



# Progress Report

 JAMES B HUNT, JR INSTITUTE  
*for* EDUCATIONAL LEADERSHIP *and* POLICY  
*Designing strategy. Shaping policy. Driving improvement.*

“Almost every state that has made dramatic progress in improving schools and student learning traces its progress to strong and visionary leadership.”

James B. Hunt, Jr.  
Chairman,  
Hunt Institute

## INTRODUCTION

A firm belief in the transformative power of education marked Jim Hunt’s historic 16-year tenure as governor of North Carolina. The son of a schoolteacher from rural Wilson County, Hunt brought his state’s political, business, and education communities together to create one of the nation’s first comprehensive, statewide education reform efforts.

While in office, Governor Hunt earned a national reputation as the *education governor* who championed improvement at every level of education, ranging from pre-K through college – propelling the Old North State to economic prosperity. In 2001, The University of North Carolina Board of Governors established the non-partisan James B. Hunt, Jr. Institute for Educational Leadership and Policy to transform his educational accomplishments into successes for states nationwide. Aligned with Governor Hunt’s vision, helping people see beyond *status quo* is the essence of the Hunt Institute’s work.

For more than five years, the Hunt Institute has worked with policymakers, business, and education leaders to help develop a comprehensive, integrated approach to education improvement – always constructing the complete picture with manageable, interrelated parts. Through its specialized convenings, consulting engagements, and collaborative research initiatives, the Hunt Institute is at the vanguard to maximize the return on public investments in education.

Under the leadership of Dr. Judith Rizzo, who serves as Executive Director and Chief Executive Officer, the Hunt Institute has become a major resource at the state and national level for political, business, and education leaders who support the development and implementation of effective education policies and programs. Formerly Deputy Chancellor for Instruction at the New York City Board of Education, Dr. Rizzo has been on the front lines of public education reform efforts in cities across the country in a career that began as a junior high school teacher in Revere, Massachusetts.

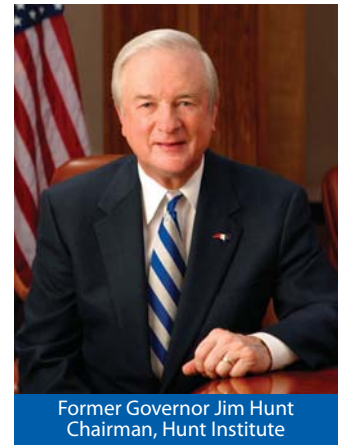
As the chief educational officer in New York City—the nation’s largest school system—she pioneered reforms including the creation of the Chancellor’s District, providing direct oversight of the city’s lowest performing elementary, middle, and high schools and removing them from control of community school districts. During her tenure, these schools made unprecedented gains in student achievement and out-performed similar schools on state and city assessments.

Under her leadership, Extended School Time Schools and the Early Childhood Language Assessment System were designed and implemented. She also initiated the reform of New York City’s special education program and introduced Performance Assessment of Schools System-wide—designed to guide the development of school-based comprehensive planning and accountability.



Dr. Judith Rizzo  
Executive Director and CEO  
Hunt Institute

Prior to joining the New York City Board of Education, Dr. Rizzo served as Deputy Superintendent for the Tacoma, Washington public school system where she championed school-based management and oversaw curriculum and instruction, management of federal funds and the implementation of school accountability protocols. She taught in the Boston public schools before entering school administration and served as principal in three schools in Lowell, Massachusetts. It is this diverse, hands-on experience and comprehensive knowledge that help guide the direction of the Institute and give life to its mission.



Former Governor Jim Hunt  
Chairman, Hunt Institute

## THE WORKINGS OF THE INSTITUTE

Functioning at the intersection of policy and politics, the Hunt Institute's mission is to secure America's future through quality education. By *designing strategy, shaping policy, and driving educational improvement*, the Institute fulfills its mission through collaborations with governors, business leaders, public officials, philanthropic groups, and educational organizations. Contingent on need, this means designing symposia for key groups or providing direct consultative services to clients. No matter the outlet, the result is the sharing and development of ideas and practices about educational leadership and the conversion of ideas into strategic action.

The Hunt Institute tailors its program focus to fit specific needs. Convenings are not arbitrarily fashioned to speak to, or serve as a lecture series about, education issues "du jour." It's not just about identifying what's happening in education today, but also anticipating what's not on the radar, and pinpointing what will be important in the years ahead. Extensive research, conducted by the Hunt Institute's program division, determines what issues will be underscored and which state and national experts serve as the best resources. Both help stakeholders find effective solutions to their education challenges. The Hunt Institute team continuously tracks issues, individuals, and resources that will benefit its constituency most.

In 2006, the Hunt Institute focused its attention on vital issues linked to student achievement and school improvement, including: rethinking math, science, and literacy in middle grades; creating integrated data systems; bolstering leadership; strengthening out-of-school time; and exploring the issue of national standards.

## BOLSTERING POLITICAL LEADERSHIP

### *North Carolina Legislators Retreat*

While the Hunt Institute's focus is nationwide, it has a special relationship with its home state. The Institute serves as a resource to North Carolina's political, business, and education leaders as the state strives to improve education. One of the Institute's hallmark events, the North Carolina Legislators Retreat (NCLR), is one catalyst by which this relationship is cultivated.

The format of the NCLR is a model for other states to follow. It brings legislative leaders together for constructive dialogue that connects them with the nation's top education experts to probe extensive data based on sound research and policy implementation. As a result, lawmakers are able to make well-informed decisions on how to apply resources to improve student achievement.

The 3<sup>rd</sup> Annual North Carolina Legislators Retreat yielded several potential solutions to North Carolina's challenges in middle school education. Recommendations for improving reading performance, included:

- Providing additional time for ESL students to build skills;
- Investing resources in adult education, especially ESL courses;
- Instituting a statewide policy that provides and describes appropriate testing accommodations for ESL students;
- Developing a literacy guide that adequately supports immigrant students;
- Using technology to support ESL students as they build literacy skills;
- Instituting policies for grades four through eight that provide educators with a guide for effectively supporting older students;
- Teaching advanced comprehension skills, especially within content areas;
- Using technology to teach reading, especially with students in the middle grades;
- Providing diversity sensitivity training for all school personnel, and especially for teachers trained 20 years ago;
- Providing professional development for all teachers, especially those in the content areas;
- Ensuring appropriate curriculum and learning standards are in place for each grade and content area; and
- Developing innovative programs to recruit, develop and support teachers effectively.



Members of the North Carolina General Assembly at North Carolina Legislators Retreat

The Hunt Institute's 3<sup>rd</sup> Annual North Carolina Legislators Retreat: *Crisis in the Middle*, held in April in Research Triangle Park, focused exclusively on issues pertaining to the middle grades. Convened by former North Carolina governors Jim Hunt and Jim Holshouser, a bi-partisan group of legislators spent two days discussing topics such as improving math and literacy instruction, encouraging creativity, and crafting sound academic assessments. Legislators heard from corporate executives, presidential advisors, professors on the front lines of student remediation, and others. The dialogue led to a number of concrete ideas and policy proposals that helped drive discussions during the General Assembly's legislative deliberations.

Through discussions with national and state leaders in business, education and public policy, legislators considered such questions as:

- What should North Carolina do to improve the response of public schools to dramatic shifts in population and to economic restructuring?
- What should North Carolina schools learn from other nations to make public education more effective and rigorous?
- What steps, in particular, should North Carolina take in the short-term to bolster the teaching of literacy and mathematics?
- How should North Carolina continue to develop a testing system that results in higher achievement on the part of students and their schools?

Many states continue to face an uphill battle when it comes to student achievement – even with decades of “education reform” behind them. Developing world-class math and science standards and confronting literacy mean very little if you don't have high-quality leadership at all levels. The bottom line: from the state house to the schoolhouse, leadership matters.

### **Cultivating Education Governors**

More and more governors have sought to earn a reputation as an “education governor” and candidates regularly campaign on education platforms. The same is true for lieutenant governors who are increasingly taking the reins with their own education agendas. When it comes to education improvements, Jim Hunt's stance is unmistakable: policymakers must be audacious. Throughout the year, the Hunt Institute connects governors and lieutenant governors with the foremost education and public policy experts – and with each other. The greatest impact is made by those leaders who have a clear sense of direction. The Hunt Institute works to provide this guidance through two key events: *The Governors Education Symposium* and the *Lieutenant Governors Education Symposium*.



Oklahoma Governor Brad Henry (C) and Oklahoma First Lady Kim Henry



Delaware Governor Ruth Ann Minner and Former Governor Jim Hunt



Rhode Island First Lady Sue Carcieri (C) and Nevada Governor Kenny Guinn

## Governors Education Symposium

In November, 2005, governors and policy advisors from 20 states convened in Charlotte, North Carolina for the *3rd Governors Education Symposium* co-sponsored by the James B. Hunt, Jr. Institute for Educational Leadership and Policy and The Oquirrh Institute. The purpose of the *Symposium* was to provide participating governors with an intensive and comprehensive summary of critical educational issues facing public schools. This information was merged with advice on a variety of political and policy strategies to use in addressing these issues.

As students in the U.S. are dropping out of school at alarming rates and taking fewer math and science courses, reading and math skills are declining. In addition, too many who do graduate leave high school unprepared for success in the workplace or in higher education. This burgeoning crisis formed the focus of the *Symposium*.

For two and a half days, participants learned the importance of using research and practice to inform state education policy. They also contributed information about their own states' experiences and policy initiatives. The sessions highlighted:

- Addressing issues of declining achievement in middle schools.
- Using high-quality data to improve achievement and focus resources.
- Turning around failing schools.

The Symposium was supported by The Wallace Foundation, The Broad Foundation, The Atlantic Philanthropies and The State Farm Companies Foundation.

## Lieutenant Governors Education Symposium

In September, 2005, the Hunt Institute brought lieutenant governors and their policy advisors from 26 states to Asheville, North Carolina for the *Lieutenant Governors Education Symposium*. The purpose of this first-ever education policy forum for lieutenant governors was to provide these important leaders with an intensive and rich summary of the critical educational issues facing the nation's public schools. This information was coupled with advice on a variety of political and policy strategies to address these issues.

Addressing the lack of mathematics proficiency among middle school students across the nation was one component of the GES. Policy recommendations on the state, district, and community levels included:

### STATE

- Making state standards high enough across grades to ensure that proficiency means "algebra ready" by the end of eighth grade;
- Comparing NAEP scores to state scores to judge the relative strength of state tests; and
- Creating a stronger teacher force through:
  - Raising admissions standards for teacher preparation programs;
  - Establishing teacher content tests that include mathematics at all levels; and
  - Insisting on and marshaling funds for in-service mathematics content programs for veteran teachers.

### DISTRICT

- Pushing schools and districts to analyze data and to identify specific areas of weakness and institute formative testing; and
- Encouraging use of Singapore math or other examples of effective international approaches.

### COMMUNITY

- Soliciting the support of the private sector, particularly high-tech and engineering firms; and
- Conducting parent forums and support school efforts to involve parents such as homework online or math nights.



Governor Hunt addresses Lieutenant Governors Education Symposium

The LGES emphasized the centrality of education and child welfare to maintain and strengthen the economy and social structure of individual states and the nation. Policy recommendations included:

- Promoting awareness of the importance of early brain development;
- Making quality early learning experiences available to at-risk children;
- Allowing communities to develop their own program models within state guidelines;
- Ensuring a more equitable distribution of existing teaching talent;
- Broadening the pool of teachers with adequate content knowledge;
- Providing growth opportunities and challenge all students – not just low-performing students;
- Promoting high school practices that have been demonstrated as effective;
- Focusing on quality advanced literacy skills;
- Adopting realistic dropout measurements;
- Strengthening effective dropout prevention programs;
- Making the skills of master teachers accessible through teleconferencing;
- Creating a widely available wireless internet infrastructure;
- Providing laptops for students in the same way books are provided;
- Making training academies available at the district level;
- Providing mentoring at the school level; and
- Determining how to get leaders timely data so that principals and teachers can match resources to children's needs.

The three-day symposium was packed with presentations and dialogue on research and practice. The presenters discussed:

- The key role of early brain development and effective early childhood education;
- The significant impact of teacher quality on student achievement;
- Designing effective high schools and the role of technology in enriching and expanding the work of schools;
- The essential role of leadership in building strong schools;
- The importance of widespread access to postsecondary education; and
- Comprehensive youth services to support students under duress.

### **Education Leadership Project**

Effective education leadership on all levels is crucial to high-performing schools. Research demonstrates that next to teaching, leadership is the most important factor in whether schools achieve academic success. It often determines whether a school operates as a dynamic learning environment or a failed enterprise. To help meet this challenge and elicit change, the Hunt Institute works with governors to improve educational leadership as both a goal and as a means to continue public education reform and raise student achievement. With support from The Wallace Foundation, the Hunt Institute has worked intensively in five states to advance policies that support the training and working conditions of district and school leaders.

The Wallace Foundation's *State Action for Education Leadership Project* (SAELP) is a multi-state initiative designed to strengthen the capacity of district and school leaders – including administrators and principals – to raise student achievement. SAELP encourages states to develop and implement plans to prepare school and district leaders to work effectively and promote effective working conditions that improve student achievement. SAELP focuses on ensuring that state laws and policies are aligned with these goals and coordinated with local efforts. The Hunt Institute brings a unique perspective to the project through its core belief that governors must be the primary influence to lead education reform.

### **Disadvantaged Children and Youth Project**

Current education policy reform focuses heavily on what happens in the classroom, despite the fact that 80 percent of a child's waking

hours are outside of school. As a result, communities across the country are turning to Out-of-School Time (OST) programs to help improve student achievement. OST refers to the hours outside of the regular school day: after school; before school; summer school; vacation sessions; and Saturday schools.

In an environment where states are feeling significant pressure to achieve Adequate Yearly Progress (AYP) goals under No Child Left Behind (NCLB), learning opportunities beyond the typical classroom

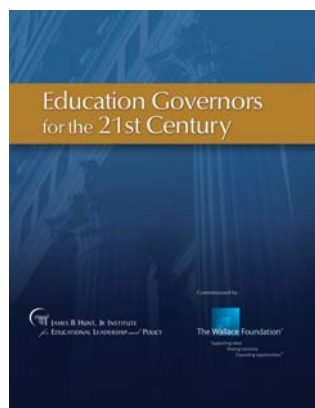
setting are critical. An important NCLB provision requires school districts pay for the cost of third party tutoring services for eligible students. These services must occur outside the school day and be backed by evidence that the services are effective in raising student achievement.

Research shows that high-quality OST programs have a positive effect on student achievement. Unfortunately, despite the increase in programs in recent years, many children, especially minorities and those from disadvantaged backgrounds, still lack access. We must make certain that all children have access to high-quality OST programs that can bolster student achievement and provide meaningful, useful social interaction.



The Hunt Institute's *State Readiness Assessment Project* has helped the Atlantic Philanthropies identify five to six states and cities ripe for large-scale philanthropic investment to assist disadvantaged youth. The primary purpose of the *Project* was to assist Atlantic with the selection process for their philanthropic investment. The initial project phase resulted in the selection of 22 states and 36 cities based on demographic data provided by *Child Trends*. The Hunt Institute created briefings on each of the cities and states to provide an overview of area need, capacity, and leadership in order to narrow potential investment sites down to 12. The next phase of the project included the development of city and state profiles providing more detailed information and deeper analysis of public will, governmental and non-governmental coordination, and state policy support for disadvantaged youth efforts. To date, the Hunt Institute has completed work on profiles for 12 potential pilot sites. As a result of this research, the Atlantic Philanthropies selected several city and state sites in 2006 that will benefit from this deep and sustained investment including: Baltimore; Maryland; Chicago; Illinois; Oakland; California; and the state of New Mexico.

In December 2005, the Hunt Institute received a four-year grant from the Atlantic Philanthropies to conduct convening and engagement activities with education policymakers to increase student access to quality out of school opportunities and services. Through the Institute's regular activities, policymakers will engage in dialogue with experts about the benefits, costs and political obstacles to support OST efforts. In addition, the Institute will continue providing support for policymakers, intermediaries, and practitioners to advance and improve additional learning opportunities, particularly for disadvantaged children and youth.



The Hunt Institute, with support from The Wallace Foundation, produced *Education Governors for the 21<sup>st</sup> Century*,

containing practical ideas drawn from leaders of both parties who earned the title "education governor."

Their methods and their records of accomplishment to improve education are all documented and speak to state leaders who are accountable for ensuring that every child succeeds.

The basics of being an education governor are smart policymaking and effective leadership in any sphere of activity. They include:

- Taking a system-wide view of improving learning;
- Being familiar with the latest research;
- Formulating policy based on solid data;
- Bringing the right people to the table;
- Directing resources to where the needs are greatest; and
- Using the influence and reach of the governorship to set a clear school improvement agenda and rally broad support for it.

## ***Strong Organizations Are Built On Strong Foundations: Board of Directors***

Some of the nation's most passionate, reasoned and articulate voices for education comprise the Hunt Institute's Board. It's a group that is diverse in its backgrounds. Yet, it's a group united not only in its support for education, but also in its belief that there's no better way to build a better tomorrow than through a quality education for all.

**Governor James B. Hunt, Jr.**, Former Governor of North Carolina, Chairman

**Thomas W. Lambeth**, Z. Smith Reynolds Foundation, Vice Chairman

**Judith A. Rizzo**, Ed.D., Executive Director and CEO

**L.M. "Bud" Baker, Jr.**, Old Salem, Inc.

**Roy Barnes**, Former Governor of Georgia, The Barnes Law Group

**U.S. Senator Evan Bayh**, State of Indiana

**Randy Best**, Best Associates Merchant Banking

**U.S. Representative Mike Castle**, Delaware

**Governor Mitch Daniels**, Indiana

**Bob Eaves**, The Right Stuff Food Stores

**John Engler**, Former Governor of Michigan, National Association of Manufacturers

**Joel L. Fleishman**, Terry Sanford Institute of Public Policy

**Kati Haycock**, Education Trust

**James Holshouser, Jr.**, Former Governor of North Carolina, Sanford Holshouser Law Firm

**Sam Houston**, Ed.D., NC Science, Mathematics, and Technology Education Center

**Robert A. Ingram**, GlaxoSmithKline

**Barnett A. Kress**, Akin Gump Strauss Hauer & Feld, LLP

**Howard Lee**, North Carolina State Board of Education

**G. Allen Mebane**, Mebane Charitable Foundation

**Governor Janet Napolitano**, State of Arizona

**Governor Tim Pawlenty**, State of Minnesota

**William Raspberry**, Terry Sanford Institute of Public Policy

**Diane Ravitch**, Ed.D., New York University

**Joseph and Carol Reich**, Beginning with Children Foundation

**Edward B. Rust, Jr.**, State Farm Insurance Companies

**Governor Charles Turnbull**, U.S. Virgin Islands

**Robert Wehling**, National Commission on Teaching and America's Future

**Shawntel Wuerch**, Motricity, Inc.

**Erskine Bowles**, The University of North Carolina, *ex officio*

**Jim Phillips**, University of North Carolina Board of Governors, *ex officio*

***A special note of thanks to Hunt Institute Board members who supported the organization with financial contributions to help further its mission.***

## ***Talent Is Essential to a Successful Organization: Hunt Institute Staff***

At the core of the best organizations are talented people passionate about what they do. And then there's experience. The experience of Hunt Institute staff spans from the classroom to the State House to Congress and beyond. It is an effective team that works together towards solid, sustainable results for its clients. It is a fusion that moves the Institute beyond hand wringing and finger-pointing to create new possibilities, compelling momentum, and passion for substantive change in education improvement.

**Lynda McCulloch**, Associate Director and Chief of Staff

**Michael Gilligan**, Finance and Development Director

**April D. White**, Director of Communications

**William Ewell**, Program Director

**Lisa Guckian**, Senior Program Coordinator

**Stephanie Dean**, Program Coordinator

**Tim Heavey**, Program Coordinator

**Michele Lockwood**, Events Coordinator

**Janice Nicholson**, Assistant to the Executive Director

## Financial Highlights



### INDEPENDENT AUDITORS' REPORT

Board of Directors

James B. Hunt, Jr. Institute for Educational Leadership and Policy Foundation, Inc.  
Raleigh, North Carolina

We have audited the accompanying statement of financial position of James B. Hunt, Jr. Institute for Educational Leadership and Policy Foundation, Inc. (a not-for-profit organization) as of June 30, 2006, and the related statements of activities, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of James B. Hunt, Jr. Institute for Educational Leadership and Policy Foundation, Inc. at June 30, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the financial statements, net assets as of July 1, 2005 have been restated to correctly reflect expenses in the prior year.

December 11, 2006

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## Financial Highlights

**JAMES B. HUNT, JR. INSTITUTE FOR EDUCATIONAL LEADERSHIP  
AND POLICY FOUNDATION, INC  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2006**

	Unrestricted	Temporarily Restricted	Total
<b>REVENUES</b>			
Corporate gifts	\$ 310,000	300,000	610,000
Foundation grants	257,000	1,201,500	1,458,500
Interest and dividends	49,144	-	49,144
Miscellaneous	7,630	-	7,630
<b>Total revenue</b>	<u>623,774</u>	<u>1,501,500</u>	<u>2,125,274</u>
<b>Net assets released from restriction</b>	<u>790,770</u>	<u>(790,770)</u>	<u>-</u>
<b>TOTAL REVENUES AND RESTRICTION RELEASES</b>	<u>1,414,544</u>	<u>710,730</u>	<u>2,125,274</u>
<b>EXPENSES</b>			
<b>Program activities</b>			
Programmatic consultants	111,927		111,927
Payments to UNC - general administration	258,823		258,823
Convening	232,873		232,873
Materials for convening	25,574		25,574
Meetings	3,395		3,395
Membership	2,683		2,683
Research and subscription materials	1,383		1,383
Salaries	177,843		177,843
Taxes	9,507		9,507
Travel	100,391		100,391
Miscellaneous	4,669		4,669
<b>Total program</b>	<u>929,068</u>		<u>929,068</u>
<b>General and administrative</b>			
Bank charge	160		160
Administrative consultants	39,119		39,119
Copying and printing	100		100
Equipment and furniture	485		485
Payroll processing	445		445
Postage and shipping	4,747		4,747
Office supplies	890		890
Phone	7,072		7,072
Miscellaneous	3,384		3,384
<b>Total general and administrative</b>	<u>56,402</u>		<u>56,402</u>
<b>TOTAL EXPENSES</b>	<u>985,470</u>		<u>985,470</u>
<b>EXCESS REVENUES OVER EXPENSES</b>	<u>\$ 429,074</u>	<u>710,730</u>	<u>1,139,804</u>

## Financial Highlights

**JAMES B. HUNT, JR. INSTITUTE FOR EDUCATIONAL LEADERSHIP  
AND POLICY FOUNDATION, INC  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2006**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>NET ASSETS - beginning of year, as previously stated</b>	\$ 19,509	476,253	495,762
Adjustment to properly state expenses in the prior year	<u>7,087</u>	<u></u>	<u>7,087</u>
<b>NET ASSETS - beginning of year, as restated</b>	26,596	476,253	502,849
Excess revenues over expenses	<u>429,074</u>	<u>710,730</u>	<u>1,139,804</u>
<b>NET ASSETS - end of year</b>	<u>\$ 455,670</u>	<u>1,186,983</u>	<u>1,642,653</u>

*Designing strategy. Shaping policy. Driving improvement.*



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