STRAIGHT A FUND

White Paper on the Straight A Fund

Straight A Fund

For the most part, Ohio's schools still rely on clothbound textbooks and learning to fit within the confines of a five to six hour day. Students are expected to rely on just two sources of data for most of the day – the teacher and the textbook. Common sense tells us that unless we begin to change education at a pace that can keep up with changes in technology, students will lose interest in school and it will become increasingly more difficult to ensure our students receive the educational experiences they need in order to thrive after leaving high school.

With the introduction of the biennial budget for the 2014-2015 fiscal year, Governor Kasich proposed the creation of the Straight A Fund to support the implementation of innovative ideas and practices in Ohio's schools. This new injection of ideas and practices can fuel the transformation of our state's educational system into one that meets the needs of all students and fulfills its promise by promoting educational excellence and efficiency.

The Straight A Fund allows for ideas to come from educators themselves. It will stimulate and recognize innovative ideas from the education field that promote academic achievement and/or economic efficiencies to transform the current system. Educators who are ready for this transformation and have the innovative ideas to advance student outcomes, achieve significant funding reductions and/or reduce administrative overhead have the opportunity to receive funds to enable the transformation. Ohio's biennial education budget dedicated $100 million in fiscal year 2014 and $150 million in fiscal year 2015 to provide grants to:

- City, local, exempted village, joint vocational school districts;
- Individual school buildings;
- Educational service centers;
- Community schools
- STEM schools;
- College-preparatory boarding schools;
- Education consortia (representing a partnership among city, local, exempted village, school buildings, community schools, or STEM schools);
- Institutions of higher education; and
- Private entities partnering with one or more of the entities listed above.



STRAIGHT A FUND

The grants must be used for projects that aim to achieve significant advancement in one or more of the following goals:

1. Student achievement;
2. Spending reduction in the five-year financial forecast; or
3. Utilization of a greater share of resources in the classroom.

Developing and implementing a project that will advance these goals requires that each application for the funds includes the following components:

1. A description of the project, including a description of how the project will have ***substantial value and lasting impact***;
2. An explanation of how the project will be self-sustaining. If the project will result in increased ongoing spending, the applicant must show how the spending will be offset by ***verifiable, credible, permanent spending reductions***; and
3. A description of ***quantifiable results*** of the project that can be benchmarked.

The grants provide funding for Ohio schools to transform from the classrooms our grandparents attended to classrooms that will meet the needs of our students now and into the next generation.

There are few restrictions on the use of Straight A Funds in order to allow for the most creative ideas to be advanced. However, the Straight A Fund grants are funded with lottery profits; as such, the funds can only be used for programs that serve elementary, secondary, vocational and special education students.

Grants will be awarded by a nine-member governing board consisting of the state superintendent of public instruction, four members appointed by the governor, two members appointed by the speaker of the House of Representatives, and two members appointed by the president of the Senate.

The Ohio Department of Education will provide administrative support to the Governing Board beginning with development of a scoring mechanism to be approved by the Governing Board. The department is suggesting that experts from around Ohio and across the nation be selected to score the grant applications prior to evaluation by the grant advisors.

Grant advisors with fiscal and/or education expertise will be selected by the Governing Board to evaluate proposals from grant applicants and make recommendations for funding to the Governing Board.



STRAIGHT A FUND

Defining Innovation

In the education sector today, the debate is no longer about whether educators should innovate. The debate now centers on the nature of effective innovation models. Historically, policy-makers have focused on policies that help incentivize innovative new, products that fuel the improvement of an organization. There continues to be a need for testing new and innovative products to transform practices, programs and strategies at *all* levels of our state's education system. With the thoughtful and sustainable introduction of these new products, Ohio's educational organizations can increase individual student learning in a variety of contexts and learning environments.[i] New, innovative products should be sustainable.

Other theorists and practitioners define the need for a process-based approach to innovation. They propose that an organization should exploit existing strategies that promote efficiency and effectiveness. This is especially important recently, as most organizations are finding themselves with increasingly limited resources. To improve in this time of economic austerity, organizations must relentlessly focus on new ways of improving current processes. With this continued focus, educational organizations can increase overall efficiency and productivity in achieving the important individual outcomes for all students.[ii]

While at first blush these two innovation methods seem to oppose each other, there is a growing research base showing that both are needed for sustaining organizational improvement. Educational organizations need to be "ambidextrous" by exploiting existing processes that promote efficiency and effectiveness, while also exploring new and revolutionary products and models to respond to a variety of educational needs and contexts. A constantly improving educational system should operate on both approaches simultaneously.[iii] This balance is not easily struck, but is essential for sustainable improvement in an ever-changing environment.

Lessons Learned from Other Innovation Funds

Based on recent innovation funding that has occurred through the use of state, federal and private resources, there are many lessons that will inform Ohio's Straight A Fund model. Below is a brief synopsis.

Funders have supported programs in which educators were not willing to reallocate resources upfront. When funding disappeared, so did the program, even if the program was successful.



Lessons Learned: Award recipients need to reallocate some of their own resources up front to test their commitment to stand up to vested interests in maintaining the status quo. They need to be willing to eliminate what is not working.

Funders attract educators who want to try new things and have the capacity to work with early adopters. However, some educators remain comfortable in their habitual practices and tend to ostracize creative professionals. Innovative teachers and administrators are considered showoffs; "edupreneur" can be used as a pejorative.

Lesson Learned: Funders should not fund programs unless there is clear buy-in from those within the organization.

All stakeholders, for example, teacher unions, school boards and changes in leadership, must support innovations in education. If they do not support the innovation that has been funded, it will not continue.

Lesson Learned: Innovators must gain grassroots support from many stakeholders who otherwise have the potential to kill the innovation through legislation, election or referendum.

Good ideas and programs are sometimes dropped too soon because program evaluation is too premature. Conversely, educators and policymakers can hold onto ineffective programs despite clear evidence.

Lesson Learned: Funding must include constant formative evaluation processes that provide opportunity for refinement and allow the program to evolve based on new information and situations. However, the developer must be able to let go of an idea if it is not working.

Public funders tend to limit funding to ideas that are research-based and easily measured for scalability and sustainability.

Lessons Learned: We invest in programs that have the research base, but take a long period of time to develop. Other new and competing programs come to market that may not have as strong of evidence, but may be more effective in the long run.

Educators should scale what works, but many of our innovations are dependent on the context in which they are developed and implemented to be successful. What works in one school might not work in another.



Lessons Learned: Sometimes best practices are so contextual that they cannot be replicated or scaled for everyone. We should fund innovations that are contextual, but priority in funds should be given to scalability and cost efficiency.

Defining Ohio's Model: A Sustainable Initiative

Based on the definition of innovation and lessons learned from other public funds, Ohio's Straight A Fund will promote innovation and lasting value. It will allow innovators to pursue three goals:

1. **Significant advancement in raising student achievement.**
   One of the immediate outcomes of this goal is to provide students with innovative and/or research-based and effective learning opportunities. For example, funds from the Straight A Fund can allow high school students to access a laptop computer and take 20 percent of their high school courses online. Straight A Fund resources could create a teaching load model that ensures the best teacher serves the most students by paying that teacher an incentive to have larger class sizes. Or teachers may want to experiment with a flipped classroom design that sends the lecture home and reserves face-to-face time for discussion and problem solving.
2. **Significant advancement in spending reductions in the school district's general fund.**
   Straight A Funds can be used to increase efficiencies in shared services, such as transportation, human resources management, and fiscal services and to move from onsite to online professional development. The funds would allow these traditional systems to be reengineered, making them more cost effective.
3. **Significant advancement in using a greater share of resources in the classroom.**
   Cost savings from Straight A Fund initiatives can help both students and teachers by providing more resources to support the student learning environment. This may allow for expanded science labs or the introduction of web literacy into the curriculum. Perhaps it will allow for expanded gifted services or more high school offerings.

A thoughtfully developed Straight A Fund and resulting innovation models can address the three innovation goals and incorporate lessons learned.



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Envisioning the Future

Transitioning to a new education system cannot happen without an investment in change. Ohio is investing $250 million dollars while a new model is built and we continue to operate the old. This dual approach will lead to notable differences in our education system as our focus on innovation and improvement. 2Revolutions, an education design lab, proposes the following:

> *We all know we need something better. For at least a generation, a majority has been ready to say "no" to our current system of education, but we have not yet invented the new approaches to which we can say "yes." In a rapidly changing world, today's students must be armed with new knowledge and skills to navigate the complex future that awaits them. They must produce knowledge and learn to work and thrive in an increasingly connected economy. They must think, analyze, collaborate and act. Because our current structures are not built for this purpose, we must "unthink school to rethink learning."*[iv]

2Revolution supports this dual approach to innovation that improves the current system and processes while designing new products for the future and outlines specific future objectives from a variety of perspectives that will be evidence of the results of this focus on innovation.

Students

- Students will have the opportunity to learn in a variety of ways, including individually or in groups, through game-based techniques, synchronously or asynchronously, or in blended learning environments.
- Students will have access to content that reinforces learning through remediation or mechanisms that adapt to their individual needs based on their demonstrated capabilities.
- Students will have unique learning opportunities that are based specifically on their own learning needs and interests.

Families

- Families will enjoy increased choice in educational options for their students.
- Families will be able to access content that can be used to supplement what their child is learning.
- Families will be become more informed advocates for their children.



- Families will significantly influence the success of new initiatives, which will have a great impact on the success of the initiatives themselves.

Educators

- Educators will be trained in the research behind how children learn, so they can cater to the different learning styles of children.
- Educators will be capable of managing the learning initiatives for individual students.
- Educators will partner with one another along with families, policymakers and entrepreneurs to identify best practices that improve learning.
- Educators will be able to clearly articulate to schools, districts and state leaders what they need to be successful in the new innovative environment.

Policymakers

- Policymakers will be able to do more with fewer resources, while incorporating technology and using different learning models.
- Policymakers will be able to reconfigure the budget to allow money to follow students so their individual needs can be met.
- Policymakers will allow money to follow students, which will highlight the inefficiencies of heavy administrative and departmental structures.
- Policymakers will be able to use the increasing body of research from the learning sciences to change how and where students learn.

Entrepreneurs

- Entrepreneurs will be able to partner with other key stakeholders to create initiatives that better meet student and teacher needs.

Researchers

- Researchers will be able to create models that help educators better understand which interventions are most successful for students under which circumstances.
- Researchers will be able to know the factors that are most important when implementing learning programs.[v]



Evaluation

Evaluation will be key to the success of Straight A Fund grant projects. As a state, we will also need to plan a systematic evaluation of the Straight A Fund itself. Overall evaluation is necessary to examine the interdependence of the legislation, the amount funded and program outcomes. Evaluation also can tell us how much interest the Straight A Fund is attracting, how it is motivating educators to innovate, how it is perceived in the field and how well it is being executed. This evaluation can be both formative and summative and define clear benchmarks and outcomes of the fund.

Toward this end, the Governing Board will issue an annual report to the governor, the speaker of the House of Representatives, the president of the Senate, and the chairpersons of the House and Senate education committees reflecting the types of grants awarded, the grant recipients and the Straight A Fund's effectiveness.

In addition, the governor will establish an advisory committee for the Straight A Fund program. The committee will consist of no more than eleven members appointed by the governor that represent all areas of the state and different interests. The advisory committee will annually review the Straight A Fund program and provide strategic advice to the Governing Board.

Conclusion

It is apparent that our current educational system is not meeting the needs of all of our students in the performance gaps among our most vulnerable students and the system must transform itself through the introduction of new practices and innovation. The Straight A Fund provides incentives so educational ideas coming from educators and partners in the public and private sectors can be translated into new education products, services or systems to promote success for all students. Ohio needs creative, thoughtful and cost-effective solutions that can be quickly replicated and scaled. These solutions can target specific problems in the current educational system with laser-like focus and help bring about transformational change.



[i] Kolderie, T. Education Evolving, (2012). *Where national education policy goes next -- to succeed* . St. Paul, MN: The Center for Policy Studies.

[ii] Roza, Margarite (2012, June 26). *To Survive, Charter Schools Can't Ignore the Bottom Line*. Retrieved From http://educationnext.org/to-survive-charters-can%E2%80%99t-ignore-the-bottom-line/

[iii] O Reilly, C. A., & Tushman, M. L. (2004). The ambidextrous organization. *Harvard business review*, *82*(4), 74-83.

[iv] 2Revolutions, http://www.2revolutions.net/future-of-learning.html, 2013.

[v] Kern, Todd & Rubin, Adam (2012) *Designing the Future of Learning: Unthink School to Rethink Learning.* 2Revolutions

