UNITED STATES OF AMERICA

DEPARTMENT OF EDUCATION

+ + + + +

EQUITY AND EXCELLENCE COMMISSION

+ + + + +

TUESDAY
FEBRUARY 22, 2011

+ + + + +

WASHINGTON, DC

+ + + + +

The Commission met in the Barnard Auditorium at the U.S. Department of Education headquarters, 400 Maryland Avenue, Southwest, Washington, DC, at 10:00 a.m., Christopher Edley and Reed Hastings, Co-Chairs, presided.

COMMISSION MEMBERS PRESENT:

CHRISTOPHER EDLEY, Co-Chair
REED HASTINGS, Co-Chair
CYNTHIA BROWN
MIKE CASSERLY
MARIANO-FLORENTINO CUÉLLAR
LINDA DARLING-HAMMOND
SANDRA DUNGEY GLENN
ERIC HANUSHEK
KAREN HAWLEY MILES
BEN JEALOUS
RALPH MARTIRE
MATT MILLER
MICHAEL REBELL
AHNIWAKE ROSE
JESSE RUIZ
JIM RYAN
THOMAS SAENZ
DAVID SCIARRA
COMMISSION MEMBERS PRESENT (CONT'D):

ROBERT TERANISHI
JACQUELYN THOMPSON
JOSE TORRES
DENNIS VAN ROEKEL
RANDI WEINGARTEN
DORIS WILLIAMS

EX-OFFICIO MEMBERS PRESENT:

RUSSLYNN ALI, ED Office for Civil Rights
TONY MILLER, ED Deputy Secretary
MARTHA KANTER, ED Under Secretary
CHARLIE ROSE, ED General Counsel
CARMEL MARTIN, ED Office of Policy
ROBERT GORDON, Office of Management and Budget
ROBERTO RODRIGUEZ, White House Domestic Policy Council

COMMISSION MEMBERS NOT PRESENT:

JIM EDGAR
KATI HAYCOCK
JOHN KING
MARC MORIAL

ALSO PRESENT:

STEPHEN CHEN, Executive Director and Designated Federal Official
MIKE HONDA, Representative of California's 15th District
CHAKA FATTAH, Representative of Pennsylvania's 2nd District
T-A-B-L-E O-F C-O-N-T-E-N-T-S

Welcome .................................................. 4
Remarks from Congressman Honda ................. 5
Remarks from Congressman Fattah ............... 7
Remarks from Under Secretary
  Martha Kanter ................................. 11
Remarks from Special Assistant to the
  President Roberto Rodriguez ............. 14
Remarks from Department of Education
  General Counsel Charlie Rose ............ 17
Remarks from Assistant Secretary
  Carmel Martin ............................... 19
Remarks from Assistant Secretary
  Russlynn Ali ............................... 21
Discussion on Vision and Goals of the
  Commission ................................. 23
Work Plan Discussion ......................... 108
Group Presentations ......................... 184
Wrap Up ........................................ 200
Adjournment .................................... 204
CHAIR EDLEY: Okay, folks, we really need to get started. I need my Co-Chair.

Okay. Let's come to order here. And I'd like -- you want the gavel? Why don't you take the gavel?

CHAIR HASTINGS: I'm looking for Mike Honda.

REP. HONDA: Right here.

CHAIR HASTINGS: We switched ends here.

I'm going to get a chance to introduce Mike Honda who I first got to know about a decade ago. And he's been a leader in San Jose in many education efforts before taking the national stage as a Congressman. And he’s represented the 15th District of California since 2001, so a decade. He's a Member of the House Appropriations Committee, former Chair of the Congressional Asian-
Pacific American Caucus, Co-Chair of the Democratic Caucus New Media Working Group, House Democratic Senior Whip, and one of the authors of the legislative language that established this Equity and Excellence Commission.

So with that, let me introduce Congressman Mike Honda.

(APPLAUSE.)

CHAIR EDLEY: I'm sorry.

Microphone.

REP. HONDA: Well, thank you very much for this opportunity. And I just want to say to each and every one of you, thank you so much for being willing to serve on this Commission. This is not a regular commission. It is a commission that as it has been said before that's willing to address the difficult questions and continue to work through it because our children deserve it now. This is going to be an outcome of this Commission, whose work and ideas and suggestions will
address the basic needs -- the real needs of this country in terms of our children.

I appreciate our two Co-Chairs. I learned a new word. Each one of you have, in education, gravitas. And I think that meant you're heavy hitters.

And so as a teacher -- as an educator for 30 years -- I truly, truly thank you for being willing to travel this country and be part of regional discussions so that the issues that every state is struggling with on behalf of the children will be addressed in ways that will create and suggest new partnerships and where our resources will be focused in ways that will help our country move forward and we'll truly be able to say that our children are our natural resources and our reason for being here. I appreciate all of you for doing this.

(APPLAUSE.)

CHAIR HASTINGS: U.S. Congressman Chaka Fattah has represented the 2nd
Congressional District of Pennsylvania since 1995, primarily Philadelphia. He is a Senior Member of the House Appropriations Committee. Representative Fattah is also Chair of the Congressional Urban Caucus, a bipartisan group of 57 members representing America's metropolitan centers. And Representative Fattah is one of the authors of the legislative language that established this Equity and Excellence Commission.

Congressman, thank you.

REP. FATTAH: Let me thank you and your Co-Chair and each of the Commissioners for their service to the country through this vehicle which I think has the potential and the burden with an historic circumstance. February of 1970, President Nixon's School Finance Commission met and two years later issued its report. And it says that the disparities that existed in our public education system could not be addressed unless we addressed the fundamental issues around
federal involvement and also state financing schemes.

So as I come this morning, I wanted to tell you that some 41 years later, there is work to be done. There still exists a national imperative. President Obama and Secretary Duncan have said that they see a requirement for us to compete internationally and that we provide an educational opportunity for every child.

There's no state in the union today where children coming from difficult circumstances are receiving the same educational opportunity as those in their wealthy suburban school districts. In Philadelphia on average, the contiguous districts around Philadelphia are spending more than $100,000 more per classroom. And if you do that in first grade and second grade and third grade and fourth grade and all the way through, you create a set of dynamics in which you can as a math instructor fully
certified make twice as much teaching half as many children, or you can do the opposite in Philadelphia. And so it creates a very difficult circumstance to get qualified teachers who've majored or minored in the subjects that they're teaching.

I'll close with this that it was the Roy King affidavit and the Arkansas School Finance case years ago that I think when he said that he wanted the court to know that he had 400 students at his high school, he was the entire math faculty. He taught algebra and trig and calculus. He wanted the court to know he loved his children but that he didn't have a degree in math. He hadn't taken a math course himself since high school. His degree was in physical education. And he was hired as a gym teacher. He made a little extra money driving the school bus. And in these 400 kids, he had 20 textbooks. He would do a lottery to see who could take them home over the weekend. And he had four calculators.
And whether you look at the Campaign for Fiscal Equity case in New York or whether you look at the Commission that was set up in Maryland and look at the Maryland circumstances, all across the land we know that poor children get the least of everything they need in order to learn. It's as if we are as a country amazed that children with no water in the pool can't swim. And the idea here is that well, maybe if we put water in the pool, they could swim. And in international competition, we're doing so poorly now as a country, we can't afford not to get all of these young people to be able to live up to their God-given talents.

So thank you for taking on this mission and responsibility. I thank the President and Secretary Duncan and Ms. Ali who leads the Office for Civil Rights for her work in this regard. I thank the Co-Chairs. And most importantly, I thank my colleague, Mike Honda, because it's through his tenacity that
we have arrived at a point when the Commission could go forward and could have adequate resources. And it just proves that even though he's on the other coast and I'm on this coast, that if Americans work together, we can achieve anything.

Thank you.

(APPLAUSE.)

CHAIR EDLEY: Thank you very much, Congressman.

We want to hear briefly from some of the ex-officios, Members of this Commission appointed by the Secretary to join us, to help lead us. And first Martha Kanter who's the Under Secretary of the Department.

MEMBER KANTER: Yes. First, I'd like to welcome everyone to the Department of Education and especially thank Congressman Honda and Congressman Fattah for your leadership. I think it's critically important for the future of the country.

My portfolio with Secretary Duncan
is higher education, workforce education and adult education, all undergirded by federal student aid. And when I look at the statistics, especially in college, we have 50 percent of students entering not completing within six years. I look back to high schools. Twenty-five percent aren't finishing. I have a colleague in the Department, Jacqueline Jones. She is chairing our early learning agenda. And I said Jacqueline, how many children aren't ready for kindergarten? She said about a third. She came from ETS. She's a scholar.

So the work of this Commission is critically important as I said because we have to fix this pipeline in equalizing the resources for children so that they can be part of what I call the top 100 percent of students getting through not only the K-12 system, but if you want to go to college you should have the opportunity.

We're thrilled that the FY 12
budget came out with very, very strong support from President Obama for the continuation of federal student aid. And I said to some friends the other day, that's something that all of higher education, adult education and K-12 can support because we are seeing tremendous -- tremendous increases in the first two years of the Obama administration going from six million students at 150 percent of poverty to now 9.4 million with projections up over 10 million next year. So we've increased by 50 percent the number of students from low income families coming into higher education. We want to do the same thing with students going through. But it just is an example of how much more we have to do and how important this Commission is.

So thank you for having me. I have a couple of things upstairs, but I'll come in and out this morning. And I appreciate your work and your leadership and everyone coming here to the Department.
Thanks so much.

(APPLAUSE.)

CHAIR EDLEY: Thank you, Madam Secretary. And she does have to leave quite soon, but we'll have the benefit of her participation throughout all of this.

Another of the ex-officios I know has to leave soon is Roberto Rodriguez who's a special assistant to the President.

MEMBER RODRIGUEZ: Thank you.

Good morning. Thank you so much.

I want to first acknowledge as my colleagues have the leadership of Congressman Fattah and Congressman Honda for really shepherding this important Commission through Congress and working with our Administration to really put this charge forward to look at school funding and to look at this question of equity as we advance our work here across the country to really reform and strengthen our schools.

I'd like to thank all of the
distinguished Commissioners here today for
your service and your leadership on behalf of
our Administration. We're very grateful. I
think we have a tremendous group of thought
leaders here, and we're very much looking
forward to the discussion that will ensue and
also in being able to advance some new ideas
and have a new blueprint that will help frame
the important reforms that are underway across
the country.

The President has really charged
us with doing more to improve opportunities
and outcomes across our system so that we can
again lead the world with the highest
proportion of college graduates by the year
2020 and ensure that all of our students are
on track to college and career readiness by
2020. Those are key goals. The Secretary
often calls them our north star. They guide
everything that we've done here across our
Administration's trajectory over the past two
years.
And I think the work here underway to examine questions of school funding and of equity are really critical to that work. We now have over 40 states that are working together in a collaborative manner to implement college and career ready standards. We have advanced a new series of reforms around teacher effectiveness to do more to really ensure that all of our students, and in particular our students with the greatest needs are students coming from high poverty areas have access to an effective and talented teacher to really help them succeed and thrive and meet their full potential. We're taking on ambitious work as an Administration and really transforming our lowest performing schools to really ensure that they have the amount of support needed to be able to help all students succeed.

All of those reforms are certainly an important backdrop to the conversations that I think this Commission will have in
terms of making sure that we are as a nation really considering these questions -- these critical questions around funding and the resources that are needed to be able to meet that charge.

We also know we need to do better and really open a conversation around ensuring that we are spending the resources that we have currently in the system in a way that's really maximizing opportunities and outcomes for our kids. And so we very much look forward to that conversation here as well.

Again, thank you for the opportunity to be here with you. And we're just thrilled to have the Commission moving forward. I'm very grateful to Reed Hastings and to Dean Edley for their leadership in Co-Chairing this. Thank you.

(APPLAUSE.)

CHAIR EDLEY: Okay. Thank you, Roberto.

Charlie Rose, our General Counsel
MEMBER ROSE: Good morning, everybody. My name is Charlie Rose, and I serve as the General Counsel to the Department of Education. And along with my colleagues at the Department of Education, I want to welcome all of you and thank you for your service on this important Commission.

I also want to acknowledge and welcome the members of the public who are here. Thank you for taking time out of your day to be here and joining us in this important endeavor.

Prior to coming to Washington a couple years ago, my former life was a school board lawyer in Illinois. I had the privilege of representing the wealthiest school districts in Illinois, but I also had the privilege of representing the poorest school districts in Illinois. And through my work with clients, I saw first hand the impact of our inequitable school finance system on the
lives of children.

My hope is that this Commission will prepare a report that will explain the problem coherently so members of the public can understand -- in essence personalize -- this problem, but go beyond that and provide robust, hard-hitting recommendations that give our state leaders and our local leaders the tools to in essence empower them to make these tough decisions.

In our decentralized system of education in the United States, ultimately it's those that are at the state houses and at our local school boards that need to make these tough decisions. And I'm hoping that the report that this Commission generates and the work of this Commission will provide the leadership for those to make those decisions.

Thank you.

CHAIR EDLEY: Thank you, Charlie.

(APPLAUSE.)

CHAIR EDLEY: Carmel Martin,
MEMBER MARTIN: Good morning, everyone. My name is Carmel Martin. I'm the Assistant Secretary for Policy and Budget here at the Department. I want to echo the applause for the leadership of the Congressmen and also our two Co-Chairs and thank them for taking us through this process. And I want to thank all the Commissioners for taking the time to be here. I know we're asking a lot of you, and we really, really do appreciate it here at the Department.

It's an honor to serve as an ex-officio member. I'll be brief because you all are the experts, so we'll save time to hear from you.

As our Deputy Secretary Tony Miller said this morning, the President and the Secretary really have made equity and excellence the center of everything we do at the Department of Education. And the topics that this Commission are going to tackle are
really important for us as we move forward with our work at the federal level to be thinking about state and local implications as well.

So I'm eager to learn from you all and gain your wisdom as we move forward. So thank you so much for being here and having me.

(APPLAUSE.)

CHAIR EDLEY: And finally, our immediate task master and leader, Assistant Secretary Russlynn Ali.

MEMBER ALI: Thank you. Don't absolve leadership responsibility, Dean Edley, because that is you and Reed, thank heavens.

I just too want to echo my colleagues' gratitude for all of you being here today. We received more nominations for this Commission than any other -- well over 100. From what we gather, more than any other in the Department's history. But because of shoddy recordkeeping, I don't want to confirm
that.

(LAUGHTER.)

MEMBER ALI: Your task is enormously important. That is how do we get to the goal that we've set as a nation? How do we fulfill the promise of our nation? How do we allocate resources effectively, efficiently and equitably in order to ensure that all of our children have the opportunity to succeed in this global and interconnected marketplace?

While audacious, we also believe that our goal is doable with you all at the stead. As one blogger wrote when the press announcement went out, you all represent the all stars in education reform. Alongside the testimony and research and experts from the field that will help inform our work, I am all the more inspired and hopeful that this will not be yet another Commission report that sits on a shelf. Trust me, we know how very busy you are and how preeminent each of you are in
your respective scope of work. And we would not ask you to do something that we thought would end up being a waste of time.

So without further adieu, I will turn it back to your Chairs. And know that we as a Department and Secretary Arne Duncan are here to support you in this work, provide you the tools that you need to succeed and answer all of the calls for action that you impart upon us.

Thank you.

CHAIR EDLEY: The blogger said all-stars?

MEMBER ALI: All-stars.

(APPLAUSE.)

CHAIR EDLEY: When did your mother start blogging?

(LAUGHTER.)

CHAIR EDLEY: So here's I think the way we'll proceed for the moment. I'll try to say a little bit by way of synthesis of some of the earlier conversations that we've
had about possible directions. Reed will correct me. And then, we'd like to get feedback from all of you as to whether or not we've got the basic design right.

And then time permitting, we'd like to drill down a little bit on each of the elements that I'm going to lay out for you, try to flesh them out a little bit more than I will attempt, with an eye towards perhaps forming working groups or subcommittees, informal subcommittees of some sort to proceed with care.

So I'm mindful as we try to lay this out that we have to strike a balance along several dimensions. We want to be visionary. We want to be ambitious. We want to be disruptive as the Secretary put it. But on the other hand, we don't want to be quixotic to the point of irrelevant. We are all here. We're all busy. We want to make a difference.

There have been so many reports
that have just gone on the shelf or into the circular file. There are a lot of reports -- even the good ones -- where there are about 522 times as many people who say they've read them as have actually read them. But that's okay. I'd just like people to say they've read our report even if they don't really do it. But we want to write something that matters and that is useful as well. We have to struggle between the balance of doing something that has short-term relevance and impact on the one hand versus something that is longer term and really helps shape, or at least attempts to shape direction over a number of years and articulate some goals that can only be accomplished in the fullness of time. So this is going to be very difficult. And my guess is that the answer to most of these choices are that we're going to have to do a little bit of both -- a little bit of each.

So here's where I think we are.
Four pieces is what I've heard in conversations with you. First, despite the fact that many elements of the nature of the problems -- the challenges of equity and excellence are known to each of us -- there seems to be a sense that we should spend energy, time in the report talking about just describing the problem -- characterizing the problem -- the equity issues, the disparities, the shortfalls in excellence that we see both within the country and internationally. We think, and Reed feels particularly strongly about this, but I agree with him that in the description, a lot of state-to-state comparisons and even district comparisons will be important so that we can begin to develop a sense of where there may be some promise, where there may be some important counter examples. So part one, characterize the problem, describe the problem in a way that sets a context, educates the public.

I might add by the way that I
think it would be great if in characterizing the equity issues, we could go farther than other groups have gone at coming up with measures. What do we mean by equity? How do you tell when you have it, when you don't have it? How should gaps be characterized? What are the most relevant, most salient dimensions of equity? Can we invent sort of a Gini coefficient kind of thing for various dimensions of equity?

Part two is the description of our North star. Where do we want to get? Some years hence, what would be the characteristics of an equitable and more excellent K-12 or P-12 system? I think at a broad level, we have the two key goals that President Obama has emphasized. And I doubt that there would be much if any dissent from that around this table -- talking about college success and talking about preparation for post-secondary success. But what more specifically would we say as characterizing the kind of school
system, the kind of education opportunities that we want available for every child and in every community?

Part three is the well, how do we get there. If we describe the North star, we describe the vision of where we want to go, then the question is how do we get from here to there. And that's an opportunity for us to mobilize what is already known about what works or what is promising by way of improving performance, by way of closing achievement gaps and other forms of inequity, by way of closing international competitiveness. So the how do we get there part. And here I think examples from the states and from districts, positive examples of what seems to be promising and worth emulation as well as the other kind of examples. Examples of paths not to take may be worth trying to reach some consensus on. So that's the third -- the how do we get there.

And then fourth, and I think very
important to our work, many of you I know have expressed a commitment to working on issues of finance. Of given where we want to go and what we have to do to get there, what kind of education finance system -- federal, state, local -- is needed in order to deliver?

I think there may be some tension in the group as to what extent we ought to talk about funding equity issues versus funding adequacy issues. Again, I'm sure we'll do some of both.

I think we are in rough agreement that at the moment all levels of government have horrendous budget constraints. But I think we're all also in agreement that someday the sun will shine again. There will be opportunities for new investments at all levels of government. And the question is what can we do to make it more likely that those new investments will be wise investments -- effective investments.

I think we've also all agreed that
this is not only a matter of how much money is being spent, but also how well it's being spent. How much money is being spent on things that don't deserve the money that they're getting? So adequate resources, but well spent.

I think we're also all in agreement that the right policies informed by research and evidence are critical. But perhaps equally critical is the quality of implementation because the right policies poorly implemented can in fact not only squander money but actually move you in the wrong direction. I think we've all seen examples of that.

So those are the four themes that I have heard thus far. It's the elaborated description including state comparisons. It's the where do we want to go, let's say the vision. It's the how do we get there with examples and counter-examples. And it's the financial and fiscal underpinnings for the
strategy.

Now let me ask Reed to please correct and elaborate.

CHAIR HASTINGS: It's an enormously ambitious agenda given both the budgetary constraints on this Commission as authorized, and its implied schedule. And what I'm left with is a feeling of unease between the ambition and the agenda and I know what we would all like to accomplish, and the fact that in the blink of an eye, today's going to be done and then we have three more times getting together to submit the final report.

And so the art I think that we have going forward is to figure out within the overall vision as articulated, how do we pull out pieces to have them be meaningful, leveraging the work of others? Lots of you are involved in organizations that have many of these pieces, but they may not have all the same authority as if it comes from this
Commission. And so sometimes simply repeating the citation -- the work that's been done and validating it can be enormously effective. And those are ways to leverage.

I think second is we want to figure out some kind of subcommittee structure in context of these sections so that we can break up and divide up into more manageable groups and try for two or three of the meetings to be really focused on making a contribution in the area of passion or of distinctive competence and then coming back together and seeing what we can do to synthesize. And through that and a tremendous amount of good luck and hard work, come up with something that we're all proud of 11 months from now.

CHAIR EDLEY: Russlynn, you are going to have to straighten us out repeatedly. You might as well get started.

MEMBER ALI: It feels like the right goal. I know it's ambitious. I know
the constraints on your time and the pulls on
your time it will result in. Though I think
two things. One, through this subcommittee
structure as Reed mentioned we can get a lot
done. We will also attempt to think very
creatively to ensure that you have the
resources and the dollars to get this job done
and get a report out there that has far-
reaching consequences. So more on that as we
continue to work through our internal budgets
and we work with great numbers of the Congress
to see that the President’s goals and the
budget are met.

That said, how far this goes, how
much impact it has, what it does is ultimately
up to you. My primary concern is that the
public conversation and civic dialogue is
impacted greatly, that we do not waste any of
your time, that you leave here feeling like
you have made a dent in the behemoth that is
education dialogue and building of civic will
in this country, and that years from now, this
Commission's report still has your spirit, gravitas, as the Congressman said and have to get the job done.

I may well have to pull you up, Dean Edley, but let's assume for the time being that that won't have to happen because of your great leadership alongside Reed Hastings.

CHAIR EDLEY: Yes. Everybody has to stop calling me Dean Edley. The name is -- I am getting a big bald spot. But I'm not 82.

Look, one last thing and then Reed and I would like to get feedback from you on the floor, kind of planks or pillars that we laid out. And that is we're going to try to make sure that when you come to meetings, you don't spend time doing things that you could have read without bothering to get on a plane or a train or what have you. Everybody's busy. And so we want to spend as much of the conversation as possible doing things that you can only do effectively when you're having
face-to-face meetings.

For me, that means having food fights. I always tell my students if you're not arguing, then you're probably not dealing with the hard part of the problem. So yes, we should spend some time searching for consensus. But we should also make sure that in our conversations with each, we get past the pre-recorded statements and views and push each other.

Obviously in the report itself, a lot of that will be our effort to frame what at least those of us who are expert think of this conventional wisdom because we do have to do some teaching. But certainly in our time together, I think the less time we spend on conventional wisdom, the happier everybody will be with our personal investment in this enterprise.

So with that, reactions? Are those the four right things? Does that reasonably capture what people are after and
your particular passions will be able to find a home within that structure?

Tino? And let's, folks, identify yourself in case we have viewers on the web or elsewhere.


Chris, thank you very much for your very helpful leadership, and Reed, and Russlynn. And Congressman Honda, Congressman Fattah, thank you for your leadership on this issue.

I just briefly want to make the following two points.

I think that the structure will work well. I think it does track our conversation so far. There are two tensions I want to speak to that I think will arise in the structure but I think we can and should try to manage them.

The first tension is really about how much we want to spend time and energy
explaining the problem to the public. There was discussion earlier about how much we already know. I think that's important. But I think it's also critical to recognize how much of the narrative of this issue is still up for grabs and not entirely defined in a way the public understands it. And just to make this point, I want to just refer to my own kids and my own effort to try to explain to them what this group is going to do. Now granted, my kids are six and four.

(LAUGHTER.)

MEMBER FLORENTINO-CUÉLLAR: But I thought it'd be a good place to start. This is about education.

So my four-year-old son wanted to know if there were going to be any bad guys. That's one way he measures his own degree of interest in a narrative. And my daughter wanted to know who the hero was going to be or heroine that was going to rescue us from this situation. And I do think that underscores
the extent to which it's important to frame the public conversation. And much of my work in the last few months has been really about trying to understand the ways in which our domestic laws affect our national security. And I was heartened to see how many people around this room believe as I do that that should be an important part of the narrative and the conversation.

The second point really is about parts three and four as you pointed out. How do we get there, and how do we think about financing? And here, I think the tension really is between bold and dramatic proposals and practical concern with what can be done in the very short term. And that to me suggests that one important conversation we're going to have to engage with is the issue of what's our time frame. How long do we want this to really be as the sort of time horizon for the report to have an effect? Are we coming up with recommendations and ideas that are meant
to be implemented in one to two years, in ten to 15 years? Are we thinking about strategies that will help shape the conversation and shape the way the public understands their own interests in this even if that takes ten or 15 years?

I think there are some important analogies that we can draw insights from that involve public health, for example, where the whole question of time frame is absolutely critical. And I would just push us all to be as specific as possible about what time frame we're talking about.

CHAIR EDLEY: Well, let me push you.

Do you have a sense yourself of what you think is right? I mean, how many years do you want to be on the best-seller list?

MEMBER FLORENTINO-CUÉLLAR: Very many. Yes, but at least one.

My instinct at the outset --
though I'd love to hear other reactions -- is that we probably should think of parts three and four as having each of them two tracks, one of them being a very short-term track about what Arne Duncan, what the Administration, what Congress can do now, and recognizing that some of those proposals are going to be more difficult to implement than others.

But the other, we really should think about how a system of policies and ideas and values in a country moves over time. And here I think one important analogy might be the evolution of civil rights in the history of this country which now we can look back and think of some great achievements in civil rights rightly as important legacies of this country and great accomplishments of the 20th Century. But we can also see that as a very unfinished agenda. And here I think it's helpful to think in historical terms what takes 15, what takes 20 years, what takes a
generation, how is that my own kids six and four can learn to understand this problem not just as a problem that affects them in terms of the schools that they have but the country they're going to live in and the kinds of choices they're going to have to make as part of a generation that will confront a very inequitable education system.

CHAIR EDLEY: Can I just ask? Is there a specific reaction to Tino's comments--especially anybody think he's just an idiot?

(LAUGHTER.)

MEMBER DARLING-HAMMOND: I think it's really important to have the two tracks. I think that's really an important idea.

And we ought to say where should we be at a point in time whether it's ten years out, and then what can we begin to do now to get there.

I think that's the order of operations. If we say what can we do next year and then what good the year after, it may
not get us to where we should be in ten years. We have to be clear about what the end goal ought to be and then figure out how you can get started on it.

CHAIR EDLEY: Mike?

I'm sorry. Identify yourselves. That was Linda Darling-Hammond of Stanford, I guess -- another Stanford. Yes.

MEMBER CASSERLY: Mike Casserly with the Council of Great City Schools.

Chris, I like the frame, the kind of four-fold frame that you put our work into. I think it works nicely as kind of an organizing principle.

I just wanted to speak to item two -- that kind of ultimate goal and vision for where this goes. And I'm going to put this in a way that --

CHAIR EDLEY: I'm sorry. You need to be more directly into the mic.

MEMBER CASSERLY: Okay. Sorry.

Yes, I'm sorry. I have a voice that doesn't
carry very well.

CHAIR EDLEY: Yes, directly, I think is best.

MEMBER CASSERLY: I'm going to make a point that I made in a panel that I was on with Russlynn and Randy and Dennis last week that might suggest how it is we think about the vision and the goal and the direction. And it was kind of alluded to a little bit with Doris' comment about poverty predicting so much of education, particularly education outcomes.

And I think most of us would agree that we currently have an education system that reflects, if not perpetuates, a lot of the inequities that we have in this society. Framing our vision -- our goal -- as articulating what an education system would look like if we broke that cycle rather than perpetuate it I think would -- I think -- would resonate with the public and would add an importance and a grounding to this work and
kind of fill out your second point maybe a little bit more.

I would worry if our work becomes so much about finance that we lose the ultimate goal of what we are financing for which is to teach all kids to a high standard. And if our finance system ends up rearranging the dollars without making movement towards the higher standards and the college readiness standards that we are putting into place, then I think we will have missed the boat here.

So I don't know if that's helpful or not. But --

CHAIR EDLEY: Well, let me try this. I thought it was great.

Secretary Duncan used the word disruptive. And one interpretation of what you said would be that we may want a vision in which we have disrupted the current strong link between economic circumstance of the child of a family on the one hand and education opportunity on the other.
MEMBER CASSERLY: That would be my notion of ground disruption.

CHAIR EDLEY: Okay. So that's what the world looks like.

So I guess I just want to point out that one could imagine that as being an element of the vision. Or one could imagine that as something that's just instrumental to the vision. And let's not get hung up on that. Okay. We'll organize it where it flows would be my suggestion.

Congressman? And then Karen and Ben. Okay.

REP. FATTAH: On this point two -- the goal -- we have a lot of people who are here at the Department and Congress and throughout our states who are dealing with this short term. Dealing with the question of whether the incremental improvements we could make given the circumstances and the finances and the structure in place, I think that what is needed for the Commission is that you need
to be thinking about how it is our country of
300 million people in a globally-competitive
environment are going to educate enough of our
young people to meet the critical skill sets
that are going to be needed to advance our
country going forward.

And it's got to be a non-
incremental public policy initiative. I mean,
it can't be well, how we just kind of move the
can a little bit further in the right
direction. Because that type of
incrementalism will not achieve the goals that
the nation needs.

So we're almost 60 years since
Brown. You've got 41 years since the Nixon
School Finance Commission. These issues have
been litigated. You go to the Ohio case, the
court says the school-funded system is broken.

Poor kids are getting the short end of the
deal. You need to change it. A few years
after that -- and I won't go through the
boring details -- the court say we stand by
our original ruling. We're the Supreme Court. But we can't force you all to do anything -- speaking to the legislature. Right?

So we can't afford to just kind of be mired down in the moment and think about how we get some slight improvement over where we are. I think that's what the Department's doing with a lot of their initiatives which are great. But you need to be thinking about this country 50 years from now and where we're going to be at in comparison to those we're competing with internationally with India and in China and throughout the globe. And more importantly, where we are in comparison to our own march as a nation towards this more perfect union. This is the civil rights issue of our time. If you think it through, this is where if we're really going to create a country in which not a guarantee of results, but a comparable opportunity for young people to meet their potential.

So I think that the goal should be
not in the short term but in the long march of history in our country are we finally going to get to the point where education is going to be there for all, not just for sons of landowners or not just for the sons of the clergy. I mean, the education at various levels in our country has always been reserved for a certain group of people. And now the question really is whether we're going to take all of the young people here and give them the opportunity to not only serve their potential but to serve our country's.

CHAIR EDLEY: We're not going to have you very much as this goes on. So let me just push you a bit.

It sounds great, but it sounds like the book I want to write back at Berkeley. If we do what you said, how do we avoid being dismissed as utopian?

REP. FATTAH: Well, I think you have to tie the goal to an imperative that the country buys into.
That is to say that if we want to be economically competitive, if we want to have the national security that we want, does it really require that we educate these children? I think you've got to make that point that if we want to have the kind of Social Security, Medicaid -- these entitlements that need to be funded -- do these children have to get an education? If we look at the census data, education and wealth is normally generational in our country. We want to break a cycle -- a generational cycle of poverty in a way in which we propel these young people forward. You've got to show that it's important to the nation. That's number one. Number two, you've got to show that it's doable. And I think finally you've got to lay it out in a way in which the politics works towards achieving it versus failing at it. So there's a lot of talk about tax reform and so on. The most hated tax in the country is the property
tax. Wherever you are in the political spectrum, you could find someone who totally is on the opposite side of some of these education questions than me, but will totally agree that we shouldn't have a system in which the wealthiest communities can shield their tax dollars for only the education of their children.

Why would a state like Arkansas have -- you know, when the Nixon group got together 1,700 school districts? I mean, how does Hawaii have one, and it's not even a contiguous piece of land? I mean, why is it that in Florida you've got a county-based system, and if you were playing out the Gore-Bush election, it's the same kind of deal between the level of equipment and the types -- in terms of what's happening in the schools.

So you couldn't design a scheme better to put poor children in the worst of circumstances than what we have designed. So I just think that we've got to raise our
vision above the here and now and think about how if we were actually trying to educate these children how we might do it. In part, we can look at how those who are out-competing us are doing it, and whether they take this on as some local issue that you can decide what algebra is in your local community. And if it doesn't have any resemblance to some other community's definition of algebra, that's fine. I mean, it doesn't make any sense.

So I just urge the Commission to rise to the occasion that the nation needs. And you have the short-term fight, and it is a fight everyday. And it's being waged and I think very well by this Administration. But it is not in and of itself not going to get us there which is why this Commission is being born.

MEMBER ALI: Congressman, you raised a very important issue that I hope that we can discuss before you leave. That is in order to get to that blue sky that you have
framed for us, what is the appropriate role of the federal government to do that? You're talking about decisions are inherently local, whether it be systems of finance with property tax, or whether it be curricula decisions made at the local level. So what do you see the role of this Commission and your role as sponsors of this Commission --

REP. FATTAH: In my next mailing to --

CHAIR EDLEY: Not inherently. Historically.

MEMBER ALI: Right

REP. FATTAH: In my next mailing to you, I'm going to send you -- my staff has accumulated all of the original statutes that allowed states to join the union. And in each instance, to build this country we required those states to make a commitment to free public education.

The notion that the national government has no interest in education --
lot of my colleagues talk about well, you can't find education in the Constitution I think is wrongheaded, and that there is a foundation that not just as a matter of common sense but as a matter of statute and legal precedent that the federal government does have an interest. And it was demonstrated. You couldn't be admitted to the union unless you made a commitment to set aside land for schools and you made a commitment to educate people because we knew we couldn't be a great nation built on ignorance.

So I mean, I think that there's a role to play here. And I think that we need to craft a better bargain than we presently have.

We have regions of the country. We have parts of states. We have racial groups. We have just various disparities that exist, some of it being constructively engaged around this formation of the governors getting together around curriculum. So there you have
40-plus who joined together saying that there really isn't a difference between algebra in Philadelphia, Pennsylvania and algebra in Philadelphia, Mississippi, and that we should really have a national curriculum. And that's been fought against if implemented by the national government.

But now that you have the governors coming together and agree to it, I mean no one can argue with it from some philosophical vantage point. When the Clinton Administration tried to deal with some of these issues on teacher certification, we ran into the same issue. And then he created a voluntary system which teachers can apply to be nationally certified. And there are ways to get at some of these issues. And we just have to be creative about doing it.

CHAIR EDLEY: Okay. I have Karen, Ben, Jim Ryan and then Rick Hanushek.

So, Karen?

MEMBER. HAWLEY MILES: So I'm
Karen Miles from Education Resource Strategies. I missed that very beginning.

So I just want to remind you, it's not one of the four but for us to think about the level of data as a key strand through the whole piece of this because as we think about common core standards which is common data on outcomes, what we realize is we have nothing on the other side, nothing about in a common way reported on how talent, time, technology and dollars are deployed in these districts and states.

So I know you all talked about all morning how you can look. And this is what I do everyday. You can look across the country at high-performing, high-poverty schools that spend three times different. And it's not about the amount, but it's about the specific ways in which they've organized the resources that they have. So we're at a place in time where we can now be collecting data in a much more nuanced way about how not just the
dollars are being spent but how resources are used that I think could go a long way in a standards-based race in sort of illuminating new ways to go, creating almost pressure to use resources well just by forcing the transparency around how dollars are used.

And the second thing that's related to that is as we're looking for a disruptive sort of step-function increase in student achievement, I think we have to realize we actually don't know yet all the ways that we're going to get there. So to be really careful about over-prescribing -- in your second one or the third one -- how we're going to get there because we don't know now. And right now, to get to those high levels, and we particularly don't know what it's going to take to sort of disrupt the most persistent cycles of poverty. And so what we have to be doing is collecting data and shining the light really clearly on what does this really, really take over a period of time to work to
get to these high standards.

So I would have that as something that we could make a huge difference on is by defining really clearly what are the data that states should be reporting and be collecting from districts as well -- not to define the specific inputs, but to begin to illuminate that -- the possible ways of doing things.

CHAIR EDLEY: I take it to say that good data is a civil right.

Ben?

MEMBER JEALOUS: Hi. My name is Ben Jealous. I'm CEO of the NAACP, a group that was founded 102 years ago in part to make progress on this very issue. So actually the first grant request that W.E.B. DuBois wrote was to create a commission on this issue, and sent a group of black and white citizens throughout the south and the urban north to study this issue. So here we are.

A couple things. One, it's pretty clear that we want to end with numbers. I
think if we're going to do that, we need to start with some numbers. Specifically if we're going to end with the cost of doing something, we have to start with the cost of doing nothing. And we have to quantify that and would hope that our friends at the Office of Management and Budget could help us with that perhaps.

But we need a good, credible number of what it costs to do nothing. In fact, there are at least two numbers there. One is sort of a lost-GDP potential for this country. And then the other, just the hard costs of what it costs to keep people, not just as surplus labor but as surplus students.

The other is that I hope we would pay keen attention to the backdrop for where we meet. It makes sense perhaps here today we have a lot of administrative. If we were going to meet in Washington again, I would hope we would meet in Southeast or Northeast or someplace where frankly we're physically
uncomfortable because the students are physically uncomfortable because they're in a really -- well, I won't use those words -- but place to learn.

The second is that I think with that backdrop of course would come story. If we wanted to make sure -- as somebody who's lived in every quadrant of the city of their career -- that local folks don't show up, this is the perfect place to have it. Right? So I think that there should be a bit of theater to this if we're going to do this right. That's just what the organizer in me senses.

I rarely disagree with Linda. But Linda earlier described this as a 200-year-old problem. And as somebody who 375 years ago this year their family was involved in helping to form Harvard -- one side of the family up in Massachusetts and the other side of the family was in chains in Virginia -- it's a much older problem than a 200-year-old problem. And I think that we should just
accept that up front and let that inspire us
to be aggressive and disruptive.

And also put a bit of theater in
this by actually going to where the problem
exists.

CHAIR EDLEY: Rick?

MEMBER HANUSHEK: I wanted to pick
up a little bit on what Ben said.

I think we can now pretty
accurately describe a range of alternative
futures for the U.S. that are dramatically
different -- dramatically different --
depending on how well we compete
internationally. It makes a huge difference
to both individuals and to the nation to do
better.

And so, the reason for bringing
that up is I've always hoped that that
provides the leverage to think more broadly
and more boldly about the kinds of options
that we can undertake. Right now, we're stuck
in the thinking about very marginal kinds of
changes in the education system. And they have very marginal kinds of results. And they put us into a very clear picture of what the future of the U.S. looks like in the international world. And so I would hope that we could leverage these discussions to think about broader, bigger changes than whether we reduce class size by one and a half student over the next year.

The other thing that I would underscore is that at some level, it's easy to agree on the goals. In Congressman Fattah's history, another part of the history is the 1989 Governors' meeting that declared Goals 2000. It's very clear and nobody's going to disagree with we'd like to be first in the world in math and science by the year 2000.

CHAIR EDLEY: Typo.

MEMBER HANUSHEK: Typo. 3000? Which did you change, Chris?

(LAUGHTER.)

MEMBER HANUSHEK: What we aren't
in agreement on is both how to define our goals and how much we're willing to put behind them. In particular in my definition, we're talking about the achievement of all of our students and what they know which is a measure of how well they're going to be able to compete in the labor force in the international economy, and that you have to describe our goals in terms of performance outcomes of the system and that finance is in fact part of facilitating that. But it's only part of facilitating those performance goals. And so that's what I hope to bring to this process.

CHAIR EDLEY: Okay. Here's the list that I have. And then I'm going to draw a line, if you'll permit me and if Reed goes along.

I have Mike Rebell, Robert, David, Matt, Ralph, Jose. And then I want to draw a line. Did I get Jim? Oh, I'm sorry, Jim. Actually you should have gone before Rick. My
bad.

Okay. So Jim and then Mike. That'll be good.

And what I'd like to do after that is pick one of the four to focus on understanding that things will bleed, et cetera.

Congressman Honda, you wanted to get in? Okay. All right. All right. Sounds good.

Jim?

MEMBER RYAN: So Chris, I'll be very brief.

I thought the way that you structured the four factors makes perfect sense. You invited us to raise difficult issues that might cause some fright. So I'm taking up your invitation.

A topic that is implicit in our conversation but I want to make explicit is segregation. When the Secretary talked this morning, he mentioned that it's 50-plus years
since Brown vs. Board of Education, and a lot of our schools are both separate and unequal. We've spent a good deal of time talking about the unequal part.

What I would like, the separate part to be part of our conversation. And so I can imagine it becoming important in steps two and steps three.

So for step one, it seems to me -- and this is picking up on something Dennis said -- part of our task has to be to figure out what does a successful education system look like. What do we expect from schools? And I think one hard question we need to grapple with is do we consider our schools successful if they're largely segregated on the basis of race and income even if students are achieving. Or do we think that the purpose of education is not just to promote high levels of achievement, but to promote other social goals like respect for diversity and tolerance and the like?
It also I think comes into play in step three when we're thinking about how do we get where we want to go. Obviously the two are related depending on the goal. Your means of achieving that goal will work towards it. But even if you just think about the goal of raising achievement, it seems to me crucial to think about the extent to which segregation on the basis of race and income is an obstacle to boosting achievement. Think about just schools of concentrated poverty. And think about the focus on data that was mentioned earlier.

One thing that we might want to focus on is what are the effects of concentrated poverty within a school on achievement levels, and are they the sorts of things that can be addressed through resources or will they more effectively be addressed by reducing the levels of poverty within schools. So I just want to make sure. I know that's obviously an issue that everyone
here knows about. But I'd like to make sure that that's at least on the table and part of the conversation.

CHAIR EDLEY: Mike?

MEMBER REBELL: Okay. Thank you.

I want to pick-up on Russlynn's point -- the question about how we take an issue that is largely state and local in its orientation and deal with it through a federal commission. And I think Congressman Fattah did address this directly in talking about emphasizing the national security aspects.

I think as far as framing of the first part of our charge here, this is the civil rights issue of our time. It also I think can be seen as the national security issue of our time for the reasons that Rick mentioned.

To put it in terms that I found very effective with many upper middle class people when you ask them about being willing to raise their taxes to provide more
opportunity for poor children. When you put it in terms of the future of Social Security and Medicare and all these other things that hit home to them, it really resonates. So it is a national security issue both in terms of the long-range economy and in terms of the international challenge.

But I want to go a step beyond that in talking about how we justify the federal approach to this. And I want to do it in terms of my own experience and that of a number of people here in bringing these litigations at the state level. We've had I think an enormous amount of success.

When the U.S. Supreme Court said in Rodriguez that it wasn't a federal issue and leave it to the states, most people thought that was the end of the game. The state courts are never going to do anything. Well, we've done a lot in many states. And I notice there are so many people from Illinois here, and there are a lot of reasons for that.
Obviously the expertise.

No, but I'll tell you there's another reason. And I realize this when Arne Duncan asked me to come out to Chicago and talk about the CFE case at the time that we had gotten our big victory. And I realized what we had pleaded to the Court of Appeals in New York as being an inadequate amount of funding for kids in New York City, it turned out to be about double what kids in Chicago were getting. And they've gotten no relief. We've gotten a certain amount of relief. We'd like more. We've got problems now in implementing.

But what this is really saying is despite the best of efforts and many state courts really extending themselves further than they have constitutionally in any other area, we have this very uneven pattern. It almost reflects the inequity on the school level. We have an inequity on the state level.
Illinois never had a successful litigation. So they've gotten nowhere as far as fixing this problem. We've had a successful litigation. New Jersey has. We've made a lot of progress. We're not where we should be yet. But this is a reason we have to look at this from a federal point of view.

We can learn a lot from the experience of the states. But this problem is never going to be solved state by state. And if we accept it as both a moral civil rights issue and a national security issue, it has to be solved. So that justifies why we're here as a federal commission.

And the other point I just want to make at this stage of things is I do think we can learn a lot from the state litigations. And picking up the second point when Chris was citing President Obama's emphasis on post-secondary education and college success as being the core goal, I think we should also mind the definition of sound basic education.
and thorough and efficient education, adequate education that have come out of the 30-odd state law suits that have really dug into this. And what you'll find there is in addition to preparation for college which is really important, but you do get a real emphasis on things like preparation to be really competent citizens, and things like the jury service that Congressman Fattah mentioned. But beyond that, the ability to vote. These things resonate, and they don't resonate enough in our daily dialogue about math scores and English scores. And it's what education was all about.

And if we're going to dig into history -- I like the Congressman's reference to what states had to promise to come into the union. But you dig back even further than that, you get the Founding Fathers talking about what you need for a democratic citizenry, and they talk about educating people for citizenship. That's what a lot of
the state courts picked up. A lot of the language in our state constitutions actually go back to Revolutionary times in Massachusetts and New Hampshire and all. They go back to the 19th Century in the common school visions.

So all of that I think should be brought into this first part and the second part about the history and about the goals. But I also think the emphasis has to be on the solutions. I very much agree with emphasizing short term and long term. And I've talked enough, so I won't say anything more specific about some of the finance directions that I think we should get into.

CHAIR EDLEY: Okay. Thanks.


MEMBER TERANISHI: Thank you.

So I just want to emphasize a couple points that seem to be stated implicitly.

The first has to do with a lot of
our discussion about poverty. And I want to
pick up on a point that Ben was making earlier
which is that race is a fundamental mechanism
through which poverty and inequality continue
to be reproduced. So I want to make sure that
we're cognizant on how race is a factor in
what's happening around inequality in
education.

With that said, our diversity as a
nation is also our strength. When we do these
comparison across nations, we often don't
think about diversity as our strength, and we
often think about it as a problem. And I
think when we think about framing, that's
something that we should definitely try to
emphasize.

Related to that, the name of our
Commission is Equity and Excellence,
historically these two goals have been seen as
competing goals, as mutually exclusive goals.
And I think as much as we can, we need to
stress that these should not be seen as
competing goals but as complementary goals. And the greater equality of opportunity, it's something that can lift our nation as a whole. And that's something that should be seen as a strength and not necessarily just a problem in our nation.

CHAIR EDLEY: David?

MEMBER SCIARRA: Good morning, everyone. I'm David Sciarra. I direct the work of the Education Law Center in Newark. And we've been working on my organization for over 30 years on state-level finance and equity. And I'm one of those people Congressman Fattah talks about who's been litigating these issues for a long time and still am.

I just want to make some brief points that I think are overarching the various strands, Chris.

I think it's really important that we recognize that we have no national right to education in the United States unlike other
countries. We're one of the only countries that does not have the national education right in our Constitution. We do have 50 state rights to education embedded in the state constitutions.

We have to understand that the states control our resources. As has been mentioned earlier, the federal government's share of education funding is a very small share. The vast bulk of resources, whether they're generated through the property tax or through the sales tax or through the income tax or whatever means -- gambling or whatever means -- are controlled by the states. And the states are at the end of the day legally responsible to ensure the education of all of their children.

We're not a commission here to talk about whether we need a national right to education. That may be for another day. But we have to deal with the system that we have.

So it's very important to
understand that the states control the resources, not the local school districts, not the local property taxpayers. The state allows them as Congressman Fattah pointed out to raise more money for their kids. If you're in a higher-wealth district than in a lower-wealth district, that's all allowed by the states, and state law controls that.

So I think we really have to dig into these state-level issues that have been ignored. We don't want to talk about them. It's a real tough problem. We don't want to talk about what's going on in the state capitols around these issues across the country. And I'm not talking about just now. I mean, we talk about the budget crisis now. But frankly, the condition of our state finance systems have been broken, inequitable, really the subject of the segregated patterns that Jim talked about, reflected in state policy, unequal, disparate, whatever names you want to call it or really -- let's start with
post-World War since that's the real shift
der for a long time. So this is a deep,
depth, deep problem.

And the condition of our finance
systems in the state are very, very bad. And
they vary in terms of how bad they are. We do
have a few states which have made an effort
largely through court decisions but some
through policy decisions to improve them. But
we have a long way to go to get these finance
systems where they need to be to ensure the
resources kids need.

Two other points around this is
that the concentration of poverty in our
public school systems in many states is
growing. We have states where the whole
public school systems in these states,
particularly in the south, are increasingly
becoming poor. So in terms of diversity and
things like that, it's almost hard to do that
because the systems overwhelmingly are serving
low-income children in growing, growing
numbers.

But the point I want to make is that where we come at is that I think the big change is around standards-based education. And it's been talked about a number of times here.

So every state now has a set of content standards. They've adopted them. We can argue about the rigor of those content standards. But those define what kids should know and learn. And they have assessment systems, at least in language arts and mathematics, that are supposed to be aligned to those standards and assess student achievement -- student proficiency against those standards.

We're moving towards common core. That's been talked about where we're starting to connect all those disparate 50-state content systems standards into a uniform set of rigorous standards that will guide the education of curriculum at the local level.
States will soon adopt them. So we're moving in that direction.

The problem with the finance systems and the way I would suggest we think about framing this is that they're completely disconnected to the resources that kids need to meet those standards. They're not aligned.

And they're not even close. I think we may be the only state which because of the Supreme Court, the court has said that the substantive definition of our constitutional education is what's in those standards, not just in language arts and math by the way, but in health and physical education, visual and performing arts, social studies and the like.

So we have finance systems that are completely disconnected to any rational way. And we can argue about how you do this and the state of all of that. But there's simply no connection at all between the resources that kids need, particularly in high-poverty districts. And this concentrated
poverty is growing to what we need to meet those standards.

So the issues we have to focus on down the line on your four list -- where do we get to, goal, strategies and objectives -- is what do we need to do to have a bold vision of how these finance systems have to be reformed to align to standards -- if you want to call it that -- or to at least ensure at some level that these systems are allocating both a sufficient level of resources and more importantly, allocating those resources relative to concentrated student need. That's the big issue.

Our finance systems are backwards in most states where if you're in a low-poverty district you get more resources than if you're in a high-poverty district. Not only is there no alignment with standards, there's no alignment to student need as measured by free reduced lunch, limited English proficiency -- take your pick -- to
the resources that are made available to schools. So that's number one.

Number two is this the states have no frameworks for the use of this funding. So in other words, the states have very little budgetary or policy frameworks particularly for high-poverty districts that say this is the kinds of key things we want you to invest your money in. I'm not talking about micro-managing now at the local district and school level. But the states have really punted on the question of whether or not they will get into the job of trying to -- and let's talk about low-performing districts at this point and schools -- trying to make sure that the resources that are given to those districts and schools are driven into the classroom for things that are effective like pre-school and intensive early literacy programs and things like that. So we need to dig into that.

And lastly, I think it's to Russlynn's point is we have to really confront
the issue of federal policy here. I mean, in some sense you can think about all the federal money going out to the states, and it's just blind to whether these states are really making a serious effort, both fiscally and policy-wise, to make sure that they have a finance system that can support the standards that we're asking them to meet and to get the student achievement to the levels we need. The feds have got to say wait a minute, if you want our money you've got to step up to the plate and begin to do a better job of making sure that your resources are aligned to the standards, that you're driving funding state and local where it's needed most, and that you've got some budgetary frameworks in place to make sure that at least in those underperforming, low-performing districts and schools across your state, the resources are getting down to the classroom so that they're being effectively and efficiently used to enable kids to achieve the standards.
CHAIR EDLEY: Okay. Tom Saenz. And if we have time, Matt Miller, before we go to --

MEMBER SAENZ: I wanted to make two points.

I agree with a lot of the folks who have talked about the need to lay out why we have to address this problem. But the discussion so far has been at the level of national interests and cost to the nation as a whole. And I think that we would make a mistake if we assume that that was enough to get the buy-in that we need.

And I say that because I believe that for reasons that one could write a book about and the books probably have been written, it seems to be a greater tendency of some participants in the public school system to view it as an individual or at least individual-family endeavor and not a common endeavor where if you as a parent can successfully navigate the system as it is for
the success of your kids, then that's enough.

And I say it also as the President of MALDEF, an organization that beginning 40 years ago did a lot of work around education equity in court, including in Texas, and then began to see beginning eight years ago a backlash against those equity efforts in Texas with law suits by high-wealth districts challenging the system as it had been developed. So I think we have to recognize it in laying out the case. We have to do more than explain this at a level of national interest to have buy-in.

But a related point is unless we are able to solve that problem -- which we're not -- we have to grapple with it but we're not going to be able to solve that problem. I think we also have to attend to how the public school student body and parents of public school students have changed and are changing.

And we have to then talk about governance, decision making, parental involvement because
as you said, Chris, implementation is critical. And implementation even under a system that is quite equitable is in the hands of local decision makers including parents. And we have to make sure that we attend to how the public school population and parent population is changing and has changed. And that may be the one thing that we need to recognize that is dramatically different from 1970 in the Nixon Administration effort that Congressman Fattah has appropriately pointed us to.

This is a demographically different public school student body. The parents are demographically different, and getting more so on a nationwide basis. And I think that in laying out the case and talking about implementation, we have to grapple with those issues.

CHAIR EDLEY: Matt?

MEMBER MILLER: Thanks. A few quick points picking up on some of the
threads.

Chris, on your question about how do we avoid the critique of being utopian if we're bold, I think the answer to that is rooted in the international comparisons so that we can frame this. In that sense, there's a benchmarking exercise. We're the only country among our wealthy peers that relies so heavily on local-based finance to do this. We're the only country blah, blah, blah, blah. And I think that takes you away. It's a license to be bold because it's a benchmarking exercise. It's just framing it in a different way. It's not pie in the sky.

Any business would benchmark its performance against best practice in the world. How do we look versus other competitors who are doing better? And especially when in the 2012 campaign, American exceptionalism is going to be a big theme. We can help write the editorial for the editorial writers because we're exceptional in a way that's not getting
results in the way we do this.

Second, I think that in addition to thinking about the whole report, I just wanted to put in a plug for thinking from the beginning about what the really hot 10- to 20-page executive summary is going to be because that's going to be in my view -- they'll be a lot of research and data and analysis, I assume. But the most important end product that's going to get the most play is something that's hot, very concise sort of dramatization of the stakes of the problem as well as the direction the Commission ends up focusing on. And we should be thinking about that.

Similarly, third, I think for that reason or partly for that reason, we need to think very early on as a Commission or the staff about the data needs because my own research in this area in my McKinsey life and in my Center for American Progress life, it's very hard sometimes to find the data you need for the kind of analyses you wish you could
show.

And if you want to come up with --

I love your idea about a Gini coefficient equivalent metric. The thing that popped into my head was the multiple of average teacher salaries in the nearby affluent suburb versus the nearby high-poverty urban or rural area to capture some of the inequities. That data is very often hard to get, and we may have to be creative in trying to do it and have to think early on about the end products we wish we could produce to be able --

CHAIR EDLEY: Some of the recommendations the Department starts generating data that would --

MEMBER MILLER: And to find out what's not available so we can come up with ways to find best second alternatives to plug it or even to find certain districts where we can use it as an illustration by having folks actually get on the phone and figure some stuff out.
I would also say I think we should try and be a little creative in a way of trying to show that this Commission is different so it's not just the replay of 40 years ago. Why can't we do something -- again, this is just brainstorming at an initial meeting -- but could we issue a call to students in low-per-pupil districts in the country to do their own short film for the Commission website or YouTube of how they would document what the disparities are and what the impact of that is on their education.

There was a great movie -- I'm blanking on the name -- about ten years ago that actually showed kids taking over a high-poverty school as a protest, kind of pulling their own school version of a Wisconsin that is going on now that didn't get as much attention as it should have. But I can imagine if you issued a call to kids, it could unleash some creativity, show that we're different, have a website where this kind of
stuff could be done maybe as a contest for it.

CHAIR EDLEY: Did we mention that Matt is from Los Angeles?

(LAUGHTER.)

MEMBER MILLER: Then lastly, to the point about the timeframe that you had mentioned, one potential hook for the timeframe for the long term is the year when China's GDP is expected to surpass the United States, just again as another -- because I think that's 2030ish -- 2035ish might be the right long-term hook.

Anyway, just a few thoughts.

CHAIR EDLEY: Ralph?

MEMBER MARTIRE: Just a couple of quick points.

CHAIR EDLEY: I'm sorry. By the way, we can go on for about 20 minutes before the camera shuts off until 2:00 o'clock.

Congressman Honda, are you going to be here for 20 minutes? Okay. So we'll do ten more minutes and then turn it over to
Congressman Honda.

MEMBER MARTIRE: I don't think the Congressman's charge is utopian at all. I mean, poverty is the key indicator of educational success before we as a nation have allowed it to get that way. And we've allowed it to get that way because this horrid mismatch between resources and need.

So unless we say this is a federal civil rights issue, and for other federal civil rights issues, the federal government didn't just leave it up to the states. The federal government took a pretty active role in forcing a change in how those issues were dealt with. We need to take a pretty active role in how this issue is dealt with.

And I like the benchmarking idea.

I think that's great.

The data? So much of the data is used by demagogues to just prove their points.

It's like Winston Churchill said -- right -- there's three kind of lies -- lies, damn lies
and statistics. So I think we have to clarify the data end very well.

So total expenditure per kid is a meaningless number. It's complete meaningless, and yet it is used all the time.

We did a smaller analysis in Illinois of instructional expense per kid, and we broke down the most affluent districts versus not the poorest, the vast majority of districts.

So 77 percent of our kids are in district A, and five percent of our kids are in district B, right? What we found was a differential and an instructional expense per kid of about $2400 per kid -- an instructional expense.

Then we broke down these rich districts, and we tried to look at what that meant for quality education -- what did they buy? Teachers' salaries and higher quality teachers.

So they were spending $64,000 a
year as their average teacher salary versus $46,000 in most school districts which to us begged the economic question. If you're a really good teacher, would you be willing to take $18,000 a year or so more to teach in a better school with smaller class size, more mentoring and richer academic program? And don't think too long about that. Most good teachers are. And at least with one objective cut of the data, we found that 64 percent of the teachers in these affluent communities had a Master's degree or more, yet only 37 percent in all the rest of the schools.

So I think we can find some of this data to make the case that yes, you tie the resource to what you want it expended on -- things that go in the classroom -- and then make the case that when you have poverty, you need to do other things to make up for what those children get reinforced at home.

The final thing I'll say, we took the five percent of school districts with the
least poverty -- and I'd love to submit this report to the Commission for you to just look at it -- and we analyzed their instructional expense per kid and their regression analysis against academic performance measured by test scores. We could all fight about whether or not it's the legitimate thing to do, but we did it. And what we found was very interesting. At less than $7200 per kid on instructional expense, there was absolutely no correlation between student performance and the best-fit line for test scores. None. You've got this $7200 per kid, and every district went to at or above the best-fit line. Statistically significant correlation.

So even in these communities where you could assume two-parent families, education reinforced at home, all those other things, you still had to get to a critical mass of investment in instructional expense -- the things that go into the classroom -- to see a statistically significant correlation.
between your taxpayer money and academic outcomes.

And I think that's completely a legitimate charge for us to do. We need to strip aside the silliness in this data. We need to focus on what works. And it really is a federal issue.

The final thing I'm going to say, the correlations between educational attainment and economic viability are stronger than ever. And for the longest time in America, there was a direct correlation between educational attainment and unemployment rates -- right -- where your higher level of education, the lower your unemployment rate except for maybe our history majors and no one can help them.

But the new change is the direct correlation between educational attainment and wage. What we have found both in Illinois and nationally is since 1980, the only cohort of workers that have seen a real increase in
income after inflation have a college degree. Every other cohort of workers is earning less today than in 1980. That's stunning. That makes this a national issue and I think helps define our charge.

CHAIR EDLEY: Jose Torres and then Congressman Honda.

MEMBER TORRES: Thank you. I'll be very brief.

Jose Torres. I'm the superintendent of schools. And I would like to say that I'm one of four from Illinois but only one superintendent among many lawyers.

(LAUGHTER.)

MEMBER TORRES: I think there's a lot of lawyers around this table. And maybe that's why we haven't really talked about opportunity to learn standards.

That's something that we had talked about in the standard movement. And it was kind of shot down a little bit because of the perceived threat of suits and courts and
so forth.

What I really want to emphasize is that the federal reach to the local level happened from my perspective through No Child Left Behind when the federal government started to hold local schools accountable for results and publish those results. And in like manner, I think -- I want to emphasize what Karen mentioned -- was that this level of analysis needs to reach to the local school level as painful as that will be for me as a superintendent.

As someone who's been reading a lot of Karen's work and so forth, and doing the analysis to find that as a superintendent I'm trying to create equity within my district and finding that it's inequitable. And I'm trying to figure out how do I move that so that it's more equitable so that within local schools, you have rich schools -- and I'm going to go back to San Jose because I had worked in San Jose. You have the south
schools and you have the inner-city schools.

And the perception is that the Title I from the federal funds really balance the score. But in fact if you withdraw the federal funds, there's a lot less money going there because of what Ralph mentioned -- the salaries, the tenure of those teachers and so forth. So that if nothing else, we were able to say every school district has to publish their salaries -- not the teachers' salaries necessarily -- but per pupil expenditure by salary by school, it would shame us to move to more equitable resources. And it would begin to take out the excuse that oh well, the federal money is going to fill in because in fact the federal money should really be supportive above that.

MEMBER ALI: Very briefly before I yield to the Congressman.

This Commission has fortuitous timing for a number of reasons, not the least of which is the release of the new civil
rights data collection data.

There are two parts of the civil rights data collection. The part that is most relevant to this conversation now though both will be released in August. That is for the first time we will have data at the school site level on instructional and non-instructional expenditures using very carefully defined definitions to be actual average teacher salaries at the school sites. So you can no longer hide those inequities that you're referring to, Jose, by reporting the district average. We think that that will help inform not only this Commission's work, but this work around the country.

OMB has approved a universal collection obviously contingent upon budget in 2012. But for this year, we will have national projections based on a more robust sample size than ever before -- 7,000 school districts. That represents every district in the country that serves over 3,000 kids
alongside a representative sample of small, rural and urban and the like.

Additionally, part one of that collection, which will be released in just a month or so, shows us for the first time which students are getting access to which courses ranging from biology all the way up to physics and beyond, and algebra all the way up statistics and the higher order trigonometry Algebra 2. We will also see for the first time in the second part of the collection in August when students passed algebra for example so you can see them along the trajectory.

That is not to suggest that those data aren't subject to a lot of interpretation. But we think to help inform this Commission's work, it will be our charge to present that data to you early and often alongside the data in the research that currently exists.

CHAIR EDLEY: Standing between us
and lunch, Congressman Honda.

( LAUGHTER.)

REP. HONDA: So are we coming back after lunch?

CHAIR EDLEY: Yes. Absolutely. And actually, do you want to work at lunch, or what do you want to do?

MEMBER ALI: Yes. We were hoping to have a working lunch for conversation. The camera will be off for about two hours and then we'll open up again.

CHAIR EDLEY: So we'll take 20 minutes or so to break, get food, et cetera, but then try to start up again.

REP. HONDA: I'll be as brief as I can.

I wanted to wait until everybody spoke to sort of get a sense of what comes out of this body that's so deeply rooted into the kinds of the work that you do in different areas. And I think that we have all the planks and the pieces. We just have to figure
out how it's going to be put together in terms of long-term, short-term and the steps towards achieving excellence and equity.

A couple of suggestions I was making in my formal comments was terminology. The issue of equity, I've heard that a lot. And a lot of the battles that I hear, it's about raising the amount of dollars behind each child so that we get as much money as we can for the school system.

But achieving that, no matter how high that ADA is, it's not equity. It's parity. So just trying to figure out how to start honing in on some terminologies.

It seems to me that precise wording and policy will make a difference in how we look for solutions, such as equality for all children versus equity for each child. Then how does that change the picture on how you go about P-12 and starting that because there's a long-term vision for achieving equity for each child that goes through our
system. You've got to start some place, probably preschool where IDEA allows you to test and assess to get a road map all the way up through. And then there's all kinds of problems that come up, but we shouldn't be deterred from those problems, but start looking at the solutions and eventually achieving a system-wide -- and I use the word ecology because there's different kinds of tensions that go on in this whole public school system.

The reason why we have regional meetings across this country is to precisely look at the different regions and how the notion of public education came about -- the history of it -- because each region has a different genesis. We may arrive at some common terminology today, but the notion is deeply rooted in its history and where we come from. If we don't talk about sovereignty in Indian country, if we talk about property taxes in the context of rural areas, it sort
of open ups this whole idea that this problem is in the way we finance things. But the challenge of the solution won't escape us because we're innovators. We can figure things out if we understand what equity means and what the final solution is going to look like in terms of the kind of national system that we want.

States versus feds? There's a lot of that discussion. And the paradigm we're stuck in is all the states say they want to do their thing within the states, and the feds are out there. They have a role. And right now it's about nine percent of the budget. But the writers of the Constitution I don't think said that entirely it's all up to you, but I think that there's been a lot of debate on why they use certain terminology so that they will have a place at the table at some point in time.

If they knew what we were looking like today in terms of real time, multiple
ways of educating ourselves and exchanging information, if they saw Egypt and they saw the impact of technology and social media, if they saw Wisconsin and also how kids are communicating with each other -- we haven't tapped into that ability to reach out and teach our public what it is that we understand.

I'm glad that we have a media person here because it's important that we bring the community along with what we understand and that their understanding -- their critical understanding -- of what the nature of this system looks like and where it should be I think can be greatly enhanced and we can move forward.

The other reason for a regional meeting is to create that public support and that dialogue between yourselves and them, and listening to them and asking the what ifs and what about that. If they heard this kind of discussion I think that every parent will want
--- every citizen will want something and they'd be willing to pay for it if they knew what it's going to look like and what it's going to cost.

And I think how we approach each child's education is as if each child were special, then we wouldn't have to have a lot of political footballs around language class or disabilities because each child will have their plan and we'll address it. But it's going to be expensive. So what's the cost of doing nothing? And what's the cost of doing something? And what's the cost of just trudging along the way we are?

And I'll bet if each parent knew that their child was going to have that kind of attention, there won't be a lot of push-back from the things that we want to be able to propose in the long term and in the short term.

So I'm very, very excited about what it is that we are about to pursue. But
it's going to require us hanging in there and
listening to each other because what you've
discussed today, in my mind, if we put it all
together and write it together and figure out
what it is that we effectively have said, I
think we'll have a pretty good plan and
something we can be really proud of.

And I just have to tell you that
the 30 years I've been in education from
migrant ed to classroom to school board -- and
I sat around a school board that went through
bankruptcy, desegregation and districting.
And I sat on a planning commission where we
talked about communities. And I guess the
other question is how are communities formed?
And is it true that our schools reflect the
communities? And so is it only school
districts? Is it only states and feds? How
about the governmental entity that creates the
communities by zones or by highest and best
use? And does that have an impact on what it
is that we're looking at?
So you guys are awesome. And I'll go without lunch. No, no, I'm kidding. Thank you very much.

(APPLAUSE.)

CHAIR EDLEY: What was the name of that character that Gilda Radner played on -- Roseanne Roseannadanna. Yes. I am so glad that the two of you came. I was worried all morning that you were going to end the morning with you saying never mind and just send us on our way. So thank you for your leadership and for your presence.

All right. Twenty minutes or so?

(Whereupon, the above-entitled matter went off the record at 12:16 p.m., and resumed at 2:06 p.m.)
2:06 p.m.

REP. HONDA: I thought we agreed to nine.

CHAIR EDLEY: And six -- oh, five community conversations.

REP. HONDA: In our discussions prior to the Commission meeting, we discussed a proposed ten, and I thought we agreed to nine regional meetings in the different parts of the country. And the first one would have been in San Jose. And to sort of figure out what the formats -- formats can be different in each one. I could understand that there might be some misgivings about town hall meetings as Congress puts on them.

But it's about respect. It's about doing something that we haven't done before. And to expect to get some sort of a public support, we have to at least listen and to be out there. And I think that --
CHAIR EDLEY: It's above our pay grade.

MEMBER ALI: Yes. No doubt, Congressman, I don't think what we've heard now is different from our previous conversations, that is that, yes, we will have four of these larger regional meetings. In addition, we will have five regional community conversations.

What I've just heard the Commission agree to, though, is that those meetings ought to sit outside of the formal Commission meetings where these folks as a group have time to deliberate. So in addition to the five regional meetings, whether they be town halls or smaller community conversations, the Commission itself -- this full body -- will meet, location to be determined, perhaps likely in D.C. For budget and other issues, they will meet together.

The town hall meetings, it sounds like, will not be official Commission hearings.
though those meetings will absolutely be transcribed and what we learn there will be fed back to the Commission as soon as possible.

REP. HONDA: I thought we were opening up for those Commissioners who could make those.

MEMBER ALI: Absolutely. No doubt. Those nine regional meetings, we will certainly -- Commissioners that can make them and that have an interest in making them -- we will see to it that they are there.

REP. HONDA: Okay. And then respecting the communities, like what I wanted to make sure that we set the model in San Jose is that we have concurrent translations, and not speak English, because they'll be multiple languages in certain neighborhoods, and that respect for the audience and for those who are present listening.

And so my town hall meetings are all well-attended, but we don't put up with
nonsense because we'll have it at places where it's public but it's also a place where demands of civility by everybody, like the Jewish Community Center, Santa Clara University -- places like that -- not the community centers.

But that it's available to everybody and it's open to everybody so that if we really are going to be talking about public input, as a classroom teacher and a community organizer, I can't see us creating policy and say that this is the new stuff that responds to our community needs. It would ring too hollow for myself.

This will be I guess a way where we can expect public support when we go through this. And expect the political will to see things happen right, because I suspect that one of the things we want to do is address ultimately what is the civil rights of each child in this country relative to public education.
And I just contend that every child comes to school with one currency and that is time. We can't bank it and withdraw later. We have to spend it well so that we have a return on that investment. And absent that -- I don't want us to fall short.

MEMBER ALI: And I'm sure I can speak on behalf of the Commission that no one here wants to see that happen either.

We'll work with your office to think through the right location. I think you've set out a good picture of ensuring that we get public input while also ensuring that there's a level of civility. We certainly will have those town halls translated in real time. They were also different from the smaller community conversations -- the additional five regional meetings. The town halls will be broadcast live so that the public from around the country can see them. And we will also have them transcribed.

For the smaller community
conversations, we'll work with the Commission or a sub-group thereof, to think about where they should be and the kind of format thereto. We would expect real-life translation -- real-time translation. We'll know beforehand the constituencies that will be present in those smaller meetings, unlike the larger meetings, so who translates and what languages we'd be able to predict beforehand. And we will be developing a transcription of those smaller meetings -- the themes, if you will, that emerge as opposed to a line-by-line transcription. But in the four larger ones, we will have both streaming live as well as line-by-line transcription as it occurs.

REP. HONDA: And we're going to be doing more or less what we call the internet town hall meetings where we'll be online with a stream --

MEMBER ALI: Yes.

REP. HONDA: -- and get questions and answers and responses through our social
media techniques and still be present.

But we'd like to try some things that might work in other places where streaming or using technology would make more sense for the sparse population but you want to reach a lot of people.

But there was a couple of things that were said here today that really bears repeating. I think it's that our thinking on property tax where we're talking about rural areas and being present in areas where heretofore we never talk about. In all our discussions here in Congress, I rarely hear the word Indian country and Appalachia. And it's always rural and urban or suburban, as if it was not precise. And I think precision's going to be called upon us to be on target for the communities that we're looking at.

And I appreciate this opportunity. I do. And I know that time is of essence. So I appreciate the time that you are putting into this because I know that it's valuable
and it's critical.

CHAIR EDLEY: Thanks, Congressman. Doris, you've been trying to get in?

MEMBER WILLIAMS: On the outreach piece, I was just curious as to what the outreach is around the outreach sessions. And I think that may have been somewhat addressed. But I raise the question just to make the point that we really need to be intentional about being inclusive. And the fact that we have a meeting in a region doesn't make it a regional meeting. Or the fact that we call it a community meeting doesn't make it a community meeting.

And so I just want us to be very intentional about the strategy that we're using to do outreach around these meetings to make sure that there are the diversity that's reflected in our population, also in those community centers, even with the rurals. He mentioned Appalachia. Rural is so different.
in different parts of the country. I mean, there's a diversity among rural that often escapes us. And so, I think it's important to make sure that we try and get rural voice in all of those meetings regardless of what region it's in. And I'm sure that's true of some other stakeholder groups as well.

CHAIR EDLEY: Let's put together a couple of people, including Doris. Are there two other people who would volunteer to work with Doris to be a sounding board for Stephen and Russlynn?

Linda and Jim. Great. And Doris. Okay. Steve, there's a sounding board. That's great. So blame them, not Reed and me.

Okay. That's what I was looking for.

MEMBER RYAN: I thought I might volunteer Mike Rebell who has some experience with public engagement around school finance issues. Not that they would have to do anything official, but I think it would be
worth talking with the folks who are organizing this about what you did in New York because I thought that was a really successful model.

CHAIR EDLEY: Okay.

MEMBER ALI: Just so that I'm clear, this is not a sub-committee per se. This is more of a kitchen cabinet on community conversations --

CHAIR EDLEY: Right.


MEMBER DARLING-HAMMOND: March 4th is ten days away.

MEMBER ALI: Yes.

MEMBER DARLING-HAMMOND: I was just saying, March 4th is ten days away. If we're going to have it then, we really need to decide by tomorrow what -- and I'd be glad to help think about who would be good people to have and where you could have it and what
things you could do. But it's really -- or we need to re-schedule that meeting -- one or the other.

I think it would be unfortunate if the first town hall were not well organized and purposeful and so on.

MEMBER ALI: We will work with Gideon and the Congressman and this kitchen cabinet to think through what meets both your goals of timing but also Linda's right concern about impact.

CHAIR EDLEY: I want to get back to the content of the report.

MEMBER ROSE: I probably don't need to say this but in thinking about all communities and diversity and outreach and languages, I want to be sure that American Sign Language is part of that. Okay?

CHAIR EDLEY: Okay. I'm sorry. Matt?

MEMBER MILLER: Can I throw out one nanosecond idea from the Hollywood
committee on what might be a use of some of the regional meetings, just for reaction?

One way to think about this, in addition to touching whatever constituencies need to be touched, is you could imagine -- it couldn't happen obviously in San Jose in a week -- but in Philadelphia in late April, if you push that off a little bit, which is nicely situated between the Washington and New York national media markets. NBC, for example, is doing this whole thing Education Nation now. Arne could call Brian Roberts and say we've got this Commission that's doing this stuff, we're going to be getting this input. The way to think about it is to sort of work with producers or think like producers -- is if you're pitching a TV show called “We're Screwed” where you'd assign essentially top students in Philadelphia -- tenth, 11th and 12th grade -- to research the funding situation between Philly and nearby surrounding suburbs and what the implications
are. And they are the heroes of the piece, and they share their findings somehow as part of a report that MSNBC or NBC does. And then you follow those kids and whoever else wants to come along as they go from their school and their situation to the nearby suburbs, you know, as part of what a sense of input, et cetera. It'd be an early way to test getting traction with the press on these themes and is not an impossible thing to imagine with a little bit of lead time that you could sort of gin up.

And you'd also acknowledge -- I think we left Reed's point hanging -- but there are outlier cities like Newark and Washington, D.C. where a lot of money is coming in and not a lot is coming out at the bottom. But most city pairs are like -- or urban rural or Indian reservation versus a suburb -- show these gaps. And that's reflected in teacher quality, et cetera, and teacher salaries. And that's stuff students
themselves -- the elite kids at the poor schools in Philly -- could research and share as they go on their quest to see and understand why there's these differences.

Just a thought.

MEMBER ALI: Matt Miller has just become a member of the kitchen cabinet on community conversations.

CHAIR EDLEY: Okay. All right. So let's talk about the report.

So here's my theory. And everybody can fix it or come up with their own.

We'll have these outreach meetings going on. As Steve suggested, we'd try to have a Commission meeting in the May time frame. Before summer, in other words.

For that meeting, I think we want to come to that meeting with some reporting out of highlights from the outreach meeting -- major takeaway points from the outreach meeting -- and outlines -- fairly detailed
outlines from subcommittees for each of the four parts that we were talking about earlier. Now if we do that and we talk about that outline, refine it, people can talk about what they think might be missing, needs to be added, some ancillary analyses, et cetera, and begin the conversation about recommendations.

And then for the third meeting, we would hope to have some drafting -- some chunks of a final report in draft form -- as well as clear drafts of recommendations. That would enable us to go into the final meeting with a complete draft that had been pre-circulated so that difficult sticking points can be identified and thrashed out in the November meeting.

In other words, so the goal of the August/September meeting would be to have a focused enough conversation about recommendations and about what the narrative should be wrapped around those recommendations so that we can actually produce a full draft a
couple of weeks before the fourth meeting --
the final meeting.

The final meeting has to come early enough so that there's time after it to do polishing and editorial stuff and the Hollywood roll-out planning. So I think that sounds insanely fast. But I think that's the only way to have a prayer of getting an end of December thing done.

Now why end of December? Well, because January it's already the Iowa caucuses, for one thing. And to the extent that we want to do something that helps frame discussions in the 2012 Presidential, we're already late because we've already missed the opportunity to have our report be the thing that folks talk about in their living rooms in Iowa this coming summer.

But at least if we can get it in at the front -- get something out at the front end of the primary season, and we have an effective communication strategy, I think
we've got some prayer of using the campaign as a megaphone to get more discussion of these ideas by candidates and by groups. We want education to be on the agenda in 2012.

MEMBER REBELL: Is there any thought and is there any budget for coming back to these nine communities with the final report, or maybe a draft version of the final report, as far as disseminational? If we're talking about communications, it seems to me if you started a conversation with these people and you want to start influencing the dialogue around the Presidential primaries and all, it would really make sense to come back and tell them: you guys said this in the spring, here's what we're coming up with, help us polish it, help get the word out. I'm sure Matt can pick up on better ways of building on that.

So I don't know if that's been built into the budget. But it would seem to me that makes sense as far as this report
starting to get some buzz and having some significance.

CHAIR EDLEY: It has not been built into the budget. Let me speak for you. It hasn't been built into the budget. And I think it would be impossible to do a notice and comment kind of -- here's a draft, what do you all think. I mean, aside from the communications problem of having our thunder stolen, it raises expectations about how responsive our final draft will be to the detailed comments that that would bring in. So if this were a two-year Commission, then I think we might be able to do something like that.

With respect to the dissemination issue however, we did have an earlier chat about having not just a national roll-out strategy but a regional roll-out strategy. And that in terms of invitations to these community meetings, one group obviously to invite to witness would be the journalists,
the media figures in that area, not because we necessarily expect to commit news, but at a minimum it will prime them to focus on telling the story once our final report comes out. They'll see a certain closure to it. And we can certainly in the roll-out strategy work that. You came to the event in San Jose. You remember such and such. Well, the report's coming out on Monday. Here's an embargoed copy. That sort of thing we should definitely do.

And we talked about also again if we can get money having Education Department staff, Commission Members do briefings at some key state capitols or even school districts.

MEMBER ALI: If I could also say, the December time frame was not intended by the Department or I think I can speak on behalf of the Congressmen here to influence the Presidential primaries. This is a bipartisan commission.

That said, our goal was to ensure
that whether your recommendations were short
term or long term, we as an Agency could do
something about it during our guaranteed
tenure here which is another couple of years.

So we were hoping to get
recommendations in December. And then clearly
there's a part that the Congress will take on,
and that is not that the Agency won't be a
part of drafting or determining legislation.
But where there are recommendations that are
regulatory in nature, we want to be able to
implement them. And December is about as late
as we can go and guarantee we can make those
quick and fast changes while we have our
current seats.

CHAIR EDLEY: Yes, I was mistaken.

I was thinking of the timing in relation to
the Winter Olympics.

(LAUGHTER.)

CHAIR EDLEY: Karen?

MEMBER. HAWLEY MILES: Yes. I'm
really interested in what people think about
this.

I'm concerned about the work flow you laid out and that it might not give us enough time to focus on the issues on which there might not be a lot of consensus around this room.

So I think there's some issues -- but I could throw some out and see very different answers -- upon which there's wide consensus. For example, pre-K matters a lot, and it's a very smart investment for high-poverty kids. Others that for example the degree to which we emphasize the total amount of dollars versus the efficiency of those dollars which we need to grapple with a little bit more and get more of a fact base around which we know. And that if we draft and we delay to the end the discussion of all of the difficulties, we will not end up with something that is a consensus document.

So I'm wondering if there's a way we can do some surveying or some work between
now and then where we really begin to understand where this group of experts who have lots -- falls on various of these things and we can say okay, we all know pre-K has to be in there as a fundamental priority for any kind of funding reform, let's say. Those sorts of things that we could flesh out ahead of time, get a sense of where people are so that we can focus our conversations around where are we and the commissioning of additional facts to be pulled together or that kind of thing around the topics that are most contentious or most difficult in terms of defining.

CHAIR HASTINGS: A great segue to the other topic process-wise which is what level of majority -- super majority -- will end up being in the documents and what's the process for that. So I'm going to turn that over to Russlynn.

MEMBER FLORENTINO-CUÉLLAR: I found this comment especially helpful in that
as I was trying to connect this with the work flow that's been laid out and particularly the meetings that are planned. It struck me that we either need to do a great deal of work ahead of time before the next meeting to start to use the next meeting and do exactly what you described, or we need another meeting because it certainly wouldn't be appropriate to push it to the meeting where we have a substantial draft. And it does seem to me like the most high value-added use of our time will be to zoom in on the four or five or six issues where we have somewhat wide disagreement. And there will be that disagreement for us to then make some headway.

CHAIR EDLEY: I think that's a great idea. And I think what it means in practical terms is that when I said an outline for the May meeting, it's got to be a detailed outline and some tentative recommendations.

And I like Karen's idea about trying to do some straw polls or survey monkey
or something like that just to help each of the committees distinguish the hard issues from the straightforward issues so that we can focus.

So why don't we look into some sort of a mechanism that each committee could use to --

MEMBER DARLING-HAMMOND: When you say committee, are you thinking about the four areas that you mentioned earlier like what's the definition of the problem, what's the -- or did you have some other construction of committees in mind?

CHAIR EDLEY: Look, I'd be happy to come up with some other construction. But the one that occurred to me was to have those four. So it's characterization plus metrics plus state comparison.

MEMBER DARLING-HAMMOND: Right.

CHAIR EDLEY: Then it's vision/goals. Then it's the how to policies, promising practices. And it's the financial
structure that will enable those including distinguishing between -- and I don't know whether the spend money wisely, implement wisely sort of stuff could be in three or four. So we'll allow for some jurisdictional negotiations by the subcommittees if we don't get to it today.

What Reed and I thought was that if we can get each committee to come up with their thing, then Reed and I can work with Steve and Russlynn and other folks at the Department to try to integrate those four outlines and move pieces around so that what we come into in May at least flows. And I say that simply because there will be a lot of overlap as the committees work on it. And I think we could just let the committees think about it in whatever way is easiest for them to think about and not focus so much on the overall organization of the report. We'll try to work with your best ideas to integrate it into something that seems like a report.
MEMBER DARLING-HAMMOND: So just a friendly amendment, it seems to me that some of those flow from others. And so getting some consensus among members of the group on some things would allow us to sort of go slow to go fast, get some things locked in where we have consensus and then figure out what the recommendations are that flow.

So one possibility might be to try to by May have a good written statement of the current problem -- the part one -- not just an outline. And perhaps maybe the subcommittees can do some things on number two or three.

But the fourth one which is what's the finance system we're going to propose as a solution, it seems to me that's going to require some discussion among the group based on some shared understanding of the problem and where we want to go. So I just can't imagine that fourth group doing something without having a consensus on the earlier ones. And it may be there are ways to stage
it that we could take advantage.

The other thing that I think is likely is that most people probably have calendars like mine that are very busy in the next couple of months. And subcommittee work could be planned and more intense after a moment in time than they can be in the next little while because all of us are probably planned out for a little while. So we could do more intense subcommittee work on some of the things that build on a consensus that we might have achieved by May about what the problem is and where we're headed.

Anyway, so just to think about whether there's some part of it that needs to be staged. Otherwise, we might have four subcommittees that come up with things that just cannot be stitched together. I think that's a possibility.

CHAIR EDLEY: Rick?

MEMBER HANUSHEK: There is one part that slipped by in your discussion. I
agree with the timing and everything. But this question about then we'd have drafts and final drafts. The question is who is doing the drafting.

    Participating in a number of these activities, I think it's impossible to think of four committees having separate drafts that we then tie together. And I think that it is going to need a single voice at least in writing this. And so that my amendment to your timing would be that we have each subcommittee that would actually write out what the recommendations look like and an outline of some of the things to be discussed, but that you would not call upon each of the four subcommittees to draft one quarter of the report or whatever.

    MEMBER ALI: Yes. And Rick, our intention is to have a writer consultant for the Commission that will be responsible for weaving these and getting you drafts in really timely fashions.
Any recommendations that you have on who that person ought to be are more than welcome. We have done a little bit of digging in the field and have a couple of names, but didn't have anybody to present to you today.

And specifically to Reed's point about consensus versus majority vote, our inclination -- though again this is a decision for you all to second and confirm -- our inclination was to call for a super majority for the recommendations. Out of 28, that's about 19 members. The ex-officio members do not have a vote on these recommendations.

CHAIR EDLEY: I'm sorry. So that's two thirds or 60 percent?

MEMBER ALI: Yes. It's about 60.

CHAIR EDLEY: I'm sorry. So did you say 18 or 19?

MEMBER ALI: Nineteen.

CHAIR EDLEY: Nineteen?

CHAIR HASTINGS: Rather than phrasing it as 19, I'm just worried about
attendance tripping us up. If you would specify either 60 percent or two thirds of those who are present at that final meeting?

MEMBER MILLER: So that if some of us flee to Illinois, it is not a problem.

(LAUGHTER.)

MEMBER HANUSHEK: So I presume that email means that everybody's going to attend and set the final meeting?

MEMBER ALI: Yes. We would have a list that if those that couldn't be here, we would certainly elicit your final vote and approval of the report beforehand.

MEMBER HANUSHEK: So could you explain a little bit more what you mean by a professional writer? I'm used to the sort of National Academy model where the Executive Director, who's a seasoned professional writes it. Is that what you're talking about?

MEMBER ALI: Not necessarily, though we could go there.

The budget for this -- we've
allocated some money within the Office for Civil Rights. Our staff director is a longtime attorney, Stephen Chen in the Office for Civil Rights that has a pretty wide portfolio, not just the Commission.

So our hope was that we could get a seasoned writer as a consultant, though not a full-time Departmental employee that could help take the laboring or on the writing of the report, again subject to all of your edit and approval.

And I would imagine, Rick, that there are some members, including yourself, that might get into a little bit of the grain of the writing more than others, and we want to leave room for you to be able to do that.

CHAIR EDLEY: In my mind, Rick, what I was thinking is somebody who's sort of midway between an NRC Executive Director and a journalist.

MEMBER HANUSHEK: So it's readable also.
CHAIR EDLEY: Exactly. But on the other hand, you want somebody who can spell ESEA, which most journalists can do.

Well, we're supposed to stop at what time?

Well, I guess what I'm wondering, I'm still kind of puzzling through kind of the knit together of the last couple of comments.

We have a little bit more time today to talk about either part one or part two. But I want to make sure that people think that using these basic four committees and to make sure nobody has a better idea. And so, at least for the moment, nobody has a better idea, right?

MEMBER DARLING-HAMMOND: I think it's the right structure for the report. What I'm puzzling over is whether it doesn't make sense to get a common statement of the problem and then have subcommittees that work on the question of okay, how would we get there, where do we want to go, et cetera. I feel
like we should have a common statement of the
problem before we go off and try to solve it.

    CHAIR EDLEY: Right. I just don't
want to wait until May for that.

    How about the following? How
about if we take 45 minutes now and get as far
as we can on people suggesting some of the
nuggets that they think should be part of the
common statement of the problem, and then we
try to put that together in -- I won't even
say version 1.0 -- but version 0.04, and see
if that gives enough guidance to the
subcommittees?

    MEMBER DARLING-HAMMOND: Right.
And that's something you could imagine if we
have a writer could be written pretty much in
full by the next meeting.

    CHAIR EDLEY: Exactly.

    MEMBER DARLING-HAMMOND: And then
for the rest of the time, you're worried about
figuring out where we're going, how do we get
there, et cetera.
MEMBER ALI: And on that, even if we don't have an official writer on board, Stephen and I can commit to you working with a couple of you -- Matt Miller -- in getting that to you in anticipation of the next meeting.

CHAIR EDLEY: A couple of Matt Millers.

But at least provisionally, I still want to say that for the May meeting we want to have detailed outlines, text for recommendations and a clear flagging of the things that require a food fight.

Okay. My suggestion is we take our ten-minute break right now, and then we come back and we focus on part one before we leave. Reed, does that make sense?

CHAIR HASTINGS: Excellent.

CHAIR EDLEY: Okay. So let's try to start at five of. It's now quarter of.

(Whereupon, the above-entitled matter went off the record at 2:44 p.m. and resumed...
at 2:59 p.m.)

CHAIR EDLEY: Russlynn isn't back yet, is she? She had to duck out. Okay.

There's a question about how each of us individually should handle inquiries from the press. Do you want to tell us that or do you want to for Russlynn to come back? Wait for Russlynn. Okay.

Okay. Why don't we do this. Why don't you frame that substantive question -

CHAIR HASTINGS: In our corner, we had an interesting sub-debate which is the focus of the Commission around the achievement gap -- the roots of it -- and what we can do about that through the finance system, or is it about equitable finance. And one's assumptions about which of that guides this Commission, and it could be more narrow about educational finance or it could be more broad about what are the sources of inequity and how do we attack them through the finance system.

So I was --
CHAIR EDLEY: I'll take a swing at that.

I think if we're clear about the characterization of the equity and excellence challenges in part one, and we provide in part two a good normative framework -- so we do the description in part one and provide a good normative framework in part two -- then in part three, I think we're going to have programmatic ideas, hopefully evidence-based as opposed to ideology-based -- the programmatic ideas. And those will include ideas about how not to spend money -- things that don't look like worthwhile investments. And I think that sets us up for the point that Rick and several others have made that really before you start talking about all the additional money, all the additional resources that might be needed, one has to have a story to tell about the strategy for improving the effectiveness with which the dollars we already have will be spent. And then I think
what you have, part four then going to the finance issue as what's needed in a finance system to enable or to help advance the programmatic goals that you identified in part three, then it doesn't really become a report that's all about finance. It becomes a report that's about equity and excellence but that gives due attention to finance, both in terms of how resources are distributed and how resources are to be used effectively.

So I guess where that takes me is that in answer to the question is the Commission primarily about finances, I would say it's a major focus but not exclusive to what we're doing. And you can even add that it would not be smart to try to talk about our ambitions in equity and excellence without talking about resources. On the other hand, it would not be smart to talk about what kinds of resources are needed unless you have some sense of what you want them for.

I'm a lawyer. I can bullshit.
Yes, Dennis?

MEMBER VAN ROEKEL: One of the things about the definition of equity that I think is often left out -- and to me this is important about how we tie the equity and excellence to the finance. Part of equity is that you provide the finances to do what you said you were going to do. See, if our purpose was to provide a really great education for about 70 percent of the kids, we could say hey, we're doing all right. But in part two, if we say that as a state or a nation we really do believe that we ought to educate every single child, then one of the definitions or pieces of that definition is do you have a system that actually can do what you said you wanted to do. And so if you say well, we want to do that but we only have this much money, that's not equitable.

So either change what you say you want to accomplish or change your system of doing that. But what you can't do is spout
off these high ideals and then design and create a system that won't do it. And to me, that's part of the definition of equity when we talk about equity and excellence.

CHAIR EDLEY: Can I offer a friendly amendment?

MEMBER VAN ROEKEL: Sure.

CHAIR EDLEY: Which is that in terms of the resources that you need to provide in order to achieve what you said you want to achieve, the resources include not just the dollars.

MEMBER VAN ROEKEL: Oh, absolutely.

CHAIR EDLEY: Right. But the organizational culture and all that stuff.

MEMBER VAN ROEKEL: Yes. See, one of the things that I think is a mistake is when we say that it's only money.

CHAIR EDLEY: Right.

MEMBER VAN ROEKEL: And if you put it into a system that is dysfunctional, that's
not going to solve your problem. So I totally
agree with your friendly amendment, sir.

CHAIR EDLEY: Matt?

MEMBER MILLER: The one thing I'd
add is I think there's been 100 reports on the
achievement gap and related stuff like that.
And I guess my intuition --

CHAIR EDLEY: I've read them all.
I don't know about you, but I've read them
all.

MEMBER MILLER: I've written one.

But my intuition is that the
school finance equity gap is the biggest
undiscussed thing in U.S. education because
candidates don't talk about it because of the
politics, the press doesn't talk about it
because candidates don't talk about it.

And so however we end up in what
you just described, which is fine, I think one
of the biggest contributions of this group
will be a really sharp first section that is
the definitive documentation of that in ways
that everybody can get their hands on and say
wait a minute, we acknowledge money's not
everything but Jesus, we didn't know that.

CHAIR EDLEY: And feds don't talk
about it because I think it's a state and
local --

CHAIR HASTINGS: Matt, let me also
just kind of stir it up then which is I
perceive in California that there isn't a
funding gap. There may not be compensatory
sufficient to meet someone's desires, and yet
there's a huge achievement gap. And so, I'm
struggling to understand why you think doing
something on the finance system is going to
have a bigger effect or a major effect in
reducing the achievement gap.

MEMBER MILLER: Well, when you say
there's not a funding gap -- I mean, in
California, per pupil funding is a lot lower
than many other states. I know from working
with charter schools there in my consulting
life, when they think about who they can't
attract that they would like to teach in downtown LA compared to Beverly Hills or Santa Monica, let alone how they operate charters in other areas of the country, it's kind of staggering the pool that they think is not accessible to them for potential teachers.

CHAIR HASTINGS: California is low funded. We agree on that.

MEMBER DARLING-HAMMOND:
California's highest spending districts are above $20,000 per pupil, the lowest spending around $6,000. The gap between Beverly Hills and Baldwin Park, which was the Serrano pair, is now Beverly Hills back to spending more than 50 percent more than Baldwin Park and having much more needy kids to spend it on who come with a lot of needs. So the same issues you have in other states, we have in California. There's a myth that it's more equitably funded. But it's really quite inequitable and low funded on top of that.

Since I have the mic -
(LAUGHTER.)

MEMBER DARLING-HAMMOND: -- thank you, Matt, for getting it started.

One thing we said earlier that I wonder if we have consensus on is that the nation has set about to articulate standards for what kids should know and be able to do, to do that in a more common way than has been the case in the past, to try to then figure out how to create more of a systematic way of enabling kids to get to those standards. Is there a consensus that we start from some set of expectations for common core standards for what kids should know and be able to do, and that the funding question then becomes how do you ensure that the resources are there given that there's the several gaps? There's the fact that kids are coming to school with a much bigger income and home opportunity gap -- community opportunity gap -- because we have much deeper poverty for children here.

So what is it that it takes for a
kid who's well supported at home to be able to meet the standards? And what do you need to be able to fill in to be sure that a student who doesn't have those things -- health care, whatever, pre-school -- has those things that allow them to close the achievement gap at entry to school and then be able to sustain continuing growth to those standards through school?

And just let me say, one reason I'm wondering whether we can ground it in the standards is that we can talk about closing the achievement gap. But given how much access to resources the wealthiest people in our society have, we'd have to put many of those kids in a closet for 15 years so they get no stimulus whatsoever to actually really completely close the achievement gap. I'm happy to set that as a goal.

MEMBER REBELL: I am just a little bit concerned if we focus on the core standards that -- the Common Core -- that is as
I understand it they are reading in math. And I really don't want to get away from the fact that the definition of the goal -- adequacy or whatever we're going to call it -- has to be much broader. Okay.

CHAIR EDLEY: But I don't understand the question. Because we have content standards but we don't have achievement standards, unless you're talking about NAGB and NAEP, which I don't -- well, but states under NCLB, those are a joke. So we don't -- and you're talking about -- so --

MEMBER DARLING-HAMMOND: You could talk about NAEP for now. But in four years, two consortia will have developed assessments for the Common Core standards that have common benchmarks. So that's prospective rather than current.

Right now we have our national NAEP standard basically.

CHAIR EDLEY: So that we say we're against?
MEMBER DARLING-HAMMOND: I'm not trying to get into the debate about whether Texas has to adopt the common core or something like that. I'm trying to ask the question whether we're gaining a consensus in the country about what we think what kids should be able to know and be able to do and that we could approach the question of school financing from the perspective of what does it take to enable them to do that which allows you to take up both the dollar questions and the efficiency questions. How do you spend the money and whether you need to spend to do that?

The alternative is a view which is to say let's get equal spending for everyone. That's another conversation. So we have to decide what conversation we want to have.

Let me leave it at that. A lot of people want to get in.

CHAIR EDLEY: Eric?

MEMBER HANUSHEK: So I have a bit
of a technical question here. How do we adjudicate for the factual issues? Because in the course of this conversation, my understanding of a number of these facts are different than would have been as stated very clearly. And so how are we going to in fact bring in information and factual things?

I also have thought a lot about could you start with standards and get to how much you should spend in some sense and resources required. And I have not found any way to do that, or seen any way that is in my opinion valid other than being a political question addressed by legislatures to deal with this question.

So there's some fundamental issues about how we proceed here in my mind to get agreement on what seems to be the first part that we should all agree on.

MEMBER MILLER: Can you give an example of --

MEMBER HANUSHEK: Yes, I have to
give an example of a fact for Matt if I could.

If you look nationally at spending per pupil related to the proportion of poor kids in the school, you see that the schools in the highest quintile of poverty spend the most. Schools in the lowest quintile of poverty spend almost the same amount as the highest but a little bit less. And in the middle three quintiles, there are differences in spending that's lower.

So it is not factually true that we are spending less on poor kids. Now it may be that we should be spending a lot more, and I'm open to that idea. But as a factual statement, it is not true according to NCES -- a subset of this building -- that we're spending less on the high-poverty schools. That's at the district level.

MEMBER MARTIRE: I think there's a couple of definitional things going on.

So number one, a state could have a relatively equitable-looking funding system
where amounts are relatively similar, but if the amount being spent on instructional expense isn't enough to create a quality education, then everyone has an equally lousy education. I don't know that that's the standard.

So I think the first thing we have to get our arms around is what does it take from an instructional expense to deliver a quality basic education. Whether it's up to standards -- whatever -- what is that? Then that's for a typical kid.

Then we need to adjust for poverty. And there's where the multipliers come in. We certainly need -- and all the data tell you this -- you need to spend a multiple on a kid who's coming from poverty what you spend on a kid who's not in poverty to get equal academic outcomes. All the data suggests that. So we're doing that nowhere in the country as far as I could tell.

And then, that's getting to
adequate. Part of the charge is excellence. What's an excellent education look like? Are you developing critical thinking skills in kids? Lateral thought skills in kids? Do they have a rich environment where they're getting a choice of foreign languages, where they're getting art, where they're getting music? Where they're getting a real education but maybe you can't measure a lot of these things on a standardized test. And I don't think we meet that test in most places.

So once again, total expenses per kid? I live in River Forest, Illinois. It's an affluent community. And I live in the crappiest house with the least curb appeal and the smallest yard. But I live there for the schools. And what my kids get in addition to their core curriculum at their public school, great books class, choice of four foreign languages, choice of 20 orchestral instruments to play that the school will teach them and they get to pick from, and all that stuff, and
they've been getting this stuff since first grade.

Now one mile away is Austin, Illinois. The schools are falling apart. The classrooms are crowded. The kids don't have a foreign language option in many of the classes. They're spending the same amount. But they've got to spend stuff on security and transportation and special ed we don't spend a nickel on. You want your kid to the River Forest school, get them there.

The total expenses per kid is irrelevant. We've got to look at what drives student achievement. We've got to define how much a basic quality education costs and whether or not districts are getting to that for a kid that doesn't have to overcome poverty, got to create a multiple of that for a kid who does have to overcome poverty. And then you've got to look at okay, that's adequate. What's excellent?

CHAIR HASTINGS: Would a useful
approach in terms of trying to understand both excellence and adequacy be to look at real examples? So in sports, no one thought you could run a four-minute mile until somebody did.

And so, maybe a useful part of the device is to identify the district or CMO that's high-poverty, high achievement at some reasonable scale and some reasonable sustainability and say, okay, well, there's a resource model that works and that's achieving those goals. Because honestly, none of us probably know what's the minimum level because it depends on how well it's deployed and how effective it is. And with our broad national purview, maybe we can focus in on a couple of examples where the actual proves the possible.

MEMBER BROWN: What Rick is referring to is our recent study on return on investment where I'm sure the school district you just described came out kind of mediocre on our measure. We were looking at
expenditures versus achievement. And we have a really nifty website. If you want to go on it, it's at AmericanProgress.org/issues/2011/01/pdf/dwwroi.pdf. And you'll see a pretty rich discussion and web presentation with a very interactive website about where you can rank districts in every state. You can rank them by size, you can rank them by poverty, you can rank them by urbanicity which you'd be interested in. And anyway, it's a lot to play with and it'll keep you busy for several hours.

That wasn't what I was going to say though.

Another thing we have to throw into the mix -- and this is very unpopular with a lot of folks -- is tax effort because when you look at the interstate differences that we have, and even in a district, there's a huge effect of tax effort and tax base. And so you have states in the South and the West -- some of whom make a considerable tax effort
but they have no wealth, unlike California which has more wealth and a pretty lousy tax effort. And we're going to have to put into our deliberations whether people in one part of the country should make up the difference in adequate and fair distribution of education resources for people who aren't willing to make the effort themselves. And it's a very difficult conversation. I know because we've had it within our own organization.

But we're just going to have to grapple with that if -- I would just say that we at the Center made a proposal about a new Title I formula which is controversial because it takes into consideration tax effort as well as poverty. And I'm not sure where this group will come out. But I think you have to look at it.

CHAIR HASTINGS: Sandra?

MEMBER GLENN: I just wanted to raise a couple of observations. There may be more questions than any answers or direction.
One of the things that I've noticed, when we talk about education and what education should be, what's excellent, what's adequate, most times the public -- and you think about how we bring people along -- their notion of education may be back from the '50s, '60, maybe '70s of what education is -- what is a high school education, what should it be, how many years of math do you need, do you need to have phys ed or not, world language. The picture for 21st Century living or quality of life or economic competitiveness, I don't think people have translated that into what then has to happen in our schools, to most people, what has to happen as a fundamental, almost floor level for quality education.

So defining what we mean by adequate or excellent education I think is worth some time even before you get to standards. We base the standards on this is what we think children need to know because -- because they need to have X level of
competency in analytical thinking to be able to carry out certain jobs now in the 21st Century. But I don't think we've made that translation for people. So defining education in the 21st Century I think is a piece of this puzzle.

Then I think linking what that education is and what opportunities, conditions, environments are best connected to achieving that -- a little bit different than how this dollar investment per child, but to do what? Teaching and instruction in quality instruction runs very high. Some other things may be of lesser importance. So how do we help people rank here are the critical opportunities, components and conditions that must be present to get to that outcome?

So that's kind of like a framework number two because then everybody can sort of see themselves in the conversation. I think part of our problem is when you go from here's equity, high-poverty school district, very
wealthy districts, you leave out most of the people who are somewhere in between. Most school districts are not in large urban areas. They impact a lot of children. Most school districts are not high-wealth districts. They're sort of somewhere in between, and people need to see themselves in this conversation.

So how do we connect the outcomes, the opportunities to a broader context where even if you are not at the worst end, you see how this could be better, how your children need to achieve more just to get on an even playing field. Can we construct that kind of conversation around this so that now when you talk about the drivers of this being the state -- those state legislators are usually elected mainly by people who are living in those middle districts, not at either end of the spectrum? So how can we give them a buy-in to the conversation to see where there's some value into re-thinking how the platform for
this funding?

    And again, I don't have a specific here's the best way to do it. But it seems like those are some of the key strands that we would need to kind of get in this conversation for this Commission's report to have some real I guess opportunity to be moved beyond the shelf that people were talking about.

MEMBER MARTIRE: I just want to follow up on what you just said.

    We looked at the wealthiest districts versus the vast majority of districts. And we found the funding discrepancies there. So that's 77 percent of the kids of Illinois get an inadequate education. And it's because of our funding system.

    And I think what's interesting, in a state when you say your education quality is tied to the address of the kid based on property wealth in a state like Illinois, that's not acceptable. And if the local
district can't do more because they don't have more resources or whatever, we always say it's the state's responsibility to come in and do more. And our state hasn't done it.

We're looking at this from a national standpoint. So if you're a middle-income kid somewhere in California, you had nothing to do with Proposition 13 that limited property taxes. You've got an under-funded education. And we're going to penalize you, kid because you happen to live in a state that has a ridiculous state law.

Too much in the education funding debate at the national level has been punitive. We're saying if you don't make enough tax effort or if you don't do this, we're not going to give you the resources you need to be successful. How is that moving it forward?

MEMBER CASSERLY: Another way to look at finance equity or adequacy -- and I think Michael and I have talked about this in...
years past -- it's not to look at it from the vantage point of the district and how much they spend or the state and how much they spend or the nation and how much it spends, but from the vantage point of the kid and how much is spent on them by their schools and their families who spend definable amount on educational purposes over time.

So you're looking at the cumulative family and school spending on education of a child born in year 1 through years, fourth grade, for instance, and then looking at their academic attainment in that light because as you measure their academic achievement in grade four, you are not assessing what they just learned in grade four, you're assessing everything they've learned up through grade four. Treat the spending in exactly the same way and from the vantage point of the kid, and you might have a different story to tell.

MEMBER FLORENTINO-CUÉLLAR: Just a
very brief comment on the conversation of the last few minutes.

Will asked a very perceptive and important question which is how are we going to adjudicate factor dispute. And at the risk of stating the obvious, I think the answer has been the conversation.

And what the conversation suggests to me is that while there is some value in trying to define a metric, something that is as precise as a Gini coefficient, we may also I think gain a great deal from trying to maintain this perspective where we recognize that the complexity of the problem requires some engagement even in the report text with a recognition that you're going to get very big differences in the answer to the question of what is the inequity if you look at district level versus school level versus state level, if you look at bringing in the family in the community context or if you don't, if you look at achievement, if you look at race and class,
segregation.

And it suggests to me that as part of the conversation and part of what goes in the report, we keep a little bit of this pluralistic discourse. And we say there is good reason to believe that there is a big inequity problem. But you can think about it in different ways, and there are subtleties here that recommend different approaches to policy making.

CHAIR HASTINGS: Let me just do a process check. We've got about 90 minutes left. We need to divide up in the committees. And what I would like to do is have some of the time for the committee to get together here before we break up because coordinating offline is going to be even harder.

So would it be okay with everyone if we turned to who wants to work on what part, and then those groups can be meeting here in this room altogether, try to outline what's going to happen between now and May?
Congressman Honda?

REP. HONDA: Thank you. We use the word equity a lot. And we use the word equity in the context of what we understand, what programs that we're familiar with or how we're struggling with it.

I don't remember anyone defining what equity is, first. And then, how do you conceptualize that in terms of how do you determine what each child needs in terms of approaching that issue of equity for the child? Then how do you operationalize that without any consideration of cost first. Because it's achieving the equity first and trying to figure out what is that first step. And then we can see what the cost is going to be.

And I think that some people are concerned about -- talking about money and things like that. It's a barrier and it's something that disallows any progress in terms of moving forward with the understanding of
what that term equity means. And so, I think in some debate classes, I was taught that first you have to define what it is that you're going to talk about. Then you agree upon the rules, and then you move forward.

So I'm not sure whether the term equity has been defined yet.

CHAIR HASTINGS: Congressman, I think you just signed up for the first working subgroup which is part of doing that introduction.

(LAUGHTER.)

MEMBER SCIARRA: What's come up here is the issue we have very weak data on the condition of our state finance systems.

The federal government at one time back after the Nixon report actually started to invest some money in the research side of school finance. A lot of the costing-out methodologies that we have now for costing out education such as professional development, successful schools process, evidence-based
process -- we have some methods to do that -- really came out of the federal government's investment in bringing forward folks who were trained to do education finance work and begin to grapple with this.

So part of the problem we face is that we've had dis-investment in the research on school finance and the use of resources. We have very weak data sets.

That being said, we've done some work on this recently. And looking at the condition of the state finance systems, both in terms of adjusted cost level of funding in each state, what kids typically get -- not in any one particular school district but across the state -- but more importantly, the distribution pattern relative to student poverty.

And I can tell you, the situation in our states is very bad when you look at these metrics. Now sure they need to be improved. But we have states that are
extraordinarily low-spending that are flat, that provide no resource bump-up to deal with student poverty and concentrated student poverty. We have only a very few states that have progressive finance systems, typically, meaning that they allocate more resources or direct more resources as poverty increases. California's low spending -- very little bump-up, typically across the board. And also around the fiscal equity measure, we have a lot of states that are low-spending and regressive or flat, meaning they provide even less resources as poverty increases, but have fiscal capacity. Some of the southern states have actual fiscal capacity to do better but aren't putting out.

So this is the issue that I think we have to frame out along with the issue of ensuring that states put in place -- this is an area where I think we can take some leadership that the states start to put in place protocols to ensure at least in our
higher poverty schools if they're going to
have invest more that funds are driven through
the budgetary process to districts and schools
in ways that we know can make a difference.

But let me just go back to the
Newark example since, Reed, you brought it up.

We had fits and starts in terms of
money coming into Newark and reform, meaning
the state making an effort to ensure that
money got into those schools and was invested
in ways that we thought made sense. Now I'm
talking back in 1999 to 2000. We've learned a
lot more since then.

But just let me give you this
fact. In 2000-2001, on our fourth grade
language arts test -- I'm going to stick just
with one -- the Newark kids were at 52 percent
passing, essentially proficient. By 2007-
2008, they're up to 76.7 percent across the
board in the district. That's an increase of
24.7 points in that span of time, and only the
state average when we started out was 85.3.
I'm talking about across the entire state of New Jersey which is one of the highest performing states in the nation. And the state average only moved up 3.4 points.

My point is it's about progress. It's not about, we put more money in and boom, have we automatically closed the achievement gap? And I can take you to districts in New Jersey that have done -- urban districts -- 90 percent free and reduced rate, limited English proficiency rates up 16, 17, 18 percent, where they've done much better than this across the board in terms of beginning to narrow the gap through a sustained effort at increasing the resource level to make it more fair or more equitable -- whatever term you want to use -- plus investing the resources where we know it's going to make a difference, plus making sure that all the other issues around leadership, capacity building, evaluation -- things that we have to have.

I keep coming back to something
our court said in 1999. And Jim Ryan worked on this case so he knows this too. When the court ordered more money, they actually adopted the standards -- the content standards as the substantive definition of a constitutional education for all kids, and then they ordered more money into the urban schools that led to this. But they said something that I think is so profound. They said standards alone do not ensure any substantive level of achievement. They said real improvement -- real improvement depends upon a variety of other issues such as sufficient resources, effective leadership, effective use of resources, efficient administration and, sort of, extra effort to deal with the societal and social factors and poverty factors that kids bring with them to school.

So I think this Commission is set up to deal with that finance issue, that inequity that we see in the states. We have
to begin to define it. We have to call for more research so that we can define it even better. We have to deal with the costing-out issue which Rick talked about. We need better research on costing-out methods to figure out what the cost of an education is for kids, including poor kids and at-risk kids to meet standards. We need a lot more research on that.

But we can start pushing that forward in the context, though, of also making sure that we mention -- or not just mention, but that we're firm about this -- that this has to be part of a more comprehensive, substantive change in our educational systems that ensure the effective use of resources and all the other things we know from management issues and governance issues that have to be in place, particularly in schools that serve extraordinarily high concentrations of poor kids.

CHAIR HASTINGS: Thank you. And
we've got our four topics. And I think everyone is uncomfortable with the idea of dividing up by areas, leading to a potentially schizophrenic document, but no one has a better model. So run with me for a minute.

The four areas -- the first was characterizing the problem. The second section was the North Star of ideally what it should be. The third is how we get there I presume programmatically since the fourth is funding, which is the funding part of how do we get there.

I just wanted to do a quick straw poll to see if there are about equal numbers interested in the groups or do we have to realign the agenda?

MEMBER REBELL: This really goes to the question of whether we're prepared to deal with the fourth item until we've gotten somewhere with the first three. And Chris had put out the possibility of at least making progress on the first. I don't gather that
we've made progress on any of them, quite frankly.

CHAIR HASTINGS: I agree. You could have that view. But on the other hand, I think another hour we weren't going to make that much more progress, either. And I was conscious of trying to get the subcommittees - to get 60 minutes here to meet before you all run off to your planes so that there's a better chance between now and May.

CHAIR EDLEY: Michael, you have some serious ethics issues, don't you, that may keep you from serving on the --

(LAUGHTER.)

CHAIR HASTINGS: Okay. On the first group, what people at least on a first pass would be inclined, assuming you're only on one subcommittee to work on the first -- characterizing the problem?

(A SHOW OF HANDS.)

One, two, three, four, five.

Okay. That's not bad.
North Star?

(A SHOW OF HANDS.)

One, two, three, four, five.

Okay. That's working out well.

How to get there?

(A SHOW OF HANDS.)

One, two, three, four. Okay.

Great.

And the last one -- funding?

(A SHOW OF HANDS.)

CHAIR EDLEY: I think two is a golden palace on the hill, and three is how you build it. Two is the picture of what you want the system to look like. In particular, what are the equity and excellence qualities that you hope the system will exhibit. And three is what are the policies that we either know or have reason to think may be effective and cost-effective at getting us there. Four is how you pay for it in some sense. It matters -- is that not --

Well, I think that --
CHAIR HASTINGS: Let's combine three and four. Is that fine?

Now we have three groups. We have what's the current situation, what's the North Star and how do we get there programmatically and fiscally.

MEMBER FLORENTINO-CUÉLLAR: So just one quick observation.

CHAIR EDLEY: Okay.

MEMBER FLORENTINO-CUÉLLAR: Here's another thought about this. Maybe combining them is the right idea. But I was just going to suggest to be contrarian but it is actually not a bad thing if these groups overlap a little bit. And the reason why is because some of this harmonizing of disagreements that is going to have to happen I think will involve -- I mean, this is assuming we don't go the route where we just really defer the conversation until we've worked out the first few parts of the report but instead proceed in some parallel. It'll be precisely at the
issue of how do you harmonize ideas that are being developed and the subcommittees that are not actually not entirely compatible. I think that in some ways that might be a helpful mechanism for identifying what those disagreements are.

CHAIR HASTINGS: I don't think there's any issue. If there are those with enough time to be on two groups, they shouldn't be limited from that.

Why don't we put three and four together for now, but leave it to that group? If they ultimately decide that it's more efficient to break those into two problems, then they are able to do so.

MEMBER DARLING-HAMMOND: If you figured out what would work, how would you fund it, what would be a new finance system is a whole basket.

CHAIR HASTINGS: Okay. Well, we're putting three or four together and letting three and four decide if they want to
break that up or whether the programmatic and
funding are so linked.

CHAIR EDLEY: And we're going to
look at these lists. Some people aren't here.
We're going to look at these lists and we may
strong-arm some people to make sure that the
mix is good.

CHAIR HASTINGS: Looking at the
clock, my suggestion is that we break into the
subcommittees for 45 minutes. And then that
will give us half an hour to come back and
talk about both what we covered and more
precisely does that structure still feel okay
so that we can move forward. Does that sound
--

MEMBER MARTIRE: Are we committed
to put it on --

CHAIR HASTINGS: No, you are not.
At least for today, you're probably going to
be on one because you can only be in one
place.

So if we go into the subgroups for
45 minutes until 4:30 and then come back for half an hour, does that work?

Okay. Hearing no objection, we'll do that.

So group one, if you could be in that corner. Group two in that corner. And group three down at this end. And then we'll be back at 4:30.

(Whereupon, the above-entitled matter went off the record at 3:43 p.m. and resumed at 4:35 p.m.)

CHAIR HASTINGS: Okay. If we can get our Group #1 to give us a little insight of what they covered, how much it gelled, how achievable the task feels, what they want to cover. About five minutes would be great.

MEMBER FLORENTINO-CUÉLLAR: Sure. Of course, we had a very productive discussion. We decided that the truly difficult thing before us is to define the problem. And once that's done, then everything else will follow perfectly, and
your task will be simple. No doubt.

So our discussion really went in a couple different directions, but I'll try to pull it together and then my colleagues can just jump in if there's anything I left out.

Several folks had the very helpful suggestion that we think about this in terms of both excellence and equity, and maybe frame part one as, first, an opportunity to document the problems with excellence in this country. And that of course will entail some more discussion and refining. But it is an enterprise that can be pursued by making international comparisons, by thinking about the consequences even outside the international context for communities that are not able to maintain a degree of excellence in education.

And in the process of telling this story, we thought it would be especially important to find very vivid examples, recognizing that the examples are not to be
taken as representative of a very complex subject, but they can help concretize the discussion. So we would want to find examples involving high-performing districts with maybe large numbers of poor kids that have been able to buck some of the trends that we're concerned about and illustrate the possibility of maybe a very different kind of equilibrium.

By the same token, it'll be just as important to illustrate the depth of the problem with some very concrete examples of how bad the excellence problem is.

That then leads to a discussion of equity which we might frame by discussing equity as a lack of opportunities, or rather the distribution of opportunities on the basis of thoroughly arbitrary factors. And here we would want to make a couple of points. For one, the problem of equity is not reflected just in one kind of measurement, just as we were talking about before. There are problems involving segregation. There are problems
involving different kinds of funding. But a really critical point here would be to argue that the U.S. is really quite distinctive in its funding structure for education. And that whatever else we say about the problems of equity, surely the education-funding reality that we have is quite probably an essential building block, maybe more forcefully putting it than that, but it really probably is an essential building block of the problem and of the solution.

And at the same time that we recognize that funding is not everything, that in fact, the U.S. spends a lot more as percentage of GDP on education than a lot of other countries and gets worse outcomes, but we have to kind of come back and say we can talk about the different manifestations of problems of inequity, about the different issues that arise with respect to how efficiently money is spent but we have to recognize that the funding structure we have
is distinctive and is a big, big part of the problem. And then, maybe at that point or maybe even earlier, talking about the costs of not dealing with the problem and how those costs are going to be big, not only for the people who are directly impacted by the gap in excellence but also for a heck of a lot of other kids that are going to pretty good schools and getting a pretty good education, but are going to be living in a society, if you don't do something, that is going to be quite difficult to sustain.

So I would like to close by invoking John F. Kennedy in talking about asking not what you can do for yourself but for your country and suggesting that we would be greatly helped if we could get some support -- maybe from the folks who are involved in this in the Department of Education in gathering data. We will need a lot of data to tell the story effectively and we will undertake it to gather ideas from our little
subgroup and also from others about the kinds of data that we need, but then we need some assistance in actually getting it.

And then second, in finding some of these examples -- some of these districts or schools where we can tell a compelling story of how success has been achieved despite some of their constraints but also some examples of some of the depths of the problem.

MEMBER ALI: We, as of this point, don't have money for new research. We hope to build upon existing research in the field. We will, no doubt, be relying on lots of you that have both authored and know about where this research can be found to bring it to our attention. We will certainly solicit input from you. On the examples too.

That is not to say we wouldn't do deeper dives upon your request, and we couldn't -- especially with the civil rights data collection -- come up with new analyses that haven't been done before.
If we can commission new research, we will let you know that in very short order.

MEMBER FLORENTINO-CUÉLLAR: But I think that's entirely consistent with the tenor of our discussion. I think what we had in mind more is just putting your heads together with ours to make sure that we make the best possible use of existing research in telling the story.

CHAIR HASTINGS: Any questions for Tino?

(No response.)

CHAIR HASTINGS: Great. Group #2?

MEMBER REBELL: Okay. Well, I think where our group came out tends to fit pretty nicely with where you left off. So I guess that was the aim at a preliminary level.

I was just saying that I do think that where our conversation Group 2 began was somewhat close to where you left off.

So to some extent, what we'd like to do is say what you've done is painted a
picture of inequity and lack of excellence. And what we would see our job is, is to present the vision of how we can break that cycle of schools being this repository of inequity and achievement gaps, and financing is part of it, but it does go beyond financing.

A tentative organizing theme that we're thinking of for painting what this goal of a new approach should be is to try to revitalize for the 21st Century the historical notion of the American Dream. And if you remember, the idea of the American Dream was that even though there are different talents, different degrees of motivations that individuals have, the job of our school system in the competitive American society was to even the playing field at the start of the competitive race for life, so to speak, and to give everybody a solid starting point for, then, going off and doing their thing, and some will succeed more than others. But the
school's job was to prepare everybody to enter that race on a fair basis.

So thinking of that, it resonates that it's got historical roots in America, it's got I think a lot of political traction to it, would then allow us to bring in four other concepts that we think should be emphasized in this context.

So one of them is the college readiness theme that the President is emphasizing and that really the common core is working with. To some extent, we see the common core and college readiness as working together. So part of this 21st Century American Dream would be, how do we prepare all kids to be able to take advantage of what we see as this common core and to achieve college readiness or post-secondary work readiness.

Another dimension, of course, is the international competitiveness. And this we would be directly picking up from where Group 1 seems to be putting a lot of its
emphasis. And we've got to prepare our children for the global marketplace and for the international competitiveness. So that's expanding the historical notion of the American Dream.

But in the emphasis on the common core and the international competitiveness, we don't want to lose sight of the other historical dimension of education which is preparing people to be capable citizens. And again, there's a lot of history to that. But there's also a lot of future orientation when you think about it because citizenship means voting, it means being prepared to be on a jury, as the Congressman said this morning. But it also means as one of our members put it having his ten-year-old understand something about what's going in Egypt today because we're living this and our kids are seeing it on TV and it's a very different world. So you've got to in some sense be prepared for citizenship on a much broader global
perspective for this.

Just one other point I want to make with these major themes that we're bringing up, what we seem to be moving toward is something of a more comprehensive view of education than the traditional K-12 view. And on the one hand, it's more than the traditional K-12 because we're talking about college readiness.

On the other hand, if we're talking about breaking the cycle of inequity and really giving kids -- all kids -- a solid foundation in terms of equal opportunity in the classic American Dream sense, it also means that we've probably got to think more broadly about the inputs that go in especially at an early age. So it probably means talking about health, early childhood, family supports -- a lot of these things that are necessary to break that fundamental cycle of inequity.

And exactly how we work this in is one of the things that we want to work on over
the next couple of months. We do have some models of how this can be done. And some of it does involve greater collaboration and cooperation between school systems and other municipal departments and agencies -- community agencies -- that take some of the heavy emphasis off financing just for schools.

So how much of that we're going to get into, I don't know. But that was a theme that people brought up and we want to think about at least.

CHAIR HASTINGS: And did you guys figure out how to work together between now and May? Do you have a rough plan for that?

MEMBER REBELL: We do. We're going to circulate a draft and continue our conversation.

CHAIR HASTINGS: Excellent.

Excellent.

Group #3, then. Who's reporting for Group #3?

MEMBER BROWN: Well, we didn't
solve the problem, but we certainly had a very rich discussion. And I think it was pretty sobering. I mean, we know we have a local, a state, a federal problem. We know there are states -- Linda told us about Massachusetts, that it had more success in closing achievement gaps and putting in more equitable funding systems. We talked a lot about political will, talked about using money efficiently.

This group -- Chris decided he was leaving it at the end.

CHAIR HASTINGS: Is there a remedial session for this group at 5:00 o'clock?

(LAUGHTER.)

CHAIR HASTINGS: Is that group staying after?

MEMBER BROWN: Well, I think we know the elements of what has to go into a solution. But it's really tough. You have to talk about phasing in, how we get to where we
want to be, and just a lot of difficult issues about how you structure a finance system in a country that's so unlike every other advanced country in the world.

CHAIR HASTINGS: Do most people in the group want to keep it as one group?

MEMBER BROWN: Oh, I think we did. I didn't see any disagreement about that. Did you, Linda, Rick?

CHAIR HASTINGS: It sounds like provisionally it's one group now. And if by May, you guys decide to --

MEMBER MARTIRE: We haven't identified any way that we were comfortable with costing out any of the things it would take to move to a better education. And that was one of the big areas of disagreement as to whether that can even be done at a certain level.

CHAIR HASTINGS: It's perfectly reasonable to go either way. So we'll leave it in your group's -- did I cover that, Rick?
MEMBER HANUSHEK: So I thought there was some agreement on disagreements. There are fundamental agreements that in fact any system of support for schools had to recognize that some kids take more resources than others and that you had to have a system that in fact supported poor kids and LEP kids and what have you.

There was agreement that some of the things that we take for granted now are probably dysfunctional, such as the way we regulate and support and fund and describe special education. And there was complete disagreement on whether we could in fact describe in some fundamental sense what the base funding ought to be for any system. And there was an idea that, after we had these in line, we would late discuss how the different levels of government work together -- federal, state and local -- in terms of supporting these various ideas.

So I think that there was a lot of
agreement but a lot of disagreement on some basic points.

CHAIR HASTINGS: Well, that discussion will be ongoing between now and May.

MEMBER BROWN: Can I ask a process question?

CHAIR HASTINGS: Yes.

MEMBER BROWN: I mean, how are we going to get from here to there in May? Are we going to have conference calls? I think we need staffing. I mean, it would help if they had had someone taking notes on our conversation.

CHAIR HASTINGS: The other two groups did that. The other two groups took notes. And then the other two groups arranged to get together. And I think you guys just ran out of time because it's such a big topic and a larger group. So maybe right afterwards, you really want to get together for another five minutes and just think about

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
(202) 234-4433
WASHINGTON, D.C. 20005-3701
www.nealrgross.com
how much progress you can make that's realistic between now and May and figure out how you want to do that.

And then when we get back together in May, I think we'll all have had a clearer idea about the various areas. We'll come together and we'll be able to work through the whole day with a lot of the introductions over with and really get into the meat of these individual sections.

So with that, Russlynn, do you want to say a final word?

MEMBER ALI: So first let me thank you for what might not feel to you like an amazingly productive day, but it certainly feels that way to me because I think we have started -- and I can speak on behalf of the Secretary and the ex-officios here -- we have really started what we think is going to be an amazing document with an amazing group of people that will drive a sorely needed conversation in this country. So I thank you
and apologize in advance for how hard and
tough this is all going to be.

   Cindy, yes, we will provide you
   sort of a staffing level of support for this,
especially in those groups like Group 3 and 4
where this is so big. So please tell us what
you need from us. And that is, both, about
bodies. It certainly is about research, Tino.

   But it's about what kind of support you need
and we're going to deliver that. We will find
a way to deliver that for you along the way.

   When it comes specifically to
questions of press, I wouldn't script that,
right? You all are grown-ups and experts and
I believe will handle that just fine. If you
get in tough questions or your instinct says
don't answer until you gut-check with one of
the co-chairs, then please do that. We're
also here to help support that, too. But I
would imagine that -- right -- they will
handle it with all due course and maturity and
confidentiality, as appropriate.
Are there any immediate housekeeping issues, Stephen?

CHAIR EDLEY: We're going to have a good teleconference and, hopefully, videoconference capability.

MEMBER ALI: And Stephen will be in touch with you about the kinds of technologies that we can use, that fits within the government regulations and the ways to communicate. You can talk amongst yourselves as a small group. You don't have the sort of Brown-Act equivalent or the FACA rules as subgroups and subcommittees. So please engage in whatever kind of conversation you need to as a group to get to where we're going for May.

If this is feeling overwhelming for you between now and May as you're digging deeper in your subgroups, please let us know. And again, let us offer or help provide you a kind of support that you'll need.

In very, very short order, we will
get for you a primer of research that deals with each of these four buckets that we hope will help frame some of your conversations. And as new data is coming out from the Department, both on our Data Dashboard that we announced out of the Secretary's office a few weeks ago, and the Civil Rights Data Collection and other sources, we'll make sure that you have access to that in real time and very quickly.

CHAIR EDLEY: There's not a lot of time for spinning wheels. So if you feel like you're floundering, if you feel as though you are spinning your wheels, you've got to send up a flare, you've got to reach out to us and we'll do what we can to move you along.

CHAIR HASTINGS: Stephen is the point person for all these things.

On a final note, I'd just like to offer a note of thanks to Russlynn and the Secretary for assembling an incredible group which will be an incredible experience over
the year.

So with that, we close. And thank you very much, Russlynn.

(APPLAUSE.)

(Whereupon, the above-entitled matter went off the record at 4:57 p.m.)