



Race to the Top Initiative Aims to Improve K-12 Education in Georgia

Overview of Georgia's Race to the Top Plan

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Summary

Over the next four years, the Georgia Department of Education and 26 local education agencies (LEAs) will invest nearly \$400 million into the state's public education system as part of the federal Race to the Top initiative. This report provides an overview of what outcomes citizens of Georgia can expect after \$400 million are invested. As part of the American Recovery and Reinvestment Act of 2009 (ARRA), signed into law on February 17, 2009 by President Obama, \$4.35 billion was allocated to a Race to the Top Fund. Accordingly, the US Department of Education designed a competitive grants program with the goal of encouraging and rewarding states that are creating the conditions for education innovation and reform, achieving significant improvement in student outcomes, and implementing ambitious plans in core education areas.ⁱ

The announcement of Georgia as a winner of "Race to the Top" funding was the result of the state submitting an 878-page application package, along with making a formal presentation to the US Department of Education. The application, signed by Governor Sonny Perdue, presents a plan for how Georgia intends to address four core education reform areas highlighted by the Obama Administration: (1) Great Teachers and Leaders; (2) Standards and Assessments; (3) Data Systems to Improve Instruction; and (4) Turning Around Lowest-Achieving Schools.

K-12 Public Education in Georgia

Georgia has a unique opportunity to make some meaningful investments in its public education system. In August 2010, the US Department of Education announced Georgia as one of 11 states along with the District of Columbia to win Race to the Top (RTTT) grants. As a result, Georgia is now charged with investing the equivalent of nearly \$35,000 per day, for four years, in a manner that enhances educational outcomes for all students in the state's K-12 public education system.ⁱⁱ

In regards to K-12 public education, Georgia can be described as a state near the bottom. Table I shows where Georgia ranks amongst states on common national assessment tests.

Table 1: Georgia Student Performance amongst States

Assessment Area	2009 National Ranking	2003 National Ranking
4th Grade Math	38th	38th
4th Grade Reading	36th	39th
8th Grade Math	38th	41st
8th Grade Reading	35th	40th
Student Aptitude Test (SAT I)	Bottom tier/below national average	Bottom tier/below national average

Source: *National Assessment of Educational Progress* and the *College Board*

While math and reading test scores have increased for 4th and 8th grade students in Georgia, the state has historically performed below the national average in both subjects. Furthermore, the average combined SAT score in Georgia for mathematics and critical reading in 1990 was 1,001 (out of 1600). In 2009, the averaged combined score was 1,016, representing an average increase of 15 points over two decades. Accordingly, as Georgia proceeds to invest \$400 million in its public education system, boosting student achievement and moving beyond its current position amongst states will be two outcomes of interest.

Georgia’s \$400 Million Dollar Opportunity

With the awarding of up to \$400 million in funding, Georgia now is charged with spending this funding in a manner that builds upon reform-oriented initiatives in the state. These federal funds cannot replace state funds due to budget cuts or projected budget shortfalls, and the initiative is specifically designed to provide funding for systemic changes at the local level, rather than provide funding for the same system as it currently exists.ⁱⁱⁱ Also, all funding must be spent or dedicated to a particular initiative by September 23, 2014.

Race to the Top funding will be allocated on a 50-50 basis, with approximately \$200 million distributed to the state and overseen by a designated Implementation Director within the Georgia Department of Education. The remaining \$200 million will be distributed to participating local education agencies (LEAs) -- school districts and charter schools -- with funding allocated equal to the percentage of Title I funds distributed to each respective LEA during fiscal year 2009. Title I represents a set of programs within the Elementary and Secondary Education Act of 1965, the federal statute that provides funds for elementary and secondary education. Title I is designed to distribute federal funding to schools and school districts with high levels of students from low-income families. Accordingly, the funding formula is structured so that school districts with higher percentages of student from low-income families are allocated a larger portion of Title I funding.

Superintendents from 26 LEAs signed on to the Race to the Top application and will receive funding. LEAs include **Atlanta Public Schools, Ben Hill, Bib, Burke, Carrollton City Schools, Chatham, Cherokee, Clayton, Dade, DeKalb, Dougherty, Gainesville City Schools, Gwinnett, Hall, Henry, Meriwether, Muscogee, Peach, Pulaski, Rabun, Richmond, Rockdale, Spalding, Treutlen, Valdosta City Schools, and White**, and constitutes 40 percent of all K-12 students in Georgia.^{iv} The table below lists total Title I allocations in FY 2009 for each participating LEA, including additional funding from the American Recovery and Reinvestment Act and qualifying amounts of Race to the Top funding.

Table 2: Race to the Top Allocation based on Title I Distribution

Participating LEA (District)	Total Allocation FY 2009 Regular Appropriation + ARRA	Race to the Top Allocation %	Race to the Top Max Allocation
ATLANTA CITY SCHOOLS	\$79,039,344	18.54%	\$37,076,440
BEN HILL	\$2,389,717	0.56%	\$1,120,988
BIB COUNTY	\$29,338,312	6.88%	\$13,762,262
BURKE COUNTY	\$3,951,731	0.93%	\$1,853,711
CARROLLTON CITY SCHOOLS	\$2,601,937	0.61%	\$1,220,538
CHATHAM COUNTY	\$26,418,779	6.20%	\$12,392,743
CHEROKEE COUNTY	\$6,044,313	1.42%	\$2,835,317
CLAYTON COUNTY	\$33,024,585	7.75%	\$15,491,450
DADE COUNTY	\$697,973	0.16%	\$327,411
DEKALB COUNTY	\$72,720,171	17.06%	\$34,112,189
DOUGHERTY COUNTY	\$14,735,302	3.46%	\$6,912,159
GAINESVILLE CITY SCHOOLS	\$3,952,281	0.93%	\$1,853,969
GWINNETT COUNTY	\$45,110,777	10.58%	\$21,160,942
HALL COUNTY	\$8,710,440	2.04%	\$4,085,966
HENRY COUNTY	\$7,752,914	1.82%	\$3,636,802
MERIWETHER COUNTY	\$2,667,893	0.63%	\$1,251,478
MUSCOGEE COUNTY	\$24,854,837	5.83%	\$11,659,116
PEACH COUNTY	\$2,728,066	0.64%	\$1,279,704
PULASKI COUNTY	\$743,763	0.17%	\$348,891
RABUN COUNTY	\$882,165	0.21%	\$413,814
RICHMOND COUNTY	\$35,217,898	8.26%	\$16,520,307
ROCKDALE COUNTY	\$5,270,568	1.24%	\$2,472,362
SPALDING COUNTY	\$7,182,334	1.68%	\$3,369,150
TREUTLEN COUNTY	\$917,509	0.22%	\$430,393
VALDOSTA CITY SCHOOLS	\$8,067,400	1.89%	\$3,784,324
WHITE COUNTY	\$1,287,391	0.30%	\$603,900
Total	426,308,399	100%	\$199,976,325

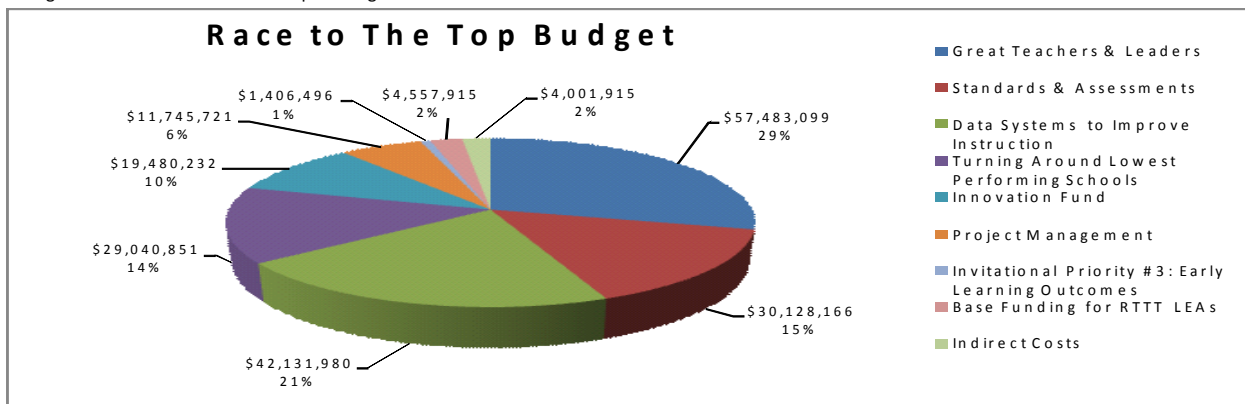
Source: US Department of Education

Georgia's Race to the Top Plan

In a letter to Secretary of Education Arne Duncan in support of Georgia's Race to the Top application, Governor Sonny Perdue states: "For years, we have been working to change the culture in education to one that focuses on performance and outcomes, from the current culture of compliance that has dominated education for far too long." Accordingly, Georgia's application package presents a plan that promotes a general belief that if effective teachers lead classrooms and effective principals lead schools and these individuals have access to relevant and timely data, then this will facilitate more informed decisions that impact school quality and student achievement.

As mentioned, Georgia's Race to the Top plan addresses four targeted reform areas and will allocate its \$200 million across 30 projects over four years. Figure 1 provides a breakdown of the Race to the Top budget.

Figure 1: Race to the Top Budget Allocation



Source: Georgia Department of Education, Office of Student Achievement

Participating LEAs currently are working with the state to develop “Scope of Work” plans, which should include information regarding how Race to the Top funding will be utilized within each respective LEA. What follows is a breakdown of the state’s budget allocation and highlights of particular actions and activities the state intends to undertake within each reform area. These highlights are based on information provided in Georgia’s Race to the Top application.

State Reform Area: Great Teacher and Leaders

Goal: Recruit, develop, retain, and reward effective teachers and principals.

Race to the Top Budget Allocation: \$57.5 million

Activities proposed:

1. **Develop a fair, transparent and rigorous value-add evaluation model for education.** This evaluation system will prioritize student growth in regards to teacher and leader effectiveness and tie compensation, certification, and employment decisions to teacher and leader effectiveness. Furthermore, this evaluation system will be capable of calculating value-add “scores” at the teacher level, the principal level, and the district level.
2. **Expand alternative routes to certification for teachers and principals.** Recognizing that the existing alternative route to certification for principals is infrequently requested or used, this particular offering will be refined to mirror existing and new alternative routes for teachers. The goal of alternative certification routes is to provide opportunities to individuals desiring to enter the teaching profession who are credentialed (i.e. holds a bachelor degree or higher) but did not complete a teacher education degree program.
3. **Offer “signing bonuses” of up to \$50,000 to teachers who choose to move to rural, high-need schools.** Districts with eligible schools (i.e. high-need schools in rural parts of Georgia) will be able to apply for state funds in order to award bonuses to candidates with a track record of effectiveness who choose to work in those schools. These signing bonuses will vest over a period of two years and will be contingent on meeting a high threshold teacher effectiveness measure during each year of service. The state will cap the program at \$5 million over the lifetime of the Race to the Top grant.
4. **Establish an Innovation Fund** which will support, among other initiatives, competitive grants for Grow Your Own Teacher (GYOT) programs. The GYOT initiative aims to address the particular staffing challenges of rural, low-performing schools, as well as the fact that Georgia has the third largest rural student population in the nation (527,507), which posts a 56% graduation rate -- the third lowest amongst all states for rural students. The state anticipates GYOT grants to enable K-12 school systems to partner with local institutions of higher education and design, implement, and evaluate their own individualized program model to meet specific local needs.

Projects include:

- \$19.1 million to develop a Value-Added Growth Model for teacher and leader evaluation
- \$11.7 million for performance-based pay for Principals and Assistant Principals
- \$5.3 million to incentivize the equitable distribution of quality teachers
- \$4 million for performance-based pay for teachers

State Reform Area: Standards and Assessments

Goal: Adopt internationally-benchmarked standards and assessments that prepare students for success in college and the workplace.

Race to the Top Budget Allocation: \$30 million

Activities proposed:

1. **Adopt Common Core Standards in English, language arts, and mathematics** for grades K-12. The Common Core State Standards Initiative is a state-led effort that defines the knowledge and skills students should have within their K-12 education careers so that they will graduate high school able to succeed in entry-level, credit-bearing academic college courses and in workforce training programs. Thirty-six states along with the District of Columbia have adopted common core standards.^v
2. **Utilize Summer Leadership Academies** as a forum to provide school leaders with an understanding of the common core standards, with the goal of driving improved teaching and learning in their respective schools.
3. **Promote a state provision that allows districts to apply for a waiver from seat-based credit requirements**, and allow students the opportunity to earn credit through proficiency-based advancement. The state also plans to **encourage the use of the “The Move On When Ready Act”**, which enables 11th and 12th grade students who have demonstrated readiness for college-level work to leave their assigned high schools to attend a college or technical school full-time to complete high school graduation requirements while earning college credit.
4. **Make Science a second annual yearly progress indicator**, and require that all elementary and middle schools adopt this second indicator.

Projects include:

- \$7.8 million for development and delivery of training on Common Core Standards
- \$7.4 million to create new benchmark assessments

State Reform Area: Data Systems to Improve Instruction

Goal: Build data systems that measure student success and inform teachers and principals on how they can improve their practices.

Race to the Top Budget Allocation: \$42 million

Activities proposed:

1. **Develop a Statewide Longitudinal Data System (SLDS)** that provides data access to multiple users – students, parents, teachers, administrators, and researchers. The state believes longitudinal data across the Pre-K through college (P-20) pipeline is vital to ensuring that Georgia has appropriate information available to support core policy decisions and ongoing operational improvements. Furthermore, such data will help drive strategic allocation of resources based upon programs and policies that improve student outcomes.
 - One particular goal of the SLDS is to promote access to P-20 data for researchers outside state agencies, i.e. public and private institutions of higher education within the state and nonprofit research organizations.

2. **Establish policies that encourage and support increased adoption and use of local instructional improvement systems.** In addition, the state plans to promote practices that enable educators in participating LEAs to better understand how to effectively utilize information in the SLDS and in local instructional improvement systems to drive student performance.

Projects include:

- \$13.6 million for development of Statewide Longitudinal Data System
- \$7.6 million to design, develop, and implement a P-20 Enterprise Data Hub to electronically link educational information

State Reform Area: Turning Around Lowest Performing Schools

Goal: Turn around Georgia's lowest-performing schools.

Race to the Top Budget Allocation: \$29 million

Activities proposed:

1. **Establish a new State Office of School Turnaround** within the Department of Education, which will be charged with giving "due attention to persistently lowest-achieving schools".
2. **Partner with Teach for America (TFA), The New Teacher Project (TNTP), and UTeach** in an effort to bolster the teacher pipeline and support turnaround or restart efforts.
 - TFA will expand in metro areas where it currently has substantial presence, i.e. metro Atlanta.
 - TNTP will service some of Georgia's more rural/distant regions, while also servicing metro areas.
 - UTeach sites will assist LEAs in additional locations to increase the supply of mathematics and science teachers.
3. **Support three additional Performance Learning Centers (PLCs)** for which this is an appropriate model. PLCs are small, non-traditional schools geared toward high school students who are not succeeding in the traditional school setting and have been deemed at risk of dropping out. Currently, there are 21 PLCs in Georgia, with each serving about 2,000 students. Georgia's existing Community In Schools initiative aims to increase the total number of PLCs in Georgia by 30, utilizing both Race to the Top funding and other grant funding.
4. **Pilot middle school models similar to PLCs called Life and Learning Academies (LLAs)** to provide a non-traditional, accelerated education setting for middle school students. The state will determine what it deems an *optimal* mix of PLCs and LLAs among the centers/academies that it supports through the Race to the Top grant.

Projects include:

- \$15.6 million contract with Teach for America (TFA) to increase the pipeline of available high-quality teachers in the greater Atlanta area.
- \$11.7 million contract with The New Teacher Project (TNTP) to increase the pipeline of available high-quality teachers in Georgia.

Other Reform Initiatives

Initiative: Innovation Fund

Goal: Fund innovative efforts aimed to help generate momentum to reform ventures that pioneer more effective tools and strategies for advancing applied learning and academic achievement of Georgia's K-12 students.

Race to the Top Budget Allocation: \$19 million

The Fund will allow institutions to seek funding for partnerships that work within three areas that will significantly impact the future success of Georgia's students: (1) Supporting student learning; (2) Increasing the teacher and principal pipeline in high needs subjects and geographic areas; and, (3) Providing quality induction to retain and further develop highly effective teachers and leaders.

Initiative: Early Learning Outcomes

Goal: Improve educational outcomes for high-need students who are young children (pre-kindergarten through third grade) by enhancing the quality of preschool programs.

Race to the Top Budget Allocation: \$1.4 million

Activities proposed:

1. **Utilize Classroom Assessment Scoring System (CLASS)** to provide targeted technical assistance to specific Georgia Pre-K classrooms. According to researchers, The CLASS is an instrument that can be used to assess classroom quality, as well as used for program accountability purposes, program planning and evaluation, and for professional development and supervision. This initiative will be implemented by Bright from the Start: Georgia Department of Early Care and Learning (DECAL).
2. **Ensure that all programs that feed into the lowest achieving schools receive resource coordination (RC) services.** Currently, Georgia's Pre-K programs are able to apply for a RC grant to provide specific family and children services related to the transition process between Pre-K and Kindergarten. Furthermore, these grants will be used to extend the Strengthening Families training to elementary school counselors and Title I family liaisons. This initiative will be implemented by Bright from the Start: Georgia Department of Early Care and Learning.
3. **Launch a new national Grade Level Reading Initiative** for ages Birth to 8 under the leadership of the Annie E. Casey Foundation and other national foundations. Georgia has been selected by the Annie E. Casey Foundation to serve as its lead in this campaign. The goal is to leverage public, private, and philanthropic dollars to make a significant improvement in reading proficiency, starting in the third grade and extending throughout the life cycle of schooling.

Remaining Race to the Top Spending:

The state has budgeted approximately \$180 million of Race to the Top funding for projects within the four reform areas and additional reform initiatives highlighted. The remaining funding is budgeted for project management (\$11.8 million), base funding for RTTT LEAs (\$4.6 million), and indirect costs (\$4 million).

Policy Considerations

Over the next four years, Georgia will invest \$400 million into its public education system through Race to the Top funding. Half of this funding will flow directly into 26 local schools systems and directed towards targeted reform initiatives. Implementing the various initiatives of Race to the Top will occur in the aftermath of significant cuts to K-12 education in Georgia. Since 2009, K-12 education in Georgia has experienced state funding cuts of over \$1.2 billion. These cuts take into account federal funds provided through the American Recovery and Reinvestment Act of 2009, which will no longer be available in 2012. When excluding these federal funds, K-12 education has experienced state funding cuts that amount to over \$2.4 billion.

Thus, as the state and participating LEAs work to implement their respective Race to the Top agendas, it will be important for policymakers to be attentive to the potential long-term fiscal implications resulting from this overall initiative. According to accountability reporting by Georgia's Department of Education, the American Recovery Reinvestment Act (ARRA) has provided Georgia over \$1.6 billion in one-time funding to help address funding shortfalls for K-12 education.^{vi} As this one-time funding becomes no longer available in 2012, policymakers will have to address the resulting budget realities. When placing Georgia's Race to the Top initiative into the broader state budget, various elements of the initiative could have long-term fiscal implications at the state and local level. Two potential fiscal issues are presented as examples.

I. Performance-based Pay

Plan: Award individual performance bonuses to all teachers and to school leaders based on specific performance metrics. Increases in salaries for principals will be tied to the performance of their respective schools and additional individual bonuses will be awarded to core subject teachers in high-need schools if they reduce the student achievement gap.

Fiscal Implication: Participating LEAs will use a portion of their allocated Race to the Top funds to provide performance-based financial incentives. The state has budgeted \$4 million for supplemental performance-based funding for participating LEAs and potentially \$11 million for performance-based funding for principals and assistant principals. Also, the state plans to include awarded bonus compensation in the calculation of teacher's pensions and retirement. Accordingly, once Race to the Top funds are fully spent by 2014, potential fiscal issues include:

- What revenue source(s) will support performance-based financial rewards?
- Who will be responsible for generating this funding – the state, local schools systems, or both?
- If local schools systems must fund performance-based financial incentives, how will this impact the ability of local schools systems to offer these incentives?

2. Training and Implementation

Plan: Many projects within the Race to the Top agenda entail providing training to teachers and leaders at the local level. In addition, teachers and school leaders will require training to effectively utilize various data systems, as well as assistance with implementing state-led initiatives.

Fiscal Implication: Regional Education Service Agencies (RESAs) experienced a significant funding cut in Georgia's 2011 fiscal year budget. In addition, funding for Education Technology Centers (ETCs) was drastically reduced in the 2011 budget. RESAs and ETCs function as service conduits between the state and local schools. The purpose of Georgia's 16 RESAs is to assist local school systems with improving the effectiveness of educational programs and services. ETCs provide technology resources to local school systems and provide training and support to school systems in the use of

technology in instructions. Georgia's current budget entails merging existing ETCs into the operations of RESAs. State funding for the two programs for 2011 has been reduced by 35 percent compared to 2010 funding levels. Accordingly, the capacity of the merged operations to effectively service local schools will be important. If service capacity is inadequate, the state will be challenged to address the issue, which may require increased funding.

Beyond the drastic budget cuts that K-12 education has experienced in recent years, Georgia faces broader budgetary challenges. Georgia has indeed felt the impact resulting from the worst fiscal crisis since the Great Depression, which has resulted in multi-billion dollar deficits. Moreover, state revenue collections, as a percentage of personal income, have continuously declined over the past decade. Thus, as Georgians' income has increased, state revenues collected from Georgians have not kept pace, creating a structural deficit. Public structural deficits occur when revenues generated to provide public goods and services grow at a lower rate than the increase in costs associated with providing those public goods and services. If left unattended, over time, the gap between revenue intake and costs becomes increasingly larger. This is the situation Georgia now faces.

Looking beyond 2014, the year in which all Race to the Top funds must be spent, Georgia will face an even more stubborn structural deficit than today. In the absence of new revenues, additional budget cuts for FY 2012 are projected to be at least \$1 billion.^{vii} Furthermore, Georgia looks to face an even more challenging structural deficit beyond FY 2012. Due to further erosion of the state's tax base, projected slow economic growth, normal budget growth due to a growing population and an increased demand for state services, as well as the importance of growing the state's Revenue Shortfall Reserve, the existing tax base is simply inadequate to balance the state budget in the long-term. This is the broader fiscal terrain in which Georgia will pursue its Race to the Top initiative.

Endnotes

ⁱ Race to the Top Program Executive Summary; US Department of Education; <http://www2.ed.gov/programs/racetothetop/executive-summary.pdf>

ⁱⁱ National Assessment of Educational Performance (NAEP) reports a total K-12 student population of 1,655,792 in Georgia for 2008-09.

ⁱⁱⁱ FAQs section of California's Race to the Top website (<http://www.caracetothetop.org/cs/rttt/print/htdocs/faq.htm#whynot>)

^{iv} Figure taken from Georgia's Race to the Top application

^v Common Core State Standards Initiative; <http://www.corestandards.org/>

^{vi} Georgia Department of Education, Stimulus Reporting, 4th Quarter (06/30/2010)

^{vii} Deep Cuts to Government Mark Fiscal Year 2011: Overview of the Final Budget; by Alan Essig, executive director, Georgia Budget and Policy Institute; June 15, 2010 (<http://www.gbpi.org/documents/20100616.pdf>)

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