



Governor Pence's 2014 Education Plan

December 10, 2013

I'm here to talk today about the future. That is, after all, what education is about. We need to work today to do what is necessary for our children to be successful tomorrow. Our fundamental moral obligation as parents is the wellbeing of our children and their preparedness for life after they leave home.

Our moral obligation as policymakers is similar: to ensure that children in Indiana are learning in a way that prepares them to succeed in the future.

We should be proud of the progress we have made in Indiana. In the last legislative session we expanded the school voucher program, dedicated nearly \$200 million in new money for our K-12 schools, and provided \$30 million in performance funding to reward results in our schools.

Our commitment to our kids is paying off:

- ISTEP math and reading scores are up from 64% passage rate in 2007 to 71.5% last year.
- Graduation rates are up from 77.7% in 2007 to 87.9%—nearly 88%—last year.
- National Assessment of Educational Progress (NAEP) scores (released in early Nov.) for math and reading show Indiana's proficiency improvement was the second highest out of all states, behind only Tennessee.
- Indiana's fourth graders ranked 4th in the nation in average math scores and demonstrated statistically significant improvements in both math and reading scores, while 8th graders also showed important overall score gains

But the race for excellence is not over. More than 200,000 Hoosier kids are in underperforming schools. Last year alone, more than 10,000 high school graduates, most with Core 40 and Honors Diplomas, required remediation when they enrolled at a post-secondary institution. Despite our overall progress on graduation rates and scores, we have schools across the state where the dropout rates are far too high and math and reading scores far too low.

That's not only unacceptable, it's not the Indiana way.

Hoosiers have a long and storied history when it comes to educating their children. Nearly 200 years ago, under the giant elm tree just up the street during the hot days of June 1816, Indiana became the first state in the nation to adopt a constitution calling for free public education for all. Hoosiers were forward-thinking people back then, and we have once again become national leaders because of our wide-ranging education reforms.

Not too many years before Indiana's founders were writing our constitution within these walls, one of our nation's founding fathers, John Adams, wrote, "There are two types of education... One should teach us how to make a living, and the other how to live."

One of his closest allies in those early days of the Revolution, Thomas Jefferson, regarded education as “essential to the preservation of our liberty.”

Literature from the era of Adams and Jefferson is replete with claims that educating our children is essential to a well-ordered and prosperous republic. Education wasn’t about degrees, school corporations, and tests. It was about the skills, knowledge and habits required for people to lead, prosper, and help their fellow citizens.

Today in Indiana, I like to think we understand that point. Our recent successes in school reform have put our focus back on quality, relevance, and outcomes. We believe, along with Adams, that education in Indiana should help young Hoosiers go on to be successful both in their careers and in life.

We have made great strides, but we cannot rest. Now is the time to move from education reform to education innovation.

Education innovation in Indiana will be characterized by a wide array of educational options. The K-12 experience should lead seamlessly to training that provides the best industry certifications or to an affordable college degree—both of which, in turn, lead to jobs that are in demand today.

Innovation begins on the front end of the education continuum. That is why I believe it is time to provide pre-K education for Indiana’s most disadvantaged kids. The time has come for a voucher program targeted to families in need, with strong accountability measures in place to ensure children are starting kindergarten ready to begin a life of learning.

As we take on this issue, let’s be honest about what the research shows. The results on pre-K are mixed. The general conclusion I have drawn from the literature is this: the evidence that universal pre-K programs improve outcomes for kids is thinner than one might think, but early learning programs targeted to at-risk and low-income children can and do work well. We need to use 2014 to design the voucher program for our neediest children so that we can use the 2015 budget session to fund it.

To keep pace with our aspirations for K-12 education in Indiana, we need to focus on what might be called the “supply side” of education reform: experimenting with new types of charters, fostering new learning models, finding new technologies that improve student outcomes.

Essential to this effort is our support of teachers as they drive innovation in the classroom. And we need to do more to make new ideas and innovation a hallmark of Indiana’s educational landscape.

Too often, in our efforts to improve our schools, we don’t invest enough in our teachers and allow them to lead as reformers. After all, they have dedicated their lives to education, and we should do more to unleash their creativity and expertise.

That is why we are proposing a new teacher innovation fund that will make grants to teachers who have the best, scalable ideas for improving student outcomes. The fund will include money for teachers to help with classroom supplies so they don’t have to dip into their own pockets, as many

do today. Any renaissance in learning in Indiana will begin in the classroom, with creative and entrepreneurial teachers leading the way.

A 2008 study of classroom innovation found that teachers in schools that encouraged thinking outside the box used known innovative methods more often, to the benefit of their students. I believe that if we give teachers more freedom, and show that we support innovation, they will do things no one had thought of before. And our kids will benefit.

We also should provide additional support to public school teachers who decide they want to make a career move and teach in a school helping at-risk children.

That's why we are proposing a "Choices for Teachers" program that will provide a stipend to teachers who apply for and get a job teaching in a low-performing public school or a public charter school serving a high percentage of low-income students. Low-performing schools need the help, and charters typically pay less and need the help, too. For instance, the average salary difference between our traditional public and public charter teachers is more than \$12,000. Teachers that choose to make the move to a charter shouldn't have to do so at the personal cost they do today.

All of these ideas are meant to stir the pot, to make the desire to try new things to improve student outcomes the norm in Indiana. Why? Because we know that highly effective teachers improve student outcomes. Numerous studies from the 1970s until now have shown this convincingly. Students assigned to effective teachers have shown increases in reading and math scores upwards of 50 percentile points. Highly effective teachers are innovators. We want to encourage greater innovation on a wider scale for the sake of our children.

Charter schools also have been an essential element in the spectrum of innovation. And yet, even though they are public schools, they operate with several disadvantages compared to traditional public schools. One has to do with the fact that traditional public school districts can manage one budget across multiple schools, while charters currently have a budget for each school.

We are proposing legislation that would make it possible for charter operators with more than one school in Indiana to manage a single budget rather than several, with the flexibility to move funds between schools as needed.

Another disadvantage facing charter schools is that they don't receive funds for facilities, which means that they have to take dollars away from salaries and classroom needs to cover rent and building repairs. One way to ease this burden is to make unused public schools available to charters. Our state's largest school district spends more than \$25 million annually maintaining vacant and underutilized school buildings. We have taken a stab at this problem in the past, but I'm not so sure we went about it the right way.

So I'm proposing that we form a council to design a financing and management plan in 2014 for leasing existing, unused buildings to schools that need them. I have in mind the creative approach taken in Louisiana in recent years that has strengthened their supply-side innovation by removing a significant barrier to school growth and improvement. Given that charter schools operate according to performance goals, this approach would simplify the process in the unfortunate event that a charter would need to close. And it would benefit the budgets of those districts that are carrying the cost of unused facilities on their books.

With more than 6,500 Hoosier students on the waiting lists of charter schools across the state, we know demand for charters is high. These proposals are aimed at helping to meet that demand.

Another innovative way that we are meeting demand is with our eleven regional Works Councils, which were created through bipartisan legislation last spring. The business-driven councils are answering the question: What should career and technical education look like in our communities to create effective career pathways for young people who want to work in this region after they graduate?

This exciting new project is well under way, and our partnerships with businesses will produce the curricula by next year. To strengthen this effort, we need to have a better understanding of how our current career and technical education resources are deployed. So, I am proposing an in-depth return-on-investment and utilization assessment of how our CTE dollars and related assets, such as vocational college facilities and faculty, are used in communities across the state. This analysis will help us better leverage the partnerships formed by our Works Councils.

Another critical element to education innovation is making sure we don't give up on those Hoosiers who dropped out of high school and are now looking for a second chance. It's not enough to ensure they get their high school equivalency. I believe they should get a high school diploma along with an industry certification that equips them to work in jobs with strong potential for upward mobility.

That's why I support expanding the successful dropout recovery schools already operating in our state. The earnings of graduates of the Excel Centers operated by Goodwill Industries, for example, are 60 percent higher than those of individuals who have gotten a traditional high school equivalency.

I also am proposing a new performance-based program for under-skilled adult workers who have a high school degree or its equivalent, but find themselves unprepared for today's changing economy. We will repurpose existing resources to ensure that we do not leave behind adults who finished school, but nonetheless find the economy has passed them by.

Our job is not to improve education at the margins, but to continue to push for success for every Hoosier. We need to do all we can to promote innovation and the best ideas. We need to do this in a fiscally responsible way, and we will. And we need to be accountable, driven by performance and outcomes – which we will do. We will do all of this tirelessly, with a boundless dedication to our kids.

Microsoft founder and education innovation philanthropist Bill Gates has said “until we're educating every kid in a fantastic way...there's no shortage of things to do.” I think we can agree that we are not yet educating every Hoosier kid in a fantastic way, so I believe there is still a lot to do.

That's why I believe we should pursue bold objectives in this short session of our legislature. We need to encourage innovation and entrepreneurship among our teachers, create incentives for the

best charter operators to come to Indiana, free up unused property, and create opportunity for students in a tough place – whether they’re four years old or forty.

Our focus on education innovation is always about our children. A good education is power: power to succeed, pursue a dream, change a life, make a difference. Too many kids in Indiana are powerless. Our efforts are dedicated to them. Let’s work together to empower them, as John Adams said, “to make a living and make a life.”