts, industrial arts or home economics. Families with the income and motivation to provide their children with ‘non-standard’ activities and resources do so, but others simply cannot afford it. Further, all U.S. school children study the same subject matter at the same time, are tasked with uniform assignments regardless of their strengths and weaknesses, and simultaneously take the same, computerized, standard-

ized tests throughout the country. The only differences among students show up in the testing reports returned to districts and the U.S. Department of Education in which scores are disaggregated by racial, ethnic, and socio-economic subgroups. Research has yet to determine whether this great national experiment will help most students learn or become better learners. Nor has experience yet shown whether this new educational reality will improve our international competitiveness.

With scant support from their districts and the nation, our most talented teachers have been fleeing the profession, choosing instead to make a living by tutoring or entering other professions entirely, inasmuch as the market for private and charter schools contracted along with economic activity. With fewer teachers and larger classes, the possibilities for individualized instruction and choice within schools virtually have disappeared.

The new educational reality delivered an extreme blow to the health of existing school reform movements. For example, even the foundation movement to improve our schools, led by the world's richest individual, Microsoft's Bill Gates, was drastically scaled back. This is notable because it was Gates who, in 2005, called our high schools “obsolete” and rallied the state governors to a vision of high schools that would be smaller, more individualized, and filled with advanced learning environments. The high school reforms underway in 2009 were brought to a halt by the adoption of the constitutional amendment.

In 2010, President Frist continued the Bush policies of pre-emptive military action with strikes on North Korea and Iran, incurring a further drain on our national treasury and increasing the deficit by hundreds of billions of dollars. These military actions, while tactically successful in the short-term — eliminating the nuclear threat represented by these two rogue nations — created so many enemies for the United States that we are now in the position of having to spend, in real terms, more money on anti-terrorism measures than we did in the first decade of the 21st century. As a result of these policies, the killing and maiming of citizens of the industrialized countries by terrorist groups has become a grim but almost routine disruption to our day-to-day lives.

National Membership Association Scenario #2

Election of 2012

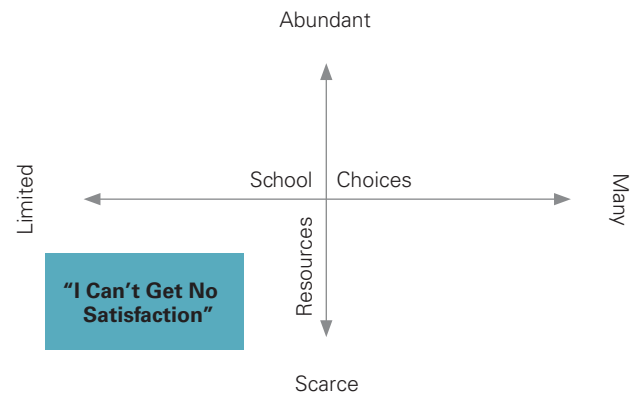
President Frist's re-election campaign brought many of these issues into the public arena for debate. Voters were torn between the very real life-and-death issues of national security and domestic priorities, as well as the intergenerational fiscal tension between old and young. In spite of an especially strong challenge from the Democratic presidential candidate, Mark Warner, and a weak third party candidate, President Frist was re-elected in 2012 by a thin margin of Electoral College votes.

However, along with the re-election of President Frist came a revolt among older voters against the nation's tax burden. Like voters in California in 1978 who supported Proposition 13, which cut property taxes by 57 percent; like voters in Massachusetts in 1980 who demanded lower property taxes that resulted in less funding for schools; and like voters in Colorado who passed the TABOR amendment to the state's constitution, limiting tax increases, in 2012 our senior citizens successfully mobilized a voter revolt against any further increases in taxation by the federal government.

Parents for Education and its members have worked hard to convince Congress to allocate small increases in funding for the public schools but sadly, without exception, such proposals have been voted down, often not even surviving committee votes. There is little enthusiasm among the elderly to add to their tax burden to pay for across-the-board spending increases for schools that they do not approve of or use.

New Role for Parents for Education

What does this mean for the future of Parents for Education? It's become very difficult to rally grass roots support for Congressional funding initiatives, tax increases, or specialized national debt instruments that would help improve the quality of our school buildings, the training of teachers, and the availability of high-quality teaching materials. Our work is made even more challenging by the drastic reduction in members over the past decade. In 2004 we enjoyed six million members; today there are about three million on our membership rolls. Without a dramatic and sudden boost in our membership, we cannot provide the



funding we need to influence members of Congress to support reforms for our public schools.

Clearly, our approach and tactics need to change. We have two years before the next election, and we need to spend them courting the over-65 voters. Without the support of the people who make up the largest population block in the country, our agenda for parent involvement, support for public schools, and assistance for parents in promoting the health, safety, and education of their children is not going to succeed. As I depart as president of Parents for Education, I ask all of our members to work together to find new solutions that address these continuing problems. Your new leaders have a hard road in front of them, and they are going to need your help. Our continued existence as an organization and a satisfactory future for the next generation of Americans depends upon it.

Best wishes for new successes, Mary Rollins Washington, D.C. President, Parents for Education 2004-2014

Analysis of Scenario #2

Implications

1. The federal government assumes responsibility for K-12 education in the U.S. pursuant to the adoption of a constitutional amendment.
2. Schools are under-funded.
3. Our best teachers are leaving the profession, and it is increasingly difficult to recruit new ones.

National Membership Association Scenario #2

4. Parents for Education is able to exert less influence on members of Congress, federal regulators, and state legislators.
5. Fewer extracurricular activities and fewer subject matter choices within schools mean graduates are leaving the K–12 school system with a narrow and limited view of the world.
6. School boards are little more than purchasing agents.
7. Parents for Education fails to build its membership quickly enough, and its budget suffers accordingly.
8. Parents for Education is in danger of representing the middle and upper classes.
5. Owing to decreasing budgets for them, fewer non-academic (music, fine arts, individual sports) subjects and activities are offered in traditional schools; an increasing number of charter schools offer a curriculum limited to academic subjects only; colleges and universities voice more and more complaints about the intellectual aridity of incoming freshmen.
6. An increasing number of charter schools funded by public school district budgets are managed by private sector for-profit and nonprofit entities; schools subject to re-constitution by NCLB are managed by private sector for-profit and nonprofit entities; and subject matter curriculum in traditional schools is highly scripted and furnished by commercial publishers.

Indicators

1. International comparisons of test scores in mathematics and science continue to show American students lagging behind those of our most competitive trading partners.
2. School finance lawsuits against state governments continue to be pursued by frustrated parents. State supreme courts continue to find that their legislatures have unconstitutionally under-funded state aid to education.
3. Turnover in the teaching ranks increases, fewer of the best high school students enter college planning a career in K–12 teaching, and teacher pay does not keep pace with the cost of living and the pay of other knowledge workers.
4. PFE federal legislative priorities are not enacted by Congress, nor is state funding commensurate with the educational challenges posed by the strategic competition exerted by our international trading partners; PFE's inability to quickly increase its membership and fill its coffers deprive the organization of the resources to lobby states and the federal government effectively.
7. PFE cannot attract new members to its ranks in all of the states and cannot afford widespread lobbying efforts it used to enjoy in its heyday.
8. The demographic profile of its current members is primarily middle to upper middle class; it has not successfully attracted substantial members of lesser means; and the concerns of its members are not focused on lower income families.

Options

Because it cannot increase its dwindling membership base by its traditional appeals to parents of school aged children in every socio-economic category, PFE may need to consider enlarging its membership base by widening its mission and working to attract a more diverse set of members. For example, there might be a niche of older Americans who would join PFE if it appealed to that group's sense of patriotism and traditional values, especially if there were a lesser membership fee based on the age of that prospective class of members. As it strives to enlarge its base, the organization will probably need to change its name in order to express the broader mission it will have to undertake. It also will need to invest in a marketing campaign to increase its visibility among parent and the general public.

National Membership Association Scenario #3

Deep Causes

This scenario assumes that most schools are adequately funded, and that many different types of schools are available to parents. A variety of schools and private organizations have received funding from the states to establish schools designed to serve the needs of children with every learning style and every talent.

The following deep causes could lead to this scenario:

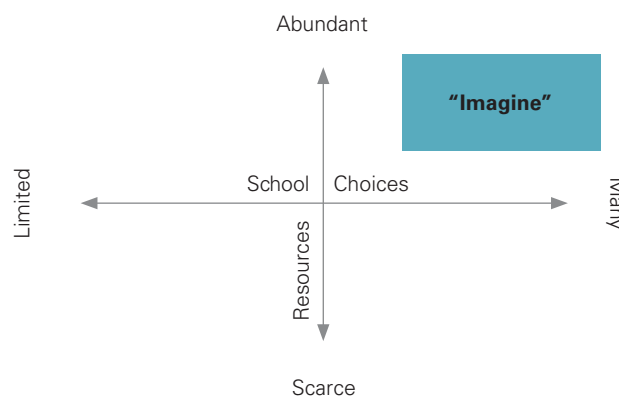
- The number of schools needing improvement under the No Child Left Behind Act (NCLB) continues to increase and districts are not successful in turning around these schools.
- NCLB is subject to so many lawsuits from states, districts, and national organizations that the federal government is forced to back off from its demands. Instead, Congress votes to provide federal funding for disadvantaged students to the states in the form of block grants with minimal strings attached.
- States decide to use their new funding to issue Requests for Proposals from a variety of entities interested in running the schools. They will consider providing funding only to those entities who have demonstrated success in improving student achievement.
- Economic conditions in the country have improved mainly due to improved technology for retrieving existing oil deposits in the United States and the development of alternative sources of energy leading to U.S. citizens enjoying abundant energy at low cost.

"Imagine"

Time: June, 2014

Place: Washington, D.C.

Scene: Special newsletter from the president of Parents for Education to its members



Dear Members:

As President of Parents for Education for the past 10 years, I have been honored to serve you — parents and members of the public who are dedicated to the education, health, and safety of all children. Together we are entering a positive new era for the education of our children. This new era is due in large part to the efforts of this organization, so I am writing this letter to thank you for your hard work and congratulate you on your success.

This special newsletter is devoted to three topics. First, I review our organization's efforts to create our current public school system that offers a wide array of adequately-funded schooling choices for most students. I say "most" because, as you know, we still have an unacceptably high number of schools that are not doing a good enough job of preparing students for higher education or a vocation, and therefore, we still have work to do. Second, I describe the trajectory of political events that played a considerable part in these changes. Third, I outline a vision for the role I believe this organization should play as our schools continue to grow and evolve.

The Role of Parents for Education

In spite of the optimistic state of our public schools today, I must begin by saying that too many children are still being left behind. I am sure those words bring back memories of a time in this country when school districts and states were facing off with the President and Congress over the No Child Left Behind (NCLB)

legislation. The years 2004–2006 were a difficult period that included a rash of school finance lawsuits, scandals over using American tax dollars to fund overseas tutoring companies with questionable credentials and expertise, and mounting criticism of the federal government's intrusion into local education without providing commensurate resources to the states.

NCLB had the best intentions; it aimed to ensure that all children, regardless of race, country of origin, or socio-economic status, would succeed. However, because of the relentless requirements for “adequately yearly progress” (AYP) and sanctions for missing these targets, many schools were tagged as “failing” and closed or reconstituted in some fashion because one or two sub-groups did not attain acceptable progress. This had a direct effect on our children's education. As their local schools were closed, our children rode buses to schools in distant neighborhoods. These schools soon became overcrowded and plagued by many of the same problems of the failing schools they replaced. Saddened, and then angry at this development, members of Parents for Education decided enough was enough. Throughout these past 10 years, we used our voice and our vote to make the changes needed on behalf of our children. Consequently, we no longer have a system that is built on failure and limitations, but one that focuses on student achievement and has the resources to make a difference.

In 2006, we started leveraging our secret weapon, the baby boomers. Experienced protesters from the 1960s, the now-in-their-sixties boomers spearheaded political protests locally and in Washington, D.C., demanding that Congress address the aspects of the NCLB legislation that were causing too many schools to be labeled as failing. How were we able to get the baby boomers so involved? The early retirees who had spent their careers in business, law, publishing, high technology, or running their own small businesses were ready to do something they considered more “meaningful.” Once we made contact, the members of this boomer generation were delighted to channel their time and energy into a cause they considered important and worthwhile.

Our timing was fortunate. These protests and a mass Internet campaign succeeded in raising the level of awareness among the general public about the threat

to states' rights from the federal government's interference. The public, in 2005, had already lost patience with the overreaching of Congress in, for example, the “right to die” case of brain-injured Terry Schiavo, and the administration's proposal to transform Social Security into a personal investment plan that many viewed as too risky. In addition, the suspected misdeeds of the leader of the House of Representatives and the Senate's impasse over confirmation of judicial nominees, led to widespread distrust and, even, disgust with the feds.

Responding to public sentiment, we focused our attention on the congressional elections of 2006. Our PAC worked hard to raise money to support those candidates for the Senate and the House of Representatives who agreed with us about the need for effective schools that would respond to the needs of local communities. During those elections we made a major issue of states' rights, which was an ironic twist — the same baby boomers who fought against states' rights during the Civil Rights Movement were now active in our fight! This time, the issue was perceived differently, and the public raised the question, if the federal government started telling states and local communities how to run the schools, what would be next? The school issue could be the beginning of a slippery slope of the federal government using its powers to take over many functions that were assigned to the states by our Constitution.

The New Vision for Public Schools

Our campaigns were very successful. After the elections of 2006, the balance of power in Congress shifted. The new Congress, who knew they were dealing with a second-term administration, seized the opportunity to question many of the programs that President Bush and his Cabinet advocated, and their judicial nominations. For the first time since September 11, 2001, members of Congress from the president's own party proposed ideas and programs which were in direct opposition to those of the administration. One of those programs was the creation of block grants to the states to fund public education. Of course, there was plenty of resistance, but after many compromises on all sides, by 2008 Congress had agreed, at least in principle, upon a plan that left the education of our children

National Membership Association Scenario #3

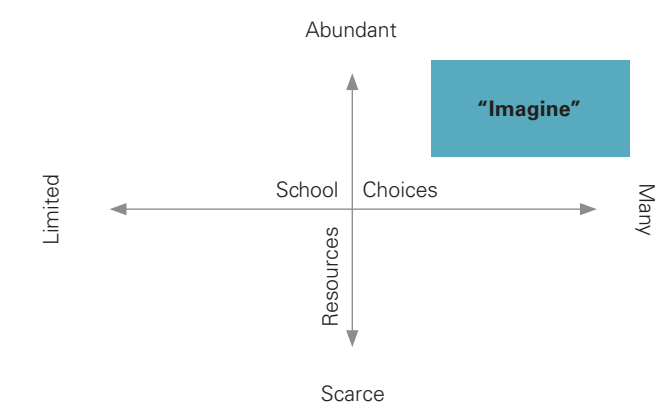
entirely to the states and local communities. It took another few years to put that plan into action, but with our help, by 2011, Congress had laid the basic foundation for our existing school system.

In 2008, Congress outlined a plan that would set up block grants for the states. Federal funding, which at that time made up only seven percent of the states' education budgets and allowed the states very little control over how to spend that money, would be funneled into the block grants. All entitlement monies and money that had previously been used to pay for the implementation of NCLB would go to the states. The states would add that money to their local property tax dollars and carefully fund only those entities that offered the greatest promise to create the most effective schools. The guidelines that Congress laid out essentially deregulated schools, creating a free-market system for public schools. States would hold what amounted to a competition for public school funding, but only those entities with a proven track record for student achievement need apply. Existing school districts could apply for funding along with private companies, universities, and even individuals. But all applications would be carefully reviewed according to strict criteria.

Foundations and corporations would be encouraged to start public schools with their own funding, but all public schools would be required to turn in their student achievement data and parent satisfaction surveys. If any public schools, regardless of their funding source, were not achieving according to the criteria laid out by the states, or if parents were dissatisfied with their children's education, the school would be required to create and implement a School Improvement Plan. On the other hand, those schools whose students achieved beyond the proficient level and whose parents gave their schools high marks would be eligible for bonuses.

Implementing the Vision

Once the states received this program outline from Congress at the end of 2008, they began looking for partners to help them implement the details. We were one of the agencies that played a prominent decision-making role in many states. Our members worked with State Departments of Education to create specific crite-



ria for applicants, review every application, and check every reference.

One of the main decisions facing the states was how they would hold the schools accountable. The decision to maintain a system of annual testing was made much easier when the major test publishers perfected online versions of their instruments. By 2012, tests of proficiency on individual school district's standards could be administered online and in real time at any time during the school year deemed appropriate by the school itself. The results, including extensive diagnostic information about each student's understanding of every standard, were given to the schools within 72 hours so they could use them to create individual student learning plans. In addition, test results provided information about progress being made by individual students, allowing states to hold schools accountable for growth in student achievement, as opposed to only whether or not all students had reached a prescribed level of proficiency. This change in assessment and accountability systems has resulted in fewer schools being labeled as in need of improvement.

In addition to academic achievement, thanks to our advocacy for parents, schools now must administer parent satisfaction surveys and report the results to the states. A high level of parent satisfaction can militate against the consequence for low achievement levels, as long as the school is demonstrating overall progress. Attention to the satisfaction of parents has helped prevent many families from fleeing their neighborhood schools out of sheer frustration and has empowered them to make informed decisions about what is best for their own children. Of course, improvement plans are

still required for those schools not achieving acceptable marks on the tests and the parent surveys, but the total number of schools in need of improvement has so dramatically declined, due to the new accountability methods, that state departments and other consulting agencies can meet the need with research-based technical assistance.

One disadvantage to this plan has been the lack of data to compare students from state to state and from the U.S. to other countries. Since the Department of Education abandoned the NAEP and TIMMS tests and turned that funding over to the states, we no longer have any way to compare achievement of students from state to state or country to country. Some states are beginning to address this problem by considering other ways to collect this type of data.

As this plan evolved, our members worked with the press to make sure they understood how positive this process was going to be for the public schools. Nearly daily, local newspapers ran articles about this revolutionary new approach to schooling and how it would lead to higher student achievement, and therefore, a more literate and informed electorate. They wrote articles about the university-run schools and the special schools that large corporations with educational foundations were funding, such as the Bill and Melinda Gates high schools for technology and the Michael and Susan Dell middle schools for mathematics, science, and technology. They also wrote about the ways existing public schools were providing professional development for teachers on the latest educational research on instructional strategies and the effects of those strategies on student learning.

On at least a weekly basis, stories appeared in the national press about the impressive credentials of the entities applying for state grants to open a new school. As a result of heightened nationwide interest surrounding the new public schools, more large companies began seeing this plan for public schools as a vehicle for investing in their future workers. Corporations as different as McDonald's, Discovery Channel, Merck, IBM, and Nike donated hundreds of millions of dollars for the states to develop intensive reading programs and train literacy coaches for those students who were in danger of failing, cultural diversity programs to help all students learn to work together in a society that was

becoming increasingly multicultural, and ELL programs for those non-native English speaking students who needed to learn to speak, read, and write it well enough to succeed in the world of work.

The result of all this effort is that in many areas of the country there is a wealth of choices for parents; many programs for gifted students, students with special needs, artistic students, and students with special athletic abilities; and high-quality instruction for most. There are, unfortunately, still states in this country that have not been sufficiently pro-active in seeking applications and screening for the best and the brightest providers of education. It is in the big cities, as well as the rural areas of these states, that much work remains to be done.

The Politics

Back in 2005, the Bush administration, through Secretary of Education Margaret Spellings, agreed to allow the first modifications of NCLB. The changes were few and slow however, and after the congressional election of 2006, NCLB lost all traction and was replaced by the block grants to states. It was during this time that Bush's popularity sank to the lowest level of any second term president in history (NPR: All Things Considered, April 27, 2005). Polls showed that citizens were far more worried about the economy, the price of oil, the environment, and the war in Iraq than the President seemed to be (NPR: Morning Edition, April 26, 2005).

In the new Congress of 2006, a centrist coalition, led by Senator Barack Obama of Illinois, stated its goal of creating a more bipartisan government. They succeeded in lessening the great divide between Republicans and Democrats in the Congress, and sought out issues that would bring a rapprochement between the so-called red states and blue states. Senator Obama, one of the most admired politicians in the country as a result of his speech at the Democratic convention in the summer of 2004 in which he talked about, "the audacity of hope" and the "insistence on small miracles," was the most visible advocate of bipartisanship. He had already proved his skill in the Illinois state legislature, garnering support from both parties for a law that would require the police to videotape capital-crime interrogations.

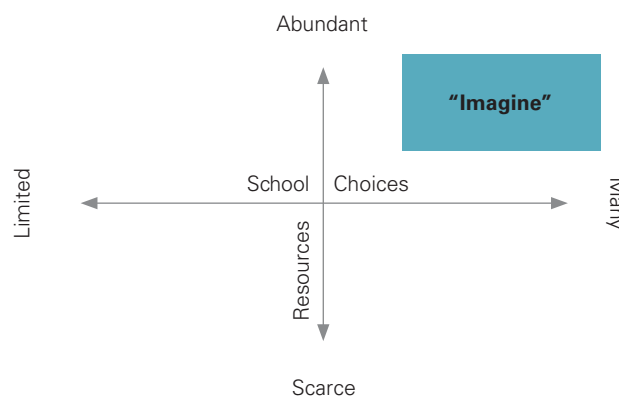
National Membership Association Scenario #3

In 2008, this Senator who was so skilled at uniting, not dividing, and who promoted the importance of fiscal responsibility, less government intrusion in our personal lives, and sensible constraints on the growth of government, was elected the first African-American President of the United States.

In 2009, with the new Congress in a mood to accomplish great things and the new president ready to lead the country in a new direction, our government finally faced our mounting economic problems. The war in Iraq, which had dragged on since 2003, continued to be a huge drain on our economy, along with the price of oil. Finally, in 2010, after intensive behind-the-scenes negotiations, a Palestinian state was established, and we were able to gracefully extricate ourselves from Iraq.

Also in 2010, two major technological breakthroughs made the United States virtually independent of the Arab countries and OPEC. After years of research, scientists finally tapped the rich oil-bearing shale in the Four Corners area of the United States (Colorado, Arizona, Utah, and New Mexico) without requiring coldwater extraction techniques. Second, the development of hybrid gas-electric propulsion systems and hydrogen cell fuel technologies in automobiles, which had begun in earnest in the early 2000s, finally were perfected. Because these technologies were so much more readily available and easy to use, their popularity increased exponentially, thereby drastically reducing the United States' need for oil and gas.

Although the economy improved as the president worked to bring down our debt, there was still the huge burden of Social Security and Medicare for the baby boomers. Earlier this year, President Obama managed to work out a difficult and courageous compromise in which senior citizens with incomes of over \$100,000 per year from stocks, savings, real estate, pensions, and other assets receive lower benefits and can even opt to receive no benefits. He also is advocating a slight increase of .3 percent in payroll taxes designated for Social Security beginning next year, to be increased every five years at the rate of .2 percent. This slows the drain on the resources of Social Security for the time being, and allows the pool of money to begin increasing. The government has succeeded in assuring the young Millennials who are now in the work force, and



those who follow, that caring for our senior citizens will not become an unreasonable financial burden for their generations.

Where Do We Go from Here?

At the time the states were creating their plans for the new organization of public schools, the federal government was contributing seven percent to the total national education budget. Four years ago, when the war in Iraq ended and the price of oil dropped, the government took stock of its financial situation, its commitment to education, and the accomplishments of the new public schools and doubled its appropriation to education. Once we see the effects of the new Social Security regulations, there might be even more funding for the schools.

In spite of this increased funding and the new, smarter attitude about what makes a school a good one, there are still too many schools in this country, mainly in urban and rural areas, where students are not receiving an adequate education. These are the schools nobody competed to take over and change because the prevailing perception was that the children were too poor, the families didn't care, and/or it would be impossible to attract top teachers and administrators despite adequate funding because the schools were so deeply rural. These are the schools to which we now need to turn our attention.

In August of this year, I will step down as your President, to run one of these schools. I will stay here in Washington, D.C. and serve as Headmaster of Anacostia High School in the southeast section of the city. My first step will be to create a program that

will bring parents into the school on a regular basis and then teach them how to be advocates for their children's education. I have the James Comer schools in New Haven as a model and will, I am sure, have a steep learning curve. My hope is that I will be able to create a new and successful parent involvement and training program and then share that program with other schools in similar situations. Parent involvement, as we well know, is perhaps the key factor in turning around children and their schools and in truly leaving no child behind.

As I see it, the work of Parents for Education going forward should move in two different, but complementary directions.

- First, we need to refocus our activities at the state level. We need to begin to play more of a “concerned stakeholder” role, convincing state governments that as long as there are schools in the inner cities and rural areas that have not been improved, that their new public school program is not successful. We must persuade the state governments to set aside a pool of money to reward those organizations who are willing to tackle the schools with the most intractable problems. It will be up to the states to find the right organizations, but if they offer the right financial incentives and create the right relationships with the business community, there will be many applicants for the job. Our job is to lobby the states to send the message, and to put their money where their message is, that in this free-market economy, no schools will be left behind.
- Secondly, at the grass roots level, we need to reach out to the parents of children in failing schools. Parents for Education cannot and should not be an organization that represents only the middle class. We need to acknowledge our increasingly diverse society and embrace those parents who are too afraid or overworked to speak out on behalf of their children. We need to seek out the new immigrants and teach them how our American Democracy works, and that if we work together and speak out

to demand improved schools for their children that they will be heard. Our job is to give them the tools they need to begin organizing.

It's a tough job, but the members of this organization have never shrunk from even seemingly impossible tasks. We have been an integral partner in the vast improvements in the public schools in this country, and I predict that we will extend that work until all schools offer all our children the best programs with the best choices. It has been my honor to work with you over the past ten years, and I wish you as much success in the next ten years as we have enjoyed in the past ten.

Warm regards,

Mary Rollins

Washington, D.C.

National Parents for Education President, 2004–2014

Analysis of Scenario #3

Implications

Parents for Education has been very successful in this abundant future with many schooling options for parents and their children. The organization's membership is strong, their influence is wide, and they are thriving. However, whether by design or not, the organization has come to represent the “haves” in this scenario. Members tend to be middle and upper-middle class and their children are in the successful schools. So this scenario has worked for some parents, but not all. Has the organization contributed to that situation and should they work to correct it? What are the risks of addressing the needs of the have-nots?

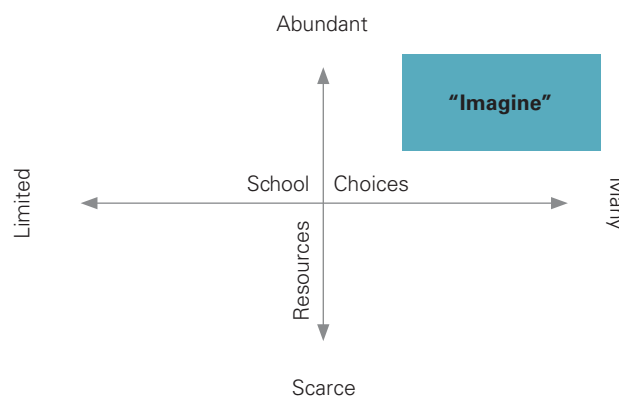
Because of the influence that Parents for Education has managed to wield, their membership now includes members who are not parents but who want to have a voice in and help the public schools. For example, many retired baby boomers joined with the intention of “doing good.” In order to continue to grow and attract a variety of members, perhaps the name of the organization should be changed to, “Public Citizens for Education.”

National Membership Association Scenario #3

Indicators

The leaders and the members of Parents for Education would need to watch certain trends now to see if this particular future scenario or elements of this scenario are where the future is heading.

- One major indicator is the success or failure of NCLB. If the Federal government loses these lawsuits to the states and the NEA, Parents for Education could begin agitating for this new “free market” for public schools.
- Another indicator to watch is the percentage of schools not making AYP and whether or not the charter groups that take over them are successful. Currently, there is much controversy over the success of the charter schools and unless they can improve their success rates with students’ test scores, the funding entities are not going to be willing to move to a system that provides greater choice.
- Finally, Parents for Education needs to watch the political situation. If, in 2006, new members of Congress are elected who want to continue on the path of federal control of the schools, it is not likely that this scenario will unfold. However, if the electorate chooses to send to Congress representatives who are open to other ways to improve the nation’s schools, this scenario could take place. The same is true for the presidential election of 2008. The next president will be a deciding factor in whether control of the schools is returned to the states or whether the federal government continues to set policy.
- The next Congress and administration will also be the major influences on the economy. If they choose to seriously invest in alternative energy solutions and/or if they seek an even-handed solution to peace and prosperity in the Middle East, it is possible that there will be additional funding for the schools. However, if the government continues spending money on wars and military options around the world, it is unlikely that the funding for education will be adequate, much less abundant.



Options

- If Parents for Education continues doing what it is doing now, under this scenario it will probably grow and prosper. The organization has plenty of members and enough money. Although the membership is mainly middle- and upper-middle class people, it is working for them, so they need to think carefully about changing tactics.
- There is some danger of a backlash to the two-tiered system of education described in this scenario. Parents for Education should consider building relationships with the community organizations that serve the growing immigrant populations. With the demographics of this country rapidly changing over the next ten years and the Millennial parents comfortable with diversity, Parents for Education needs to carefully consider how it will bring the new Americans into the fold and assist them in becoming full-fledged citizens. The organization needs to think hard about who they are going to serve.
- Parents for Education could form a panel of members and “critical friends” to help create a strategic plan for the future. With input from not only members, but knowledgeable and important members of the local, state, and national community, PFE could make more informed decisions about exactly which populations it is going to serve.

National Membership Association Scenario #4

Deep Causes

This scenario assumes that competition among public schools has dramatically increased because parents continue to demand more choices in schooling their children and the public school “market” has responded. However, scarce federal resources for schooling, limited accountability for some schools of choice, and the vagaries of a semi-free market economy have produced uneven quality in the public schools.

The following deep causes could lead to this scenario:

- The number of schools not meeting adequate yearly progress (AYP) under the No Child Left Behind Act (NCLB) increases, leading to more schools entering restructuring.
- In response to so many schools being restructured, parents seize on the “choice” provisions in the law and demand more choices for schooling their children.
- In spite of growing dissatisfaction with the law, Congress and the administration dig in their heels on NCLB and the law is reauthorized largely unchanged.

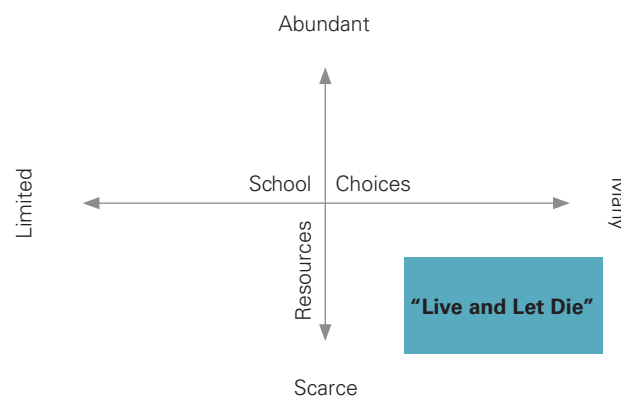
“Live and Let Die”

Time: June, 2014

Place: Washington, D.C.

Scene: Parents for Education - Special Newsletter 50th Anniversary Retrospective

As Parents for Education celebrates its 50th year and looks forward to the challenges ahead, the newsletter editorial staff offers this retrospective letter in an effort to make sense of the tremendous changes in public education we have seen since we celebrated our 40th anniversary.



Compared to a decade ago, parents in 2014, have more choices than ever for schooling their children. “Supply and demand” are tenets that public education is still trying to grow accustomed to — even 10 years after we saw the trend shifting toward parental choice of schooling. Even though today 55 percent of all publicly enrolled students attend schools of choice, many, if not most, people in the public education system still have not embraced “choice” as part of the public education lexicon. And yet, there is no doubt that, today, the public school “market” resembles a free market where consumers make choices based on their needs and desires and the market responds and public schools find themselves competing for teachers and students.

As the national leader of parents concerned about education, our work lies in helping parents understand how they can make a difference in their child’s schooling. Schooling now is more about making your choices count than living within a broken down system or figuring out how to escape it. In this context of more choices, Parents for Education’s role will be to help parents make smart choices. The new Charter School Accountability Act, which was passed by Congress with your help, will provide some stability to the charter school movement and the relatively new market-driven public education system in the United States. As we look forward to 50 more successful years as Parents for Education, let’s take a look back at how the past 10 years have defined this new and exciting direction for public education. We call these years from 2004–2014 the “Choice Decade.”

2004: A Turning Point

Faced with a dwindling membership¹¹ and increasingly agitated and involved parents, in 2004, Parents for Education realized that as an organization we were at a crossroads — become relevant or go the way of the dinosaur.¹² As a national organization, we had lost sight of our objective to support and encourage parental involvement in the education of their children, one of our fundamental and founding goals. Parents were leaving Parents for Education, but they were not abandoning involvement in their children's education. If anything, they were more involved than ever, but they were joining local organizations, unaffiliated with our national association, and they were playing significant roles in their individual schools.

What we believed then, as we do now, was that sole concentration on individual schools would ultimately harm public education. Parents for Education still had a role to play as an advocate at the national level for the health, safety, and quality of education for our children, but we had our work cut out for us. We had to determine the intersection between parents having an immediate impact on their own child's schooling and parents becoming "advocates for all" school children.¹³

An analysis of the "parentariat" — the rising class that emerged as the most important players in the field of education — revealed several common factors that were driving the centrality of parents in the education of their children at a time when our membership was declining. As reported in *Education Week* in October of 2004:¹⁴

1. Parents of this generation were the most educated and the most independent generation of parents ever.
2. Technology and the rise of the information age made this generation of parents "the most communicated to" and the most "school savvy."
3. Research established a direct correlation between parental involvement and student performance.
4. The range of options for schooling placed parents in the "educational driver's seat," often requiring total planning from preschool through college.
5. Finally, parents were becoming involved in school reform efforts and leaving their mark as leaders in these efforts.

As we entered our 40th year, Parents for Education looked back to our original goals and forward to the future needs of parents and their children to emerge with a new agenda for influencing and supporting the education of children. Parents wanted a say in their children's schooling, and they wanted their children to have successful experiences at school. As consequences from the No Child Left Behind Act of 2001 (NCLB) moved more schools closer to sanctions and possible restructuring, our strategy was to help parents understand the choices available to them under the law and remain involved in saving and transforming their community schools.

¹¹ On October 19, 2004, the *Washington Post* reported that the national membership of the PTA declined from a high of 12.1 million in 1963 to approximately 6 million in 2003. Andrew Rotherham, director of education policy for the Progressive Policy Institute, summed up our situation rather concisely: "People look at what impacts them most immediately."

¹² Paley, A. R. (2004, October 19). "PTOs Lure Parents Sick of Split PTA Dues," *Washington Post*. Retrieved October 19, 2004, from <http://www.washingtonpost.com>

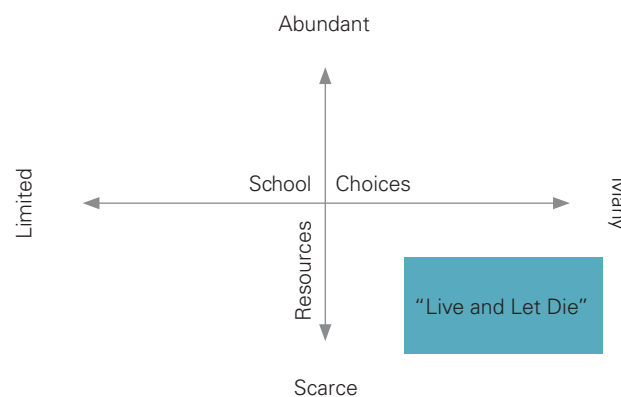
¹³ Ibid., Andrew Rotherham, director of education policy for the Progressive Policy Institute, summed up the situation of the national PTA losing its membership, stating: "People look at what impacts them most immediately."

¹⁴ As reported in "The Rise of the 'Parentariat'" by Irving H. Buchen in the October 6, 2004, edition of *Education Week*.

2005–2006: States Grouse and Choice Comes Begging

In 2005, we saw an unprecedented surge of state movement against NCLB. Frustrated with what they considered a federal intrusion into state and local rights, legislatures from Utah to Florida — many of whom were strong supporters of the architect of the law, George W. Bush — pushed back against the requirements of the law. Almost 40 state legislatures made some attempt at challenging it, and Utah's governor actually signed a bill prioritizing the state's accountability system over NCLB. In April of 2005, the National Education Association sued the U.S. Department of Education under the premise (called “ironic” by some)¹⁵ that the federal government was forcing “unfunded mandates” onto state and local education agencies, forcing them to spend too much money on education.

The states were largely unsuccessful in their attempts to overturn or change NCLB; however, they did find success in rule changes that allowed more schools to meet test score targets and AYP from 2003–2006.¹⁶ Despite these successes, driven by relaxed standards for meeting AYP, the number of schools increased in the needing improvement category for two consecutive years. In 2006, we began to see schools that had failed to meet AYP for five consecutive years enter restructuring. Some were taken over by their states, some by private companies, and others were reopened as charter schools.



Although, in 2005, as they had been for decades, public schools were the overwhelming option for most children,¹⁷ increasing numbers of parents enrolled their children in private school, and many parents turned to home schooling. No longer a choice solely of groups at opposite ends of the political spectrum — primarily white, religious conservatives on the one end, and anti-establishment free-thinkers on the other — by 2005, approximately 1.25 million children were home schooled.¹⁸ More kids were being taught at home by their parents than the number of public school students in Wyoming, Vermont, Delaware, North Dakota, Alaska, South Dakota, Rhode Island, Montana, and Hawaii combined. Still, for most parents, home or private schooling was not an option.

For those who were paying attention (and not many people were), the movement afoot in 2005 was

¹⁵ See Margaret Spellings commentary in *USA Today* on May 2, 2005 at <http://www.usatoday.com/printedition/news/20050502/oplede02.art.htm> and Eduwonk Blog for April 21, 2005 at eduwonk.com

¹⁶ Center on Education Policy. (2004, October 22). Rule changes could help more schools meet test score targets for the No Child Left Behind Act. According to this report, “Some of the changes requested by states are intended to take advantage of revisions made by the U.S. Department of Education in federal guidelines for testing students with disabilities, testing English language learners, and calculating the percentage of students taking state tests. Other changes proposed by states would provide more flexibility in areas not addressed by the revised federal guidelines or would allow states to adopt policies the Department had already approved for other states.” (p. 1) In 2004, 47 states had requested changes to their NCLB accountability plans — typically changes that would make it easier for schools and districts to meet AYP requirements. The Department of Education granted many of these requested changes and eased some other testing requirements for students with disabilities and English language learners and for calculating test participation rates.

¹⁷ In 2005, slightly over 88% (approximately 48,304,000) of all students were enrolled in public schools — but other options were becoming more popular with parents. Although they accounted for less than two percent of the total public school population, somewhere between 800,000 and 1,000,000 students attended a public charter school in 2005. Private schools accounted for little more than 11% (approximately 6,311,000) of enrollments. Data compiled from NCES projections for Fall 2005 enrollments in public schools (<http://nces.ed.gov/>), the Center for Education Reform, (<http://www.edreform.com>), and Charter School Leadership Council (<http://www.charterschoolleadershipcouncil.org/>).

¹⁸ Data from a 2003 NCES report indicates that 1.1 million children were being home schooled in 2003 <http://nces.ed.gov/nhes/homeschool/>

parental choice of schools. The trend for choice was established in the decade from 1993–2003. Rather than sticking with their neighborhood schools, parents asked the question, “What’s the best public school choice for my child? The answer, often, was something other than the child’s designated public school. In fact, in a 10-year span, the percentage of parents enrolling their children in a chosen public school increased by 40 percent.¹⁹

2007–2008: Choice Here to Stay

The elections of 2006 left Republicans in control of both the House and the Senate, and despite continued protests from the states, very little changed with NCLB. Indeed, it appeared that the stronger the outcry against the law, the more Congress dug in its heels, adding a new term to the education lexicon when the secretary of education labeled detractors of the law “The Unaccountables.” During George W. Bush’s last year in office, traditional public schools struggled to meet the needs of their students with stagnant and slightly decreased funding from the federal level. The conflict in Iraq continued to strain the economy, and more money went to transforming the military for the 21st century, defending the homeland, supporting the troops as they fought the War on Terror, spreading freedom throughout the world, and continuing pro-growth economic policies. Non-security discretionary spending, including education funding, declined in 2007 by 1 percent. Although President Bush and Congress were satisfied with the progress of NCLB and promoted the law’s record of achievement, states continued to struggle to finance its testing and reporting requirements. Protests and challenges from state legislatures surfaced again in 2007, but Secretary Margaret Spellings stuck to her “commonsense” approach to the law and maintained that states had the testing

infrastructures they needed already in place. After years in the legal system, the NEA’s lawsuit against the U.S. Department of Education and the “unfunded mandates” of NCLB was thrown out of court. NCLB, it seemed, was here to stay. The law remained intact as the President and Congress focused on other priorities — such as Social Security Reform.

Fueled by an aggressive campaign that began early in 2005,²⁰ President Bush and Congress finally passed the President’s plan to reform Social Security by instituting an indexed pay out system and voluntary personal retirement plans for younger workers while maintaining the safety net of Social Security for those workers born before 1950. Beginning in 2008, younger workers were allowed to place part of their payroll taxes into a conservative mix of bond and stock funds that had the potential to earn a higher rate of return than anything the current system could provide.

Meanwhile, in the world of public education, the increase in the numbers of schools meeting AYP from 2003–2006 turned out to be a short-term phenomenon. AYP continued to become harder to meet because test score targets rose over time toward the ultimate goal of 100 percent, and some of the changes granted by the Department of Education only brought temporary relief.²¹ In the 2006–2007 school year, many more schools failed to meet AYP, and the percentage of schools entering sanctions after missing AYP for two or more consecutive years continued to increase as well. Parents for Education played an active role in helping parents understand their school choice options when schools entered needs improvement status, and more parents took advantage of the opportunity to transfer their children to different schools — an option that parents and students had resisted at first. In these situations, many public schools became schools of choice

¹⁹ The total numbers remained relatively small (approximately 15.4% of all publicly enrolled students), but the percentage increases were substantial. The Condition of Education 2004 indicated that from 1993–2003, the percentage of students in grades 1–12 attending a ‘chosen’ school increased from 11 to 15.4% which represents a 40% change.

²⁰ From February–April 2005, President Bush visited 26 different states to attend at least 29 events to discuss his Social Security plan. Source: www.whitehouse.gov

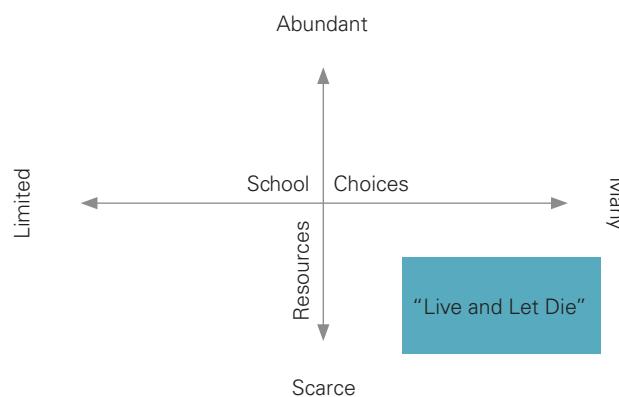
²¹ Center on Education Policy. (2004, October 22). Rule changes could help more schools meet test score targets for the No Child Left Behind Act. According to this report the relief brought on by changes in accountability models might be short-term.

National Membership Association Scenario #4

whether or not they liked it. Many schools that faced restructuring turned to the charter school conversion option.

Often, parents were happy with the charter school option. Parents with influence or those who lived in communities with strong leadership had a say in what the transformed school looked like, how it operated, what students learned, and what values the school would impart. “If my child’s public school is so bad that it needs to be totally overhauled, you’re darn right I want a say in what happens to it,” said Sean Mackey, a father in Milwaukee, expressing a sentiment shared by many parents. Parents for Education played a large role in mobilizing parents and the community in these situations. Our ability to provide clarification about the law and strategies, resources, and tools that parents could use to influence the school transformation process helped us to grow our membership for the first time in over 10 years.

Even private schools found themselves getting in on the charter school action. In Detroit, for example, many private Catholic schools were struggling with lower enrollments. More students were leaving their private schools to attend public charter schools, the demographics of the city were changing, and the schools could not survive financially. Suddenly the charter school option became very appealing. As Rev. John Turner, pastor of St. Mary’s, explained, “As a charter, we don’t have to charge tuition, so fewer students leave for financial reasons, and we have more money to provide more options, such as art, music, and athletics.” Of course, in this case, the Catholic



school faced some trade-offs. As a publicly funded charter school, the once religious private school would no longer be a totally “Catholic school,” but it would be able to structure the curriculum, instruction, and culture of the school as substantially Catholic, emphasizing moral development all day every day. And, according to law, the school would be allowed to give students release time to attend religious education classes, thus maintaining its ties to the parish.²² Funding was an issue for many charter schools, as it was for traditional public schools, but charters had two key factors working in their favor: 1) a boost from the U.S. Department of Education that remained stable in the federal education budget, and 2) inventiveness, a characteristic frequently associated with charter schools. The U.S. Department of Education had a record of funding charter schools as part of the “strategic plan to use school choice as a tool for improving student achievement,”²³ and so, despite overall cuts in the education budget, many established programs for charter schools retained level funding.

²² Some private Catholic schools faced this dilemma and began exploring the charter school option in 2005. See Pratt, C, Montemurri, P., and Higgins, L. (2005, March 17) “Catholic School Closings: Parents, Kids Scramble as Education Options Narrow” *Detroit Free Press*. Retrieved March 23, 2004, from http://www.freep.com/news/education/skuls17e_20050317.htm

²³ First funded in 2001, the Credit Enhancement for Charter School Facilities program was created to provide assistance to help charter schools meet their facility needs. The program was designed to further the Department’s “strategic plan to use school choice as a tool for improving student achievement,” and so, despite overall 1% cuts in the education budget, the Credit Enhancements program remained level-funded at approximately \$25M per year, providing much needed leverage for charter schools to establish and maintain physical spaces from which to operate. The Public Charter Schools Program also retained level funding from the U.S. Department of Education. This program was designed to support the planning, development, and initial implementation of charter schools. Grantees — primarily state education agencies — received funding for a three year period to support qualified charter school developers. Some states, such as Colorado, also used the funding to assist public schools that wanted to implement systemic reform efforts to convert to charter status.

²⁴ In 2005, Washington, D.C. Board of Education instituted a comprehensive plan to lease underused space to charter schools. See Haynes, V. D. (April 27, 2005). “Leasing Plan Adopted For Charter Schools,” *Washington Post*. Retrieved May 5, 2005, from <http://www.washingtonpost.com/wp-dyn/content/article/2005/04/26/AR2005042601475.html>

In addition, creative options for securing funding and lowering costs remained primary strategies for charter schools. In some districts, including Washington, D.C., school boards established plans to lease under-used public space to charter schools.²⁴ Many plans included incentives for schools if they shared space with a charter school. These sharing arrangements were a win-win. Charters got easier and cheaper access to facilities, food services, and resources, such as athletics and band classes. The traditional public school had easier access to students (and a portion of their per-pupil funding) who wanted to participate in sports and other opportunities, such as orchestra. In other words, the public schools actually received revenue from the charter to help cover the revenues they had lost to charters in the first place.

Charter schools also used their flexibility to leverage resources. At lower salaries, they hired non-union teachers; non-traditional teachers, such as retired engineers or accountants; and teachers who had been laid off from traditional public schools. Charters frequently extended the school day and school year and used distance learning technologies to their advantage. Fifty virtually-enrolled students generated the same revenue but with much less overhead costs as did 50 students in desks in a room in a building. This flexibility was part of the charter design: give parents more choice, allow freedom from many statutory and regulatory requirements, and, the reasoning was, charter schools will serve to stimulate comprehensive education reform. Charter schools were public schools for the free market economy.

The debate about charter school efficacy raged, as it had since 2004.²⁵ Up until this point, charter schools were really a mixed bag — some showed strong gains, but others did not appear to be great options for schooling. Despite study after study on charter schools, the research did not provide a definitive answer to the question: Do charter schools work?

2009–2010: Sometimes They Do; Sometimes They Don't

As we came to find out over time, the answer to the question, do charter schools work, was more complex than “yes” or “no.” As the evidence base grew, with some certainty, you could say, “Yes, charter schools work — under certain conditions.”

Charters represent the tenets of a free market: limit government interference and they will thrive under the imperatives of a market-driven climate — supply and demand, competition, and survival of the fittest. Ideally, charter schools would focus on establishing plans to improve student academic achievement, replace rules-based governance with performance-based accountability, and renew the creativity and commitment of teachers, parents, and communities.²⁶ By 2009, charter schools of every flavor were popping up all over the country in response to restructuring sanctions and to meet demand from parents. Many of the charter schools were run by well known providers, including KIPP, Edison, Kaplan, and Mosaica Education, Inc. However, we began to see a shift in some communities where charter schools targeted parents and children with niche markets not typically seen. For example, a new group called Path to Success formed in 2007 and started two charter schools — one in

²⁵ See, for example, the debate created by the *New York Times*' August 17, 2004, front page story that discussed the NAEP Charter School report. As the Department of Education (see Press Release, August 17, 2004, <http://www.ed.gov/news/pressreleases/2004/08/08172004.html>), the Progressive Policy Institute's education blog [eduwonk.com](http://www.eduwonk.com), and others reported, the *Times* only reported part of the story behind the data: “The American Federation of Teachers fed the *Times* National Assessment of Educational Progress (NAEP) data that included a sample of charter schools. The thrust of the article: Charter schools don't do as well as other schools, even other urban schools. Of course, it's not that simple. ... [W]hen one controls the grade 4 data for race it turns out there is no statistically significant difference between charter schools and other public schools. But, you'll search in vain in the *Times* story for that context. In fact, to the contrary, a chart accompanying the story fails to offer readers any significance tests for the numbers they're looking at, inaccurately indicating that there are significant differences by race.” (Tuesday, August 17, 2004, [eduwonk blog at http://www.eduwonk.com/archives/2004_08_15_archive.html](http://www.eduwonk.com/archives/2004_08_15_archive.html))

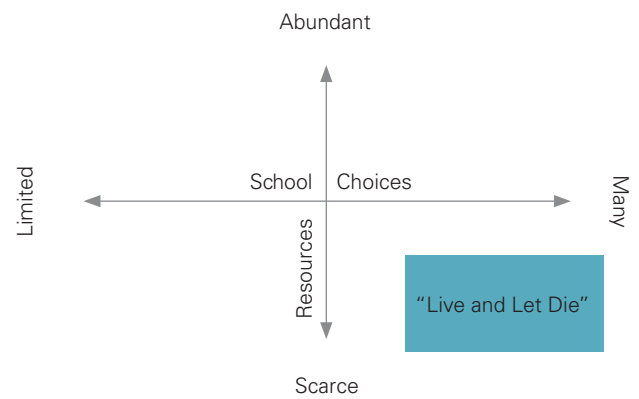
²⁶ Language taken from the U. S. Department of Education Web site at <http://www.ed.gov/programs/charterfacilities/index.html>

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Chicago and one in Los Angeles. The Path to Success schools targeted young athletes and their parents, promising rigorous athletic training and coaching in basketball or football and a “good, all-around” education in the core subjects. By 2009, Path to Success had 30 schools located in 23 states across the country.

An entire chain of Harvey Milk Charter Schools opened in states from California to Wisconsin to New Jersey. Primarily attended by gay, lesbian, or transgendered students, these charters also became schools of choice for students who suffered harassment, threats, and abuse in their regular public school. Many people weren’t quite sure what to make of a school like Harvey Milk, but a lot of folks had strong opinions — from the right who called the charters public approval of “gay values,” to some homosexual activists who feared the schools were a step back for gay students, akin to segregation. Most parents of children who attend the schools cite student safety and success as their primary motivation. “Luke can go to school now. Before he was skipping classes or hiding in the back of the room so he didn’t get beat up just for being different from the other kids,” said Marcia Browder, mother of a student who attends the new Harvey Milk school in Milwaukee. “You bet I want him to go to this school. He can be himself. He’s not scared. And, he’s learning.” Still, others felt that the kids who were doing the bullying in the traditional public schools were the ones who should have to leave for a different school. Public education in the United States resembled a free market society complete with the perks and the downfalls of a market-drive climate.

Traditional public schools found themselves in a situation where they had to compete for students and teachers. As customization and choice became a part of the culture of public schooling, the debates were fierce. For generation after generation, people in America had grown accustomed to a certain idea about public schools: they were supposed to be neutral zones, free of religion or values or bias, and equally



relevant to all students. Of course, they never were, but they tended to feel like they were. Now, parents were sending their kids to public schools with all kinds of value-laden approaches — schools that emphasized Hmong culture and academics; basketball and basic literacy; safety from bullying and academic and personal expression; Christian values and core academics. Teachers were choosing charters, as well. In charter schools, they might work longer hours and a longer school year, but they typically dealt with smaller class sizes, didn’t necessarily need full state certification, and were more involved in school governance issues. Charter teachers were more satisfied in their jobs.²⁷

To some it was an affront to everything public education stood for — teaching with a religious slant in a public school and satisfied teachers! To most parents in 2010, however, this was the way it was supposed to be, and they demanded that their elected school board members accommodate their varying needs and desires by approving all kinds of charter schools. Parents who understood their options and had the wherewithal to carry them out often found or created promising schools for their children that focused on the values, academics, and non-academic factors important to them. Their disappointment with the failure of their traditional community public schools did not create the huge public outcry that some feared. What did

²⁷ Evidence of high levels of job satisfaction for charter teachers was documented as early as 2005. See Vanourek, G. (May 2005). *State of the Charter Movement 2005: Trends, issues, and indicators*. Charter School Leadership Council. Downloaded May 3, 2005, from <http://www.charterschoolleadershipcouncil.org/>

create an outcry was the realization that some of the schools these parents had chosen for their children were just as bad, if not worse, than the failing public school they had left behind.

2011–2012: Hello, Voucher! Goodbye, Voucher!

Charter schools worked, and worked well, under certain conditions. As with any school, charters required flexibility and autonomy coupled with accountability; clear and measurable expectations; strong funding; and strong leadership.²⁸ They needed quality teachers; high standards; assessments aligned with standards, curriculum, and instruction; good data systems and feedback loops. Many charter schools did not have these elements in place. They weren't all bad, but they weren't all good.

In 2011, just four years after the first school opened, a group of angry parents sued Path to Success charter schools because their kids could toss a mean foul shot, but they couldn't read or calculate their own free throw shot percentages. Many parents were in for a shock when their child's charter school, born as a result of AYP failure and restructuring of a traditional public school, posted low test scores, misspent funds, or didn't provide the educational atmosphere they wanted for their kids. "Now what?" parents thought. The charter school was not the silver bullet.

A small, but vocal group of parents seized their opportunity to bring back the voucher system when the first rash of charter schools collapsed. Popular as far back as the late 1990s with many groups, the voucher movement had failed to gather momentum because there was not enough research to support the

approach and because charter schools had for the past decade been providing what parents wanted all along — choices for their children. Fighting for vouchers hadn't been worth all the trouble it created when the system provided customized education with less cost. Now that charter schools were failing at an alarming rate, the now familiar cry again sounded: Let me out of this crummy public school!

Late in 2011, Sen. Tom Tancredo (R-CO) introduced a bill that would require a failing public school to provide students with vouchers equivalent to the per pupil amount of state and federal funding allocated to the school and allow them to transfer to a private school. Known as the Universal Voucher Plan, the bill sparked heated debate in Congress and across the country. Despite the compelling arguments from the pro-voucher camp about the power of vouchers to increase the quality of all schools because they would essentially be competing in a free marketplace (or at least more free than the current system), the bill was defeated after a prolonged battle. Many Americans still believed that vouchers would encourage religious discrimination and erode public accountability and constitutional protections. Many parents still believed that, even if vouchers passed, they were not the answer to the problem with public education.

2013–2014: It's Accountability

Although President Bush had implemented a plan in 2007 that was expected to save Social Security, the personal retirement accounts drained more money from the system than it needed to keep up with the growing number of retirees born before 1950. Costs

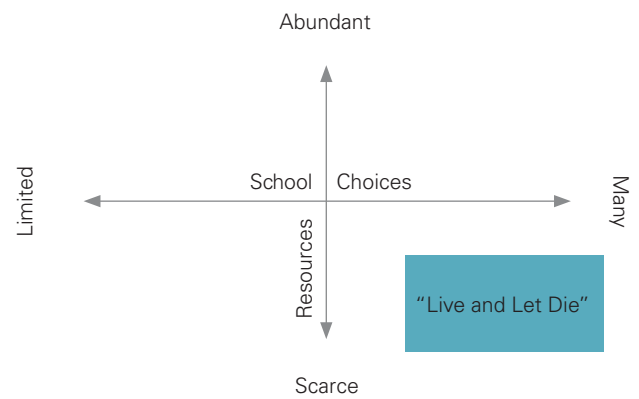
²⁸ These findings began to emerge as early as 2004 – 2005. See, for example, Le, C. (2005, March 18) "Charter Schools Praised in Report: Middle- and High-School Students Perform Slightly Better than Peers." *The News Journal*. Retrieved March 23, 2005, from <http://www.delawareonline.com/newsjournal/local/2005/03/18charterschoolsp.html> The Center for Education Reform (<http://www.edreform.com/>) — a decidedly pro-charter organization — distinguishes between states with "strong" charter school laws and "weak." They identify 10 criteria for a strong charter law, including legal/operational/fiscal autonomy, exemption from district work rules, new starts, and guaranteed funding.

²⁹ According to The Century Foundation, "Diverting payroll taxes into private accounts would cause a much more immediate and severe 'crisis' to arise [than if we left the current Social Security system in tact]." Anrig, Jr., G. (no date). *10 Myths about Social Security*. *The Century Foundation Issue Brief*. <http://www.tcf.org/Publications/RetirementSecurity/10myths1-25-05.pdf> The 2004 Economic Report of the President discusses the implications of the most commonly discussed Social Security reform plan. The report indicates that the immediate impact of implementing the private accounts plan is to increase the budget deficit, although this impact would be overcome in time: "With the reform, the unified budget deficit reaches 5 percent of GDP in 2019. Without reform, this deficit is reached instead in 2023. The benefits of the reform appear over time, making a positive impact on the Federal budget after 2048. (p. 146) <http://www.gpoaccess.gov/eop/index.html>

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of administering the system were higher than anticipated, and Social Security had to use interest from the trust funds to pay benefits starting in 2009, rather than in 2018 as projected if the system had remained unchanged. The federal government had to borrow to finance the new program, and the budget deficit increased.²⁹ Finally, Social Security and Medicare were in crisis, and the programs began to collapse. This acute financial situation, combined with the massive deficits accrued since the war on terror began in 2001, led Congress and the President to take drastic action. They had to raise taxes, borrow massive amounts of money to keep the federal government running, and make sudden and severe cuts in Social Security benefits and other government programs. No one dared mention vouchers.

Still, the public demanded that something be done to “fix” the “charter school problem.” Congress decided that the states had blown their chance. The public wanted choice, and charter schools offered them that choice, without the baggage of vouchers, without the burden of additional funding. What the states had failed to do was hold charter schools accountable. They were public schools, after all. In a bipartisan committee meeting, a handful of representatives crafted the Charter School Accountability Act. The bill would require states to hold charter schools to the same accountability standards as other public schools in the state. Now, not only funding, but also accountability, would follow students into schools of choice. “You want the money, you tow the line,” said Congresswoman Scheffer as she introduced the bill. “A charter school is still a public school.” When the President signed the bill only two weeks later, he commented on its fairness: “We have learned that choice does benefit education, but we have also learned that the government has a role to play in ensuring standards for quality.”



2014: Looking Ahead

As the national leader of parents concerned about education, our work lies in helping parents understand how they can make a difference in their child’s schooling. Schooling now is more about making your choices count than living within a broken down system or figuring out how to escape a broken down one. The new Charter School Accountability Act will provide some stability to the charter school movement and the relatively new market-driven public education system in the United States. In this context of more choices, Parents for Education’s role will be to help parents make smart choices about schooling for their children.

Analysis of Scenario #4

Implications

In this scenario, public schools will be forced to compete in a more market-driven climate than they have ever faced. This scenario holds great potential for both parents and students as more competition in public schooling might offer higher quality education for many children. However, a dramatic rise in the number of charter schools that are held to different standards of accountability than traditional public schools could lead to widely disparate levels of quality in public education. Although this is not necessarily a new problem to education, greater freedom of choice within the public education system is new.

Growth in charter schools could mean more fragmentation for Parents for Education. Trends over the years 1993–2003 indicate that parents want more

choices and are taking advantage of the choices that exist within the public system. But current trends also indicate a declining membership for Parents for Education. Parents remain concerned about education, probably more so than ever before; however, they want to be involved in very tangible activities that have immediate impacts. Because a national organization, by its very nature, seems removed from “immediate” impacts on individuals and their families, this challenge will remain the biggest for Parents for Education.

More choices will mean more information is available to parents. More competition will mean more pressure, more propaganda touting one school over another, and more real decisions to make. Despite being the most educated generation of parents, an array of choices and a barrage of campaign messages from different schools will create a need for sources of unbiased information. This need will be acute for parents who are not a part of the highly educated population. Parents for Education will need to figure out how to address these needs of parents.

Indicators

Evidence already indicates a trend toward a more competitive public school market. For example, in a May 1, 2005, article “Charters dent public schools,” the Denver Post reports that in the past four years approximately 4,000 students and \$24.7 million have left Denver Public Schools. Most of those students (and the dollars that follow them) have moved to charter schools. This same article reports that in Tucson, Arizona, school officials believe charters have cost them about \$45 million in the past five years, and in St. Louis 4,000 students migrating to charters have cost the district about \$100 million. A Denver elementary school principal is quoted in this article as worrying that a nearby charter school will “poach” her 5th graders.

Parents for Education should watch the following trends as indicators of this scenario unfolding:

1. Increased enrollments in public schools of choice
2. Increased enrollments in charter schools

3. Incentives at the federal, state, and local levels that encourage and fund the development and maintenance of charter schools
4. Partnerships with private developers to build charter schools in new housing developments
5. Improved test scores/performance for charter schools and increase in evidence of charter school effectiveness

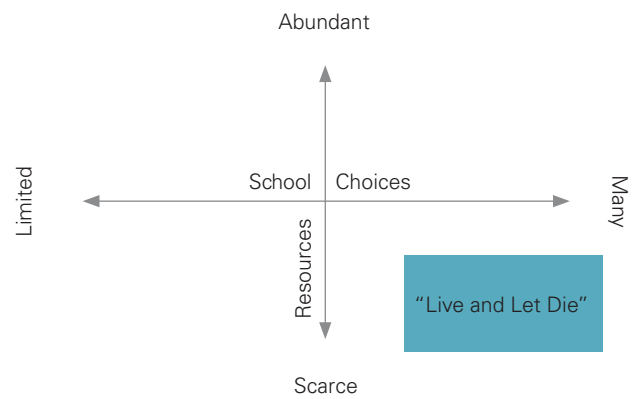
Options

To prepare for this possible future, Parents for Education might consider the following options:

1. Develop strategies for mobilizing parents in communities where schools face restructuring. Many, if not most parents in this situation will need guidance and specific strategies that they can use to make a difference in what happens to their community schools.
2. Develop tools, materials, resources that parents can use to help them make smart choices about schooling for their children and serve as a clearinghouse for quality and unbiased information on school choices. This strategy could prove to be a “hot potato” because it is tricky to be in the business of providing useful information that will help parents make informed decisions among a variety of providers. However, if this scenario plays out, this area could be the single biggest need for parents. Parents will need to answer questions like “I’m thinking of sending my child to an Edison school; what do I need to know about Edison schools? What types of information do I need to make a smart decision? How do I gather that information?” Parents for Education can likely provide some information in a clearinghouse format and might also provide more support through guidance and checklists for parents to use as they “investigate” a school.

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3. Pursue an advocacy role at the national level for accountability for all public schools, including charters. An advocacy role at the national level is a strategy that makes Parents for Education relevant and necessary. It's not something that individual parents working with individual schools can do. It is however, advocacy, and so carries the risks associated with that type of work. This piece will be crucial for parents. This strategy probably would be best executed in conjunction with strategy 2 above.
4. Create and nurture networks for parents to use as communication and information gathering tools. Research shows that people who have a need and a desire will participate in online networks to gather and share information and learn from each other. This approach could be relatively low cost for Parents for Education and might best be executed as an integral part of a robust Web site that serves as a portal for information about education designed for parents.



Discussion Questions

1. Are the critical uncertainties that form the scenario framework those that you would choose or are there other uncertainties that seem more critical to you?
2. Are the stories plausible? Could they turn out to be true? If not, what would you change?
3. Can you think of other implications and options for the organization in addition to those written in the Analysis sections?
4. If you were leading an organization of this type, what would you do now to prepare for these imagined futures?

Taking the Next Steps

How are you preparing yourself and your school district, state agency, or other educational institution for the future? Is scenario planning a good strategy for you?

The Global Business Network (www.gbn.com), which has codified the scenario planning method and teaches it to organizational leaders across the world, recommends that you use the method only to address a challenging problem surrounded by a high degree of uncertainty and only if your organization is open to dialogue, to change, and to considering futures other than the “official future” that has guided the organization in the past. In addition, the organization’s leaders must support and actively participate in the initiative, and adequate resources must be allocated to support the effort over the long term. For organizations willing to take this leap, McREL is available to help.

But, even without developing and writing your own scenarios, there are a number of ways in which you can move your organization into the future in a thoughtful, creative, and deliberate manner. Some ideas include:

- Create your own “drivers of change” table. Identify an archivist and routinely collect information about indicators of change. Periodically review the table and discuss its implications.
- Establish a book group focused on the wide array of current books about the future. Ask McREL for a reading list or go to the World Future Society Web site (www.wfs.org), or the Global Business Network site (www.gbn.com) for ideas.
- Create an opportunity for others in your organization to “brainstorm” about drivers of change and discuss critical uncertainties from their point of view.
- Include discussions of critical uncertainties and possible scenarios on the agendas of regularly established gatherings of key stakeholder groups.
- Expand your views by exchanging ideas with “remarkable people” outside of education.

In general, preparing for the future requires the discipline to constantly ask the question, what if? What if you wake up tomorrow, or next year, and see the headlines to the right in the morning paper?

**“NCLB a historic success:
92% of American schools
meet AYP in 2014”**

**“Congress enacts national
curriculum and assessment
as part of NCLB II”**

**“Now what? Schools taken
over four years ago, deemed
failures once again”**

**“Education on the Chopping
Block: Schools lose out
to health care and Social
Security”**

**“New milestone: 25 percent
of nation’s students enrolled
in school of choice”**

**“Whither public schools?
Once in every neighborhood,
public schools are going the
way of the VCR”**

**“Terrorists attack Crawford,
Texas, elementary school:
57 die”**

Would you be surprised? Could these things occur? How would you respond? Preparing for the future involves imagining the full range of possibilities for what lies ahead and developing strategies today that will prepare you to meet the challenges of tomorrow.

The scenarios in this book provide a glimpse into only a few of the possible worlds ahead. We offer them in the hope that educators across the country will begin to create their own stories of the future on behalf of learners everywhere. As you embark upon this important work, may the following African proverb help guide the way.

*Every morning in Africa a gazelle wakes up.
It knows it must run faster than the fastest lion or it will
be killed.
Every morning a lion wakes up.
It knows it must outrun the slowest gazelle or it will
starve to death.
It doesn't matter whether you are a lion or a gazelle.
When the sun comes up, you better start running.*