



# TRANSFORMATION: What South Carolina Can Learn From Florida's K-12 Reforms

Matthew LADNER, Ph.D.  
Oran P. SMITH, Ph.D.

MARCH 2013

# TRANSFORMATION: What South Carolina Can Learn From Florida's K-12 Reforms

MATTHEW LADNER, PH.D.  
*Senior Advisor for Policy and Research  
Foundation for Excellence in Education*

ORAN P. SMITH, PH.D.  
*Senior Fellow  
Palmetto Policy Forum*



1612 Marion Street, Suite 312  
Columbia, SC 29201  
[www.palmettopolicy.org](http://www.palmettopolicy.org)  
803.708.0637

THE HON. JIM DEMINT, Honorary Chairman  
ELLEN E. WEAVER, President  
DR. ORAN P. SMITH, Senior Fellow  
[info@palmettopolicy.org](mailto:info@palmettopolicy.org)

©2013.

Palmetto Policy Forum is an independent, nonprofit, nonpartisan educational foundation. The Forum is committed to policy entrepreneurship, consensus-building and transformative solutions to South Carolina's challenges. Permission to reprint this material is granted provided that The Forum is properly cited. Nothing written here is to be considered an attempt to aid or hinder the passage of any specific legislation.

---

# Table of Contents

Executive Summary .....	iii
Florida Leads the Way on K-12 Reforms .....	1
The Florida Reform Agenda.....	1
Florida's Comprehensive K-12 Reforms .....	6
Curtailing Social Promotion .....	7
School Choice: Accountability to Parents .....	7
Why have Florida's Disadvantaged Students Advanced so Strongly? .....	9
Exploring Other Possibilities for Florida's Gains .....	12
Demographic Change or Big Spending? .....	12
Artifact of Third Grade Retention? .....	12
Class Size or Pre-School Amendments? .....	14
Fortune Favors the Bold in K-12 Education .....	14
Endnotes.....	15

## Executive Summary

In 1998, *South Carolina students led Florida students* in performance on a number of national educational tests, including NAEP, the National Assessment of Educational Progress (p. 2).

But 2003-2011 saw a dramatic reversal. In fact, Florida surged to first in the nation, with a 54 point improvement among children with disabilities, while South Carolina came in last with a 44 point decline in this population (p. 7).

**Question: How did Florida leapfrog South Carolina in such a short period of time?**

**Answer:** *transformation through comprehensive reform.*

Here are some of Florida's transformational efforts under former Governor Jeb Bush:

- **Curtailing social promotion (p. 6).** Florida students were promoted to the next grade when they were ready, not when they had completed 180 days of seat time.
- **Providing school choice (p.7).** Florida parents were given the opportunity to select the school that fit their child best and the dollars followed the child, all while protecting public schools from harm.
- **Grading schools, focusing on the lowest 25% (p.9-11).** Florida schools were graded on how well they performed with their most challenged students. A-F grading increased focus and focus increased performance.
- **Leading the nation in technology (p.5).** Florida bridged the digital divide with aggressive development of online programs.
- **Concentrating on reading (pp.1-5).** Florida embraced the importance of reading to all academic success and eliminated barriers to progress, even for disadvantaged student populations.
- **Welcoming great minds (p.6).** Florida achieved greater access to the abilities of its citizens who had the capacity and life experience to make great teachers without forcing them to follow complicated and redundant certification processes.

**FOUNDING FOCUS:** Our founding documents proclaim "life, liberty and the pursuit of happiness" as unalienable rights. But the ability of all our state's population to live freely and enjoy the pursuit of economic happiness will be severely diminished if our public schools are not transformed to allow every student access to the skills that will lead to success in school and ultimately in life.

**POLICY OPPORTUNITY:** South Carolina can regain and exceed its pre-1999 educational lead over Florida and better serve every student if South Carolina leaders show the courage to enact student-centered reforms like those proven effective in the Sunshine State.

*“Reform is never finished and success is never final. A perpetual cycle of reform will lead to sustained improvement for the long-term.”*

— Former Florida Governor JEB BUSH

## FLORIDA LEADS THE WAY ON K-12 EDUCATION REFORMS

**E**ACH FALL the University of South Carolina Gamecocks face off with the Florida Gators in their annual SEC football showdown. University of South Carolina head coach Steve Spurrier won the Heisman Trophy as a player at the University of Florida and won a national championship as head coach of the Gators. The “Ole Ball Coach” has managed to defeat his former team more than once. The eyes of the nation tuned in to the drama in Gainesville last October to see if he could do it three times in a row, but victory eluded Spurrier and his players.

Meanwhile, a less visible but more important competition unfolds between South Carolina and Florida. Both states compete vigorously, not just against each other but also against the world, to provide a business climate that encourages economic development, growth, and employment. A critical component of that competition involves the quality of the public school systems in each state. In this competition, South Carolina has fallen behind Florida. The clock never stops in this game, however, which means South Carolina has the opportunity to catch up and potentially even to exceed Florida's success.

Please note from the outset that the purpose of this work is not to claim that Florida has achieved K-12 Nirvana or that all South Carolina schools are terribly underachieving. Neither of these things is true.<sup>1</sup> Rather, this work instead intends to detail the reforms that substantially improved learning in Florida, taking the state off the bottom of national comparisons. Readers should view these reforms as a baseline for action in the quest to improve K-12 outcomes and better serve South Carolina's children. *What Florida has done, South Carolina could, in time, exceed.*

## THE FLORIDA REFORM AGENDA

Beginning in 1999, the Florida state legislature began adopting far-reaching education reforms. These reforms included grading schools with easily comprehensible labels—letter grades A, B, C, D, and F—and expanding school choice by creating a tax credit scholarship program and the nation's largest private choice scholarship program. Florida also became the nation's leader in virtual education—offering classes online through the Florida Virtual School. In addition, the state's lawmakers curtailed the social promo-

tion of illiterate elementary students, reformed reading instruction, and created multiple paths for alternative teacher certification. As you will see, the results, specifically from national reading exam data, speak volumes.

The National Assessment of Educational Progress (NAEP) tests random samples of students in the states. Both South Carolina and Florida have participated in the main NAEP 4th and 8th grade reading and math exams since the early 1990s.

An examination of the progress on those exams reveals that both states have achieved gains on all four tests. Florida's math progress has been somewhat better than South Carolina's. Florida's combined gains on math exceeded those of South Carolina by about 20%. Fortunately, both states have exceeded the national average for improvement in math during this period.

Despite these above average rates of improvement, both states were either near or slightly below the national av-



erage on the math exams in the most recent NAEP-2011. Both states stood well below the national averages on 4th and 8th grade math in the early 1990s, so the progress is welcome. However, neither South Carolina nor Florida can feel satisfied with having closed the gap with the national average in math when one considers how poorly American average mathematics achievement level compares to our international competitors—more progress is needed.<sup>2</sup>

Achievement trends between South Carolina and Florida diverge much more starkly in reading. Measuring from the earliest available statewide NAEP reading score from each state in 1992 to the most recent exam in 2011, Florida's combined 4th and 8th Grade reading gains are more than two and a half times larger than South Carolina's.

Florida has radically improved reading performance, especially among disadvantaged students. South Carolina has the opportunity to learn from Florida's experience and achieve a larger and faster increase in literacy scores.

Florida has experienced a number of positive academic trends since the late 1990s. Between 1998 and 2010, for instance, the percentage of Florida students graduating from high-school increased from 67% to 87%. In large part enabled by this increase in high school graduation rates, the percentage of Florida students pursuing higher education increased from 50% in 1997-98 to 68% in 2008-09.

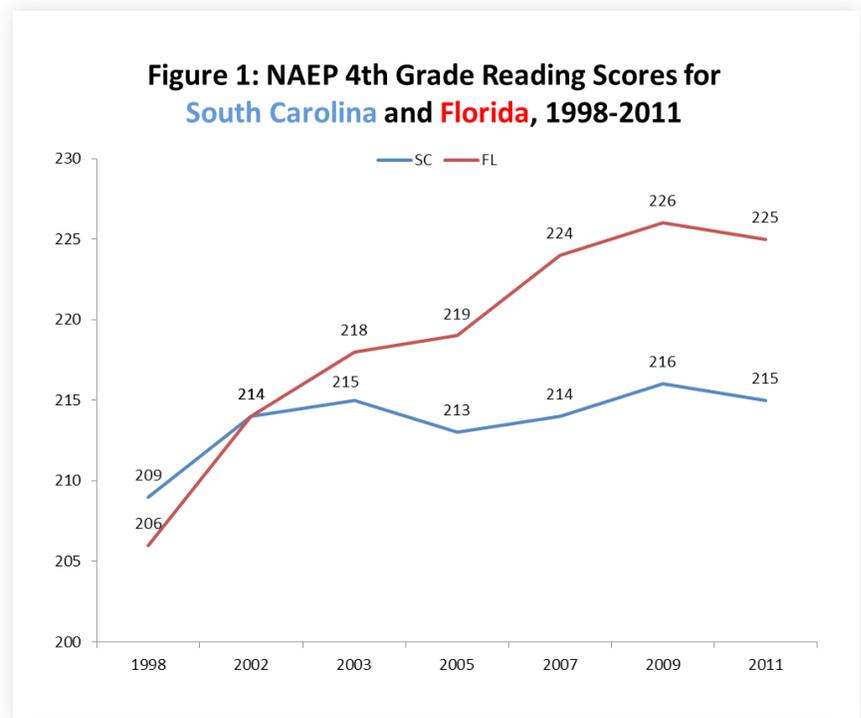
During this same period, the number of Black and Hispanic students passing one or more Advanced Placement exams more than tripled.

A key strategy in improving high-school outcomes in Florida, however, involved teaching the most basic skills at the elementary level. Students who fail to master basic literacy skills at the developmentally critical age often struggle to keep up as grade level material advances with each ascending grade. Florida's K-12 reformers therefore focused on improving early childhood reading.

In November of 2011, the National Center for Educational Statistics released the reading exam results of the 2011 National Assessment of

Educational Progress—also known as “The Nation’s Report Card.” Of all the NAEP exams, education officials pay the closest attention to the fourth-grade reading exam. The process of learning to read involves several developmentally crucial periods. Reading is broadly similar to learning a foreign language in that it is easier to do when you are young. Educators summarize this phenomenon with an expression: In grades K-3, you are learning to read. After third grade, you are reading to learn. *If you cannot read, you cannot learn.*

NAEP presents data both as average scores and also as levels of achievement. FIGURE 1 presents the scale scores from NAEP's fourth-grade reading exams for both South Carolina



and Florida between 1998 and 2011. Florida's reforms began the year after the 1998 NAEP; prior to this time the state's reading scores had been low and flat. For the charts presented in this report, bear in mind that a 10-point gain equals approximately a grade level's worth of learning such that, all else being equal, we would expect a group of 5th graders taking the 4th grade NAEP reading test to do about 10 points better than a similar group of 4th graders.

Notice that in 1998, the year before the Florida reform efforts, South Carolina students outscored the average student score in Florida by 3 points on the NAEP reading exam. Both South

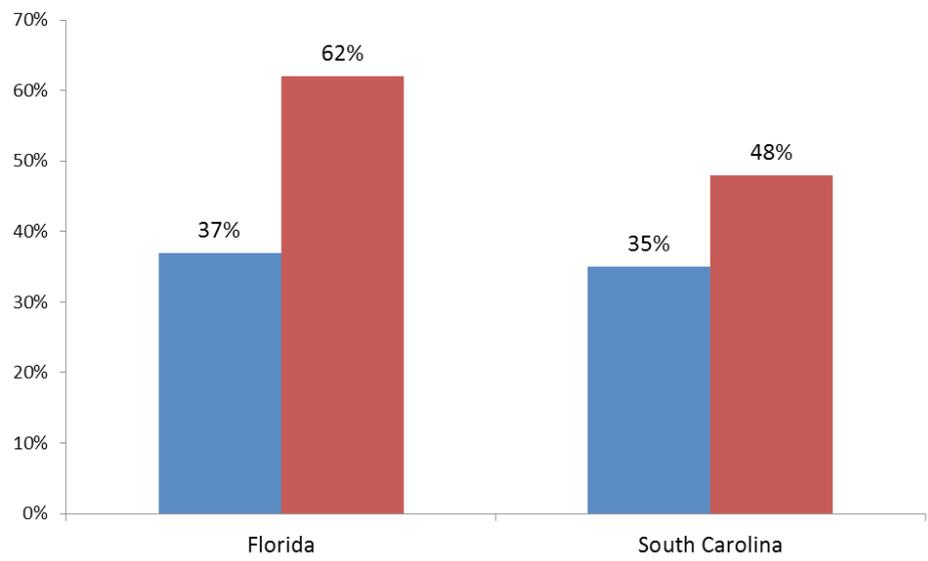
Carolina and Florida's score that year was near the bottom of the rankings.<sup>3</sup> In 2011, however, the average Florida student scored 10 points higher than the average South Carolina student—almost a grade level higher.

The scale of the differences between South Carolina and Florida can also be compared by achievement levels. NAEP uses four different achievement levels: Below Basic, Basic, Proficient and Advanced. FIGURE 2 presents the achievement levels for low-income students in both states. In 1998, the average South Carolina low-income student was neck and neck with their peers in Florida in terms of reading achievement, but with both states

scoring abysmally low. The percentage of South Carolina low-income students scoring "Basic or Better" (Basic, Proficient and Advanced) increased from 35% in 1998 to 48% in 2011.

This was a welcome improvement in South Carolina, but one which still saw a majority of South Carolina low-income students functionally illiterate. During the same period, Florida's low-income students scoring "Basic or Better" surged from 37 percent to 62 percent. This is still well short of where Florida policymakers and educators would like to be, but also constitutes a very large improvement.

**Figure 2: Low-income students Scoring "Basic or Better" on NAEP 4th Grade Reading, 1998 and 2011**



**Figure 3: Florida Hispanic Students and All South Carolina Students NAEP 4th Grade Reading Scores, 1998-2011**

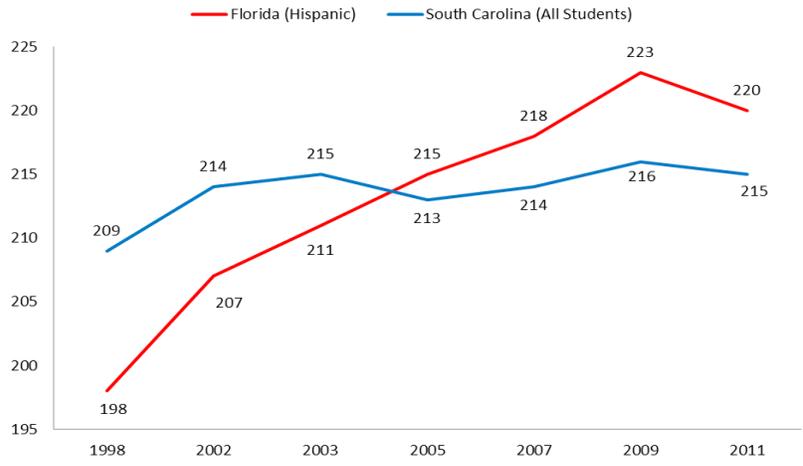


FIGURE 3 compares the academic progress of Florida's *Hispanic students* to that of *all students* in South Carolina. Florida Hispanics outscored South Carolina Hispanics by 12 points on the 2011 NAEP, but more importantly, Florida's Hispanics have made enough progress on reading that about midway through the previous decade they began to outscore the statewide average for all students in South Carolina.

In 1998, before the reforms, Florida's Hispanics scored approximately one grade level behind the average South Carolina student. While the South Carolina average nudged forward a bit, Florida's scores surged over time.

Florida's Hispanic students outscored statewide averages other than that of South Carolina. Hispanic students in Florida have made such strong progress that they now outscore the statewide averages of 21 states and the District of Columbia, as shown in FIGURE 4.

**Figure 4: NAEP Reading Scores for Florida Hispanic Students**  
 Comparing States to Florida's Hispanic Students  
 Hispanic Students in Florida now outscore or tie the statewide reading average of all students in 21 states and the District of Columbia.



The late Daniel Patrick Moynihan once noted that high performance on NAEP correlates perfectly with proximity to the Canadian border, joking that states wishing to improve their scores would simply have to "move closer to Canada." One can hold little doubt that the scholarly Senator would be quite pleased to see Southern Hispanic students holding their own and even exceeding state-wide averages.

Meanwhile, Florida's Black students have been closing the gap with the state-wide average score in South Carolina as well. FIGURE 5 compares the scores of Black students in Florida and South Carolina. In 2011, Florida's Black 4th graders were reading at an average level that we would reasonably expect for 5th graders in South Carolina.

Before the 1999 reforms, South Carolina's Black students outscored Florida's by a considerable margin. Despite some improvement in the South Carolina scores, today they find themselves behind Florida by an even wider margin.

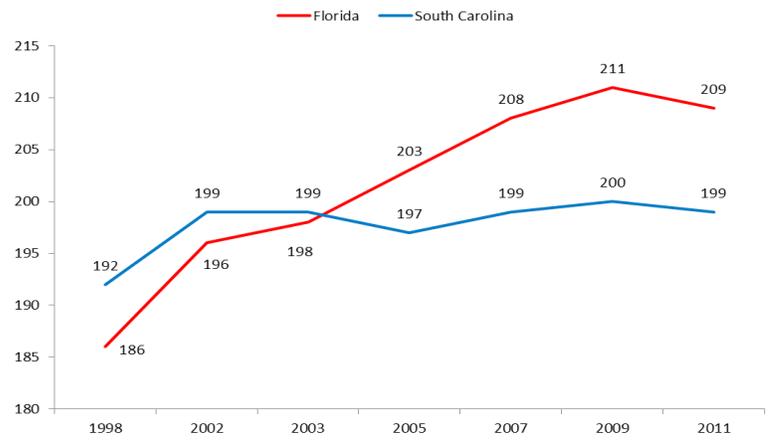
FIGURE 6 compares the fourth-grade reading scores of all students in South Carolina to those of Florida's students whose family incomes make them eligible for the federal Free and Reduced-Price Lunch program, which officials use as a poverty metric within the public school system. In 2010, a family of four could earn no more than \$40,793 per year to qualify for a reduced price lunch. However, of those who qualified nationwide for Free and Reduced Price-Lunch, 80 percent of children were from families who qualified for free lunch, with a maximum family income of \$28,665 for a family of four.

Bear in mind that the United States Census Bureau estimated the median family income for a South Carolina family to be \$51,704 in 2010 — an income level far higher than the average for Free and Reduced lunch children.<sup>4</sup> The fact that Florida's *low-in-*

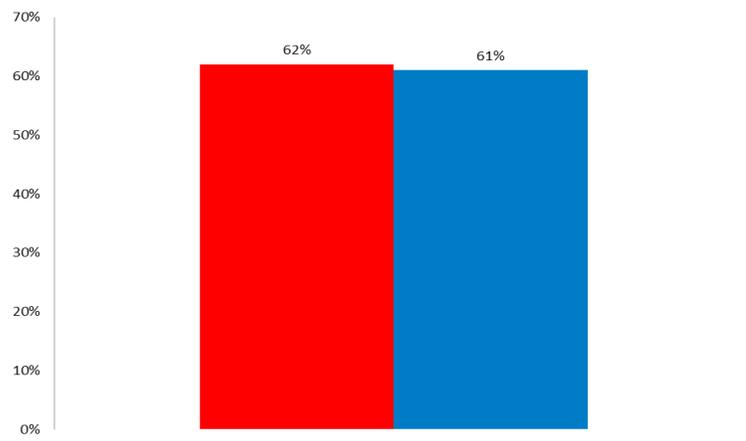
*come children* have exceeded statewide average scores for *all South Carolina* students tells us something very important about demography and education: *dramatic improvement for*

*disadvantaged students is possible.*

**Figure 5: 4th Grade Reading Scores for Black Students in Florida and South Carolina, 1998-2011**



**Figure 6: Low-income Florida Students and All South Carolina Students Scoring "Basic or Better" on 2011 NAEP 4th Grade Reading**



## FLORIDA'S COMPREHENSIVE K-12 REFORMS

Florida did not achieve these results with any single policy, but rather with a multifaceted strategy of inter-related reforms. Reform highlights include:

- Florida grades all district and charter schools based upon overall academic performance and student learning gains. Schools earn letter grades of A, B, C, D, or F, which parents easily can interpret.
- Florida has the largest virtual-school program in the nation, with more than 148,000 students taking one or more courses online.
- Florida has an active charter school program, with 579 charter schools serving more than 203,000 students.
- The Step Up for Students Tax Credit program assists 50,000 low-income students in attending the school of their parents' choice—both private (tuition assistance) and public (transportation assistance for district school transferees).
- The McKay Scholarships for Students with Disabilities Program stands as the nation's largest school choice program, sending more than 26,000 students with special needs to the public or private school of their parents' choice.
- Florida curtailed student social promotion out of the third grade – if a child cannot read, the child will repeat the grade and receive intensive reading intervention so that the child can be successful in 4th grade and beyond.
- Florida created genuine alternative teacher certification paths in which adult professionals can demonstrate content knowledge in order to obtain a teaching license. Half of Florida's new teachers now come through alternative routes.

“*The students at the bottom proved the biggest winners from Florida's no-nonsense reforms.*”

*Note that Florida policymakers and educators implemented many of these reforms simultaneously, making it difficult to isolate the precise impact of any individual reform. Scholars have, however, provided studies showing positive benefits to public school scores specifically associated with isolated reforms including alternative certification, parental choice, and social promotion curtailment.<sup>5</sup> Beginning on page 7 we will provide some additional discussion on individual elements of the Florida reform formula.*

## CURTAILING SOCIAL PROMOTION

Ensuring that third-grade students are able to pass the Florida Comprehensive Assessment Test (FCAT) reading exam to enter fourth grade is the focus of Florida's policy curtailing social promotion. In 2001, Florida schools retained 4.78 percent of 3rd graders. After the enactment of the policy described below, 8.89% of Florida 3rd graders repeated in the 3rd grade in the 2002-03 school year. This percentage of retained students proceeded to fall through the decade as 3rd grade reading scores improved, reaching 6.9% in 2012.

Empirical evidence suggests that ending social promotion has had a positive impact on students' performance.

Dr. Jay Greene and Dr. Marcus Winters of the University of Arkansas evaluated the results of the social promotion policy after two years. They reported that "retained Florida students made significant reading gains relative to the control group of socially promoted students"<sup>6</sup> with the academic benefit increasing after the second year. "That is, students lacking in basic skills who are socially promoted appear to fall farther behind over time, whereas retained students appear to be able to catch up on the skills they are lacking."<sup>7</sup>

The threat of retention creates a sense of urgency for educators to meet the needs of the students they serve.

Schools reorganized grades K-3 to place a command focus on reading instruction, beginning on day one of Kindergarten.

Since the year before the retention policy came into effect, the percentage of Florida students scoring low enough to qualify for retention has fallen by 40 percent. More Florida children, in short, are learning how to read during the developmentally critical period. The students at the bottom proved the biggest winners from Florida's no-nonsense reforms.

## SCHOOL CHOICE: ACCOUNTABILITY TO PARENTS

Florida's school choice programs allow low-income and special-needs children to receive assistance to attend private schools of their parents' choosing. Public Charter schools, meanwhile, are open to all students; however, students who are unhappy with their experience in traditional public schools are more likely to transfer into public charters. Likewise, students struggling in traditional schools are the most likely to transfer under Florida's private choice programs.

Florida has about four times the population of South Carolina, but approximately ten times the number of charter school students. Empirical research finds that Florida's choice programs contribute to the improved performance in its public schools.

A Manhattan Institute study, published in 2003, evaluated Florida's A+ Plan and the effect it had on the state's public education system—specifically, the effects from competition caused by school choice.

The A+ Plan provided Opportunity Scholarships to students in chronically failing public schools, that is, public schools that earned two F grades in any four-year period. The study found that public schools facing "competition or the prospect of competition made exceptional gains on both the FCAT and the Stanford-9 test compared to all other Florida public schools and the other subgroups...."<sup>8</sup>

In 2007, the Urban Institute published a similar analysis of the A+ Plan and

its impact on Florida's public schools. The authors found that after school grading began, student achievement improved in schools graded F at an accelerated rate.<sup>9</sup> Importantly, the authors discovered that reforms undertaken by the low-performing public schools contributed to the improvement: "[W]hen faced with increased accountability pressure, schools appear to focus on low-performing students, lengthen the amount of time devoted to instruction, adopt different ways of organizing the day and learning environment of the students and teachers, increase resources available to teachers, and decrease principal control."<sup>10</sup>

A 2008 study, also by Dr. Jay Greene and Dr. Marcus Winters of the University of Arkansas, found that compe-



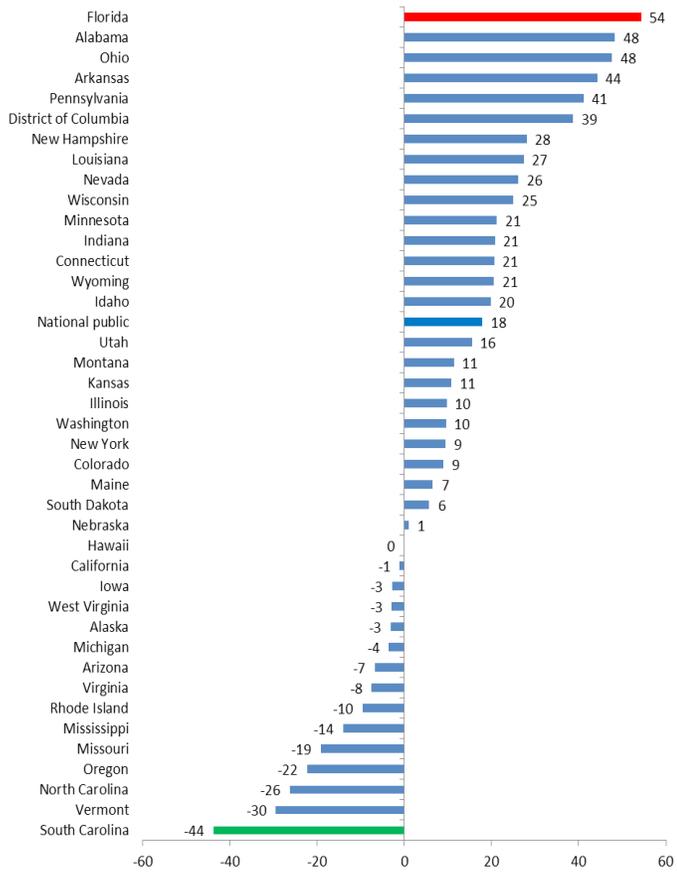
tion caused by another school choice program spurred positive academic gains in Florida's public schools.<sup>11</sup> The researchers evaluated the competitive effect of the McKay Scholarships for Students with Disabilities Program on public schools. They report that "public school students with relatively mild disabilities made statistically significant test score improvements in both math and reading as more nearby private schools began participating in the McKay program."<sup>12</sup>

Multiple testing experiments evaluating the impact of private school voucher programs in other communities have shown that students exercising choice improve academically, and none have found any evidence of academic harm.<sup>13</sup> Moreover, additional evaluations have found that increasing competition through school choice options (both private school choice and public charter schools) leads to improvement in traditional public schools.<sup>14</sup>

A comparison between the academic trends for children with disabilities in Florida and South Carolina is telling. FIGURE 8 compares the combined NAEP learning gains on the four major exams (4th and 8th grade Reading and Math) for the entire period in which all states took the NAEP tests (2003-2011).<sup>15</sup>

The formula for calculating the gains in FIGURE 7 simply was to subtract the 2003 scores from the 2011 scores for children with disabilities on each of the four NAEP exams. Florida leads the way with a net gain of 54 combined points. Averaged across

**Figure 7: Children with Disabilities  
Combined Math and Reading NAEP Gains, 2003-2011**



four exams, this means that the average Florida child performed more than a grade level higher per exam in 2011 than children with disabilities had performed in 2003.

Sadly, South Carolina suffered the nation's largest decline in scores for children with disabilities during this period with scores 44 points lower in 2011 than they had been in 2003. Figure 8 provides data showing what this

means in terms of proficiency on the NAEP 4th grade reading exam.

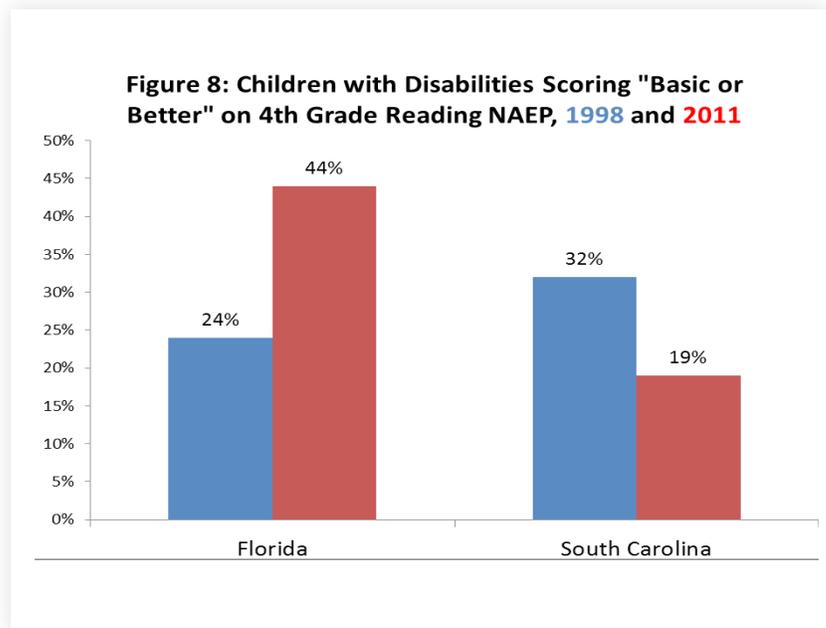
Florida has provided school choice to all children with disabilities for over a decade. If there is any evidence that this has harmed the performance of the special needs students remaining in the public school system, let's say that it is quite difficult to find. Like all other students, Florida's children with disabilities have benefitted from

a variety of policy interventions in addition to parental choice.

Only a small percentage of eligible students use the McKay Scholarship directly (around 5 percent of the total) but 100 percent of Florida students with disabilities have access to the program if their parents feel they really need it. This School choice has empowered parents to make the best possible decisions around the unique needs of their disabled children.

South Carolina meanwhile should conduct a serious inquiry into why the Palmetto State demonstrates such negative trends among children with disabilities. Many states have shown strong academic gains among their children with disabilities and South

Carolinians should expect nothing less.



## WHY HAVE FLORIDA'S DISADVANTAGED STUDENTS ADVANCED SO STRONGLY?

Florida's reformers pushed forward a multifaceted strategy, which has benefited a wide range of students in that state. Notice, however, that disadvantaged students have gained the most from these reforms. Why?

Let us take the reforms one at a time. Florida's private school choice programs allow children with disabilities and low-income children to receive assistance to attend private schools of their parents' choosing. Charter schools, public schools of choice, are open to all students; however, students unhappy with their experience in public schools are more likely to transfer. Who are the big winners from public and private school

choice? Those most poorly served by traditional district schools.

The same goes for Florida's third-grade retention policy. This earned promotion policy may seem cruel to some at first blush; however, rigorous research demonstrates that it is only cruel to those students who are exempted from the retention policy.

In 2006, approximately 29,000 third-grade students failed the reading portion of FCAT.<sup>16</sup> It is important to note, however, that Florida's retention policy contained a number of exemptions. An analysis by Manhattan Institute scholars compared the academic progress of retained students to two

“students...  
who are  
socially  
promoted  
appear to  
fall farther  
behind over  
time”

groups of similar students (those who barely scored high enough to avoid retention and those who scored low enough for retention but received an exemption<sup>17</sup>).

The Manhattan team reported that after two years “retained Florida students made significant reading gains relative to the control group of socially promoted students.”<sup>18</sup> The researchers found that the academic benefit increased after the second year: “That is, students lacking in basic skills who are socially promoted appear to fall farther behind over time, whereas retained students appear to be able to catch up on the skills they are lacking.”<sup>19</sup>

The retained students learned how to read, whereas the promoted students continued to fall behind grade level,

which is the normal academic trajectory for children failing to learn basic literacy skills. Once again, the students at the bottom proved the biggest winners from Florida’s aggressive reforms.

Consider, also, alternative teacher certification. Allowing more people with degrees to demonstrate content knowledge and join the teaching profession expands the possible pool from which to recruit high-quality teachers. Inner-city and rural children suffer the most from the shortage of high-quality teachers, as the system favors suburban systems in recruiting and retaining highly effective teachers. Thus, inner-city and rural children gain the most from reducing the shortage.

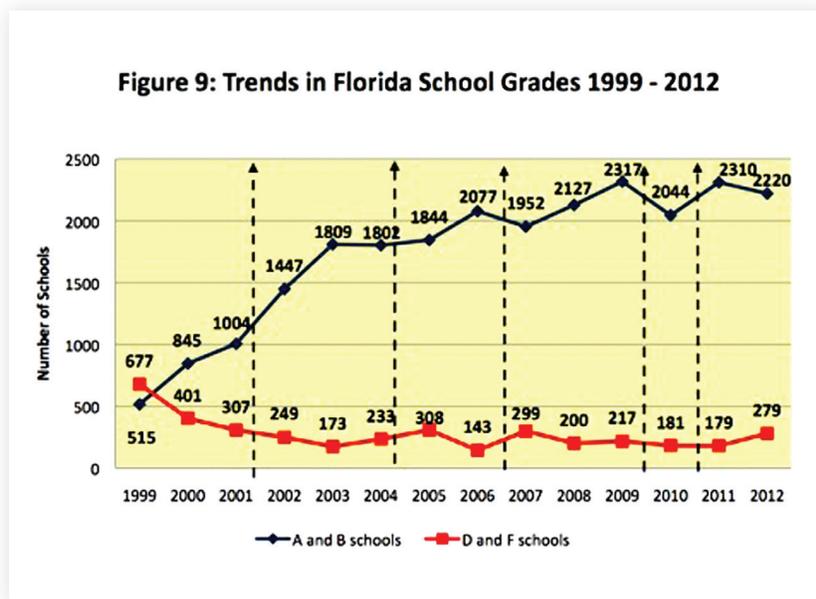
Also, Florida’s system of accountability grades schools A, B, C, D, or F,

which many complained was unfair to schools with predominantly minority student bodies. A small but noisy group continues to bemoan the grading method, claiming that it is unfair to teachers and to students.

It would prove difficult to be any more tragically mistaken, or more willfully ignorant. To be sure, rating schools A through F in Florida represents tough medicine: the state called out underperforming schools in a way that everyone could instantly grasp. But tough love is still love: Florida’s schools improved, both on the state FCAT and on NAEP (again, a source of external validation for the state exam).

Did Florida’s D and F schools wither under the glare of public scrutiny? Quite the opposite: those schools focused their resources on improving academic achievement. Made aware of the problems in their schools, communities rallied to the aid of low-performing schools. People volunteered their time to tutor struggling students. Improving student academic performance, and thus the school’s grade, became a focus.

In 1999, 677 Florida public schools received a grade of D or F, and only 515 an A or B. FIGURE 9 tracks the trend for those sets of grades, and critically, the five arrows represent a raising of the standards which made it more challenging to earn a high grade. In 2012, 2,220 earned an A or B, while 279 earned a D or F.



But was this just an illusion? That is, was progress achieved by lowering the “cut score” of the state FCAT exam? (The “cut score” is the minimum passing score students can achieve.) In a word, no. Florida did not make the FCAT easier to pass, maintaining a constant standard. Harvard Professor Paul Peterson has demonstrated that Florida has indeed maintained the integrity of the FCAT.<sup>20</sup>

Florida's students have improved both on the FCAT and on the NAEP. Importantly, Florida's improvement on NAEP also dispels the concern that schools are “teaching to the test.” NAEP exams have a high degree of security, and federal, state, and local authorities do not use them to rate schools or teachers. There is no incentive for teachers to teach to the questions on NAEP exams.

Florida's schools improved their rankings because their students learned to read at a higher level and became more proficient at math. Those who wanted to continue to coddle underperforming schools, while perhaps well-intentioned, were effectively willing to cosign hundreds of thousands of Florida children to illiteracy.

**IN SUMMARY**, *those with the least, consistently gained the most from Florida's reforms. This is perhaps clearest of all when one examines the formula for assigning letter grades to schools.*

*Florida determines schools' grades in equal measure between overall scores, and gains over time. In addition, the state divides the gain part of the formula equally between the gains for all students, and the gains for the 25 percent of students with the lowest overall scores. The state determines these grades by the following formula—50 percent on overall scores, 25 percent based on the gains of all students, and 25 percent based upon the gains of the lowest performing students.*

*Notably, the bottom 25 percent of students play the biggest role in determining the grade of a school. These students count in all the categories: the overall scores, the overall gains, and the gains of the lowest-performing students.*

*Notice the elegance of the Florida grading system.*

*By way of contrast, the federal No Child Left Behind Act (NCLB) allows schools not to count subgroups depending upon the size of the group. (NCLB divides student bodies into various subgroups based upon race,*

*ethnicity, income, disability status, etc., and requires an increasing passing threshold from each group. The exact size of the groups permissible is determined by obscure bureaucrats in state departments of education—and some exempt far larger groups of students than others.)*

*The Florida system is far more direct: Every school has a bottom 25 percent of students. Regardless of why those students have struggled academically, Florida's grading method will not grant schools a high grade unless those students make progress.*

*Academic fatalists quickly will jump up to argue that many students simply cannot learn. Florida and the success of others in substantially improving the scores of poor and minority children should put this “soft bigotry of low expectations” into the shameful dustbin of history that it so richly deserves.*

*Moreover, Florida's success in getting Hispanic and Free and Reduced-Price Lunch children to read at higher levels than the statewide average for all students in South Carolina nullifies such arguments.*

**BOTTOM LINE:** *Tough love for schools works great for kids, especially disadvantaged kids. The children with the least have gained the most.*



## EXPLORING OTHER POSSIBLE EXPLANATIONS FOR FLORIDA'S GAINS

### DEMOGRAPHIC CHANGE OR BIG SPENDING?

Several alternative explanations for Florida's success need to be addressed. For instance, could demographic change explain some of Florida's improvement? According to the National Center for Education Statistics, in 1998, 44.7 percent of Florida children attending public schools were minority students. During the 2008 school year, 53 percent of children were minorities. In 1998, 43.8 percent of Florida students had a family income that qualified them for a free or reduced-price lunch under federal guidelines. In 2009, Florida's percentage had increased to 49.6 percent.<sup>21</sup>

Changes in public school funding are also an unlikely source of improvement. Spending per pupil in Florida expanded at a rate slower than the national average during Governor Bush's term in office, and remains below the national average on a per pupil basis.<sup>22</sup>

Some may ask whether Florida's cellar-dweller performance in the 1990s led to a "regression to the mean" effect, whereby improvement came relatively easily. However, most of the states such as Florida that ranked near the bottom of NAEP in the late 1990s remained near the bottom in 2011.

Florida does have some unique characteristics, including a Hispanic population comprised of a higher percentage

of Cubans than most states. Could the marked improvement in Florida's Hispanic scores be linked to relatively unique cultural characteristics? Not likely. Black and white students also made strong gains during this period. The percentage of Hispanics of Cuban origin actually declined during the period observed down to 30 percent of Hispanics in 2007.<sup>23</sup>

### ARTIFACT OF THIRD GRADE RETENTION?

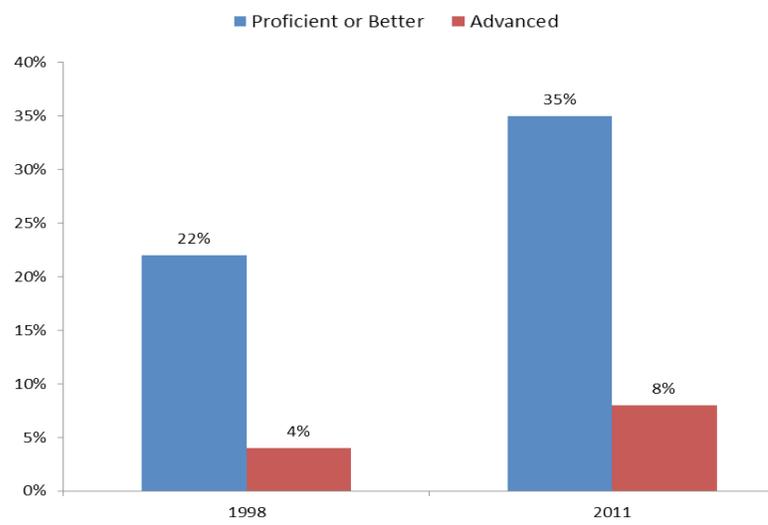
Could the third grade retention policy have created the appearance of gains on NAEP? Prof. Walter M. Haney of Boston College argued that Florida's progress on fourth grade NAEP scores represented a "fraud" due to the third grade retention pol-

icy.<sup>24</sup> Haney presented evidence that Florida's retentions increased after the debut of the policy, and ascribed subsequent NAEP score increases to the fact that Florida's worst performing readers were repeating third grade and thus were not tested in the fourth grade NAEP, inflating the fourth grade scores.

This analysis was later replicated in a "Think Tank Review Project" review performed by a group funded by the National Education Association.<sup>25</sup> However, neither analysis holds up under scrutiny.

First of all, Florida's NAEP scores improved strongly between 1998 and 2002. Gains during these years were

**Figure 10: Trends in Florida NAEP Reading Scores for Proficient and Advanced Readers**



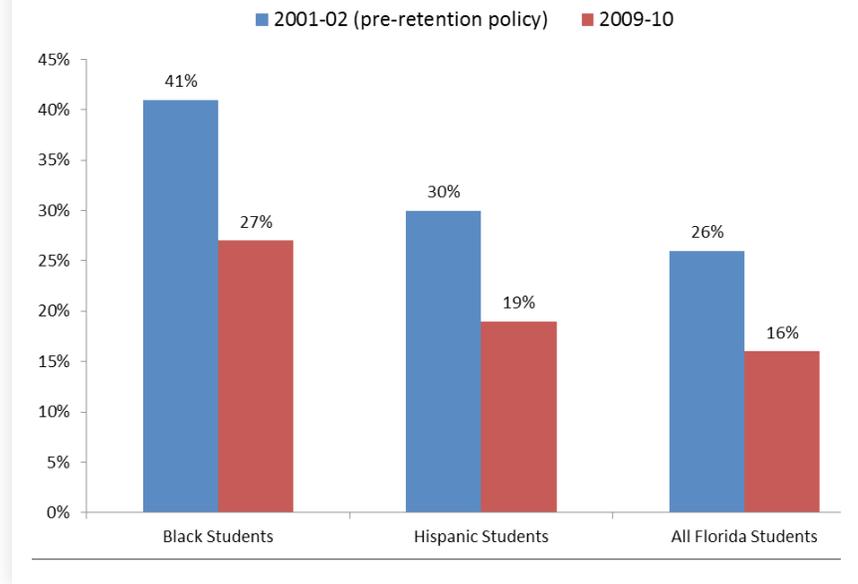
not at all impacted by the retention policy.

A good deal of the improvement in fourth-grade reading NAEP scores has come from increases in the percentage of children scoring at the “Proficient” and “Advanced” levels. FCAT scores categorize student reading achievement from 1 to 5, and the retention policy only impacts a portion of those in category 1.

Florida demonstrated very large gains among the sort of students who were profoundly unlikely to have been reading at FCAT Achievement Level 1 in the third grade (and thus unaffected by the retention policy). The percentage of these students scoring Proficient on the 4th grade reading exam increased by nearly 60% between 1998 and 2009, and the percentage scoring Advanced doubled from 4% to 8% (see FIGURE 10 on previous page).

Furthermore, the percentage of third graders scoring FCAT Achievement Level 1 on reading has itself been decreasing. In 2002, 27 percent of third graders scored at Achievement Level 1, but by 2009 the number had declined to 16 percent, which represents a 40 percent reduction in the pool of students eligible for retention.<sup>26</sup> Likewise, the actual number of third grade students retained also declined by 40 percent between 2002 and 2007.<sup>27</sup> Nevertheless, Florida's fourth-grade NAEP scores continued to improve throughout this period.

**Figure 11: Percentage of Students Scoring FCAT 1 (Lowest Achievement Level) on 3rd Grade Reading, 2001 and 2010**



Since the year before the retention policy came into effect, the percentage of black students scoring FCAT Achievement Level 1 on third-grade reading declined by 37 percent, and the percentage of Hispanic students scoring FCAT Achievement Level 1 declined by 45 percent, (see FIGURE 11).

None of these gains has anything to do with the children tested simply being a year older. In fact, the regression discontinuity analysis performed by the Manhattan Institute demonstrated that children scoring just over the retention threshold, and those scoring below it, continued to struggle with reading despite being a year older.

The third-grade FCAT data presented in Figure 14 demonstrate conclusively that an increasing percentage of Florida elementary students have been learning how to read during the developmentally critical period, grades K-3. Minority students have helped to lead the charge in producing reading gains. Best of all, black and Hispanic students have led in these enormous gains.

Before the retention policy, 41 percent of Florida's black third graders scored FCAT Reading Achievement Level 1, in 2010, it was down to 26 percent. In the most recent testing, the percentage of Hispanic third graders scoring FCAT Reading Achievement Level 1 fell to 19 percent from 35 percent in

2002. Florida's reforms have reduced retentions the best way possible: by teaching a growing percentage of students how to read in the early grades.

Professor Haney's thesis would be hard-pressed to explain why 3rd grade reading scores have improved so substantially. One can only characterize the evidence that Florida students have improved literacy achievement, both at the low end (see FIGURE 11) and high end (see FIGURE 10) as overwhelming.

#### CLASS SIZE OR PRE-SCHOOL AMENDMENTS?

Florida's voters adopted two significant education policy changes at the ballot box. In 2002, Florida voters passed a state constitutional amendment limiting class size at public schools. The limit was first implemented based upon school district averages, and then school averages, and only came into force as an actual

limit on each class during the 2010-11 school year. A detailed statistical analysis of the Florida class size reduction program found no evidence that it helped to drive academic improvement.<sup>28</sup> This is unfortunate, as the Florida Department of Education has found that it has cost Florida taxpayers more than \$18 billion dollars (and counting) to implement.<sup>29</sup>

Florida's preschool amendment may or may not prove to have positive long-term benefits. After voters adopted it, the Florida legislature quite sensibly enacted the program as a choice program to include public and private providers and to allow parents to choose. The Florida preschool program also includes specific early literacy goals and a provision to remove underperforming providers from participation in the program.

Florida's Voluntary Prekindergarten Education Program began in the 2005-

06 school year, and thus none of the students have yet reached the fourth grade to be included in the NAEP. The Florida Department of Education has released some preliminary analysis of third-grade reading scores which may indicate a sustained academic benefit to the program, but those data have yet to be subjected to a rigorous statistical analysis.<sup>30</sup>

In any case, none of the NAEP gains seen in Florida before 2009 have anything to do with the Voluntary Prekindergarten Education Program, because the students have not yet reached the age of NAEP testing. In 2011, Florida's aggregate scores did not increase from 2009 levels. A sophisticated analysis of the program will be required to establish the exact nature of its impact, but the aggregate impact of the large increase in 4th grade reading scores can safely be dismissed as minimal at best.

## FORTUNE FAVORS THE BOLD IN K-12 EDUCATION REFORM

In December 2006, the New Commission on Skills and the American Workforce released a report titled *Tough Choices or Tough Times*. The commission included a bipartisan mix of education luminaries, including two former U.S. Secretaries of Education. The report warns, "If we continue on our current course and the number of nations outpacing us in the education race continues to grow at its current rate, the American standard of living will steadily fall relative to those nations, rich and poor, that are doing a better job."<sup>31</sup>

Commenting on the report, Jack Jennings of the Center on Education Policy told the *Christian Science Monitor*, "I think we've tried to do what we can to improve American schools within the current context. Now we need to think much more daringly."<sup>32</sup> These and other observers have reached an unavoidable conclusion: The traditional model of delivering public education requires a drastic transformation, not incremental reform.

Florida's example shows that it is possible to improve student perfor-

mance by instituting a variety of curricular and *incentive-based* reforms, placing pressure on schools to improve both from the top down and bottom up. South Carolina's policymakers should view Florida's reforms as a floor rather than a ceiling in terms of their own efforts to improve education in their state.

Marc Tucker, vice chairman of the New Commission, also told the *Christian Science Monitor*, "We've squeezed everything we can out of a system that was designed a century ago. We've



not only put in lots more money and not gotten significantly better results, we've also tried every program we can think of and not gotten significantly better results at scale. This is the sign of a system that has reached its limits.”

Indeed, South Carolina cannot achieve global competitiveness through minor tweaks of a broken system. Florida's

broad efforts and resulting outcomes prove this. Fortune favors the bold, and a brighter future awaits South Carolina's students if her adults will take strong action on their behalf.

South Carolina across the political spectrum should work together with educators to fiercely pursue radical improvement in literacy skills. Ameri-

cans of all philosophical backgrounds agree with the notion of providing equality of opportunity to children, which starts with literacy. Those South Carolina students starting with the least have the most to gain from reform. 

## ENDNOTES

<sup>1</sup> Moreover, one author of this paper hails from a state (Arizona) with larger K-12 challenges than either South Carolina or Florida.

<sup>2</sup> American 15 year old students ranked 25th out of 34 nations in the 2009 PISA exam and below the international average for participating nations. See <http://nces.ed.gov/surveys/pisa/pisa-2009highlights.asp> for details.

<sup>3</sup> Passage of the No Child Left Behind Act in 2002 made participation in NAEP a precondition for receiving federal education dollars. All states began participating in NAEP beginning in 2003.

<sup>4</sup> See United States Census Bureau document State Family Median Income by Family Size at <http://www.census.gov/hhes/www/income/data/statemedian/>.

<sup>5</sup> See Figlio, David N. "Evaluation of the Florida Tax Credit Scholarship Program Participation, Compliance and Test Scores in 2009-10." And Figlio, David N., University of Florida, Northwestern University, and National Bureau of

Economic Research Evaluation of the Florida Tax Credit Scholarship Program Participation, Compliance, Test Scores, and Parental Satisfaction in 2008-09 (June 2010). Also see Jay P. Greene and Marcus A. Winters, "When Schools Compete: The Effects of Vouchers on Florida Public School Achievement." (New York: The Manhattan Institute, 2003) and Cecilia Elena Rouse. "Feeling the Florida Heat? How Low-Performing Schools Respond to Voucher and Accountability Pressure." (Washington, D.C.: The Urban Institute, 2007).

<sup>6</sup> Jay P. Greene and Marcus A. Winters, "Getting Farther by Staying Behind: A Second-Year Evaluation of Florida's Policy to End Social Promotion." (New York: Manhattan Institute, 2006).

<sup>7</sup> Ibid.

<sup>8</sup> Jay P. Greene and Marcus A. Winters, "When Schools Compete: The Effects of Vouchers on Florida Public School Achievement." (New York: The Manhattan Institute, 2003).

<sup>9</sup> Cecilia Elena Rouse. "Feeling the Florida Heat? How Low-Performing Schools Respond to Voucher and Accountability Pressure." (Washington, D.C.: The Urban Institute, 2007).

<sup>10</sup> Ibid.

<sup>11</sup> Jay P. Greene and Marcus A. Winters. "The Effect of Special Education Vouchers on Public School Achievement: Evidence from Florida's McKay Scholarship Program." (New York: Manhattan Institute, 2008).

<sup>12</sup> Ibid.

<sup>13</sup> For more information, see Jay P. Greene, *Education Myths* (Lanham, Md.: Rowman and Littlefield Publishers, Inc., 2005), pp.150-154.

<sup>14</sup> For example, see Caroline Minter Hoxby, "Rising Tide," *Education Next* (Cambridge, Program on Education Policy and Governance, 2001) and Matthew Ladner, "Putting Arizona Education Reform to the Test: School Choice and Early Education Expansion," (Phoenix, Goldwater Institute, 2007).

- <sup>15</sup> The NAEP created minimum inclusion standards for special needs students for the 2011 exams. Eleven states failed to meet those standards, and a handful of other states did not have samples of children with disabilities large enough for NAEP to report their scores at all. Such states have been excluded from this table. For a more complete discussion of inclusion issues, see Matthew Ladner and Dan Lips (2012) Report Card on American Education, pages 30-33 at <http://www.alec.org/publications/report-card-on-american-education/>.
- <sup>16</sup> Laura Green, "Despite Rise in Scores, Reading Still Emphasized; Schools Want to Reach Lowest-performing Students," *Sarasota (Fla.) Herald-Tribune*, May 4, 2006.
- <sup>17</sup> Florida's retention policy allowed students to demonstrate basic literacy skills to advance with a portfolio, and limited the number of times a student could be retained.
- <sup>18</sup> Jay P. Greene and Marcus A. Winters, "Getting Farther by Staying Behind: A Second-Year Evaluation of Florida's Policy to End Social Promotion," Manhattan Institute Civic Report No. 49, September 2006.
- <sup>19</sup> Greene and Winters, "Getting Farther by Staying Behind," 2006.
- <sup>20</sup> See Paul E. Peterson and Carlos Xabel Lastra-Anadón, 2010. State Standards Rise in Reading, Fall in Math. Article in the Fall 2010 edition of *Education Next*, available on the internet at <http://educationnext.org/state-standards-rising-in-reading-but-not-in-math/>.
- <sup>21</sup> National Center for Education Statistics. Digest of Education Statistics, 2010, Table 44. Number and percentage of public school students eligible for free or reduced-price lunch, by state: Selected years, 2000-01 through 2008-09 (Washington DC: United States Department of Education, 2010).
- <sup>22</sup> National Center for Education Statistics. Digest of Education Statistics, 2007, Table 186. Current expenditure per pupil in average daily attendance in public elementary and secondary schools, by state or jurisdiction: Selected years, 1959-60 through 2006-07. (Washington DC: United States Department of Education, 2010).
- <sup>23</sup> United States Census Bureau, American Community Survey 2007 (Washington D.C., United States Census Bureau, 2007).
- <sup>24</sup> Walter M. Haney, Evidence on Education under NCLB (and How Florida Boosted NAEP Scores and Reduced the Race Gap). Paper presented at the Hechinger Institute "Broad Seminar for K-12 Reporters", Grace Dodge Hall, Teachers College, Columbia University, New York City, Sept. 8-10, 2006.
- <sup>25</sup> For a detailed refutation of the Think Tank Review Project analysis, see Lindsey Burke and Matthew Ladner Florida's Education Reforms: The Rest of the Story (Washington D.C.: Heritage Foundation, 2010).
- <sup>26</sup> Florida Department of Education, Reading Scores Statewide Comparison for 2001 to 2008 FCAT Reading – Sunshine State Standards Test.
- <sup>27</sup> Florida Department of Education, Figure 2, <http://www.fldoe.org/eias/eias-pubs/xls/npro0607.xls>.
- <sup>28</sup> Matthew M. Chingos, The Impact of a Universal Class-Size Reduction Policy: Evidence from Florida's State-wide Mandate." (Cambridge: Harvard University John F. Kennedy School of Government Program on Education and Governance, 2010).
- <sup>29</sup> Florida Department of Education, Florida's Class Size Reduction Amendment History (Tallahassee, Florida Department of Education.)
- <sup>30</sup> Leslie Postal, "Pre-K gets Results, Despite Budget Woes." Orlando Sentinel, March 21, 2011.
- <sup>31</sup> National Center on Education and the Economy, Tough Choices or Tough Times: The Report of the New Commission on the Skills of the American Workforce, 2006, see <http://www.skillscommission.org>.
- <sup>32</sup> Amanda Paulson, "To Fix U.S. Schools, Panel Says, Start Over," *Christian Science Monitor*, December 15, 2006. Available online at <http://www.csmonitor.com/2006/1215/p01s01-ussc.html>.





palmetto policy  
FORUM

Post Office Box 12676  Columbia, SC 29211

[palmettopolicy.org](http://palmettopolicy.org)