



Charter Accountability For District-Run Schools

Using ESSA to Create Contract-Based Accountability for Urban Public Education

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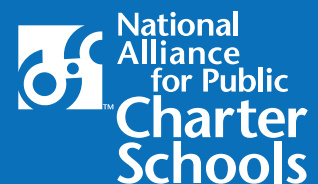


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Synopsis

In cities with large, growing, and high-performing charter sectors, states should apply charter-style accountability to district-run schools. Each of the city's public schools (charter and district-run) would have a performance contract with an independent, non-district authorizer.

Key Points

- ▶ The school accountability systems we've come to know over the past two decades took the form they did because states had created districts as school-provider monopolies. What we understand as state "school accountability systems" are better thought of as state "district-monopoly accountability systems."
- ▶ Chartering was able to use performance-contract accountability because charter schools could be closed for poor performance; students displaced by charter closures could return to their assigned district-run neighborhood schools. The availability of district schools actually made charter accountability possible.
- ▶ Now that some cities have large, growing, and high-performing charter-school sectors, the district is beginning to function in the same environment charters have always functioned in. Accordingly, available alternatives mean persistently failing schools can be replaced.
- ▶ Charter accountability can now be applied across all of a city's public schools. Independent, non-district "charter authorizers" can become "public-school authorizers" that negotiate individualized performance contracts with charter and district schools.
- ▶ The application of charter accountability to district-run schools could be piloted in a city. It need not entirely replace the state's unified accountability system; at first, this approach could be a geographically delineated carve-out from the statewide system.
- ▶ With true outcomes-based accountability, all schools on performance contracts could be given the same autonomy that charters currently enjoy.
- ▶ The role of the district board would not change. It would retain its status as a Local Education Agency (LEA), hire a superintendent, set policy for all of its schools, negotiate district contracts, and so on. It would still directly control all of the district's schools; this approach would not immediately take schools away from the district's board and hand them to nonprofit operators.
- ▶ The district's operations would not need to change. The district's collective bargaining agreements would remain in place and its central office could still tightly manage its schools. The only difference would be on the accountability side: Each district-run school would be on a performance contract, held accountable by an independent body.
- ▶ Before moving in this direction, state and local leaders must be willing to change their perspectives on a number of issues, including the district's dominant role in the system, residence-based assignments, and uniform accountability.
- ▶ For this new system to succeed, state and local leaders must be willing to take on new activities in the future related to facilitating parental choice and smartly managing the city's portfolio of schools.

PREFACE:

A Possible Future

The mayor smiled as she prepared to go onstage and deliver her eighth and final “State of Our Schools” address.

How things had changed. A decade ago, she’d been a state senator, deeply frustrated by her city’s school district. She’d grown up in the city and represented her neighborhood on the city council and then in the legislature for the previous 20 years. Despite enormous effort by city and state leaders, the district was still failing to provide a great education to most of its kids.

The city’s growing charter sector was doing very well; not only was it producing encouraging academic results, it was also giving families choice, allowing educators to run schools, and energizing the city’s nonprofit sector. But expanding chartering was getting harder and harder. The district’s leadership refused to free up empty buildings and never missed an opportunity to publicly charge charters with taking the district’s money.

Education reform in the city seemed stuck. The senator had little faith that a different superintendent, a new school board, or some novel initiative would fix the district — over the years, she’d seen too many such efforts fall far short. And efforts to expand the promising charter sector were stymied by old political fights. She knew the city needed something to jumpstart reform, a new approach to change the way she and her colleagues understood the system and addressed its challenges.

But what could that be?

As the mayor looked over her speech one last time, she remembered the conversation that changed everything. Just a decade ago, she had grown so discouraged by policy’s inability to fix the system that she was contemplating leaving the legislature. At the end of one particularly trying week, she was getting together with an old friend, a retired judge who was now the board chair of the city’s independent charter-school authorizer. The authorizer’s office was doing exceptional work: It allowed promising schools to get started, enabled great schools to grow, and it closed and replaced failing schools. The charter sector’s schools portfolio was diverse, giving parents real options. The authorizer had also developed smart policies on enrollment, special education, and transportation that had solved equity concerns.

Over dinner, the senator told the judge of her plans to leave the legislature and possibly start a school. Exasperated, the senator asked her friend, almost rhetorically, if the city would ever fix its system of schools.

Without missing a beat, the charter authorizer replied, “Sure. Just give me the district’s schools.”

Putting her fork down, the senator said, “What? You want to run the district’s schools?”

“No, no; we’re an authorizer, not an operator,” the judge replied. “The district can keep running its schools however it wants. But my board will hold each of its schools accountable. We’ll have a contract with each of them, just like we do with the city’s charters. We’ll have a public performance agreement with each district-run school. We’ll allow great ones to grow and we’ll close and replace those that keep failing kids. Just allow us to oversee the district’s schools, and it’ll change the whole system.”

Over the next two hours, the senator and the judge sketched out a legislative proposal that would turn the city’s “charter-school authorizer” into a “public-school authorizer.” That body would oversee all of the city’s charter and district-run schools, managing the portfolio to expand parental choice and continuously improve school performance. During the next legislative session, the senator and her colleagues tweaked the plan and built community support. It was adopted and signed into law a few months later. The senator was so excited by the possibilities that she decided to run for mayor so she could help implement the new policy.

Now, after two terms at city hall, she found herself getting ready to head onto the stage and deliver her final education speech as mayor. She looked over the first paragraph one last time:

Ten years ago, we decided to make a change. Because we trust families, we decided that all parents should be able to exercise school choice. Because we believe in real accountability, we decided that all public schools — whether run by nonprofits or the district — should be held to the same rigorous, transparent performance standards. Because we believe in continuous improvement, we decided to allow promising new schools to get started, to grow all of our best schools, and to close and replace our failing schools — regardless of who operated those schools. Because we trust educators, we decided that all schools should have operational freedom. Because we trust democracy, we decided that an elected board should oversee this new system. And, now, just a short decade later, our city has the most exciting, most encouraging, and fastest-improving system of schools in America.

Introduction

The new federal education law, the Every Student Succeeds Act (ESSA), gives states the opportunity to rethink their K-12 accountability systems. Gone are No Child Left Behind's (NCLB) tight rules for assessing and intervening in schools and districts. This couldn't come at a better time for urban schooling.

Although state accountability systems have accomplished a great deal over the last several decades, they've not solved the problem of persistently and severely underperforming big-city school districts. To this day, millions of boys and girls are still assigned to long-failing schools operated by these struggling organizations.

Much has been written about the expansive authority returned to states by ESSA. Analysts and policymakers are currently expending great effort understanding what the new federal law allows. This report differs in its focus. The argument here is that there is a bigger, underappreciated story: A quarter century of urban-education reform has made possible an entirely new and far more promising approach to accountability. ESSA provides the impetus for state and city leaders to act on an opportunity that's been evolving for years.

Urban districts today operate in a very different context than they did when accountability systems emerged about two decades ago. Then, the district was the monopoly provider of public education in most cities. But today, the district is simply one of many operators. In some cities, like New Orleans, Detroit, and Washington, D.C., the district is operating, or could soon operate, fewer than half of the public schools.

ESSA's flexibility plus this new reality enables state leaders to apply charter-style accountability to district-run schools. Consequently, all public schools in a city could be held accountable via performance contracts held by an independent authorizer. This shift would, in turn, allow state leaders to give district-run schools charter-like autonomy and create a single citywide accountability system.

As a result, the city's new K-12 landscape would be defined by a wide array of co-equal school operators and a diversity of schools held accountable through a single rigorous and publicly transparent process.

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Accountability in the Era of District Monopoly

This report begins by zooming out. Instead of diving immediately into the details of a new approach to accountability, we start with an argument for why accountability looks the way it does and what’s necessary to bring about lasting change. Though this discussion may at times seem too theoretical, the purpose here is to offer a new conceptual framework so emerging approaches can address the underlying issues, not just the symptoms. But, possibly even more importantly, if those seeking to reform accountability have a shared understanding of the problem and the principles to be pursued, then they can tailor their agendas to their particular contexts while remaining aligned on fundamental points.

Our understanding of state accountability systems was shaped by the era in which these systems were developed. In the 1990s, when states began creating systems for assessing schools and districts, the district, in most places, was the only public-education game in town.¹ Most states didn’t yet have charter school laws, and those that did hadn’t had enough time to start more than a few charters. So in any given city, every (or almost every) single public school was owned and operated by this single government entity — the district.

In fact, we didn’t even recognize that we were in a particular era. Since the formalization of American public schooling, public education was defined by the district’s “exclusive territorial franchise”; it provided the paradigm by which public education was understood.² Indeed, for a century, the district was synonymous with public education. For most people, it was simply inconceivable that the district would be just one of a city’s many public-school providers. It would’ve been downright heretical to suggest that the district was dispensable — that there could be a system of public education absent a district.

Today, yesterday’s lack of imagination seems

incredible. In New Orleans, almost every public school is run by a non-district entity. In Detroit, the District of Columbia, and Kansas City, about half of public schools are run by nonprofits. But the fact of the matter is that “accountability” came of age when we assumed that each geographic area would have one public-school provider, that this government operator would assign kids to the schools it ran, and that all of the schools it operated would exist in perpetuity.

So instead of referring to them as state “accountability systems,” we should, for our purposes here, think of them as state “district-monopoly accountability systems.” The importance of this distinction will become clearer below during the discussion of state “diverse-provider” or “charter” accountability systems.

There are a number of critical implications of state accountability in a district-monopoly context. That is, when each area has just one provider of public schools, accountability must take on certain characteristics. (To be clear, today many cities have moved beyond the monopoly-provider approach; the point here is that monopoly provision has implications for accountability and many of those implications linger with us.)

First, the only response to a persistently failing district-run school is a “turnaround” effort, and if the first turnaround effort fails, another must be tried. Since the district is the only provider and since it assigns kids to schools, relentlessly trying to fix a failing school is the only recourse.

Second, the state’s only option when an urban district persistently fails is to try to fix the district. Since the state delegated the state’s K-12 obligation to this single entity, the state has to work through the district if the district isn’t fulfilling the state’s obligation.

In tandem, these first two implications help explain



why state accountability systems for several decades now have relied on the same set of strategies to deal with urban-district failure. Whether it's "restructuring," "reconstitution," "corrective action," "transformation," "turnaround," "takeover," or some other moniker, school-based interventions have assumed that the failing district-run school in question must continue to exist, no matter what. Similarly, whether it's "mayoral control," "state takeover," "receivership," "re-governance," or some other name, district-level interventions have assumed the district structure must continue to exist, no matter what. To put a fine point on it: When state accountability systems came of age, the district's monopoly status made it unimaginable for the state to replace failing district schools or failing districts.

Third, in the district-monopoly context, there's, interestingly, reduced incentive to create accountability systems that provide a fulsome, public assessment of school or district performance. This stands at odds with systems (inside or outside of education) marked by a wide array of options and consumers who can choose. In such competitive systems, information serves the purposes of both providers and consumers. But if there's only one operator and that operator assigns kids to schools based on home address, families have no power. They have to take what is given to them whether they like it or not.

Additional information provided by an

accountability system on their school's shortcomings or another school's strengths does a family little good; they can't use that information to choose something else. Likewise, the state and district have little incentive to fully compare and contrast schools, because it would only further reveal the painful reality that different kids are assigned to very different schools. In other words, the district-monopoly context of early-stage accountability systems depressed the value of information.

Fourth, attention is bent away from outcomes and toward mandates and inputs. If there's a dynamic, competitive system of multiple operators and schools, policymakers can focus on finding the most successful programs — whatever those programs look like — and work to create conditions so more such schools and providers can emerge. That is, policymakers can become agnostic about how success is achieved and instead empower others to find ways to succeed.

But when you have a single provider, policymakers must have a single, firm theory about what produces school success. They have one school operator, so they must force that operator to succeed. Hence the countless mandates placed on urban districts (e.g. certification rules, class size, personnel policies) and the relentless focus on particular inputs (e.g. more teachers, more administrators, more funding). Hence the "one best way" mindset that produces standardization instead of differentiation.³

Fifth, individual schools simply cannot be given meaningful or lasting autonomy. Since each child has access to but one school and that school must work for all students assigned to it, the district is compelled to apply a single, one-size-fits-all operating model to every school. Since the district possesses the entirety of the state's delegated responsibility for educating that area's students, the district feels compelled to exert maximum control. School-level deviation is all but impossible. Since accountability is taking place in an environment where the state depends wholly on the district and a neighborhood depends wholly on its assigned school, there can be no room for flexibility. Rules and inputs must predominate.

Sixth, accountability in a district-monopoly context necessarily begets very narrow measures of school performance. In most fields, accountability is primarily taken care of by consumers. They use their own judgments

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based on their own priorities to decide which providers are succeeding. But when the state empowers a single operator to run all schools in an area and families can't choose from among schools, the state appropriates to itself the power and obligation for defining success.

But no state government, no matter how able, is able to fully understand the complexities of hundreds or thousands of schools and their continuously changing communities and students.⁴ It simply can't collect annually the data on the dozens of variables families care about for every single school. So, the state simplifies out of necessity.⁵ It uses a very limited number of measures (like scores on reading and math standardized tests) that can be gathered and reported for all schools. Said another way, the district-monopoly context plus the state's inherently limited

capacity equals an accountability system that serves the purposes of central administrators but oversimplifies (and possibly distorts) the picture of school success.

Seventh, in a district-monopoly system that assigns students to schools based on home address, it is assumed that the city's schools will be similar if not identical to one another in most important ways. Hence the sobriquet "common" schools and the urban-district naming convention of "P.S. 1," "P.S. 2," "P.S. 3." With schools' having similar student bodies, similar programs, similar curricula, and similar central-office administrators, it makes sense to hold schools accountable using a single, streamlined, standardized set of measures. Unless the school were one of the few specialty or magnet programs, differentiated performance indicators wouldn't have been appropriate. In fact, differentiated accountability for different schools would've undermined the "common" approach underlying the district model.

In total, then, because "accountability" came of age during the district-monopoly era, it took on certain characteristics: It assumed schools existed in perpetuity so "turnaround" was the response to continued school failure. It assumed the district was the only legitimate operator, so responses to district-level failure always aimed to improve the district's central apparatus. Families couldn't exercise choice, so accountability systems didn't primarily aim to inform and empower parents. Policymakers were unable to provide permanent school-level autonomy and instead had to focus on mandates and inputs. School success was reduced to a narrow set of indicators that were applied to all schools.

So it's worth asking: What would accountability have looked like had it come of age, instead, during an era of diverse providers, school options, and parental choice?

Accountability in an Era of Diverse Providers

We can better understand “charter accountability” (or “diverse-provider accountability systems”) using the above lens. That is, if the district-monopoly context produced a certain approach to accountability and that approach had predictable consequences, then we can see more clearly what a diverse array of school providers might mean for accountability.

A key takeaway is that charter accountability evolved the way it did because chartering entered the field of urban public education after a century of the district-monopoly system. Wherever charter schools emerged, there was already a district. That district was accustomed to educating all public-school students, and all of its students had an assigned school.

This is important because, from the very beginning of chartering, charter schools were a choice-based alternative to existing district-run schools. Charters were understood as an “extra.” Public education and the district existed before them, and public education and the district would exist if there were two charter schools or ten charter schools or if charter schools disappeared.

The immediate upshot for charter accountability was that since a student could always choose to go to a different public school (her assigned district-run school), there was never the expectation that a charter school or a charter-school operator had to exist forever. That meant that charter accountability, unlike district-monopoly accountability, could be based on the closure of persistently failing schools and operators. In the charter sector, the longevity of every school and every operator would be a function of its performance.

This new approach was brought to life via performance contracts. Each charter school entered into a binding agreement with a charter-school authorizer. That contract spelled out the school’s mission,

student-achievement targets, and other indicators of school success. Importantly, these agreements could be differentiated. Each school could have a different focus and different measures.

This approach, in turn, had a number of critical implications. It facilitated choice: Schools could be different from one another, and a family could select the school that best fit its children. Transparent performance contracts enabled families to become informed consumers of schools, which compelled existing school operators to be increasingly responsive and prospective school operators to tailor new programs to community needs.

This approach also allowed for far greater sophistication and nuance in the assessment of schools. Whereas a statewide accountability system uniformly applied a narrow set of indicators across all schools, authorizers could become more discerning. With different types of schools utilizing different pedagogical approaches and serving different students and communities, an authorizer could make use of a diversity of metrics and tailor them to school-specific performance contracts. This allowed for the preservation of uniform high expectations across all schools while accurately reflecting the different

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goals and contexts of different schools. It also allowed a school community to be engaged in determining how the school's success would be assessed.

Finally, this new approach allowed charter schools to have true operational autonomy. A charter could be closed because students would have other options available, and a charter's performance expectations were absolutely transparent. Therefore the government was able to stop relying on a single theory for how best to produce school success, meaning it no longer had to focus on mandates and inputs. Each school could be held accountable for achieving its specific goals and be freed from a wide array of operational requirements.

In total then, since chartering came of age in a "diverse-provider" context, its accountability system was much different (see Figure 1). Failing schools could be closed, and failing operators could be ended. Performance expectations could be expansive and differentiated at the school level and could be developed with an eye toward facilitating parental choice. Schools could be assessed based on student outcomes and be freed from many

operational rules and regulations.

This raises a profound question. In many cities today, the charter sector is now expansive, educating a quarter, a third, or even half of public-school students. While the district came of age during the district-monopoly era, it is now functioning in a diverse-provider context.

So could charter accountability be applied to district-run schools?



Charter Accountability and System Improvement

Whether states should apply charter accountability to urban district-run schools is more than an intellectual flight of fancy. It is rooted in an informed hypothesis — that charter accountability is a major contributor to the substantial success of urban charter sectors.

There is mounting evidence that urban chartering, when done well, is producing results substantially better than the half-century of efforts aimed at urban districts. For example, studies by Stanford’s CREDO institute and other research organizations have found that large, mature urban charter-school sectors, like those in Boston,

Newark, Indianapolis, and the District of Columbia, are producing academic gains well beyond their local traditional districts.⁶ Similarly, in New Orleans, chartering has generated dramatic improvements in student learning since Hurricane Katrina.⁷

There is ample reason to attribute some if not most of this success to the accountability approach enabled by a diverse-provider context. The disciplined focus on results instead of inputs aligns the work of and provides direction and clarity to all stakeholders. The potential for closure as a consequence for persistent failure brings added alignment

Accountability Differences: District-Monopoly vs. Diverse-Provider

	District-Monopoly Context	Diverse Provider Context
School Longevity	Expected to exist in perpetuity	Can be closed for persistent failure
Operator Longevity	Expected to exist in perpetuity	Can be ended for persistent failure
Utility of Information To Families	Limited, since families don’t exercise choice	Essential, since families choose schools
Focus on Inputs	Essential, since there’s only one operator	Unnecessary, diversity of operators allows focus on outcomes
Approach to Interventions	“Turnarounds”	New operators; new schools; expand/replicate successful models
School-Level Autonomy	Minimal	Maximal
Performance Measures	Narrow	Potential for expansive
School-Level Differentiation	Minimal	Maximal

... diverse-provider accountability engenders the conditions for school success far better than district-monopoly accountability.

and urgency. The removal of operational rules frees professionals to continuously innovate, problem-solve, and course correct, which fuels their sense of agency. That sense of agency contributes to a healthy school culture already pointed toward explicit, shared goals. Families' ability to exercise choice empowers students and parents.

All of this fits with decades of research outside of K-12 education on the organizational value of goal-setting, empowerment, and decentralization. Moreover, a number of education analysts and authors have argued for elements or variations of school flexibility, parental choice, and charter accountability for decades. The list includes Paul Hill and colleagues' "Reinventing Public Education"; Ted Kolderie's "Creating the Capacity for Change"; Andy Smarick's "The Urban School System of the Future"; Finn, Manno, and Vanourek's "Charter Schools in Action"; Chubb and Moe's "Politics, Markets, and America's Schools"; Osborne and Gaebler's "Reinventing Government"; and Milton Friedman's "Capitalism and Freedom."⁸

Boiled down, the argument is that diverse-provider accountability engenders the conditions for school success far better than district-monopoly accountability. It also sets off a continuous improvement cycle: New and different schools are started; great schools are grown and replicated; failing schools are replaced. All of this takes place in the context of families' exercising choice and

educators' running autonomous schools. As a whole, the system constantly adapts to the changing needs of the city while improving its overall performance.

So the case for applying charter accountability to district-run schools is based on two concepts. First, charter accountability sets off a series of policies and practices that combine to enable a system of schools to continuously improve. Second, in many cities today, districts are now operating in a diverse-provider K-12 environment where no single operator (including the district) and no single school (including district-run schools) must exist in perpetuity. That is, if district-run schools persistently fail, or if the district as a whole persistently fails, they can be replaced. Because there are now other options available to students, neither the district nor any of its schools needs to have a privileged place in the education landscape. They can be judged just as charters are — by their performance.

More Than Autonomy

Charter Accountability vs. School-Level Freedom

At first blush, “charter accountability” may appear similar to several more common urban-district reforms: “site-based management,” “portfolio districts,” and “charter districts.” But there are fundamental differences.

Some analysts have studied chartering (as well as good management practices from other fields) and decided that school-level autonomy is the sine qua non of school improvement. Great experience in other industries has taught us about the costs of top-down leadership and administration and the value of pushing authority down to field-based professionals and their direct managers. Chartering can be seen through this lens: School-based educators get freedom from central-office administrators.

So some have concluded that if we free educators from many of the rules that constrain them and allow them to run their schools without heavy-handed, centralized policies, then schools will thrive. This thinking has led to “site-based management” and a range of “autonomous” district-run schools. Though these various efforts go by many different names (e.g. “pilot schools,” “renaissance schools,” “empowerment schools”), they aim at the same target: Give schools freedom but keep them under the control of the district. The same thinking was behind “charter districts,” state programs that seek to give district-run schools the same freedom from state laws enjoyed by charters. In all of these approaches, school leaders get some amount of control over staffing, budgeting, scheduling, and/or other operational issues. But they are not truly separated from the district’s authority.

For instance, in these models, schools’ freedoms are limited and/or not guaranteed to be permanent. The school’s teachers may still fall under the district’s union contract and remain employees of the district; the principal may still report to the superintendent or board; the district may be able to recapture some of the schools’

autonomy. These schools are simply not independent in the way true charter schools are. This, however, is completely predictable. The district is accustomed to directly managing all aspects of its schools. The district was not built to let go of authority. Its rules (enrollment, transportation, procurement, personnel, and much more) are designed to centralize power. And since it is still ultimately responsible for the performance of its schools, district central administrators would rationally want to maintain control. In fact, there are numerous examples of districts’ rescinding the operational autonomy granted to these schools when the schools struggle or political leadership changes.

Since the district was designed to run all schools, provide a similar school to each neighborhood, assign kids to schools based on home address, and keep schools open in perpetuity, even these initiatives — initiatives explicitly created to provide autonomy — eventually hit a wall. The accountability system that flows naturally from the district-monopoly mindset permanently inhibits school-level freedom.⁹

Independent, non-district chartering functions entirely differently. It assumes that there will be many co-equal operators. It assumes new entities will start new schools and great schools will replicate. It allows parental choice, not home address, to drive school assignments and the schools in the city’s portfolio. It requires the closure of failing schools and the cessation of failing operators. Because independent, non-district authorizing refuses to privilege any operator (unlike a district-monopoly system that privileges the district), school-level freedom can be meaningful and permanent.

So a key lesson is that separating school operations from school accountability makes school-level freedom

possible. Letting one set of organizations run schools and another set authorize them enables a new kind of accountability, which enables autonomy. This is why the charter-accountability approach also differs from “portfolio districts.”

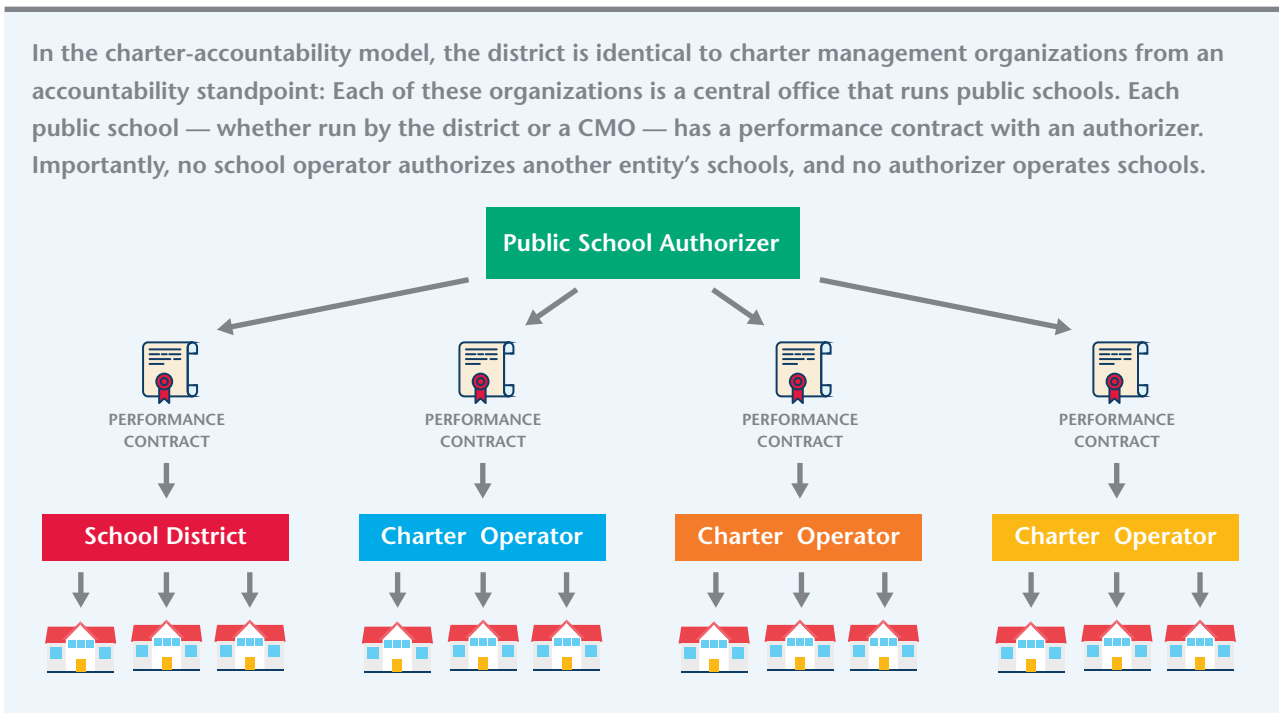
The portfolio-district model has been a valuable contribution to urban schooling. It encourages the district to allow other entities to run schools in the district’s defined geography. The district can either authorize these operators to run charters or negotiate charter-like agreements that enable them to run contract schools. By opening the door to non-district operators, the portfolio-district approach diversifies the city’s collection of schools and offers families choices.

But two issues separate the portfolio-district approach from the charter-accountability approach. First, under portfolio districts, the city’s charters (or contract schools) are authorized by the district, an entity that is also running schools. Because the district is in charge of regulating its competition, we cannot expect its authorizing judgments to remain impartial. Obviously, McDonald’s wouldn’t be trusted to regulate Burger King fairly; Ford wouldn’t be trusted to regulate GM fairly. It is no surprise, then, that urban districts with exclusive chartering authority (e.g. Philadelphia, Chicago, and New York under Mayor de Blasio) erect obstacles to charter-school growth, including by refusing to allow new schools

to open and denying charters access to available district facilities. Under a charter-accountability approach, schools are overseen by non-district authorizers.

Second, under portfolio districts, district-run schools are not put on performance contracts with non-district authorizers. In most cases, district-run schools continue to operate without any performance contracts. In some cities, district-run schools do have performance contracts, but they are held by the district’s board — the very same organization responsible for running the schools. That obviously undermines the district’s impartiality. If the board hired the district leader, approved her staff, and created all of the policies under which the district team operates, the board would be indicting itself if it deemed its schools underperforming. A pitcher would always want to call his own pitches strikes instead of balls.

In total, then, the charter-accountability model argued for here is defined by 1) the separation of operation and authorization — no organization does both, and 2) placing all public schools, including district-run schools, on performance contracts with non-district authorizers (see Figure 2). From that accountability framework, true school-based autonomy can result.



Applying Charter Accountability To District Schools

ESSA Accountability

Although ESSA places a few new requirements on states, the federal law's primary influence will be the additional flexibility it gives states related to their K-12 accountability systems. They are freed from most of NCLB's and NCLB waivers' rules on how to assess schools and districts, how to categorize them, and how to address persistent problems.

The new law also makes clear that states are permitted to create and maintain separate accountability systems for their charter-school sectors. The statute states, "The accountability provisions under this Act shall be overseen for charter schools in accordance with State charter school law." Though NCLB had similar language, ESSA was designed to give states far more flexibility. Accordingly, a state interested in this new approach could reasonably interpret that language as recognizing the state's ability to have space for charter accountability inside its larger accountability system. So a state could alter its charter statute to place one or more urban districts under its charter accountability system.

A different but related approach would be for a state to create a new statewide accountability system that includes a carve-out for districts subjected to charter-style accountability. While ESSA requires states to have statewide accountability systems, it does not prohibit differentiation within a state's system. In other words, the statewide accountability system could specify that charter schools and particular district-run schools identified by the state will be held accountable by authorizers via performance contracts. The first approach would make

room for this new accountability system by utilizing ESSA's deference to state charter-school laws; the second would utilize the flexibility states possess to create novel statewide accountability systems under ESSA.

ESSA does, however, require some degree of uniformity within the statewide accountability system. For example, schools must be assessed using proficiency rates on state tests, measures of growth, and graduation rates; states must have a system for rating schools based on their performance; states must have a uniform school report card. Accordingly, state leaders could see the statewide system's rules as providing a "floor" for all public schools. Schools in the charter-accountability space would then be held to a higher standard. So authorizers could build their accountability systems on top of these uniform state provisions, thereby ensuring that all of the state's public schools meet the baseline provisions. Authorizers — as they did under NCLB — could also have other accountability indicators and processes for the schools they oversee.

In fact, in recent years, many authorizers have adopted accountability "frameworks" that blend uniformity and differentiation. Some universal indicators are applied to all schools while other indicators are applied to particular schools or particular types of schools. So authorizers are prepared for statewide accountability systems that require certain elements while allowing flexibility. Importantly, the U.S. Department of Education's proposed rules contemplate states' having some categories of schools with somewhat different accountability policies. Though charters are not mentioned explicitly, the language

makes clear that the list of categories is suggestive, not exhaustive.¹⁰ Given Congress’s intention to allow states to experiment with accountability and ESSA’s explicit language prohibiting the Secretary of Education from forcing new rules on state systems, states certainly have the latitude to try charter accountability for district-run schools.

The Mechanics

The mechanics of beginning this change are remarkably straightforward. Unlike so many other reforms aimed at urban public schooling, this approach does not meddle with the district’s basic functioning. The district would still be an LEA and retain those authorities and obligations.¹¹ The application of charter accountability would not tell the local board what to do with the district’s central administrative office, and it would not tell that central office what to do with its schools. This approach would leave the district’s union contracts alone, and it would say nothing about the district’s curriculum and staffing.

This reform is fundamentally different from others because it completely refrains from telling the district what to do. Instead, it offers an entirely different approach to accountability. In other words, this reform stays silent on inputs and focuses entirely on outcomes. As such, only three basic steps would be required for a state to get started.

1. Identify The District(s)

A state must first decide which of its districts would have their schools subject to charter accountability. This need not be every district in the state. States should develop a set of criteria for selecting which districts will be placed in the new charter-accountability system and which would stay part of the traditional unified accountability system. The state could refer to section 1111(d)(3)(B)(i) of ESSA, which explicitly empowers the state to “take action to initiate additional improvement in any local educational agency” with significant numbers of struggling schools. In this way, the charter-accountability approach would be a state strategy under the statute for addressing a persistently underperforming district.

The state could also seek district volunteers instead of or in addition to selecting districts for participation.

Though most districts would probably be unwilling to opt into a system that would subject each of its schools to rigorous, contract-based accountability, some superintendents and/or boards might be interested. The state could entice voluntary participation by offering incentives, such as short-term grant funding or temporary freedom from some state mandates.

2. Decide On The Authorizer(s)

In order to put district-run schools on performance contracts, the state must decide which bodies will serve as district-school authorizers. The state could choose to expand the role of one or more existing charter-school authorizers. For example, a charter authorizer already overseeing a substantial number of charters in the city could be tasked with developing contracts with district schools. Alternatively, the state could create a new “public-school authorizer” that would assume the accountability function for the district’s schools (and could authorize charters, too).

While the state has a number of options, two elements are essential. First, whether one or several authorizers take on the accountability responsibility for the district’s portfolio of schools, it is imperative that all of the district’s schools be placed on performance contracts — all public schools in the area should have the same accountability system. Second, the district’s school board cannot serve as the authorizer. Because that board also hires the district’s superintendent and creates district policy, it would not be an independent accountability body. Participants in the work can’t be expected to be impartial assessors of the work. A pitcher is not allowed to call his own balls and strikes because he has a stake in those decisions.

3. Plan The Transition

States must create a process for transitioning the district’s schools to charter accountability. All prospective charter schools must go through an application process before being approved to open. But since district schools are already operating, it may make sense for the authorizer(s) that will oversee these schools to move directly to the negotiation of performance contracts. That is, existing district-run schools would not necessarily need to apply to stay open. However, if an authorizer finds that many of the

district's schools are persistently underperforming and/or operating far below full enrollment, the authorizer could decide to put all existing schools through an application process.

The state and authorizer(s) would need to develop policies for these agreements, including performance metrics, expectations, and the length of initial contracts. The state would also need to decide how quickly the authorizer(s) could adopt the full portfolio of district schools. Taking on dozens of additional schools will tax the authorizer; the state must ensure that the authorizer has the staff and resources to do this job well. Lastly, the state would need to make clear the process by which authorizers would monitor district-school performance and determine whether a school's contract would be renewed.

Fundamental Change in Perspective

Though the policy and implementation of this shift would be relatively straightforward, it requires a fundamental change in how policymakers and stakeholders see the district. This may be a taller obstacle than writing a new statute or regulation. Our existing accountability system is built on a longstanding understanding of the district's central, dominating role in public education. Bringing charter accountability to district schools forces us to reconsider many assumptions and expectations.

The following eight-point list covers the changes in mindset necessary for this new accountability approach to take root and bloom. Leaders interested in this idea should take these considerations seriously. Should they be unwilling to develop a new vision for the district and its schools, state policy and implementation related to expanding charter accountability would be distorted in ways that would block the success of this new approach.

1. The Long Term: Move from Education Monopoly to Education Pluralism

When the district becomes subject to charter accountability, it is no longer guaranteed a privileged place in the system. If its schools persistently fail, they will be closed and replaced by schools run by higher-performing nonprofit operators. So the consequences of the district's monopoly status must be phased out. For example, the resulting system will not be composed of intentionally

similar schools that are enrolled via geography-based student assignments. Schools will be different from one another, and they will be enrolled via parental choice. As the city evolves, families' preferences shift, and each school's performance changes, the portfolio of schools in the city will change as well. Stakeholders should be aware that an inevitable consequence of applying universal charter accountability is exchanging a monopoly system for a dynamic, pluralistic system.

2. The Short Term: Willingness to Reduce the District's Role in the System

Putting district-run schools on performance contracts means the district immediately becomes a co-equal operator of schools, no different than a charter-school operator. There are numerous consequences of that shift that will serve to demote the district in the near term.

First, some number of district-run schools will probably be closed for persistent underperformance, so the district will educate a smaller percentage of the system's students. Second, each of its schools will have a performance contract with an authorizer, meaning an independent entity will be continuously monitoring the performance of each district-run school. Third, the district will no longer get to open new schools whenever it wants; like charter operators, it will have to go through an approval process with an independent authorizer. If the authorizer believes the district doesn't have a strong track record of running high-quality schools, the authorizer may reject that application. Fourth, the district can no longer own all of the city's public school buildings. As a co-equal school provider, it cannot be given monopoly control over an asset essential to the healthy functioning of the entire system (more on this issue below).

There are other ripples, but they all point to the swiftly diminished role of the district. State leaders must be aware that moving to comprehensive charter accountability immediately ends the district's privileges that came with its monopoly status.

3. Charter School Quality, Market Share, and Growth Potential

A necessary condition for moving district-run schools to charter accountability is the wide availability of non-district options. Failing district-run schools can only

be closed if there are other, higher-performing schools available now and even more available down the line. So a state should only consider moving in this direction in cities that have strong charter-school sectors, which are currently educating a substantial percentage of public-school students and have the ability to grow to serve even more.

Examples of cities that fit the bill include Detroit; New Orleans; New York; Newark, N.J.; and Washington, D.C. The city need not have majority charter market share currently or the potential of reaching 100 percent charter market share quickly. The new accountability system wouldn't lead to the closure of vast numbers of district-run schools immediately, nor would it necessarily lead to the closure of all district-run schools eventually. But given the significant number of persistently failing district-run schools in every major city in America, a meaningful charter accountability system would almost certainly lead to some number of closures. The charter sector must have the capacity to fill the gap.

So stakeholders must be willing to both fairly assess their current non-district options and do the things necessary to grow these alternatives (e.g. recruit CMOs, incubate new schools, expand successful charters). Future capacity is absolutely essential to the success of comprehensive charter accountability. If a district-run school is put on a performance contract, is found to be persistently underperforming, but is then not closed because there are no other options available for its students, then charter accountability has lost its meaning. It would be charter accountability in name only.

4. Carve-Out from Unified State Accountability System

As discussed above, a consequence of the district-monopoly approach to K-12 delivery was the state's development of a single statewide accountability system. All schools and all districts across the state were assessed and categorized using one set of rules. The charter accountability model argued for here, however, can only function in locations with a sufficient number of non-district schools and operators. That's a limited number of areas.

Since a charter-accountability approach wouldn't fit many areas, this new model probably shouldn't serve as the state's unified accountability model, at least not

yet. Therefore, a state interested in charter accountability would need to use the flexibility in ESSA to create an "accountability carve-out" for select cities — either (as described above) by putting the district under the state's charter law or creating a statewide accountability system that allows for this kind of differentiation.

In these locations, the state's accountability system would apply differently. Though the elements of the statewide system that must be uniform across the state would also apply to these schools, these elements wouldn't make up the entirety of these schools' accountability system. The state would give accountability authority over all of the city's public schools to one or more authorizers. The authorizer(s) would then develop an individualized performance contract with each school (that would include the necessary statewide measures). In other words, stakeholders must be willing to divorce the concepts of "state accountability" and "statewide uniform accountability system."

5. Expanding the Delegation of State Accountability Authority

States have delegated school operations forever. Although the state government is ultimately responsible for ensuring that all students are well educated, the state created districts, which operate schools. Traditionally, the state retained the accountability function. A statewide system was applied to districts and schools as a means of enabling the state government to monitor performance. However, with chartering, the state delegated, in a limited fashion, some of its accountability power to charter-school authorizers. Authorizers were charged with overseeing the performance of a portion of the public education space, namely the charter-school sector.

This approach would expand the state's delegation of accountability power. Rather than empowering authorizers to oversee some of a city's public schools, authorizers would oversee the entirety of the city's public-education system. All of the public schools would fall under a single accountability system. "Charter-school authorizers" would evolve into "public-school authorizers." So instead of conducting accountability via a state department of education in the state's capital, the state would conduct accountability via local intermediaries (authorizers) of the state's creation.

6. Separation of Operation from Authorization

This approach requires local and state policymakers to see that operation and public accountability are two very different functions. Those functions must be separated. No organization should do both: One set of organizations runs schools; one organization (or set of organizations) oversees schools. In a dynamic system of choice — meaning families have the ability to select from among an array of schools — no school operator can be expected to fairly assess other organizations running schools. There are obvious and powerful conflicts of interest if an entity is charged with regulating its competition.

The separation of operation and authorization is standard fare in the charter sector: Nonprofits operate charters and authorizers oversee them. But this is not the district-monopoly way. The district is not accustomed to having each of its schools put on a performance contract with an independent body. In fact, even the relatively new “portfolio district” approach fails to separate operations and accountability (see sidebar). One immediate consequence for some locations (e.g. Denver, Philadelphia, Chicago, Cleveland, Detroit) is that the local school board would have to stop serving as an authorizer. Under this approach, it could only run schools that have performance contracts with an independent body.

7. School-Based, Differentiated Accountability

The new system is premised on parental choice and school variety. So, whereas the old accountability approach could treat all schools alike, the new system must appreciate their differences. Schools will have different themes and different instructional approaches; they will attract families who have different interests. Accordingly, authorizers must be willing and able to set and maintain high expectations for all schools while recognizing school differences.

In practice, this means variation among schools’ performance contracts and authorizers’ ability to demonstrate fairness despite this non-uniformity. Authorizers can certainly apply some number of uniform measures across schools and maintain “performance frameworks” so schools can be compared. But they should not try to apply a comprehensively uniform accountability system to each school. That would undermine school differentiation and parental choice. Along these lines, stakeholders (e.g. parents, educators, policymakers,

philanthropists) must also be willing to accept that schools will differ in meaningful ways and that parental choice will serve as a significant part of the accountability function.

8. Community, Not District or Neighborhood, Focus

In a district-monopoly system, families and other stakeholders exert their influence over schools primarily through the elected school board and/or the district’s central administrative office. Since power is consolidated in the board and the district headquarters, and since schools are purposely very similar to one another and enrolled via residence-based assignments, change mostly comes through the system and down to schools. To the extent some school variation is possible, the neighborhood served by the school in question is the driving force.

But when schools are autonomous and enrolled via choice, the path to influence shifts dramatically. The community engaged in that school — parents, students, classroom teachers, and school administrators — wields authority. Decisions and change come from the bottom up via this self-organized group. The important implication for accountability is that authorizers must be willing to engage with each school’s community of stakeholders to define mission, needs, programming, and the indicators of success embedded in the performance contract. As a result, each school community has a far greater say in accountability than in the district-monopoly model, which empowers central administrators.

The Value Proposition

This new approach would represent a dramatic change to how we've conducted accountability for decades. It requires a new way of thinking about the district and its schools, non-district operators, school assignments, school diversity, and much more. So it's worth offering a clear rationale for why this new approach justifies the effort. That is, even if ESSA and a range of policy and practice changes over a quarter century make this shift possible, are the benefits worth it?

There are at least four major reasons why state leaders should take this on.

1. Engaging and Aligning Stakeholders

Since the inception of state-based accountability, assessing schools has been a top-down affair. The state decides what measures matter, creates a statewide system, and then reports its results. But this suggests that all schools are the same and that central administrators know best how to judge school success. We would be hard-pressed to find educators who believe that proficiency scores on statewide reading and math tests are reliable, fulsome proxies for school quality. And yet this is the core — and in some cases the preponderance — of state accountability systems.

By moving to school-specific performance contracts, the state would empower each school's stakeholders. That community can have a say in what it values most and shape its school's performance contract accordingly. This will not only make the school's accountability system more nuanced and true to the school's goals, but the process of developing this system will also help the school's community align around mission and develop a sense of joint ownership.

2. Aiming to Dramatically Improve Urban-District Results

Despite decades of improvement efforts, district-run urban schools are still failing entirely too many boys and girls. We must admit that district-monopoly accountability, for all of its contributions, did not produce a sea change in the performance of traditional big-city districts. We simply can't assume that the standard approach to accountability will, after a generation, suddenly turn these operators into great successes. So an accountability refresh is in order. Given the success of urban chartering, it's more than a reasonable hypothesis that charter accountability (and its implications) could be the disruption needed.

Beyond aligning each school's community on mission, performance contracts could serve as a constant reminder to all of the school's adults of the expectations and the serious consequences for persistent underperformance. Ideally, this would change behavior enough to significantly improve the achievement of district-run schools. But, if urban districts prove unable to improve, charter accountability offers an answer for what to do about the city's many persistently failing district-run schools: a transparent public process for assessing each school's performance and replacing those that fail to serve kids well.

3. Providing Autonomy to District-Run Schools

The only way to give district-run schools meaningful and permanent autonomy is by changing their accountability system. Without explicit, consequential, outcomes-based, school-level accountability, authority will always gravitate toward central administrators and away from educators. And since these central administrators will be the ones on the hook, they will always feel the need to micromanage. Just as the charter bargain was

autonomy for accountability, district-run schools placed on performance contracts could have the opportunity to enjoy new freedoms. However, this new approach to accountability is a necessary but not a sufficient condition for autonomy; law and/or the district's central office must be willing to provide freedom.

4. Creating a Coherent System of Schools

The two-sector (district and charter) approach in most cities leads to two very different systems. The district assigns students to schools, schools are thought to exist in perpetuity regardless of performance, and schools don't have autonomy. In the charter sector, schools are autonomous, held strictly accountable for results, and are choice-based. These fundamental differences cause ongoing strife regarding facilities, funding, enrollment systems, performance comparisons, and much more.

This new approach will allow a city to say: All of our schools have autonomy; have clear, school-specific goals; and are held accountable by an independent body. With all schools and operators on equal footing and with all parents empowered with choice, city and state leaders can create clear, simple, and fair policies. For example, all schools are funded via the same student-based formula, all schools have equal access to facilities, all schools have the same site-based freedoms, all great schools can expand, and all failing schools will be replaced.

Helping The New System Succeed

As discussed earlier, state leaders interested in this approach should be fully aware of and embrace the changes in perspectives required by citywide charter accountability. Similarly, state, local, and nonprofit leaders should be aware of and willing to take on the new activities that come along with it.

This report has attempted to show that this seemingly small change in accountability has profound implications. Putting all district-run schools on performance contracts with independent authorizers sets in motion critically important system-level changes. All of these changes arise from a single new reality: All public-school operators will be treated the same. Accordingly, no provider will have a privileged place; all public schools will be held similarly accountable for achieving transparent goals; all failing schools will be replaced.

In practice, this means city and state leaders can no longer see the district as the “base” or “default” system. The district will be nothing more than a central office running multiple public schools, just like the city’s many charter management organizations. So policymakers must be willing to address in new ways the following issues.

Facilities

In the district-monopoly model, it made perfect sense for the district to own all public school buildings. But now that the district’s monopoly control over operations has been ended, so too must its monopoly ownership of facilities. The city cannot have a system of co-equal operators if one operator owns and controls the most important assets. Even without charter accountability applied to district-run schools, we’ve seen for 20 years how a city’s charter sector will be impeded by the district’s unwillingness to

part with facilities. In the new system, the district will lose the right to keep open its failing schools as well as the right to open new schools whenever it chooses, so the need for impartial facilities control becomes even more important.

Since school facilities are public assets built and maintained to support the city’s system of public education, they should be transferred to a separate public or public-private body. Possibilities include the mayor’s office, a state or city department of administration, or a real-estate trust.¹² That entity, then, would be charged with, among other things, repurposing the buildings of schools that have closed. This would include ensuring that new and high-performing operators looking to expand have access to facilities. Policymakers would need to decide lease rates, which entities would be responsible for building maintenance and construction, and how the buildings-management process would be overseen.

Assignments

The district system assumed kids would always be assigned to schools based on home address. Chartering was designed to have parental choice dictate school assignment. This discrepancy has caused serious challenges in cities with growing charter sectors. Critics of charters argue that charter success is just a result of their being populated via choice: Parents opt in, the argument goes, so charters have the most motivated families. Critics also argue that charters use their enrollment policies to avoid educating the most disadvantaged students, for instance, by not accepting midyear transfers, not taking new students in higher grades, and not serving as the default, assignment school for families who don’t choose.

In turn, charter supporters argue that the district

has an artificially inflated enrollment that distorts the demand for its schools: The district, among other things, assigns non-choosing students to the schools it runs; it keeps charter enrollment artificially low by using its facilities control to stop charter growth; it keeps open persistently failing schools; and it opens new schools without going through an independent application-and-approval process.

If a city moves to universal performance contracts, the system-wide problems associated with two differing enrollment systems could become more pronounced. The city must develop a new approach to enrollment. It should be able to answer the following kinds of questions. If district-run schools are closed, which schools will the displaced students attend? If the district no longer owns all of the buildings, do all operators have to share in the responsibility of serving non-choosing families and midyear transfers? Will all schools be schools of choice? Will some or all schools be allowed to have geographic or sibling preferences?

Governance

In the district-monopoly system, it is simple to provide for “public governance” or “democratic control” of public schools. Since there is just one operator, there can be a single elected school board that hires the district superintendent and makes policy for the entire district. Chartering, however, has had a different approach to governance, largely because chartering started as a small, ancillary system. Each charter school (or charter-school operator) is a nonprofit, and each has a board of directors. But that board of directors is not elected by the city’s voters.

However, charters are still democratically controlled in a number of senses. For example, legally, they are fully public schools that are subject to many of the same public rules as traditional public schools, including laws related to non-discrimination. Charter laws are created by elected state legislatures; these laws are consistent with the public-education obligations and authorities of elected officials under the state constitution and state statutes. Charters are also subject to policies created by state departments of education and/or state boards of education; state superintendents are elected or appointed by an elected governor or members of the state board; state board members are either elected or

appointed by the elected branches.

Despite this (and the fact that charters, as choice-based schools, are enrolled via the affirmative decisions of families), some still argue that the charter sector is insufficiently subject to the will of local voters. But whether or not charters are adequately controlled by a local democratic process wasn’t much of a political issue when the charter sector educated a fraction of students. Our traditional understanding of democratic control still applied to the dominant district system. When chartering expanded to educate 20, 30, 40, or 50 percent of a city’s public-school students, this issue became more salient: More people argued that the charter sector — now a major portion of the city’s public-education system — was only indirectly controlled by the public and/or too far removed from locally elected officials.

Others will continue to debate whether charters are sufficiently democratically controlled and whether democratic control is more important than parental choice. For our purposes here, a more pragmatic question is in order: Given that there’s agreement that the will of local voters and the choices of families are both important, can the two co-exist in a single system? Said another way, can a system of autonomous, nonprofit-run public schools enrolled through the independent decisions of families still be shaped by a local, democratic process?

Yes. For example, probably the clearest solution would be to situate public governance at the authorizer level, not the operator level. That is, the district’s century-long history as the public-education monopoly made it appear that a publicly elected board had to hire a single system leader, employ all teachers, negotiate all contracts, create all policy, and so on. But chartering taught us that operations and accountability could be separated. Nonprofits can run schools and the government (or its designee) can oversee schools.

So instead of requiring every charter school to have a democratically elected board, the board of the authorizer could be elected or — via indirect democracy — appointed by an elected official. Democratic control of authorizers instead of operators would enable the public to influence the system (e.g. defining what constitutes a great school, determining how many new schools are needed, assessing whether the system has an adequately diverse selection of schools) without meddling in schools’ day-to-day work.¹³ Democratically controlled authorizers is not the only possible answer to this question; it is offered

here merely to demonstrate that the role of voters will need to be reconsidered when charter accountability is applied across the entire system of schools.¹⁴

Portfolio Management

The system that ultimately results from these changes will be marked by parental choice and a wide variety of highly accountable schools. To maintain this system, city and state leaders must see it as their responsibility to facilitate parental empowerment and a diversity of high-quality schools. That requires a number of activities collectively known as portfolio management. For instance, on the demand side, in order for parents to truly exercise choice, they must have reliable information about their options, such as each school's focus, performance levels, and programming. Families should also have a streamlined, transparent system for applying to and enrolling in schools. On the supply side, the system needs to incubate new school operators, recruit existing operators, help high-performing schools expand, shutter failing schools, and ensure that the portfolio as a whole meets the needs of the city.

Conclusion

For half a century, urban districts have poorly served millions of low-income boys and girls. Chartering emerged as a parallel, if ancillary, system, designed to give some number of families alternatives to their assigned district-run schools. To the extent that chartering has had an influence on the district system, it's been on the options and autonomy side. Some districts have tried to create choice-based schools that give educators freedom. Unfortunately, though, those effects have been more muted than we might've expected. Too few districts have gone down this path, and when they have, they've created too few alternatives that have too little autonomy.

The other half of chartering, however, has been insufficiently explored as a systemic reform: applying charter accountability to district-run schools. This report has argued that performance-contract accountability can only be applied when a school can be closed for persistent underperformance — namely, when other options are readily available. Since chartering came about when all students were already assigned to district-run schools, charters were able to have performance-contract accountability; if a charter closed, its students could go back to their assigned schools.

But many cities have evolved to the point where charters are now educating a large and growing percentage of students. That means district-run schools now operate in the same environment that charters have always operated in — a system where other options are readily available. So charter accountability could be applied to district-run schools.

The mechanics of this shift are not difficult, and the passage of ESSA offers states the perfect opportunity to create this new approach to accountability. However, the shift will only succeed if stakeholders are willing to see the district very differently and take on new activities.

This requires parting with longstanding notions like the district's dominant role in the system, assigning students to schools based on residence, and a uniform state-led system for school assessment. It also requires leaders to undertake serious work to ensure that parental choice is facilitated and the portfolio of schools is diverse, high quality, and highly accountable.

But this shift also comes with countless benefits. Families will have more options than ever before, and educators will have greater say in how their schools are measured. Schools will be able to differ from one another, and the city — not the state — will have more power over accountability. New schools will start, great schools will expand, and failing schools will be replaced.

In total, the city will have a coherent, diverse, adaptable, choice-driven system of highly accountable schools.

The mechanics of this shift are not difficult, and the passage of ESSA offers states the perfect opportunity to create this new approach to accountability. However, the shift will only succeed if stakeholders are willing to see the district very differently and take on new activities.

Epilogue

Over that now-famous, three-hour dinner a decade ago, the future mayor and the board chair of the city's charter authorizer crafted the outlines of the proposal. It would have three basic provisions.

First, because the ultimate goal was to have a single, transparent, rigorous approach to accountability for all of the city's public schools, the district would be required to negotiate, with the authorizer, a performance contract for each of its schools. It would have four years to do so. At the end of that four-year period, with the authorizer now possessing a performance contract with each charter and district-run school in the city, that body would be called the city's "Public-School Authorizer."

Second, because they believed local democratic control was essential to the long-term success of the plan, the authorizer, at the end of the four-year term, would have its appointed board replaced by an elected board. Strict statutory rules would ensure that the board didn't operate schools or meddle with those it oversaw, but elected board members would ensure that its activities were transparent, democratically legitimate, and publicly supported.

Third, the mayor's office was given control of all of the district's school buildings. If new schools were to start and great schools were to grow, these operators would need access to facilities. The district would be able to continue using the buildings that housed its successful schools. But the mayor could repurpose the buildings of district-run schools that were closed for poor performance. The allocation of facilities would then be a constructive part of portfolio management.

In the first few years after the law's passage, the city's public-school system saw rapid improvements. Interestingly, the district chose not to negotiate contracts for several of its persistently underperforming schools, conceding that the central office didn't have a plan to significantly improve them. The authorizer, district, and charter sector planned for the phasing out of these schools, including creating a process by which displaced students could select new schools. Only a few continuously underperforming district-run schools that did negotiate contracts were closed by the authorizer in the first few years. A survey revealed that the process of developing performance contracts with an authorizer focused the attention of district and school leaders and spurred some

innovative strategies.

A cluster of district-run schools, understanding that they were now being held accountable by an external body, petitioned the district's central office for more operational freedom. The schools' principals argued that if they were to be held accountable for results, they needed staffing and programmatic autonomy. The superintendent and authorizer agreed; together they waived a range of input rules that had tied schools' hands. Within a few years, three clusters of district-run schools had negotiated similar autonomy agreements.

With access to facilities — thanks to the new mayor — several high-performing charters were able to expand their campuses and a few new operators started schools. The district, which had long run a successful STEM high school, was authorized to create a new high school for the arts, which would also be overseen by the successful STEM principal. However, the authorizer denied the district's application to start several new middle schools, since the district's track record in this area was quite poor. The authorizer's newly elected board also quickly cracked down on two charters long suspected of bad behavior; the board closed an online school that continuously fudged enrollment numbers and put on probation a school with troubling disciplinary policies.

But the first few years of implementation were not without challenges. Parents were having a hard time accessing information on each school's performance, and schools had very different application systems. A few schools had suspiciously low special-education numbers. With fewer schools to run, the district had to lay off a hundred central office employees. The authorizer had its portfolio of schools more than double in four years and found itself with too few staff and resources to do its job.

But all of these issues were solvable. The authorizer was able to institute a common enrollment system, and a local nonprofit launched an online schools guide and hosted regular community meetings to inform families about their options. The district and its employees' unions renegotiated labor contracts to help its schools compete in the newly dynamic environment. A couple amendments to the state statute ensured the authorizer had sufficient capacity to do its job and that schools had the resources to educate all students.

In her final State of Our Schools address, the mayor was able to describe how much progress they had made together. All of the city's public schools were now enrolled via choice, not residential assignments. Each district-run school had more autonomy than before, and some had

full charter-like autonomy. Nearly 20 new schools had been opened, including some college-prep middle schools, a few language-immersion programs, and a couple CTE high schools. As importantly, every single one of the city's persistently failing schools had been closed. Every one.

Test scores, graduation rates, and college-going rates are all up significantly. Families and teachers report more satisfaction with the system. Students have more options. The city's voters feel like they are full participants in the new system. Things are by no means perfect. A few schools with the most concentrated poverty still struggle. Too few kids graduate from high school truly prepared for college. The system still has too few teachers and leaders of color.

But unlike a decade earlier, everyone around the table now believes that the system is capable of developing answers. Expectations are clear and firm. Power is distributed. Everyone — from the state to the city, from educators to parents, from the authorizer to nonprofits — has a role to play. And that includes the departing mayor. She's just been elected to the authorizer's board.

Resources

¹ See Hanushek, Eric A., and Margaret F. Raymond, “Does School Accountability Lead to Improved Student Performance?” *Journal of Policy Analysis and Management* 24 (2005), No. 2: 297-327.

² See Kuhn, Thomas S. *The Structure of Scientific Revolutions*. 3rd edition (Chicago, IL: University of Chicago Press, 1996).

³ See Tyack, David. *The One Best System: A History of American Urban Education*. Unknown edition (Cambridge, Mass.: Harvard University Press, 1974).

⁴ See Hayek, F. A. “The Use of Knowledge in Society.” *The American Economic Review* 35 (1945), No. 4: 519-530. <http://www.jstor.org/stable/1809376>

⁵ See James C. Scott’s *Seeing Like a State*, which argues that central administrators will inevitably seek to simplify the vast complexity of the systems they control. Scott, James C. *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed* (New Haven: Yale University Press, 1999).

⁶ “Urban Charter School Study Report on 41 Regions.” Stanford University: Center for Research on Education Outcomes, 2015.

⁷ “Good News for New Orleans: Early Evidence Shows Reforms Lifting Student Achievement.” *Education Next*, August 3, 2015. <http://educationnext.org/good-news-new-orleans-evidence-reform-student-achievement/>.

⁸ Hill, Paul, Lawrence C. Pierce, and James W. Guthrie. *Reinventing Public Education: How Contracting Can Transform America’s Schools* (University of Chicago Press, 2009).

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⁹ See, for instance, Green, Erica L. “Thornton Rolls Back Principal Autonomy in Struggling Schools.” *The Baltimore Sun*, March 15, 2015. <http://www.baltimoresun.com/news/maryland/baltimore-city/bs-md-ci-principal-autonomy-20150315-story.html>

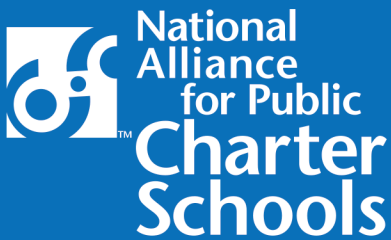
¹⁰ See section 299.17(b)(8), Department of Education, “Elementary and Secondary Education Act of 1965, as Amended by the Every Student Succeeds Act – Accountability and State Plans.” *Federal Register* (May 31, 2016): 4000-01-U. <https://www2.ed.gov/policy/elsec/leg/essa/nprmacountabilitystateplans52016.pdf>

¹¹ Special education provides an example of how this new accountability approach would work within important existing rules and structures. The district would retain its LEA status and continue to have special-education responsibilities for the students it educates. Charters with LEA status would similarly retain those responsibilities for their students. The SEA and authorizers would continue to monitor special-education compliance to ensure that all LEAs provide required service and that all students are adequately served.

¹² For example, see Smith, Nelson. “Whose School Buildings Are They, Anyway?” *Education Next* 12 (Fall 2012), No. 4.

¹³ There are potential risks associated with democratically elected authorizer boards. For example, public pressure could stop authorizers from making tough but necessary decisions, like closing a persistently failing school.

¹⁴ There is another interesting wrinkle to this issue. If a city moves toward democratic control at the authorizer level, leaders will need to decide if the district still needs to be publicly governed as well. That is, should the district still have a publicly elected school board even though it educates a shrinking portion of the city’s students, since charter operators don’t have publicly elected boards, and since democratic control is realized at the authorizer level?



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