

State Takeover of Public Schools

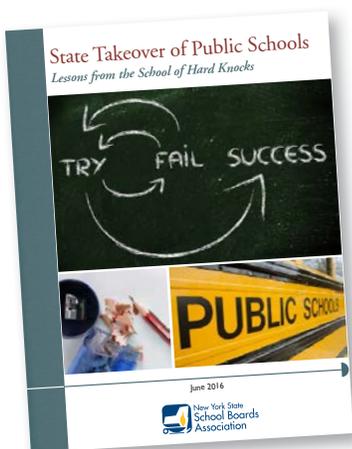
Lessons from the School of Hard Knocks



June 2016



New York State
School Boards
Association



This NYSSBA research report was researched and written by **Gayle Simidian**, research analyst. It was edited by **David Albert**, director of communications, marketing, and research; **Barbara Bradley**, deputy director of online communications and project planning; and **Paul Heiser**, senior research analyst. It was designed by **Lisa Cooper**, senior graphic designer.

I. Introduction

Hindsight is 20/20 – and when it comes to school receivership, New York State is in a unique position to gain insight from other comparative models of state takeover of public schools and learn from both their successes and mistakes.

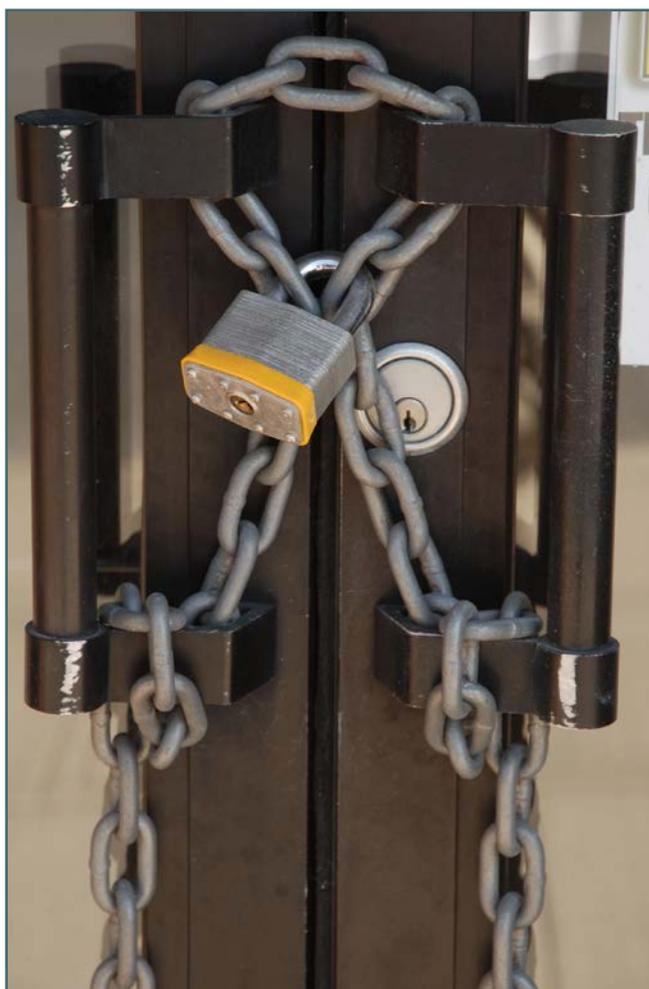
In 2015, New York became the latest state to enact a law that allows others to override the authority of a locally-elected school board. Under the New York receivership law, governance of so-called “persistently struggling” and “struggling” schools passes from the board of education to the superintendent for a period of one or two years, respectively.¹ The superintendent has sweeping authority to override the board, except for matters relating to his or her employment. If the superintendent fails to improve the school, the district and state then select an independent receiver who assumes all managerial and operational control of the school.

While the success of New York’s school receivership law in improving lower-performing schools has yet to be determined, this report examines state intervention efforts in public school districts and schools in other states, with the goal of informing school board members of what they might expect from receivership in New York.

More specifically, we use case studies of state involvement in Massachusetts’ Lawrence Public Schools and Tennessee’s Achievement School District to help answer the questions: How have comparable takeover laws fared in other states? What governance structures do they employ? Has there been progress? How sustainable are their efforts? Are there certain timelines and ingredients that offer the best chance for success? And, perhaps most importantly, what can New York – especially, school board members – learn from other states?

The report also highlights real-time concerns and experiences of some individuals who are most closely affected by receivership in New York – two superintendent receivers and a school board member.

State involvement due to fiscal insolvency of a school district is not examined in this report, although in some states, state takeover of public school districts can occur for this reason.



¹ New York State Education Law, Section 211-f.

II. The Takeovers

The following two synopses highlight state intervention efforts in Lawrence Public Schools in Massachusetts and the public schools in Tennessee, respectively.

Lawrence Public Schools (LPS)

Lawrence Public Schools is an urban district consisting of mostly poor students, many of whom are English language learners. The district went into receivership in 2011 as a result of factors such as low state test scores and poor graduation rates. Jeffrey C. Riley became the district's receiver in 2012 following a few years of unstable leadership and corruption. His "Open Architecture" plan was designed to create sustainability by transferring funding and resources to the school-level and developing the leadership skills of school administrators and teachers in order to empower them with more decision-making. New receivership initiatives to increase student performance include expanded learning time and Acceleration Academies (additional curricular support in English Language Arts/math). The district's 2015 turnaround plan demonstrated that while much progress has been made, more work needed to be done to ensure that efforts will be sustainable over time.

The Lawrence Public Schools 2015 turnaround plan demonstrated that while much progress has been made, more work needs to be done.



Tennessee's Achievement School District (ASD)

Tennessee's state-run district, called the Achievement School District, has authority to take over some of the lowest-performing schools in the state, many of which are in the Memphis area. The ASD, funded through a federal Race to the Top grant, delegated authority for day-to-day managerial responsibilities to (mostly) charter management organizations. Its first superintendent, Chris Barbic, tried to counteract community mistrust regarding charters by employing local school leaders and incorporating community input into the school-charter operator pairing process. Barbic trimmed bureaucracy by giving the ASD more leverage over teacher recruitment and hiring.

Evaluation studies of the state-run ASD showed mixed results. A comparative study of some locally-run turnaround schools in the Shelby County Schools District called iZones showed better progress in a shorter time frame. Notably, Field and Hargrave (2015) note that low-performing schools with the most student growth were not eligible to be served by the ASD. Schools that fell into this category were eligible to be served by three local school districts, including Shelby County Schools near Memphis. These local districts were granted authority to create "Innovation Zones," or iZones, aimed at school turnaround plans that enabled the districts' staff to oversee key functions related to finances and staffing. Funding from School Improvement Grants helped make these iZones possible.²

According to an April 2016 *Chalkbeat* article, the ASD will cease takeovers in 2017-18 due to the state's adoption of new state tests.

². Kim, J., Field, T., & Hargrave, E. (2015). *The Achievement School District: Lessons from Tennessee*. Chapel Hill, NC: Public Impact and New Orleans: p.12. <http://achievementschooldistrict.org/publications/>.

III. The Lessons

Research about state takeover models in these other states offered the following three lessons for New York State policymakers and school board members:

LESSON 1: BUILD RELATIONSHIPS AND COMMUNITY BUY-IN.

Jeffrey C. Riley, a veteran educator and school leader with 20 years of experience, began his post as the Lawrence Public Schools (LPS) receiver in January 2012. Prior to Riley's tenure, the district had not had stable leadership for a few years due to the suspension of its former superintendent on fraud charges. The interim superintendent stayed at LPS to support Riley.³

In the spring of 2012, Riley told the community that change was happening and that school leaders had high expectations for students. He also made building relationships with external organizations a priority. Internally, Riley sought to motivate and promote goodwill among the LPS community by taking some achievable first steps. To do this, Riley first hired a few key people, including a chief of staff (to manage school improvement efforts), assistant superintendent of educator effectiveness (to oversee teacher evaluation), a program specialist (to supervise intensive summer enrichment programs for low-performing students), a data and assessment specialist (to provide leadership on using test data to mark progress and meet objectives) and a scholar re-engagement manager (to oversee dropout prevention efforts).⁴

Riley chose to hold off for one year on negotiating a new teacher contract so he could build strong relationships with the teachers and the teachers' union president.⁵ With the help of a mediator, both parties agreed.⁶ Although Riley was vested with "the authority to alter the teachers' contract unilaterally," his choice to work collaboratively with the Lawrence Teachers' Union resulted in creating "a joint labor-management body to engage in collaborative problem-solving and policy and program development."⁷

Teachers were pleased with Riley's vision for the district. Ninety percent of LPS teachers who responded to a survey about teacher leadership issues said that they felt supported to take part in leadership efforts at their schools, versus 84 percent of overall Massachusetts' teachers.⁸

The political context may have also played a role in the specific success that LPS has experienced, according to Beth Schueler, a Harvard doctoral student who conducted an evaluation of receivership at LPS. There was "support from local elected officials for receivership," she noted, and the perception of mismanagement gave a general feeling of local level ineffectiveness. In addition, she added, the relationship between the teachers union and LPS wasn't "great prior to receivership," and the union was perceived by some as a check on corruption. Schueler said these factors could have helped set the stage for a greater acceptance of receivership in Lawrence than in other districts.⁹

In contrast to Lawrence Public Schools, in which the climate was more welcoming to receivership by many, the Tennessee Achievement School District (ASD) was viewed as more imposing on the community. For this reason, Chris Barbic, ASD's first superintendent, hired the executive director of the charter operator of one ASD school, Bobby White, because he grew up in the area. For Barbic, White provided needed "local knowledge and local credibility" since several residents of local African-American communities were distrustful of charters, seeing them as "a prescription most frequently written for their children, not the children in wealthy white neighborhoods."¹⁰

This local credibility caught the attention of some of ASD's harshest critics including Stephanie Love, a member of the board of education of the Shelby County Schools. While Love was not a fan of ASD, she said she felt more comfortable with Bobby White leading one of the charters.¹¹

³ Education Resource Strategies. Back from the Brink: Lawrence, MA. April 2015. www.erstrategies.org/library/lawrence_public_schools_case_study.

⁴ Ibid.

⁵ Ibid.

⁶ Masslive. The rebuilding of Lawrence Public Schools after receivership and what it might teach Holyoke. April 27, 2015. www.masslive.com/news/index.ssf/2015/04/lawrence_public_schools_discus.html.

⁷ Education Resource Strategies. Back from the Brink: Lawrence, MA. April 2015. www.erstrategies.org/library/lawrence_public_schools_case_study.

⁸ Ibid.

⁹ Schueler, Beth. Communication with G. Simidian. January 2016.

¹⁰ Buntin, J. "Memphis makes the Nation's Most Ambitious Effort to Fix Failed Schools." *Governing*. October 2014. p. 10; p. 9. www.governing.com/topics/education/gov-memphis-education-reform.html; Ibid.

¹¹ Buntin, J. "In Memphis, Revolt Overshadows Education Reform's Successes." *Governing*. March 2015. www.governing.com/topics/education/gov-education-reform-revolt-memphis.html.

The swoop-in-and-take-over approach of the ASD also soured community members. For example, when ASD leaders attended a community meeting at a public high school to declare that the school would be shifting to charter management, the audience erupted because that decision overrode one already made by the county school superintendent. In other words, ASD headed “into a war zone,” according to Love.¹²

When ASD leaders attended a community meeting to declare that the school would be shifting to charter management, the audience erupted.

ASD also broke promises, according to Love. She and other community members felt that community input regarding school-charter operator pairings, a touted ASD principle, did not happen.¹³ Some charter operators who applied to manage ASD schools felt the backlash and backed out of consideration.¹⁴

The experience provided a lesson in the importance of community buy-in. Relationships and perceptions were overlooked by the ASD, according to Dr. Joshua Glazer, an education professor at George Washington University. He likened the ASD to an “R&D” arm of a state system. “It would have been smarter for ASD leaders to cast themselves in this light, rather than as a savior, which ‘really had a negative backlash.’” Glazer’s research showed that “when you create a new entity, it’s really important...what the relationships are going to be with other governance models” in the area. With the ASD, all of this was left to be worked out later. This cannot be done in an impromptu manner. “Those connections really mean a lot,” Glazer noted. It becomes a lesson in political psychology. There are a lot of built-in interests and politics in these situations, which need to be thought through ahead of time.¹⁵

LESSON 2: DEVELOP A SUSTAINABLE ORGANIZATIONAL STRUCTURE, STAFFING MODEL AND FUNDING STREAM.

As noted, one of the first things Jeffrey Riley did as receiver in the Lawrence Public Schools was to develop a plan based on “Open Architecture,” – i.e., building the long-term capacity of “people, time, and money” to foster high student achievement.¹⁶ This decentralization model became the organizational structure of LPS schools and pushed many leadership tasks down to school-level leaders.

Customization was the overall theme of Open Architecture. Rather than dictating policies and procedures to schools from a central district office, Open Architecture lets school personnel develop and implement these programs and policies according to school-level need.¹⁷ This model gave schools the leverage to manage and provide their own operational services, such as transportation, rather than rely on the central office to oversee a service. In addition, teachers, in collaboration with school administrators, gained oversight of their own working conditions, and many professional development logistics were managed at the school-level as well.¹⁸

The promotion of the Open Architecture framework was advanced in 2014 with the debut of a school planning process that included budget templates, resources and support for budgeting as well as help from a “planning liaison,” who served as an intermediary between the school and central office.¹⁹

The reorganization of LPS’s central office was another way the Open Architecture design fostered sustainability. The reorganization increased efficiency and building capacity at the school-level by dismissing one-third of the office staff and transferring some central office academic functions to school personnel.²⁰

In terms of staffing, the foundation of sustainability rested on some needed hires and fires. Long-term change, according to Riley and his staff, “would ultimately be grounded in instructional quality.” So, he fired 8 percent of LPS teachers who were “chronic

¹² Ibid: 2.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Glazer, Joshua. Communication with G. Simidian. February 2016.

¹⁶ Education Resource Strategies. Back from the Brink: Lawrence, MA. April 2015. p.3. www.erstrategies.org/library/lawrence_public_schools_case_study.

¹⁷ Lawrence Public Schools. Our Way Forward. August 2014. www.lawrence.k12.ma.us/users/0files/flyers/Our_Way_Forward_2.pdf.

¹⁸ Education Resource Strategies. Back from the Brink: Lawrence, MA. April 2015. p.19. www.erstrategies.org/library/lawrence_public_schools_case_study

¹⁹ Ibid: 24.

²⁰ Ibid.

underperformers and others who were a poor fit for the future direction of the district.”²¹

Riley determined there was a lack of leadership and, after a review process, dismissed 35 percent of LPS principals. Then, later during a second planning phase, he dismissed an additional 20 percent who he determined were not skilled to lead school improvement efforts.²² To manage the “redesign” efforts of the teacher contract, map out logistics for expanded learning time, scout funding resources and redesign the central office, Riley hired two staff. He also raised principals’ salaries.²³

Riley invested in high-quality teachers and empowered them by building their leadership skills. His vision became reality via a new “groundbreaking” teachers’ contract (approved in the spring of 2014) that featured monetary awards, professional development opportunities (e.g., – “a weekend of professional development at Harvard”) and teacher leadership roles that allowed educators to help make school policy.²⁴

The contract included a five-level career track for teachers (Novice; Developing; Career; Advanced; Master). This career ladder took the place of the previous step-and-lane model used to compensate teachers. The ladder ranged from new teachers who were just starting their careers to veteran teachers who had high-level leadership roles in the school and/or district. Additionally, instead of getting a cost-of-living adjustment, all teachers received a \$3,000 salary increase. Teachers could also be paid more for taking on leadership responsibilities.²⁵

Lastly, LPS drove funds to the school-level via decentralization and reallocation efforts. The reorganization of the central office freed up monies so they could be used to support expanded learning time efforts.²⁶ LPS also allocated \$5 million in funding from “... general and grant revenues to the school level... making these funds flexible for schools to pay for services previously purchased centrally.”²⁷

In Tennessee, the Achievement School District adopted a portfolio approach to school management that was designed to be sustainable because it alleviated a lot of day-to-day school management for the district.²⁸ As overseer of the charter operators, the district was able to manage more schools by not being involved in as many daily operational activities.

Since ASD was considered part of the Tennessee state administration, it did not have a lot of leverage over “staffing and financial” functions. However, in 2012, ASD was granted the powers to act like a local education agency (LEA), which allowed it to develop teacher recruitment and hiring practices. Even though the ASD is still a part of the state department of education, many of its day-to-day functioning powers (e.g. – obtaining “goods and services”) now resemble that of an LEA.²⁹

Getting and keeping high-quality teachers helped in the long-term sustainability of reform efforts. ASD recruited and retained teachers, especially local talent, to help ensure retention. ASD gave teachers bonuses, linked raises to student performance, and offered professional development. These efforts seemed to pay off as ASD “retained 54 percent of Achievement School teachers from 2013-14 to 2014-15; from 2014-15 to 2015-16, the retention rate increased to 70 percent, with the majority of teachers who achieved the highest rating under Tennessee’s teacher evaluation system staying in the classroom or advancing to teacher-leader positions.”³⁰

The primary funding for ASD came from Race to the Top, which accounted for \$22 million.³² A smaller portion of funding (\$6.8 million)³³ came from an i3 federal grant, which is designed to foster the development of programs and practices related to student achievement.³⁴ Recent legislation enabled ASD “to collect an annual authorizer fee from operators of up to 3 percent of a charter school’s per-pupil funding,” which provides additional funding.³⁵

²¹ Ibid: 6.

²² Ibid.

²³ Ibid.

²⁴ Ibid: 11.

²⁵ Ibid: 12.

²⁶ Ibid.

²⁷ Ibid: 25.

²⁸ Thomas B. Fordham Institute. Redefining the School District in America. June 2015. edexcellence.net/publications/redefining-the-school-district-in-america.

²⁹ Kim, J., Field, T., & Hargrave, E. (2015). *The Achievement School District: Lessons from Tennessee*. Chapel Hill, NC: Public Impact and New Orleans, LA: New Schools for New Orleans. achievementschooldistrict.org/publications. 11.

³⁰ Ibid: 20.

³¹ Buntin, J. “Memphis Makes the Nation’s Most Ambitious Effort to Fix Failed Schools.” *Governing*, October 2014. www.governing.com/topics/education/gov-memphis-education-reform.html.

³² Kim, J., Field, T., & Hargrave, E. (2015). *The Achievement School District: Lessons from Tennessee*. Chapel Hill, NC: Public Impact and New Orleans, LA: New Schools for New Orleans. achievementschooldistrict.org/publications.

³³ Ibid.

³⁴ An i3 grant is designed to foster the development of programs and practices related to student achievement. See www2.ed.gov/programs/innovation/index.html.

³⁵ Kim, J., Field, T., & Hargrave, E. (2015). *The Achievement School District: Lessons from Tennessee*. Chapel Hill, NC: Public Impact and New Orleans, LA: New Schools for New Orleans. p. 22. achievementschooldistrict.org/publications/.

LESSON #3: ANY PROGRESS WILL (MOST LIKELY) BE INCREMENTAL

Lawrence Public Schools has yet to exit receivership, despite holding this status since 2011. According to the district's 2015 renewed turnaround plan, LPS intended to "exit receivership once gains are sufficient and policies, practices and structures have been institutionalized to ensure sustainable results...the district is improving, but has not yet made sufficient growth to ensure sustainable change. While most of the indicators have improved – and many have increased significantly – the district has not sufficiently improved its MCAS [Massachusetts Comprehensive Assessment System] proficiency or graduation rates to warrant an exit from receivership."³⁶

LPS's renewed three-year plan addressed the need for more time for program rollout in the district and the opportunity for the implemented strategies to mature. In addition to yearly objectives in Massachusetts law, including goals for attendance, discipline and dropout rates, the renewed plan included objectives related to increasing student growth percentile and proficiency targets on state tests and raising graduation rates. They read as follows:

- "Achieve a district-wide median SGP [Student Growth Percentile] of 55 in ELA and math."
- "Increase district proficiency rates to exceed 50 percent in both ELA and math."
- "Add three schools achieving proficiency rates at or above the state average for ELA...and double the number of schools achieving at or above the state average for math..."
- "Increase the district's four-year graduation rate to 80 percent..."³⁷

In Tennessee, Achievement School District test scores in 2014-15 showed mixed results. Overall, ASD students in grades K-8 were more proficient in math

and science compared to non-ASD students. However, reading proficiency scores decreased from the prior year. While ASD primary and middle schools scored high on state student growth, the length of time in ASD played a factor in the results: schools with more time in the state-run district showed higher levels of student growth.³⁸

A recent Vanderbilt University study, however, has called into question this perception of success. According to the study, students enrolled at so-called iZone schools performed better on exams (in a shorter amount of time) than ASD students. ASD responded that more time was needed to see better results,³⁹ which Vanderbilt's study acknowledged.⁴⁰ But the results sparked state Democratic leaders to consider proposing "bills... to either shut down the turnaround district... or severely limit its authority to take over schools," according to *Education Week*. Bill Haslam, the Republican governor, backed the ASD and said academic success, in part, hinges on duration in the state-run district.⁴¹

Comparisons of the ASD to iZone schools (the locally-run turnaround schools) may be misleading, according to George Washington University professor Joshua Glazer. There are some iZones in the state, he told NYSSBA, that were not doing well. A structured approach, such as the one used by the head of Shelby County's iZone, is more effective, he argued. ASD, the state-run district, "tends to push autonomy and responsibility down to the operator level. The iZone schools are much more focused on providing ongoing teacher support."⁴² iZones give educators "content coaches" and the teachers approve. Some of the iZone teachers that previously worked at the ASD note the difference and are happy with the support that the iZone provides for their development. Shelby County Schools also put some of the district's highest quality educators in the iZone schools, a move that former Secretary of Education Arne Duncan admired.⁴³

³⁶ Massachusetts Executive Office of Education. "Lawrence Level 5 District Turnaround Plan Renewed Plan." 2015. p. 4. Retrieved from www.mass.gov/edu/government/departments-and-boards/ese/programs/accountability/support-for-level-3-4-and-5-districts-and-schools/school-and-district-turnaround/level-5-districts/current-level-5-districts.html.

³⁷ Ibid: 33.

³⁸ Kim, J., Field, T., & Hargrave, E. (2015). *The Achievement School District: Lessons from Tennessee*. Chapel Hill, NC: Public Impact and New Orleans, LA: New Schools for New Orleans. achievementschooldistrict.org/publications/.

³⁹ Tatter, G. "Vanderbilt study: iZone more effective than ASD in turning around struggling schools thus far." Chalkbeat. December 8, 2015. tn.chalkbeat.org/2015/12/08/vanderbilt-study-izone-more-effective-than-asd-in-turning-around-struggling-schools-thus-far/#.Vo7fVWVJQR_s.

⁴⁰ Zimmer, R., Kho, A., Henry, G., and Viano, S. Evaluation of the Effects of Tennessee's Achievement School District on Student Test Scores. Tennessee Consortium on Research, Evaluation & Development at Vanderbilt University. December 2015. www.tnconsortium.org/data/files/gallery/ContentGallery/ASD_Impact_Policy_Brief_Final_12.8.15.pdf.

⁴¹ Burnette II, D. "Tennessee's state-run district runs into political trouble." *Education Week*. December 29, 2015. blogs.edweek.org/edweek/state_edwatch/2015/12/state-run_districts_run_into_political_trouble.html.

⁴² Buntin, J. "Changing a Culture Inside and Out of School." *Governing*. October 2014. p. 6. www.governing.com/topics/education/gov-memphis-education-reform.html.

⁴³ Ibid. pp. 6-7.

IV. New York – Voices of Receivership

As the first year of New York receivership winds down, this is an appropriate time to ponder what lessons New York can learn from these other examples of state takeover of public schools, and hear from those in the trenches of New York's receivership law.

Two superintendent receivers and a New York school board member spoke with NYSSBA about their direct experiences with school receivership. They described the need for resources (funding and staff) to sustain efforts, and stressed the importance of fair goals, positive communication with the State Education Department, and staying one step ahead of the receivership process.

Thus far, leaders in New York schools seem to be paying heed to the three lessons enumerated in this report. For example, the Rochester City School District has sought to build relationships and community buy-in. That includes establishing a good working relationship with the State Education Department, which is implementing the receivership law. Van White, president of the Rochester Board of Education, encourages other school boards to use the period prior to the appointment of a permanent receiver to "...get ahead of things by having plans ready in the event your struggling schools don't meet SED's performance metrics."

Rochester is using this period to consider wholesale changes in school structure and leadership in their struggling schools. White anticipated that SED is likely to give serious consideration to such plans if for no other reason than the fact that "SED is looking for transformative/community-based models that can be incubators for best practices for struggling schools throughout the state."⁴⁴

In terms of organizational structure and staffing, Schenectady City School District Superintendent Laurence Spring, receiver for two of the district's elementary schools, delegated authority in receivership schools to a multi-disciplinary supervision team that includes individuals with expertise in curriculum, early literacy assessment and building management. However, in order to make this model sustainable, the district needs financial support. Under Spring's plan, "a principal from another building" is on the supervision team. The

district, however, lacks sufficient resources to provide a substitute while she is away from her post.

In addition, Spring said it takes a lot of "organizational support to make receivership function," such as generating reports, "monitoring implementation in a much closer manner, providing much more frequent feedback, and releasing people to have more conversation and development." Spring said this is more difficult with no extra funding from the state. Some relief on this front may be in sight. While New York State initially provided grant funding only to schools designated as "persistently struggling," those with the "struggling" moniker were not eligible for funding. The recently enacted 2016-17 state budget took some steps to remedy that situation.⁴⁵

Lack of resources is, in fact, a major problem facing schools in receivership. It is not a coincidence that New York schools on the struggling and persistently struggling list have poverty in common.

Finally, a healthy sense of optimism is always helpful. School 2 in the Troy City School District is designated as a struggling school, so it must show progress in two years. While that may seem a difficult task, Superintendent John Carmello, who serves as receiver for the school, said he is not worried. The main challenge "is the uncertainty of it all. It is something new that we are trying to navigate through, but SED is accessible and helpful." Carmello said his district anticipates meeting state targets and moving School 2 out of receivership by two years time.⁴⁶

While there is no single answer to the question of how lower performing schools should be improved, it is clear from experiences in other states that school leaders trying to turnaround a school need to obtain support from the community and think for the long-term. Consistency is key. Whatever changes brought about by receivership – such as new organizational structures and additional funding – must not just be temporary fixes if improvements are to be sustainable. Finally, school and community leaders must temper their expectations for immediate progress. All good things take time.

⁴⁴ White, Van. Communication with G. Simidian. January 2016.

⁴⁵ Spring, Laurence. Communication with G. Simidian. January 2016.

⁴⁶ Carmello, John. Communication with G. Simidian. January 2016.