

EXECUTIVE SUMMARY**Title: Disadvantaged Student Supplemental Fund (DSSF) Pilot Evaluation: Report 1****Type of Executive Summary:**

- Action Action on First Reading Discussion Information

Policy Implications:

- Constitution _____
 General Statute # _____
 SBE Policy # _____
 SBE Policy Amendment
 SBE Policy (New)
 APA # _____
 APA Amendment
 APA (New)
 Other _____

Presenter(s): Mr. Philip Price (Associate Superintendent, Financial and Business Services) and Dr. Gary Henry (William Neil Reynolds Distinguished Visiting Professor, UNC School of Education, University of North Carolina at Chapel Hill)

Description:

In 2004, Governor Mike Easley and the North Carolina State Board of Education established the Disadvantaged Student Supplemental Fund (DSSF) as a pilot program in 16 of the state's most educationally disadvantaged districts. The overarching goal of the program, which is the focus of this report, was to increase the learning and academic performance of students, especially disadvantaged students. During the 2004-2005 school year, the program provided \$22.4 million to the pilot districts. The program allowed districts flexibility in using the funds to attract and retain qualified, competent teachers and to provide enhanced instructional opportunities to students at risk of school failure. The NC Department of Public Instruction (DPI) was required to provide assistance and monitor the program through the Local Education Agency Assistance Program (LEAAP).

The pilot program continued with slightly increased funding for the 2005-2006 school year. In 2006-2007, the Governor recommended expanding the program statewide, and the North Carolina General Assembly appropriated \$49.5 million for DSSF along with significant increases in other state education programs.

In 2005, the General Assembly mandated an evaluation of the effectiveness of the strategies funded by the DSSF program, as well as the effectiveness and efficiency of DPI's LEAAP teams. This is the first of several reports from the evaluation team organized through the University of North Carolina at Chapel Hill. The evaluation team assembled and analyzed data on expenditures, teachers, and students from a number of sources within the NC Department of Public Instruction. The team also collected implementation data from each of the districts through interviews with district administrators and principals, as well as focus groups with teachers.

Findings from the DSSF Evaluation: Report 1

A main purpose of this report is to describe in detail student performance and educational resource allocation – including both human and financial resources -- in the 16 pilot districts during the first year of DSSF funding, before that funding could be expected to improve conditions or outcomes. In one sense, the report will provide a baseline against which we will assess progress in DSSF districts over time. In another sense, however, the detailed descriptive information presented in this report is more than simply a baseline. This report documents disparities in access to high quality teachers between the DSSF districts and the rest of the state and within the DSSF districts, the flow of students into and out of academic proficiency, and the implementation of the pilot program, including how funds were expended by the districts.

Here are some of the main findings presented in this report:

1. Academically disadvantaged students in the DSSF districts were substantially less likely to be taught by high quality teachers than were the proficient students in those districts. Moreover, the disadvantages of these students were compounded by the fact that the students in the DSSF districts were substantially less likely to be taught by high quality teachers than were the students in the rest of the state. This was true across all eleven indicators of teacher quality we measured and across elementary, middle and high schools. For example, only 53% of the educationally disadvantaged high school students enrolled in classes with End of Course (EOC) exams in the pilot districts had access to a teacher who was licensed to teach their courses. In the rest of the state, previously proficient students had access to teachers licensed to teach EOC courses approximately 70% of the time.

For an additional example, 2% of the time academically disadvantaged elementary students in the DSSF districts were taught by a Nationally Board Certified Teacher whereas over 8% of the time proficient elementary students in non-DSSF districts had access to these highly skilled teachers.

As a result of the inequities in teacher quality, academically disadvantaged students were less likely rather than more likely to be taught by strong teachers who could help them make up the deficit.

2. With remarkably few exceptions, students living in poverty and minority students were substantially less likely to be taught by higher quality teachers than were their more economically advantaged and White peers. For example, 43% of the middle school students who were living in poverty in the DSSF districts were taught by teachers with above average scores on their PRAXIS exams, while 56% of their more affluent peers in these districts and 61% of their more affluent peers in the rest of the state were taught by such teachers.

3. The pilot districts were among the most academically disadvantaged in North Carolina. At the end of 2005, in DSSF districts the percentage of third through fifth grade students who tested proficient was approximately eight percentage points below the percentage who demonstrated proficiency in reading in other NC districts and more than five points below the rest of the state in math. For sixth through eighth graders, the difference between the performance of students in DSSF districts and non-DSSF districts was almost eight percentage points in reading and over seven percentage points in mathematics.

4. From one grade to the next, more students in the pilot districts drop below proficiency in math, but in reading there is a precipitous drop in proficiency during the first year of middle school – a drop from which students spend the next two years recovering. As they moved from one grade to the next in elementary school, nearly 2% of the students in DSSF districts fell below the proficiency level in mathematics each year. This drop in proficiency exceeded the rate at which students gained proficiency by nearly four percentage points during middle school. While more students gained proficiency than fell below in reading each year in elementary school, a net drop of 9% in the proficiency rates of students occurred during their first year in middle schools in the DSSF districts.

5. High school students in the DSSF districts who were not proficient in either math or reading in the 8th grade were unlikely to pass their End of Course (EOC) tests in Algebra I, English I or Biology. Only 15% of the high school students in the DSSF districts who were not-proficient in either reading or math at the end of eighth grade passed their Biology EOC test. In the DSSF districts, the passing rate in English I and Algebra I was approximately 39% and 49%, respectively, for high school students who were not proficient in either reading or math or both in the eighth grade. Furthermore, in the DSSF districts, 66% of the high school students who as eighth graders were proficient in math and reading went on to pass the Biology I test by 2005.

6. Teachers and administrators in the DSSF districts identified turnover of teachers and district leaders as the main problems that contribute to the low student performance and high drop-out rates in their districts. District personnel, principals, and teachers in these districts identified several causes for high turnover rates, including:

- competition among districts in the state and with neighboring states for a limited number of highly qualified teachers
- lack of discipline in the schools
- poor leadership
- poor student performance
- lack of adequate materials and supplies
- large numbers of Lateral Entry Teachers (teachers who enter teaching from another field) who fail the PRAXIS tests and are thus ineligible to continue;
- inadequate support and mentoring for new teachers
- the promotion of teachers to administrative positions

- large numbers of Teach for America teachers and Visiting International Faculty, programs that place teachers for two or three year commitments

7. The pilot districts spent most of their DSSF funds in the first two years on salaries for classroom teachers. However, districts encountered several issues in implementing the DSSF program during the two years of the pilot program and were not able to match the levels of salary supplements that other districts offered. Fifteen of the 16 pilot districts opted to implement various forms of salary incentives such as retention bonuses, salary supplements, or performance-based bonuses. On average, districts spent 65% of their total DSSF expenditures in the first year on recruiting and retaining teachers. In the first year of the DSSF pilot, as a set the 16 districts raised their average supplements from \$1,365 the previous year to \$1,559. In 2005-2006, across the 16 districts the average supplement was raised again to \$1,628. This represented a 16.15% increase from two years earlier, yet it continued to lag behind the state average of \$2,967 average.

8. The technical assistance provided by the Department of Public Instruction through its LEAAP teams was valuable to many districts, but at times the guidance was inconsistent. The LEAAP teams were assigned to provide support in the development of each district's plan, review the plans for compliance with the DSSF funding requirements, and monitor the activities in each district. Teachers, principals, and district officials indicated that the two most common roles were helping to write and edit the DSSF plans and acting as an advisor/ mentor for district office personnel. Due to the variety of roles taken on by the LEAAP teams and the limited amount of guidance and up-front training they received, some issues arose during the teams' interactions with the individual districts. The issue that most affected implementation of DSSF was the conflicting information provided to the districts. Currently, the LEAAP teams are no longer serving the DSSF districts. Instead, three individuals have been assigned to monitor and aid all districts with their plans.

Summary and Next Steps

The Governor and General Assembly increased the state's commitment to disadvantaged students by more than doubling the funding for the Disadvantaged Student Supplemental Fund for 2006-2007 and increasing other funds targeted to confront economic disadvantages, as well. However, the evidence in this report identifies serious issues that may present obstacles for moving greater numbers of North Carolina students into academic proficiency, even with the substantial funding increases.

Clearly, access to higher quality teaching is an issue that must be confronted before significant progress can be made in reducing academic disadvantages. Disadvantaged districts have more students who are below proficiency than other districts and more students dropping below proficiency every year than the rest of the state. Disadvantaged students in disadvantaged districts suffer great disparities in terms of access to the kinds of teachers that research shows can produce higher levels of student performance in tested grades and courses. These disparities occur in a state where about 80% of the teachers in grades three through five were fully certified to teach in those grades and fewer than 65% of the middle and high school teachers who taught tested subjects were fully certified to teach those classes.

State education officials as well as the teachers and district leaders throughout North Carolina recognize that high teacher turnover and turnover in leadership are major obstacles to achieving higher levels of student performance. However, current efforts at ameliorating these problems are being undermined by intra-state competition for effective teachers and able school leaders who can improve student learning in schools and districts with high levels of disadvantages. Currently, the state lacks the capacity and resources to guide the improvements in these districts. These educational disparities cannot be solved by taking action only at the school level because school efforts are affected by state and districts policies as well as their own actions.

In this report, we present strong evidence that creates a basis for initial actions. At the same time, we commit to redoubling our efforts to carefully study the effects of additional funding from DSSF and pinpoint issues that stand between the funding and achieving higher and higher levels of student success. In the next year, we will add to our accumulating information about the changes that have occurred as a result of the Disadvantaged Student Supplemental Fund and the effects of those changes. This summer, we will report on the changes in access to higher quality teachers and patterns of student performance in the 16 pilot districts that occurred between the first and the second year of the program. Soon after, we will provide an analysis of the effects of DSSF and higher quality teachers in high schools. Reports on the other levels of schooling and the first year of statewide funding will follow during the 2007-2008 fiscal year.

Resources:

N/A

Input Process:

Pilot Evaluation: Report 1

Stakeholders:

LEAs, Teachers, Students

Timeline For Action:

This item is being presented for information at the May State Board of Education meeting.

Recommendations:

N/A

Audiovisual equipment requested for the presentation:

Data Projector/Video (Videotape/DVD and/or Computer Data, Internet, Presentations-PowerPoint preferred)

Specify: _____

Audio Requirements (computer or other, except for PA system which is provided)

Specify: _____

Document Camera (for transparencies or paper documents – white paper preferred)

Motion By: _____

Seconded By: _____

Vote: Yes _____ No _____

Abstain _____

Approved _____ Disapproved _____

Postponed _____ Revised _____

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