

First person tale of cost-cutting success

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Despite declining resources, Arlington, Massachusetts Superintendent Nathan Levenson lead a team of committed administrators and a courageous school board from July 2005 through August 2008 to award-winning growth in academic achievement. The shrinking budget wasn't an obstacle to improvement; it was an instrument of their success. More children learning, however, wasn't enough to calm the political firestorms that accompanied the tough and untraditional financial decisions that were necessary to raise student achievement.

As I sat in the high school library during the winter of 2005 being grilled by the 17 member Superintendent Search Committee, I was struck by how many questions centered on budgets and budgeting. No one asked me about reading instruction, what skills students should master in the twenty-first century, or how to close the achievement gap. A school board member did ask, "Would I let people know what's in the budget?"

I was a bit disappointed. I had left the business world after 20 years to become a superintendent. I wanted to discuss my theories for accelerating student learning but they only wanted to talk about money. As I moved through subsequent rounds of interviewing, I learned that reading couldn't be improved because, "We had to cut reading teachers a few years back"; that twenty-first century skills couldn't be enhanced, "Because we had no money" and we didn't know how big the achievement gap was, "Because we couldn't afford to fund the data analyst." This poverty mentality surprised me because the district spent the state average per pupil and had typical salaries scales for a middle class district. Little did anyone know that finding enough money to fulfill our grandest educational dreams would be easy, that raising student achievement wouldn't be hard, but navigating budget politics would be fatal.

My MBA from Harvard Business School and experience as "budget guru" on my hometown school board carried the day. Arlington hired a nontraditional superintendent. The

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public announcement said I was the man to navigate a tough financial situation and bring new ideas to the district. Privately, people whispered “This is the end of ‘old Arlington rule.’” The town had experienced a demographic shift, from predominately middle class, blue collar, Irish Catholics who lived in town for generations to now include a mix of young, progressive, urban professionals. Unbeknownst to me, I was the standard bearer for ‘New Arlington.’

First, Show me the Money

With contract signatures still damp, I launched a 50 person listening tour with school committee members, central office staff, curriculum leaders and principals. Very clear patterns emerged from the conversations.

The school board members were smart, caring, thoughtful and somewhat lost. There was desire—but no plan—for moving the district forward. Past fights over small funding disagreements still loomed large, and a desperate want for more resources nagged at the members. Collectively they concluded the district couldn’t improve until we found more money.

The administrators had ideas, but little hope. They knew exactly how to raise student achievement: Provide more and better professional development, align the curriculum between grades, provide intensive intervention for struggling readers, mentor new teachers and hire content strong special education staff. Rather than being excited to share their ideas, many found our conversation depressing. Without more money, nothing would change, they told me. Like asking a man stranded on a desert island, “What would you want to eat if rescued?” it was just hypothetical and a bit cruel. I pointed out that what they wanted didn’t cost much, maybe \$1 million, about 2 percent of our \$50 million budget. Every administrator responded with tales of being denied a few thousand dollars for some top priority.

My last stop on the tour was the business office. At this point, I knew what to expect – “We have no money.” Instead, I learned that we might end the year with a deficit (which is terrible) or we might end the year with a sizable surplus (which isn’t much better), so I should prepare for both scenarios and be ready to spend down any surplus on the last day of the year. I was mystified. With less than six weeks left in the school year, it should be simple to forecast our ending balance. Yet for a hundred reasons, no forecast was possible—we didn’t have accurate budgets for many line items; purchase orders often get entered late; grants, which offset the operating budget, are handled by a different department and aren’t accrued in real time; etc. This made no sense to me, but I knew I wasn’t going to get an answer until the last day of the fiscal year.

The listening tour revealed three truths:

- 1) The school board didn’t have a plan, vision or strategy, but they controlled the budget.
- 2) The administrators knew what was needed, but no one asked them.
- 3) No one, including the superintendent, CFO or school board really knew where we spent our money.

The Cornerstone: Knowing the Past and the Future

An old Russian proverb tells, “If you don’t know where you are going, any path will take you there.” The Arlington Public Schools needed a strategy for raising student achievement. Since the school board had final say on the budget, I focused on them first. I created a best practice boot camp which included holding retreats, attending lectures, and using school board meetings to discuss journal articles. Many of our meetings looked like college seminars with thought provoking discussions and the Socratic method.

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Within three months, there was broad agreement that standards based education; a common curriculum; district wide formative assessments; an unrelenting focus on reading and sustained, focused professional development would help the students of Arlington. This was a comprehensive, interconnected plan, not a bunch of unrelated programs. The intellectual agreement was strong and deep. I was feeling good.

I was also naive. I had unknowingly fired the first shot in a bruising battle of attrition. The point of creating the strategy was to prioritize our time, energy and resources. Our limited funds would focus on the strategy, and administrators would be accountable for implementing the plan. While many lauded this, most failed to understand that given limited resources we could not continue to spend money on what wasn't critical to the strategy.

As we planned for the future, we also looked back in great detail at prior year spending. We categorized, researched, clarified and codified. Because we used purchase orders for all expenses, had a decent in-house payroll system, and tracked grants well, getting the information wasn't hard. Getting people to think strategically, rather than bureaucratically, was harder. For example, unspent textbook funds were used to pay a larger than expected heating bill. I wanted this recorded as heat, but they put it in textbooks. A teacher who had been transferred to the reading department was recorded as special education because she still had her office in the special education wing.

The other challenge was creating a meaningful level of detail. Some line items had only \$200 spent, another had \$1,000,000 marked "other" and a few combined a half dozen unrelated programs. Because the business office seldom spoke to front-line staff or building principals, they had to guess where to charge many expenses. It took five months and ten revisions to create a clear, simple to understand listing of all prior expenses by activity and program.

Shifting Funds: Winners and Losers

With the strategy in hand, we knew what we needed: more reading teachers, paid mentors, elementary math coaches, a better student information system, a data analyst and stipends for teachers to develop a common curriculum and district-wide formative assessments. No new money was coming; in fact, over the next few years, inflation adjusted per-pupil spending was forecasted to decline. There was only one option to implement our plan; we had to shift spending from existing efforts.

We had plenty of money. We just weren't spending it on what mattered most to children. My blessing was to be an outsider, both to Arlington and to education. I could see where past practice had enshrined costly decisions that didn't help kids or support the strategy. My outsider status was also my curse. I couldn't see the landmines buried in times past.

The budget review had shined a light on past spending. The results were a bit shocking. We had a few tabloid type embarrassments, such as \$400 in overtime each Sunday for a custodian to close a single loose window, or a teacher paid \$1,000 per hour because her program had been cut back, but not her work schedule. While wasteful and harmful to morale, this type of squandering didn't add up to a lot.

Good intentions also skewed our resource allocations. Treating everyone "equally" seems fair and is politically safe. No favorites means no enemies. In the Arlington elementary schools equal meant one reading teacher per school, one secretary, one nurse, one librarian, one special education tester, etc. Since some schools had twice as many students as others, "same" did not seem fair to me. Arlington also had a cultural norm for the 'equality of all subjects.'" This meant that every subject and every department should have roughly equal levels of administration. For

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example, math and home economics were equal, even though one was a core subject with 30 times as many teachers.

To implement our new strategy, we had to shift funds. That's code for saying cut some existing staff and programs, so that we can add elsewhere. We had lots of possibilities.

The first place I looked was the administrative staff. We had far too many noncore subject department heads. The next target was federal grants. Each grant had an informal "owner," typically either the person who originally applied for the grant or the poor soul charged with filing the paperwork each year. The grant owners treated the funds as their own. While Arlington was meticulous in following the letter of the law, nearly all these funds were frittered away on ineffective programs, secretaries for the grant owners and nice-to-have irrelevances.

Finally, the poster child of old decisions carried forward was our crossing guards, a small army of lovely women helping kids cross the street on the way to school. Seems great, but more parents were driving or walking their children to school. A study conducted by the police department and two pro bono traffic experts concluded that a third of the crossing guards crossed no children or no children walking without a parent. All worked well beyond when children were walking to or from school.

By matching administrative staffing to the size and importance of the department, by redirecting certain grants and by eliminating crossing guards from the unused routes, we could fund 100 percent of our strategy. I was on the top of the world—for a day.

All Hell Broke Loose

The administrators who would be going back into the classroom rallied their teachers and told parents this was the first step in eliminating their programs completely. Grant "owners," who lost

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control of their budgets, spread the rumor that I was going to spend the money illegally. The crossing guards screamed, “Children will die.” Week after week, school board meetings were packed with protesters. I was a crook and a baby killer, not a visionary, financially savvy leader who found a way to make progress despite tough financial times.

As the school board debated the budget, the one thing both supporters and detractors could agreed on was if I had communicated better, there wouldn't be all outcries. I disagree. I had spent five months laying the groundwork with the school board, the administrators and the public. More than a dozen televised public meetings were held to explain the need to shift funds. I insisted on and received half a dozen votes from the school board to bless, months in advance, the areas targeted for cuts and gains. I had shared the plan and how we would fund it in large groups, in small groups and with every individual impacted. The reality is that there is no way to soften the pain of, “You are losing your job or your power.”

I reminded the school board that this was exactly why they hired someone like me and if they wanted our vision to become reality, they had to support the cuts needed to fund the new efforts. After a little horse trading (the crossing guards stayed, but their hours were cut to match the walking patterns) and much delay, I got all the money we needed. I also got a lot more than I bargained for. Many of the administrators who were impacted lived in town or were favorites of “old Arlington.” The budget debate also laid bare a fundamental divide within the community. Was math, engineering, critical thinking, and reading more important than woodshop, cooking, and free after-school sports? Should years of service—rather than need—drive which positions are funded? The town was deeply, emotionally split on these questions. The majority favored the changes, but a vocal and sizable minority did not.

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The crossing guard decision was my dumbest. It seemed so obvious. Six of the seven school board members ranked rationalizing the crossing guards as their top priority. The police chief and traffic experts created the plan. Hundreds of hours of field observations confirmed we had crossing guards at locations with no children walking without a parent or walking at all. The elementary principals supported the change. Crossing guard absenteeism was so high we couldn't even staff all the locations. We met regularly with the head of the crossing guards to keep them informed and included them on the planning committee.

These sweet (except when hurling insults at me) little old ladies were all multi-generation Arlington residents. They protested the reduction in hours at school board meetings, town meetings, and public gatherings for two years. They unionized. Worst of all, they became a rallying cry for "old Arlington" to retake a number of seats on the school board. In the end, I saved a few bucks, but lost two school committee members. A very bad trade.

I had won the budget battle, but feared that I might lose the war. Most of my political capital was spent. I made the calculation that raising student achievement significantly would restore peace and refill my spent capital.

After a frenetic summer of planning and training, we had everything we ever wanted come September. Five reading programs had been combined into a single new effort based on the National Reading Panel, with twice the reading staff, all trained and fully equipped. We had expanded mentoring, added math and reading coaches, finished developing standards, created common assessments and targeted our professional development. Scheduling was also revamped to put more time behind the strategy.

The shackles of poverty thinking had been broken. Most of the administrators now believed anything was possible. We even launched a leadership academy for teachers wanting to

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become administrators, added 50 stipended teacher leadership positions and, for the first time in ages, had ample training and supplies to back the new efforts. There was an energy and determination in the district.

Unfortunately, special education costs were rising quickly, and tax revenue wouldn't cover the raises in the teachers' contract. Another year of budget cutting was coming.

We, not I

After about a year, a subtle shift had taken place in the district. As curriculum became common across the schools, reading centrally managed, and professional development focused on supporting the strategy, many decisions affecting the entire district had to be made by the leadership team. They weren't really a team, however. They were a group of smart, caring, people who viewed their jobs as protecting their turf. Some harbored ill feelings towards their peers over past battles for money, time and power. We started meeting with an executive coach to learn how to work as a team and make decisions for the good of the whole, rather than in our own narrow interests. There were tears, airing of old injustices, shouting, an occasional storming from the room, a few resignations, but finally after eighteen months, we had a breakthrough! My cabinet started thinking about the district wide master plan, not the parochial interests of their buildings. This dramatically improved the effectiveness of our budgeting, which allowed less money to achieve more.

Running a school district is a team sport, despite the long tradition of silos, walls and isolation. Even with the best programs and perfect tools, progress isn't possible until leaders work together. Spending some money on bringing your senior staff together is a great investment. Spending a bit more to facilitate teamwork and coach leaders is a wise use of funds.

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In the private sector this is common practice. In my prior life as a business owner I had an executive coach for years. Unfortunately, many school boards and administrators view this as wasteful or insulting. It is neither. I am certain that the academic gains we achieved couldn't have happened without investing in team building.

Developing the budget as a team also saved the district millions of dollars and allowed our most effective programs to continue despite a shrinking budget. I needed teamwork to build future budgets for two reasons. First, I had run out of ideas, and second, I didn't have the political capital to sell any more hard choices on my own. Over the next two years we projected a funding shortfall of about 5 percent of the annual budget, and we wanted another 2 percent for expanding successful initiatives. Yes, I wanted to expand programs during years of budget cuts. We owed it to the children of Arlington.

In my cabinet of 17 administrators, only two had prior experience with budgeting. In the past, budgets were done to them. They clawed back a bit for their departments or schools, publicly supported the superintendent and privately complained. I needed them to take the lead, make the decisions, find the savings, and sell the plan. To turn budget development into a team exercise took training, time and data.

The training covered basic finance, such as where our money comes from, what's driving the deficit and how to understand detailed budget data. Even more time went to refining our strategy and reading articles about best practices for raising student achievement. No one is going to support laying off staff in their building or department for a plan they don't fully embrace, both intellectually and in their gut.

Over 50 hours a year of group meetings were needed for budget training and decision making. You can't rush buy-in. Because our budget discussion was a debate on our priorities and

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on what was working and what was not, this time enhanced instructional leadership in the district. It wasn't a financial distraction, but rather a constant focus on teaching and learning.

Without detailed student achievement data and accurate program costs, these would have been 50 useless hours. Without data, each department head loves every program and each principal knows that their staff is overworked. Data changed all that. For example, we shared the results of two secondary intervention programs, one in math and one in English. Personally, I loved the English program, championed it and lavished resources on it. The math program was, at best, middling—or so I thought. The longitudinal data was striking. Many students skipped the English program all together. Those who went reported they liked the program, but their grades weren't improving. The math program had solid attendance, was oversubscribed, and students were making 18 to 24 months progress in a single year. It also cost 75% less in total and 90% less per student than the ineffective English program. With these data in hand, we avoided the typical turf battle, and funds easily shifted from English to math. We also revamped the English program, which became more effective and more cost effective.

Collectively setting class size and staffing tested the team's commitment to serving the greater good. Since teachers make up 65 percent of a typical budget, it was critical to manage this cost. Sharing detailed information about each teacher's course load and student load made great things happen. Elementary principals didn't push for yet smaller class size when they were made aware of the larger classes in middle school. They even voted collectively on the distribution of teachers at each grade and school, trying to be fair to everyone and taking into account very specific needs like the mix of students in a particular cohort. These were thoughtful decisions that allocated resources far better than any central office process. By scheduling

collectively, the elementary principals also found ways to share specialists--ways that had eluded the district for years.

At the secondary level we discovered a number of departments that were over or understaffed. The unofficial practice was to maintain status quo staffing in each department in each building. Over time, however, student course choices changed: more science, more art, more Latin and less home economics and Spanish, for example. We discovered one school had many teachers paid full time for part time work, and another had too many Spanish teachers but not enough Latin teachers. Only by having teacher by teacher class size data could we staff based on need. The information also made it easier for department heads to support necessary reductions, because they understood why the decisions were being made.

Perhaps the most powerful outcome of collective budgeting was reversing the incentive system. Because the administrators had meaningful say in how money would be spent, they wanted to find ways of freeing up funds. In the past, when a superintendent asked for cost savings ideas, they heard, "You want to take things away from me, no thanks." In fact, nearly every cabinet member confessed to the executive coach that they had considered it their responsibility to protect their department or school from cuts. All that changed. During one year of budget cutting, principals offered up a laundry list of ineffective programs, underutilized staff and options for running programs at a lower cost. They volunteered this information to save a district wide reading effort they knew to be effective. In years past, the reading program was decimated to save better established, but less important, efforts.

During my second and third annual budgets, tax revenue failed to keep up with rising mandated costs and growing enrollment, making the annual rite of collective budgeting more difficult. At one point in my second budget we hit a deadlock. The team didn't want to decide

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how to balance the budget because the cuts would be too unpopular. They asked me to make the final decision, but I refused to let them off the hook. Instead, I gave them each a list of possible cuts, higher fees and new revenue. They had to close the deficit by choosing options that covered our shortfall. They balked and said it was impossible, but this was exactly what they were asking me to do. They struggled to balance the budget and eventually rethought some long held beliefs. Maybe we should charge for instrumental music coupled with scholarships, lunch prices were very low and maybe we can live with slightly bigger classes in fifth grade. These represented major changes in thinking, decisions they wouldn't have supported if I made them on my own. One principal said parents would never accept this, but if they had to wrestle with the problem like we did, they might come to the same conclusion.

I took this suggestion to heart. Working with the school board, we emailed and posted online a survey that asked parents and taxpayers to balance the budget, given the same choices the leadership team had. More than a third of the parents responded, 50 times the typical turnout at any public forum. Many parents talked to administrators, hoping that other, less painful choices existed. The administrators responded sincerely that these were the best options. When forced with tradeoffs, rather than just being given the opportunity to criticize our decisions, the parents voted in overwhelming numbers to raise certain fees (but not others) and to trim some programs (but not others). It was thoughtful and it created our budget with little commotion.

Unintended consequences

In my worldview, the budget should fund the strategy and feed only effective programs. We therefore had to collect data to find out which programs were successful. This created a lot of headaches for me and the team, because it also meant we knew which schools, programs and

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teachers weren't successful. Armed with this information, we praised those doing well, and supported, coached and prodded the less successful. To me, and to many on my team, it seemed immoral to stand by and let ineffective teachers, programs, or schools persist, when we knew we had the tools and the money to do better.

Could you offer tenure to a teacher when you knew nearly all of her students made only six months progress each year in reading? Could you keep a dropout prevention program, in which few students graduated, despite the "wonderful" teacher? What do you do with a hard-working principal who opted for an alternative reading program, but had the worst results in the district? In the end, principals raised the bar for achieving tenure, ineffective programs were cut and a few tough superintendent-principal conversations were had. Each action raised student achievement and ensured our funds created learning. Each action also hurt morale and further drained my political capital. I wondered if so few school districts measure success in detail because not knowing is easier.

The other unintended consequence was that I found myself expending a lot of energy defending small expenses. When people are being laid off, every decision comes under the microscope. The three most hotly debated budget decisions I made had a few things in common. They didn't cost much, benefitted the district greatly, supported our strategy, saved the district lots of money, were common place in the private sector but they just weren't tolerable in a public school setting.

The big offenders were \$15,000 for team building and executive coaching for my cabinet, \$10,000 to run a leadership academy for teachers aspiring to become administrators and \$65,000 for a cost containment specialist. By all measures these were successful efforts. The executive coach greased the implementation of standards based education and professional development

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reform. The academy had a waiting list and half the participants eventually became leaders in the district. The purchasing expert saved 4 times his salary the first year, and 15 times his salary a year later. These were all flashpoint issues. Shouldn't our administrators naturally work well together? If teachers want to learn leadership, shouldn't they get a masters degree? And why are we over-paying for purchased items in the first place? The truth was the administrators worked in silos and protected their turf, the higher education programs didn't meet our needs and although we usually paid reasonable prices, we seldom got the best price.

I held firm during my third budget. These small, unorthodox expenditures were the low cost, high impact expenditures needed in order to do more with less. For many in the community, however, tough economic times were the wrong time to try new ideas. I postponed the final budget vote to drum up support, I lobbied, and I won. The strategy needed these efforts, but I was again weakened by winning.

With the benefit of hindsight, I should have found a better way to explain the benefits and have better appreciated how atypical some ideas appear in the K-12 setting , even though they are commonplace in the nonprofit and private sectors. Most superintendents know this from coming up through the ranks, but they don't know how much it hampers moving a district forward when they don't measure what's working and invest in leadership development and managing cost control.

Partners to Share the Load

During my second year, I realized there was a limit to how much I could shift and cut. I had enough money to meet the academic needs of our students, but I knew we were under serving their social and emotional needs. Historically the district was very thin in this area.

I created a task force to research the local options available to students and families seeking counseling. We held focus groups with local mental health providers and clinics. We learned that many mental health providers who serve children don't have much business during the day and older children don't want to go to a counselor after school. (Telling your coach you can't play this afternoon because you have a mental health appointment isn't cool.) Within two years, we had partnered with five different organizations, providing over a \$1million of services a year to our students at no cost to the district. We provided top notch drug and alcohol addiction counseling, summer support programs, school councilors in every building, anger management training, family counseling and supervised diversion from criminal prosecution for first-time, non-violent offenders.

After screening the agencies, we welcomed them into our buildings. We provided space, invited them to our weekly student support meetings and included appointments on student schedules. They became part of the fabric of the schools, not outsiders. Other than a few startup costs and a small amount of supervision, the services were free to the district. Therapists were paid by private insurance (waiving fees for students who couldn't pay), some were graduate student interns supervised by one of our partner organizations, one organization raised its own funds and one intensive program served enough tuition-paying, out-of-town students to cover the cost of serving Arlington students fully.

Buoyed by the success of our mental health partnerships, we expanded the concept, but with a new twist—we would do good and increase revenue as well. Parents clamored for more middle-school after-school activities, but we were considering cutting the few after-school stipends we had due to budget woes. Partnering with a local interfaith group, we solicited bids for someone to run a fee-based after-school program with scholarships for children who couldn't

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pay. We also added summer programs, day care for our staff, expanded elementary afterschool offerings and preschool programs through collaboration with third parties.

These alliances provided services we could never afford and we charged rent for most of them to be housed in our schools. This covered one percent of the entire budget (more than our Title 1, Title 2 and Title 3 funding combined). Best of all, we could provide need-based scholarships and still run the programs at below market fees.

The concept grew to include the academic side as well. To support our goal of making the high-school experience more global, we joined with foreign exchange programs that recruited tuition-paying students to attend Arlington High for a year. This quickly attracted about 20 students from around the world and generated \$200,000 per year of new revenue to the district.

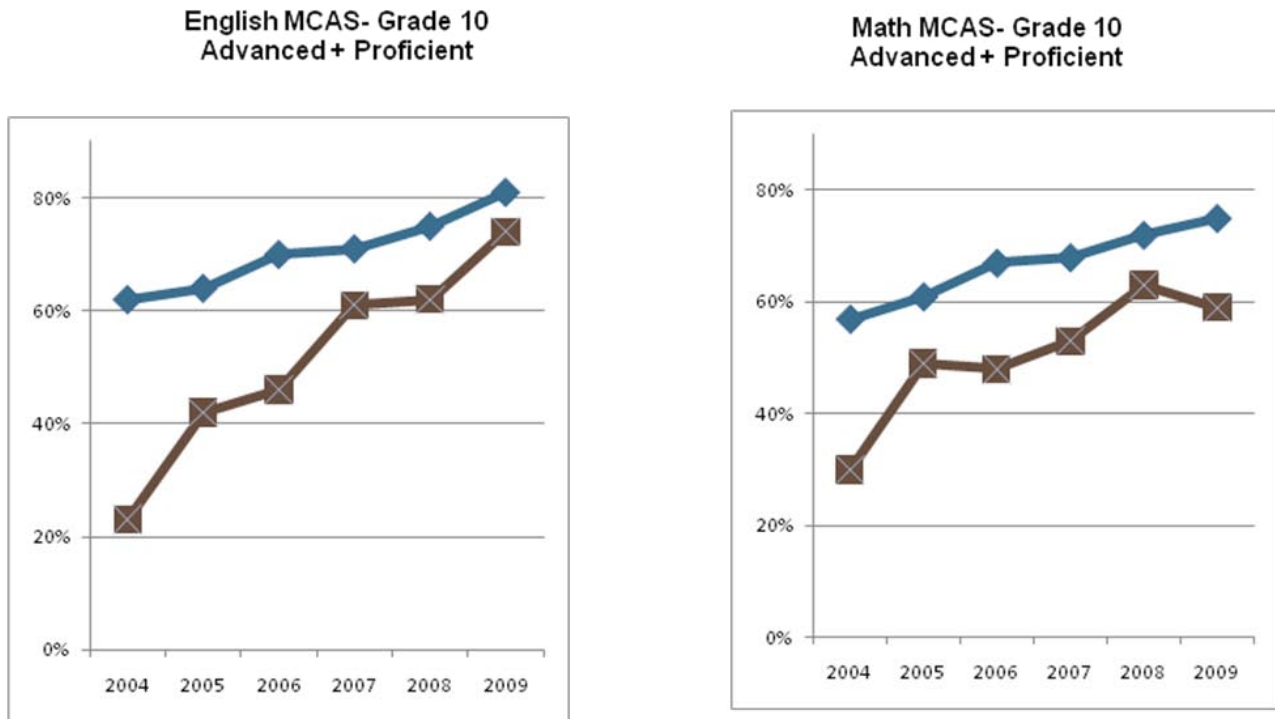
No Solution Without a Special Education Solution

From the day I first arrived in Arlington, I knew that our students with special needs achieved at unacceptably low levels despite ever-increasing resources. For three years, I spent nearly a quarter of my time spearheading a comprehensive special education reform effort in conjunction with the broader changes underway. By replacing common practices with best practices, we got impressive results and continue to improve under the leadership of my successor.

- The number of special education students scoring proficient or advanced on MCAS (the state accountability test) increased by 26 percent in English and 22 percent in math over three years in the schools participating in the reform program. The increases at the high school level were even more significant (table 1). Achievement declined in the control group.

- The number of formal parent complaints to the Department of Education dropped from 25 to 0 and parent satisfaction, as measured by an independent survey company, increased substantially.
- Special education costs grew by less than two percent per year, well below the rate of salary increases. Prior to my arrival costs were growing by ten percent a year (table 2).

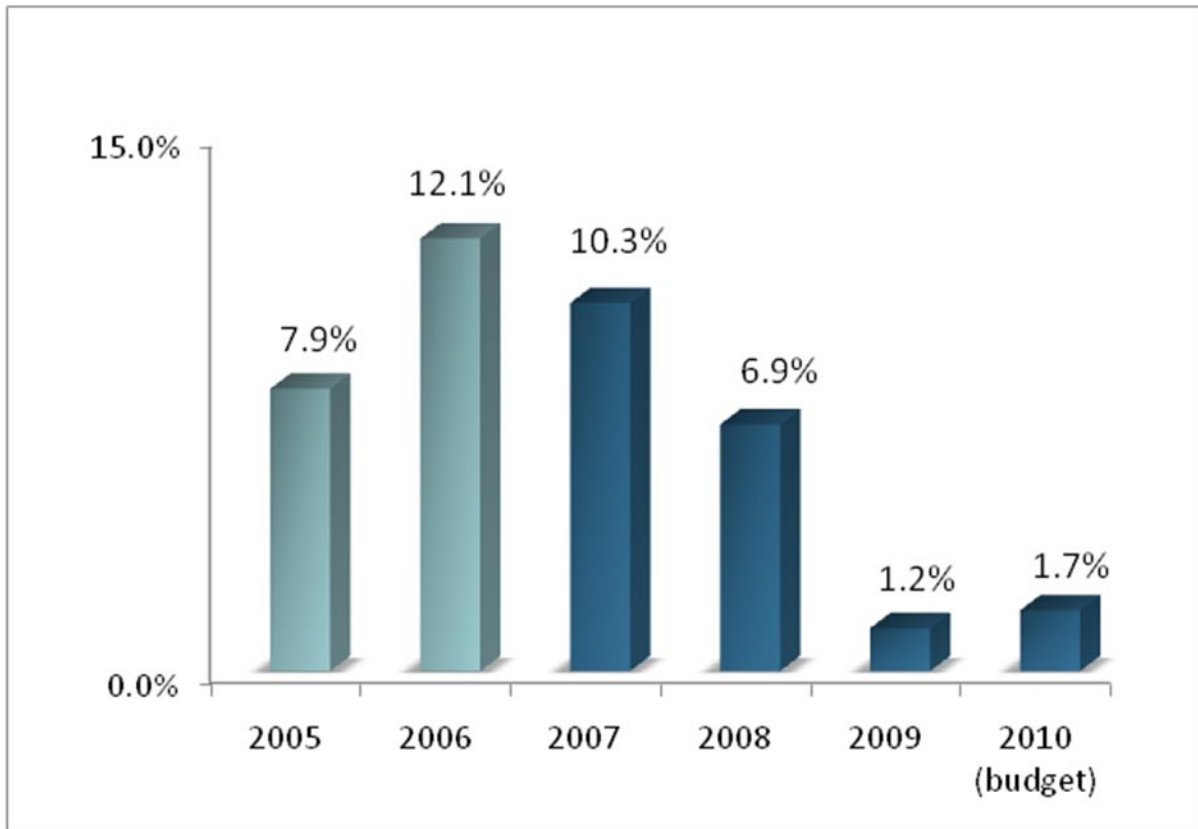
Table 1



The achievement gap between students with special needs and their general education peers narrowed dramatically, while real spending decreased.

Table 2

Growth in Special Education Spending



Special education costs increased by less than inflation while student achievement soared.

My first step was to create a team of special educators who liked to think outside the box. I supported them with financial expertise from the business office, a data analyst from general education and a skilled transportation director. They were asked to review the effectiveness of current programs and determine in fine detail what was driving our ever increasing costs.

What we learned turned conventional wisdom on its head. While parents and staff believed more money would increase student achievement, we found that increasing student achievement would lower costs! This was true for two reasons. 1) Nothing is more expensive than a child not learning. If you help student reach grade level quickly, you will save years of

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future remediation costs. 2) We were spending substantial sums of money on ineffective programs. We didn't need more money; we needed programs that worked better.

An IEP (Individual Education Plan) is a legally binding document that outlines the services a student with special needs must receive. Technically, IEPs are reviewed every year, and students re-assessed every three years. In reality, once a child starts receiving special education services, they continue through twelfth grade. This means the decision to provide special education services to a third grader is a ten-year financial commitment.

Special education is the most expensive form of remediation, requiring substantial testing, meetings, paperwork and lawyers. In many districts, including Arlington when I arrived, it is also the easiest route to obtaining remedial services. Children couldn't receive intensive reading support, speech or counseling without an IEP. At the secondary level, math and English remediation was reserved for special education students. This encouraged staff and parents to fight for a child to be classified as special needs.

Despite its great expense, special education remediation wasn't very effective. The supplemental instruction came from a special education teacher, who may not have been trained in math or reading, and the lessons were disconnected from the instruction in the classroom. In many cases teacher assistants with no formal training provided the bulk of a student's instruction. Worse yet, reading help often came during math time, creating a new area of weakness.

It's Reading, Stupid!

In Arlington, like most districts, the number one reason students enter special education is for difficulty with reading. Nationwide, up to 40 percent of all students on IEPs have reading

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problems and 80 percent of students with “specific learning disabilities” simply haven’t learned to read.¹ Fortunately, the National Reading Panel, a group of experts brought together by Congress, has laid out a clear, effective plan for addressing reading difficulties in elementary students. Under their plan, most children can read at grade level by third grade or sooner. If we taught more children to read, we would change their lives for the better and spend less on special education.

This seemed like a miracle to me. There was a proven program. All my administrators believed the program would work, and many had begged for something similar in years past. Yet, when I announced to my leadership team we would commit to the National Reading Panel’s recommendations, rather than applause, I was greeted by anxiety and reluctance.

“Nate, you don’t understand,” every comment began. “We have five different remedial reading programs already (Title 1, special education, ELL, voluntary desegregation, and general education) and classroom teachers use over 50 different programs.” “This requires regular district wide assessments, and we don’t do that.” “All teachers and schools would have to use the same program. That’s a mandate, and that’s an ugly word.” And the most anxiety provoking concern was never stated out loud: “Some of our administrators, reading specialists, and teachers won’t accept a new program. It would be insulting to their past efforts.”

Well, they were right, I didn’t understand. I told my wife one night, “If we don’t implement a new large scale reading program based on proven best practices then I didn’t want to be a superintendent any more, but if we do, I might not get to stay a superintendent.” I placed all my chips on this effort.

At the start of my second year I ended five ineffective reading programs and placed all reading staff under one leader. The money we shifted from grants and the administrative

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reorganization funded additional high-quality reading teachers and intensive professional development. All teachers-- classroom, remedial, and special education--used the same program and pacing. Principals were evaluated based on reading results in their building and we mandated 30 minutes of phonics each day as part of 90 daily minutes of required English language arts. Teachers had a great deal of input into designing and adjusting the district wide plan, but they couldn't change the plan individually.

In the end it worked better than I could have hoped for, but not as well as I needed:

- The number of students K-2 not reading at grade level dropped by 52 percent.
- Two thirds of K-2 students who started the year behind in reading made more than a year's progress.
- Referral rates to special education dropped. Within three years reading ceased to be a special education service for nearly all children.

New teachers welcomed the structure provided by the reading program. Some principals delayed retirement or became reinvigorated. As a district we learned how to implement large scale change, empower teachers and encourage instructional leadership by the principals. Parents were thrilled, especially parents of students with special needs. Their kids could read! Nearby districts came to study what we did, with envy.

Despite the results, about half of the veteran teachers and most of the staff running the old programs resented the new effort. As the positive results were shared publically, things got worse. Instead of basking in the glow of our success, they believed the data denigrated their prior years of teaching. Their feelings were hurt, and I was the cause. The situation was best summarized by a former teacher and union official speaking at a town meeting. I remember her saying, "Mr. Levenson, my grandson couldn't read and now he can because of your reading

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program. Thank you. Now that I have given you your due, I want you to know I wish you had never come to Arlington, and I want you to leave! You don't appreciate the great, dedicated teachers we have"

Knowing What you Teach

The success in elementary reading encouraged us to look at math and English at the secondary level. In a typical week I would spend a few hours visiting classes. One day in a special education resource room in a secondary school, I watched a bright, caring, passionate veteran teacher stand at the board and try to explain math to one student, English to another, biology to a third and U.S. history to a fourth. Several thoughts hit me at once: (1) We would never allow this teacher to teach any of these subjects to general education students—she wasn't certified in any of these fields; (2) Every student sitting in front of her had already been taught that day by a certified teacher and still they struggled; (3) After not learning from an expert in the field, we were sending them to a generalist and (4) Not a single general education math, science or English teacher would agree to teach outside their field, yet we expected special education teachers to teach all subjects. None of this made sense to me, yet I knew this was the norm in almost every district in the country.

We implemented a common sense plan that didn't add one penny to the budget. Math and English remediation became open to all students (general education and special education alike) taught by general education teachers with expertise in the subject matter. The classes were 50 or 100 percent longer and staff were handpicked, similar to how we hand pick teachers for Advanced Placement (AP) classes. These programs were cost-neutral in the short run because they only required shifting resources from special education to general education. In the long

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run, they will decrease costs by reducing the need for future services. High school test scores for students with special needs rose so dramatically that Arlington was profiled by the Rennie Center for Education Research and Policy as one of the fastest improving districts in the state.²

This strategy created some pushback. Special education teachers felt devalued when their numbers decreased as we shifted to general education, content-trained staff. In one school, both general education and special education staff were so fierce in their opposition that the changes weren't implemented at all and they organized a parent revolt by suggesting that students wouldn't learn and laws would be broken. The results speak for themselves:

- In the eight schools that embraced the changes, proficiency rates for students in special education rose by 26 percent in English and 22 percent in math.
- At the school that rejected change, achievement dropped in English and was flat in math.

Logic in the Midst of Emotion

While my preference was to help children learn without the cost and bother of special education, many children would still rightfully qualify for an IEP. By incorporating a “5 Why” analysis to our most expensive programs we learned how to improve the lives of students with disabilities and lower costs. The “5 Why” approach is simple and powerful. As the name suggests, you ask the question “Why?” five times to understand the root cause of a problem. We applied the process to our three fastest growing costs in special education: Out-of-district placements, teaching assistants and related services like speech and occupational therapy.

For example:

Question 1: Why do we have so many special education students being educated out-of-district at the district's expense?

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Answer: We don't have programs to meet their needs in-district.

Question 2: Why don't we have programs to meet their needs in-district?

Answer: Their needs are so substantial it would be more expensive to have in-house programs.

Question 3: How expensive would it be to have in-house programs?

Answer: We don't know.

Question 4: Why don't we know?

Answer: We aren't sure what services we must provide or how much staff we need for each program.

Question 5: Why don't we know what services to provide or how much staff to hire?

Answer: We don't have programs like these in-house, so we haven't seen them.

In short, we sent students to very costly out-of-district placements simply because we always had. We learned that we could run our own top quality programs, with identical staffing levels and services as the out-of-district schools for 40 percent less per student. The savings came from less transportation (much shorter rides), lower facility costs (we owned the buildings) and the absence of marketing costs. Many parents preferred their children attend school in the community, so these new programs were popular. Over the next few years Arlington opened eight programs and saved more than \$5 million cumulatively.

The same approach helped us rethink the use of paraprofessionals (teaching assistants) for including students with special needs in the general education classroom. Paraprofessionals were a big expense and growing fast. Conventional wisdom was "the more paraprofessionals, the better," and the budget reflected this thinking.

As we looked for more cost-effective ways to meet the needs of struggling students, it was surprising to learn that paraprofessionals were, unintentionally, sometimes detrimental to many students. They hovered beside their assigned child and created a social barrier, stifling peer interaction and defeating one of the primary benefits of inclusion. What's more, often having a paraprofessional *decreased* the instruction a student received from the classroom teacher who felt a student with a teaching assistant already has 100 percent of an adult's time, unlike classmates without a paraprofessional. So the students with the greatest needs got the least attention from the teacher certified in the subject matter. In the worst case, the paraprofessional actually did the work for the student under the guise of helping. Some students absolutely need paraprofessionals for health and safety reasons, but they are not a panacea.

It turned out that paraprofessionals were easy to add, but more targeted, more cost effective help was almost impossible to include in the budget. We had created a system that made the path of least resistance both expensive and ineffective. In one case, a teacher advocated strongly for a full-time paraprofessional for a student prone to outbursts in class. This would cost \$30,000 a year (\$300,000 over the education of the student). The decision was historically left to a team of special educators and teachers at the building level. They could hire a paraprofessional without central office approval. What the student really needed was two weeks of a behavioralist's time, but there was never money in the budget for this "frill." By bringing in a behavioralist we learned that the outbursts were infrequent. She observed the student and identified the triggering factors. She created a behavior plan for student, codified the warning signs, and coached the teacher. Within a few weeks, a paraprofessional was no longer needed.

The last major special education effort we tackled was to bring more planning and consistency to who received speech therapy, occupational therapy, and counseling. We utilized

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benchmarking – the process of comparing how others do the same things we do. In Arlington, the results were surprising. It turned out that despite desperate pleas for more therapists and testers, we exceeded the like-community benchmarks by 25 percent and 15 percent, respectively. Yes, staff were working long days, but we had more staff than most.

What was wrong? We weren't good at scheduling. One therapist scheduled 25 percent of her time to escort students to and from class, while others had the students come to them. Therapists also lacked the authority to ask classroom teachers to accommodate more efficient schedules. We also realized that staff were assigned by building, not by student caseload. If school A really needed 1.25 therapists, and school B needed 0.75 therapists, each got 1.0. Obviously, the person in school A felt overloaded and asked for more staffing.

We moved scheduling to an administrator who was very skilled. Because she was a peer of the principal, she could say, "We need Mary and John at the same time. Let's find a way to work this out." The scheduler could also balance caseloads more fairly. The net effect was that we increased effective capacity by 25 percent so when we added new in-house programs, we didn't have to hire more staff.

Looking at special education through a different lens allowed Arlington to raise achievement, please more parents and control costs. By controlling the growth in special education spending our other efforts could be fully funded.

Lessons and Implications

Looking back, I'm proud of our results, but battered and bruised from the process. A relatively small, but mean-spirited group of protesters regularly packed school board meetings; sent anti-Semitic notes, emails and voicemails; made threats against me and my family and whispered

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ugly, fabricated, innuendo to discredit me, staff and community members who supported the reforms. I'm often asked, "Would I do it again?" or "What would I do differently next time?"

The more important question is, "What would make it less difficult to make the same decisions next time?" Four changes would ease the way for superintendents to do more with less:

Increase External Pressure so Data, not History, Drive Budget Decisions

School districts must make shifting funds based on strategy and need normal, not radical. School boards must demand that programs are measured for effectiveness and only successful ones continued. Using beginning- and end-of-year assessments, it is not difficult to know which programs are meeting their stated objectives. Detailed class size and teacher case load data must be collated and drive staffing decisions. Finally, when a report indicates a third of the crossing guards cross no children, it should be taken for granted that this can't continue.

Greater urgency and more external pressure for raising student achievement would make it easier to put the needs of children before those of the adults in the schools. For most superintendents and school boards it is in their self interest to minimize changes to existing staffing and programs. Currently, the negative repercussions from shifting resources are worse than the repercussions from not raising student achievement.

Make school boards more like the Senate

Before school boards can make budgeting and staffing more data driven and fluid, the structure of school boards must change. Every year is an election year and every hard decision is kindling for a challenger to unseat the incumbents. Since every decision to shift funds creates a loss for someone, moving funds to support student need and the vision is politically harmful. The more

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progress you make, the more inclined friends of the harmed parties are to run for school board to reinstate the past. In Arlington three seats on the school board were won by candidates running on the platform to stop the reforms and turn back the clock. Their campaigns were fueled by the attempted cuts to the crossing guards, the reduction in administrators (some of whom lived in town) and the imposition of a common reading curriculum, which upset some of the veteran staff (who also lived in town).

A possible solution is to make school boards more like the U.S. Senate. The Senate, unlike the politically reactive House of Representatives, is thought to be more deliberative because its members run for office less frequently. If school board members were elected to six-year terms, with elections every three years, a superintendent and the board would have the time and consistent support to create a strategy, make the tough decisions, and weather the storm.

A Broader Skill Set

Even if superintendents have a clear strategy for raising student achievement and strong school board support, they also need a broad array of expertise. The traditional path to superintendent from classroom teacher, to assistant principal, to principal, to central office, to superintendent often does little to build competency in financial management, team building, systemic planning or selling unpopular decisions. Former military officers and teachers turned school business managers often have the right stuff. Both have risen through politically complex environments, have experience in budgeting and are comfortable with data-driven decision making.

To be fair, many nontraditional superintendents also lack key skills, notably the political and cultural awareness needed to survive realigning the budget and shepherding large scale change through a foreign culture. Had I spent 20 years as an educator, I would have known to

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avoid the crossing guard issue, despite the obvious waste. I would have foreseen the hurt feelings of some veteran staff who objected to a common curriculum. My training and life experience put more emphasis on achieving results and tolerated a bit more discomfort along the way.

Start From Scratch

If structural change to school governance isn't possible, then starting from scratch is an alternative. Nearly all of the pushback from using the budget to drive academic improvement stems from cutting legacy decisions, not from objections to what is being added. My decisions to increase reading support, add in-house autism programs and teach more engineering weren't controversial. Cutting home economics or ending an ineffective remediation program to pay for the new programs was. A reconstituted school, a charter school or a rebuilt-from-scratch district like New Orleans doesn't have old decisions and staffing patterns to undo. In these situations 100 percent of the funds can be directed to the strategy.

The aftermath

I was hired to be a change agent, and few question that the Arlington Public Schools changed under my leadership. On the plus side, academic achievement increased substantially, program offerings expanded, leadership capacity blossomed and financial controls were established. The district won a number of awards and commendations and other districts came to study our reading program, methods of budgeting, and special education reforms. On the flip side, the changes divided the town and angered some veteran staff. Shortly after my contract was renewed for another three years, I resigned as the next firestorm began to brew. I had had enough.

It is interesting to look back and see what stuck and what faded away in the 18 months since I left Arlington. The reading program, the special education reforms, the partnerships with social service agencies, the teamwork between the administrative cabinet, the common curriculum and the common assessments are alive and well. The town, however, is more divided than ever. While I was the lightning rod, the underlying causes continue to brew storms.

It seems I inherited one status quo and created a new one. Few, if any, of my initiatives have been canceled, but most new efforts are on hold. The leadership and school board are gun shy. They fear becoming the target of a vocal, at times cruel, minority. I think the lesson they draw from my tenure is that significant progress is possible despite tight budgets, but the political and personal price is too high. A *Boston Magazine* article written more than a year after I left the district concluded, “In the end, it turned out that Levenson had made the mistake of thinking that when Arlington residents said they were ready for change, they actually meant it.”²

¹ Seeking Effective Policies and Practices for Students with Special Needs, The Rennie Center for Educational Research and Policy, Page 2, Cambridge MA, May 7th, 2009.

² Dispatch, Boston Magazine, Francis Storrs, October 2009