BACKGROUND READING GUIDE
Portfolio School District Network Meeting
July 10th – 12th, 2012 – Seattle, WA

Keynote: Restructuring & Transitioning - Dr. James Meza, Jr.
Wednesday, July 11th, 9:00AM – 9:30AM
• “Jefferson Parish School System Notifies Hundreds of Employees Their Positions are Eliminated”

Portfolio Office Design-Moving Away from a Traditional Central Office Structure - Dr. Paul Hill
Wednesday, July 11th, 9:30AM – 10:30AM
Student-Based Allocation (SBA): SBA Funding for Schools and SBA Models for Central Office - Dr. Marguerite Roza
Wednesday, July 11th, 10:45AM – 11:45AM
• “Allocation Anatomy: District Resource Distribution Practices & Reform Strategies”

Breakout Session, Round 1: Internal and External Stakeholder Communication – Linda Buchman, Pamela Butler, and Priya Chordia, Steve Jubb, and Allison Carter
Thursday, July 12th, 8:30AM – 10:00AM
• “Alameda Unified School District, 2009-2011”

Breakout Session, Round 2: Performance Growth Metrics and Accountability – Nicolas Bolt, Mary Beth Celio, and Betheny Gross
Thursday, July 12th, 10:15AM – 11:45AM
• Excerpt from “Building Treasure: Building a Management Guide from Mountains of District Data”
Jefferson Parish public school system Wednesday sent notices to about 500 employees telling them their positions are getting eliminated as part of an ongoing reorganization push. The 200 central office administrative workers and 300 teachers from schools that recently closed have not been laid off, said Acting Superintendent James Meza. Instead, they were notified their slots are expiring and told they can apply for other jobs in the system.

Meza said another 1,000 central office employees received notice that their job descriptions are changing.

"It's starting now," Meza said about an administration overhaul meant to reorient the central office as a support service for schools instead of an oversight entity.
While the reorganization aims to achieve reform goals, such as giving school sites more decision-making power, it coincides with a need to cut the budget. An expected deficit for 2012-13 could rise as high as $30 million, Meza said. Layoffs could be coming over the summer.

"The reorganization allows us to balance the extreme budget deficit that we are projecting at the same time," he said. So the system will not have jobs for every employee who received a displacement letter, he said.

"We must do better as a school district, and this will require changing the way we operate at all levels," Meza said in a statement about the reforms, which aim to lift Jefferson's academic ranking above the bottom third in the state.

A letter emailed to central office employees refers to the School Board's April vote on the reorganization plan and says, "In developing this plan over the past several months, we were obliged to make a number of difficult decisions including the need to reduce the size of the central office. This letter serves as notice that your current position will be eliminated as of July 1st 2012, in accordance with the reorganization plan approved by the Jefferson Parish School Board. Unless you are placed in another position with the district by July 1st, your employment will be terminated on that date."

The letter goes on to describe ways for employees to file for new jobs online and assigns employees human resources case workers.

Other versions of the letter went to the central office employees whose jobs are changing, administrators in schools that closed and teachers in those schools. The school system decommissioned seven schools last week as part of another arm of district rebalancing and budget cutting. Employees from those campuses can apply for jobs in schools where the students will move in August, among other options.

Officials project the school closures will save about $5.8 million, while the central office revamping spares $5.6 million.

Despite all the gloomy news, Meza said, he also wants to recognize employees for their efforts during strained economic times, so he plans to ask the School Board to tap the system's reserve fund and pay one-time bonuses of $1,000 for certified educators and $500 for other employees.

"I think this is the second year that we were unable to award across-the-board raises for all employees," he said. "We've been working hard. People are under stress. We've got to reward them."

He also said he is keeping cutbacks away from classrooms, other than the classrooms in schools that closed, because streamlining the central office helps direct more federal money to individual schools. And the system will use surplus money collected from a property tax in previous years to bolster pre-kindergarten offerings, in keeping with a tax rededication voters approved in April.

Mark Waller can be reached at mwaller@timespicayune.com or 504.826.3783. Follow him on Twitter at MarkWallerTP or Facebook at Mark Waller Times-Picayune.
Allocation Anatomy was written by Marguerite Roza, a research professor at the University of Washington’s College of Education and senior scholar with the Center on Reinventing Public Education (CRPE). The report is part of a series produced by CRPE’s School Finance Redesign Project. For more information and copies of the full report visit: www.crpe.org

Allocation Anatomy: District Resource Distribution Practices & Reform Strategies

Educators in schools and district central offices focus their energies on trying to improve instruction. Most think decisions about resource allocation are made by distant budget-writing entities like state legislatures and school boards, but they are wrong. District budgets generally say little about how money is used because budgets lump spending into broad categories like instruction or professional development. Official budgets set broad frameworks, but real resource allocation is done by the people who provide services, assign staff to schools, and decide how to group students and use time. Unfortunately, educators often end up spending money in ways that undermine their own intentions and district-wide priorities. For example, districts that want to emphasize improving schools serving disadvantaged students often allocate staff—and therefore the money used to pay them—in ways that benefit schools serving more advantaged students. Similarly, districts that want to make sure all students get access to a particular program or service often inadvertently give some students more of these resources than others.

Over the years, several lines of inquiry at the Center on Reinventing Public Education (CRPE) indicate that most educational leaders do not fully understand the allocation strategies they employ or the alternatives available to them. Marguerite Roza’s report, entitled Allocation Anatomy: How District Policies That Deploy Resources Can Support (or Undermine) District Reform Strategies, analyzes district allocation practices in two urban districts—both among the 100 largest districts in the United States—and reveals that allocation policies, decisions, and behaviors can undermine a district’s stated priorities.

The Center on Reinventing Public Education at the University of Washington engages in research and analysis aimed at developing focused, effective, and accountable schools and the systems that support them. The Center, established in 1993, seeks to inform community leaders, policymakers, school and school system leaders, and the research community.

done here” represents one of many possible different allocation decisions. Staff members frequently express bewilderment that any other choice is possible and say things like, “There is no real other way to do it, not that would work, really. We only have so many teachers and so many kids.”

Urban districts are often large, hierarchical bureaucracies in which allocation processes are spread among multiple layers and executed by various players in the system. When district leaders fail to recognize the different allocation practices used to deploy millions (or in some cases, billions) of dollars in their organization, they may not be aligning their resources with their intended strategies for reform.

Based on an analysis of spending practices in these two districts, the report shows how resource allocation can undercut district reform strategies.

Some allocation methods are good fits for particular school improvement strategies, while others are not:

✓ For districts attempting to target more resources to identifiable groups of students, allocating resources by formula according to pupil type appears to be the best way to get the resources to their intended recipients, whether those are special education students, minority populations, or disadvantaged students.

✓ For districts hoping to strengthen schools by decentralizing key decisions, it makes sense to allocate dollars (not purchased resources) and do so via a pupil-based formula. This allows principals the flexibility needed to make decisions about what is purchased.

✓ For districts hoping to improve schools via a standard, centrally controlled instructional model, resources should also be allocated centrally, particularly for teacher salaries, other instructional staff, professional development, supplies, and instructional materials.

✓ For districts pursuing a small-schools strategy, leaders should avoid allocating staff with defined roles, as these definitions could undermine efforts to create more flexible, responsive school staffs that share both administrative and teaching functions.

Rozas’s report concludes by urging district leaders to take a fresh look at their allocation practices and consider whether their use of funds supports or undermines their educational improvement strategy.
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**ALLOCATION ANATOMY:**
District Resource Distribution Practices & Reform Strategies

**HOW MONEY IS ACTUALLY SPENT**
Tracking actual expenditures illustrates how various actions within the system can support or undermine stated district reform strategies. For example, a district hoping to close the achievement gap by providing more social services to disadvantaged students might choose to assign a social worker to every school. However, if the disadvantaged students are concentrated in only a few of the district's many schools, most of the money for social workers will be spent in schools with more disadvantaged students.

Moreover, if the schools serving disadvantaged students are larger than the district average, the district will make an even smaller per-pupil investment in social workers for disadvantaged students than for other students.

Alternatively, suppose the district creates a central pool of social workers, and principals are told to call on them when they see a need. In this case, the use of this resource depends entirely on how different principals use the service and how the social workers respond to the ebb and flow of demand. One principal with minor needs may ask for help, and therefore get no social work service for her students. In an effort to maximize her impact, a social worker facing requests for services from several principals may frequently visit schools closest to her office or schools with the most students, not necessarily schools with the greatest need.

In a third example, the district deploys social service "hours" to schools as a function of the number of disadvantaged students. Schools with higher numbers of disadvantaged students get more total hours from social workers than schools with fewer disadvantaged students. This method concentrates resources as intended on the high-needs students.

As indicated above, the result of such micro-level decisions is that often funds do not wind up where district leaders intend them to be. Roza’s paper examines how districts’ spending can become detached from strategies of school improvement and suggests how districts can focus dollars on instructional improvement.

**TOWARD MORE DELIBERATE RESOURCE ALLOCATION**

Five factors determine actual resource flows in schools and districts:

- **What gets allocated?** Is the district allocating dollars, units of service, employee slots, or access to a resource held at the central office?
- **Who decides how a resource is used?** Is the decision made by school leaders, central office leaders, or the individuals who deliver a service?
- **What practices determine how resources flow?** Do they flow to schools and students on the basis of a per-capita formula, or are resources spent on service providers who then decide how to allocate their time? Are resources like professional development offered to all but in fact provided only to those who opt to attend special sessions?
- **How is resource use restricted?** Do grant or state funds come with prescriptions on what gets purchased or how it gets distributed across schools?
- **How are resources valued?** Are all the expenditures associated with providing a service recognized? Or are some inherent costs ignored (e.g., the cost of providing substitute teachers while teachers attend professional development)?

The answers to these questions can help illuminate the micro-allocation practices at play within districts, and help guide decisions that better align resources with strategy.

**HOW DISTRICTS CAN MATCH RESOURCE ALLOCATION WITH STRATEGY**

Roza’s report examines resource use in two urban school districts, both serving a broad range of students from different demographic backgrounds and both struggling to close the achievement gap. Interviews revealed that district staff members do not recognize their role in resource allocation and have trouble understanding that “the way things have always been done here” represents one of many possible different allocation decisions.
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This research was supported by the School Finance Redesign Project at the University of Washington’s Center on Reinventing Public Education through funding by the Bill & Melinda Gates Foundation, Grant No. 292532. The views expressed herein are those of the author(s) and are not intended to represent the project, center, university, or foundation.

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Alameda Unified School District, 2009-2011

| Problem Statement: How do district leaders explicitly manage a large scale change process during a fiscal crisis? |

When the five-member Board of the Alameda Unified School District selected Kirsten Vital as the new superintendent in 2009, they chose someone from outside their tight-knit community. Board Trustee Margie Sherratt thought Vital was chosen to “get us moving,” to be a change agent on closing the achievement gap. Vital, in her initial conversations with the Board heard their dissatisfaction with the status quo despite the fact that the majority of Alameda students were doing well academically. Recalled Vital:  
*They really wanted to have some hard conversations about meeting the needs of every child. One of the really important aspects for the board was they wanted a different level of accountability in the district, which they didn’t believe had gone on before, and they wanted a clear theory of action on how to do this in difficult budget times.*

How truly difficult the budget challenges were would become painfully clear over the course of the next two years. By 2009-2010, per pupil expenditure sank to $4,946 and budget forecasts projected a $25.2 million deficit—nearly one-third of the district’s budget—by 2013. What district leaders did both to address the fiscal crisis and create large scale change in the district is a story of how district leaders engaged with the community in ways that built on-going support for the work of the school system and consensus around what schools should be for every child in the district.

**Background**

*The Community:* Known as the island city, Alameda, with a population of 73,812, is situated on San Francisco Bay separated by a narrow estuary from Oakland. The city is an island both geographically and culturally. Although home to companies such as Celera, which mapped the human genome, much of Alameda has a small-town feel to it. Historically, the city has been split between the West End, which includes the former Alameda Naval Air Station and the more affluent East End.

In describing the local culture, AUSD Board member, Mike McMahon said, “Alameda is a community that doesn’t take well to outsiders.” He clarified, saying, “An outsider is any individual not born and raised in Alameda.” There is a history of strong community involvement and support for local schools. Sherratt added, “It is a community that really values its schools and has always had tremendous input and ownership. You don’t just send your kids to school. You are part of the school.” In recent years, Alameda voters had twice marshaled the required 67% super-majority votes to pass parcel taxes in support of public education.

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1 Sherratt was elected in 2010 after Vital was hired.
2 U.S. Census Bureau, 2010 Census.
3 Voters passed Measure A in 2005 and Measure H in 2008. The parcel taxes provide a combined $7 million to the schools. They sunset in 2011-12.
The Students: In 2010-11, the district served 10,494 students. The ethnic make-up of the students is diverse, with no one group comprising a majority of the population. AUSD students are 31.7 percent Asian, 11.9 percent African American, 13.3 percent Latino, 30.4 percent White, 8.3 percent Filipino, and 4.4 percent Other.\(^4\)

One-third (33 percent) of students are English Learners. English Learners speak 42 different home languages\(^5\) including Cantonese (28.2 percent), Spanish (17.6 percent), Vietnamese (11.5 percent), and Tagalog (11.2 percent).

The District: There are 22 schools in the district: a preschool, 10 elementary schools, 2 middle schools, 2 comprehensive high schools, a continuation high school, an alternative high school, 4 charter schools and an adult school.

Understanding the Context: Assessing Culture, Competence and Conditions
On her first day on the job, Vital began an environmental assessment. She began by visiting schools and doing walkthroughs with principals every day. Staff were taken aback as previous superintendents had rarely made their presence felt, appearing once or twice a year.

She also took at hard look at staff in the district office. According to one administrator, the district office in 2009 lacked systems; standard operating procedures were not very tight, policies were out of date and financial oversight suffered from a rapid turnover in the Chief Financial Officer position. The same rules did not always apply to everyone in the same way. And procedures were not necessarily the most efficient or rational. Day-to-day, the guiding principle was “That is the way we have always done it in the past.”

Concurrently, she met with community leaders. Vital said:

*The first six months, I walked in the door and spent a lot of time listening and learning. I met with 172 community members—teachers, parents, students, community leaders, elected officials. I listened and what I heard was we want some choice, we want sustainable funding. I heard about when the navy base closed and federal funding walked out the door and the struggles around that. I heard that we want better for all of our kids. And I heard some tough stuff about the East-West divide. I think it really helped my overall strategy by listening for those first few months.*

Vital also learned about the district culture, which she described as a culture of “nice.” As one district veteran shared, in this district, if you picked up a rock and found something unpleasant under it, you put that rock back down. While equity was a stated district value and there were programs to address the achievement gap, there was no sense of urgency. Sherratt, who had been a high school principal and district administrator before being elected to the Board explained, “You get the test scores and then there would be some sincere effort made but none that was sustained, believed or really owned.”

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\(^4\) California Department of Education, DataQuest, Enrollment by Ethnicity, 2010-11.

\(^5\) California Department of Education, 2009-10 language census.
Challenging the Status Quo and Creating a Sense of Urgency

After listening carefully, Vital acted. She told staff, “It’s great to be kind and respectful to one another. But we have to get down to the work of all kids in the district.” She introduced data that showed not all young people were achieving. And then she acted decisively. “About five months in, I let go of a lot of people. That was very scary for the system because no one had been let go before. We had adults who were collecting a paycheck—this is children’s money—but they weren’t actually doing anything.”

She then developed individual and departmental level accountability measures. For administrators, Vital said, “Here are a set of outcomes. You’re getting paid with children’s money and you need to deliver on the set of outcomes.” Everybody was expected to develop a work plan, a theory of action and a set of goals and objectives. Principal Jeff Knoth said Vital had high expectations for principals and teachers. “You need to bring your A game every day. Be an entrepreneur, push the envelope, step up and be a professional. Principals are afraid for their jobs.” And the higher expectations carried over to teachers as well. Knoth: “If a new teacher is not a rock star, then don’t rehire them.”

Some individuals were put on improvement plans. Those that improved stayed. Those who did not, even with additional coaching and support, left. “It was really hard,” acknowledged Vital. “I had personnel issues at all levels of the district.” While Vital gave everyone a chance to improve, she kept her eyes on doing what was best for kids. Vital: “We have to believe adults can do better and want to do the right thing. None of us came in today thinking ‘I’m here to harm children.’ It was about making some hard choices about getting the right people on the bus.”

For the departments, Vital introduced the concept of performance management and began setting standards for each department in the district office. She also hired an outside efficiency expert6 to conduct an efficiency assessment of the district office.

Engaging the Community: the Master Plan process

In March 2009, Vital, with direction from the Board, began developing a 5-year Master Plan to “guide AUSD through the current crisis and chart a course for the future.” She began by forming a working group to design the community engagement process, which included members of the district office as well as external thinking partners.7

The working group designed a process which ran from May to December 2009 that included: eight community workshops; a listening campaign carried out by Public Education Volunteers which reached an estimated 400 people through 29 meetings; more

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6 Barb Gee Consulting conducted the study and presented its findings and recommendations to the Board of Education on February 2010. The study identified opportunities to save funds; assessed the efficiency and effectiveness of the district office in supporting schools; and developed performance metrics.

7 Internal working group members included the Director of Educational Options, an Interim Assistant Superintendent and the Chief Financial Officer. External members included a team led by Steve Jubb from Pivot Learning Partners.
than 30 school site meetings; two online community surveys with 676 respondents; and a survey of teachers conducted by the teachers’ union.

The external thinking partners played key roles in the process. The three-person Pivot Learning Partners team guided the work of building the Master Plan. Steve Jubb worked closely with Kristen Vital on the strategy and tactics. Aaminah Norris was positioned as a community organizer and advocate rather than as a consultant to the district. She organized and trained the Public Education Volunteers who came from all parts of the community. She also communicated information from the community meetings back to the district. Allison Carter served as a coordinator, keeping information flowing between the community and the district, gathering and organizing data as requested, and preparing PowerPoint presentations to be used in the community meetings.

As the longest-serving member of the Board, Mike McMahon had participated in the district’s previous strategic planning process in 2003. He explained how the 2009 process differed:

*The problem with the typical process was it became an umbrella for a bunch of uninformed, interested individuals coming together and coming to consensus about what an ideal world would look like. It’s blue sky. Here’s what’s different about this Master Plan: you have the person responsible for implementing it—the superintendent—taking her theory of action, what she believes will improve outcomes for kids and her assessment of where employees, parents and students are, then saying here’s what I think we need to do. It became a bounded, reality-based planning process.*

While Vital had some definite ideas about the future state of the district, they were not set in stone. (Vital favored a system with dispersed control. In exchange for strong accountability for results, local schools would receive a greater degree of autonomy to design magnet programs and flexibility of funding. Vital had already given local school site councils a degree of control over categorical funding. Her vision included a pared down, efficiently run district office supporting schools.) As a leader, she believed that it would take the entire community to help young people to be successful. She also was humble enough to be open to listening and learning.

The Master Plan process introduced a new way of engaging with the community. The process was transparent and iterative. It also was designed to include the voices and opinions of community members on both ends of town. The workshops provided opportunities for joint exploration of ideas, scenarios and data with the community. It began with questions such as “Can we be a district of charter schools?” and “Can we live on state funding alone?” When the teachers’ union asked Vital why the district was even considering the charter schools option, Vital responded, “Because people want to learn about this. Our role is to learn together about what do we want to be, what is our theory of action, what is our long-term plan and how are we going to fund it?”

While it took a tremendous amount of staff time and preparation, district leaders decided to commit to total transparency in sharing the data and analysis behind the various
options, including school closures, being considered. At times, some felt reluctant to put the information out there. But they ultimately heeded the advice of Steve Jubb, their external partner from Pivot, who reminded them, “The reason we’re putting it out there is this: if people get mad, it means they get mad at a time when we have time to make a change. If you don’t put it out there, they’ll get mad anyway, and you won’t have time to make a change.” Information was presented at Board meetings and readily available on the district website.\(^8\) The analysis helped put a boundary around what was possible and gave everyone the same information base to draw upon. It also helped dispel rumors and misconceptions. For example, one important piece of analysis addressed the commonly held misperception that inter-district transfers were costing the district money and were dragging down test scores.\(^9\)

Because of the oft-times heated community reactions, the iterative approach to planning also took courage. McMahon recalled, “Steve [Jubb] was a big advocate of the trial balloon theory and the superintendent was open to it. They would throw things out, see what reaction they got, and modify if necessary. In considering secondary options, for example, the trial balloon of closing the West End high school drew an overflow crowd.

The listening campaign was designed to break down the divide between East and West, to help residents from both the East End and West End find common ground. The district found an independent sponsor, the Multicultural Center on the West End, to host the Listening Campaign and give voice to disempowered families. Results were reported to the Board in October and November 2009. Trends identified by the Public Education Volunteers included: general opposition to one high school, support for a magnet program and support for a parcel tax. The Board listened and the final Master Plan\(^10\) validated and included the community’s desires.

The Master Plan included 8 goals: 1) Redesign the central office for efficiency and quality service, 2) Raise the bar for academic achievement and equity, 3) Create a system of attractive school options, 4) Maintain a policy of neighborhood elementary schools (including keeping both high schools open), 5) Strengthen effective enrichment programs, 6) Optimize enrollment, 7) Build nonprofit, business and philanthropic partnerships, and 8) Pass a parcel tax. Because of the uncertainty around district revenues, the Master Plan provided for two different scenarios: one with adequate funding and one without.

**Addressing the Fiscal Crisis: the Fight for Plan A**

\(^8\) Previously, the district website had been much less informative. Board member Mike McMahon had independently provided information to the public on his own website since he had a personal commitment to transparency (“What I know as an elected official, you know.”) This was the first time the district as an organization would be so forthcoming.

\(^9\) Analysis showed that inter-district transfers provided a slight positive impact financially. And, over time, transfer students out-scored their counterpart who resided in Alameda. The anecdotal explanation was that these were kids whose families were concerned about their educations and purposefully transferred them into the district.

\(^10\) The Master Plan was approved by the Board in February 2010.
As the Master Plan process continued throughout 2009, the California economy plunged deeper into recession and the funding outlook for the district darkened by the day. As McMahon recalled, “By August 2009, we had all these meetings and workshops. State finances were deteriorating and it became very clear that goals 1-7 [in the Master Plan] were meaningless without step 8, the parcel tax.” Without the passage of a parcel tax, Alameda Unified would have had to enact Plan B (dubbed the “doomsday scenario” by district staff) which involved closing schools, raising class sizes, and firing staff.

On March 15, 2010, the Board voted to put Measure E, a split roll parcel tax to raise $14 million over 8 years, before the voters in a special, mail-in election scheduled for June 22. As district leaders worked to rally support for Measure E, they reaped the benefits of the Master Planning process. As McMahon noted, one benefit of community-building was buy-in to the plan. “When you get to the implementation phase, those people help keep things from getting misinterpreted or turned side-ways. Additionally, if you have to do a parcel tax, they turn out to be the core of our campaign.”

Unfortunately for the district, Measure E lost by a narrow margin. The lesson that district leaders learned from the painful loss was that they needed the support of the business community. What Steve Jubb knew, as an outsider to the fray, was the importance of community engagement:

> The pollster the campaign committee had hired predicted that Measure E wouldn’t pass by 11 or 12 percent. What that tells you, I think, is the kind of networking we were doing—connecting people, having people talk to people, listen to people, bringing people together in very different settings—did what we hoped it would do. It created a denser set of connections specifically connected to the fate of the district. That ten percent is the difference of building a network as you go. That was the lesson I learned in Oakland as well: the very act of connecting people around common work creates the social environment for a big change.

Vital said it was devastating to lose Measure E by fewer than 200 votes. Yet she was heartened when 50 people showed up at June board meeting—two weeks after school was out—and said “You will put another parcel tax on the ballot. We have an agreement and we will get this done.”

Vital and the Board went back to the drawing board to figure out a workable compromise with the community. Vital recalled, “It was a whole community conversation about the notion of compromise. Parents said you better ask for $18 million. Well, that’s not reasonable. So we had to ask for $12 million. That really got the business community on board. We got the vast majority of people on board. Everybody understood it was a compromise.” The result was Measure A, which was placed on the ballot March 2011.

District leaders continued with the strategy of listening and being transparent. Said Vital, “It’s having a grassroots conversation about whatever skin in the game you have. If I’m the parent of a kindergartner, I want a good school for my child. If you are a business in

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11 65.62% of voters voted for Measure E. The measure needed a two-thirds vote to pass.
town, you want housing to be high. Therefore, you want schools to be good. It was understanding those mutual interests and coming to the table.” Transparency meant dispelling myths and rumors with facts. Vital heard, “There are 500 administrators.” “Well, no,” she responded, “there are 42.” “Our teachers and administrators are overpaid,” claimed some. “Well, let’s see,” replied Vital, “looking at benchmarking around salaries—well no, our teachers make minus 4 percent of the county average; our administrators minus 11 percent. That’s not where our money is going.”

Said Mike McMahon, “The parcel tax creates a level of accountability and need for transparency. If you’re going to come back to the community after a certain amount of time, you’re going to have to demonstrate you’re doing your job. Not only are you getting pressure from the state and federal government to raise achievement, but you have this local accountability because you have a revenue source that’s tied to it.”

**Implementing the Master Plan**

Despite the work over the parcel tax campaigns, the pace of change continued in the district office. After receiving the recommendations from the efficiency expert in February 2010, the district office began to implement the recommended changes from the efficiency study. As one administrator recalled, “The changes were implemented with kicking and screaming from bargaining units.”

Implementation of cuts was swift, perhaps even abrupt, and resulted in unforeseen difficulties. The efficiency study had recommended reducing personnel after new technology tools were in place. However, the technology department failed to get the new electronic processes up and running before staff reductions, leaving fewer staff to handle the same amount of work using the same old processes. There was an underestimation of the amount of work required in compliance. Maintenance and Operations struggled with bus scheduling. The issuance of use permits was transferred from the district office to individual sites but district leaders underestimated the demands that the permit process would place on school site staff. The Fiscal department also struggled to meet the increased demands of public transparency. “There was a lot of pain,” said one administrator with a wince.

The rapid reforms also carried a human cost. Many in the district are fearful or anxious. Administrators are working longer hours and report that some colleagues are suffering from health problems and stress. One person confessed, “I’m not sure I can do this another year.” “Change is not bad,” said Margie Sherratt, “but we need to breathe. Things need to be done. We need to move forward but not charge ahead.”

By the end of 2010-11, district leaders realized they had cut too much and needed to restore some positions in the district office. Yet, “if we had not made those cuts, we would not have passed that parcel tax,” argued Vital. “Those cuts, and the symbolic nature of those cuts, were an essential part of the puzzle.” “We are getting back to the human side of change—to pace ourselves, take care of people and implement for children.”

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Results
With the passage of Measure A in March 2011, AUSD avoided the need for drastic budget cuts. According to Superintendent Vital, opinion polls show increased confidence in the district office. An independent national study conducted by the Center for American Progress placed AUSD in the highest category of high-achieving, low-spending districts. District leaders are implementing the Master Plan: pieces of the performance management system are coming together and proposals are being developed for magnet programs. Overall student achievement continues to rise, although to date, there has been no gap closure.

Questions:
1. What was the catalyst for reform in AUSD?
2. In what ways did the superintendent challenge the existing culture?
3. How is the community engagement process in Alameda similar or different from traditional forms of stakeholder engagement?
4. Leaders often do not have the luxury of addressing one problem or crisis at a time. In what ways did the fiscal crisis help or hinder the changes sought by district leaders?
5. What were some of the unintended consequences in Alameda? Are there ways in which they could have been avoided?
6. How might restoring previously eliminated positions in the district office be perceived by various stakeholders?
7. Rapid change often creates high stress. What is the right balance between creating a sense of urgency and high performance and going “too hard, too fast” thus burning out staff and creating an unhealthy work environment?

Artifacts:
Page 9 – Artifact 1: Student Achievement Data
Page 10 – Artifact 2: AUSD Master Plan Executive Summary
Page 13 – Artifact 3: Efficiency Study Executive Summary and Implementation Timeline
Page 17 – Artifact 4: Pivot Learning Partners Leadership Cycle

12 Return on Education Investment: A district-by-district evaluation of U.S. educational productivity (Center for American Progress, 2011)
### Artifact 1: Student Achievement Data

#### All AUSD

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*Park Street is the dividing line

#### West End Schools

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*Park Street is the dividing line*
Artifact 2: AUSD Master Plan Executive Summary

Alameda Unified School District
2010-2015 Master Plan
Executive Summary

Introduction
Like every other school district in the state, the Alameda Unified School District has been hard hit by cuts to the state education budget. In 2009-10, AUSD saw this year's revenues reduced by $1,421 per student from $6367 to $4946. The 2010/11 proposed Governor's budget shows no meaningful restoration of public education funding for years to come. As a result, Alameda Unified School District must address this new fiscal reality.

The impending crisis confronting AUSD has reached a point where school district funding rates have dropped to 2004-05 levels. Even with after everything we have done to reduce non-essential services, moving towards a leaner organizational model, and making every tax dollar count towards greater efficiency, the millions of dollars in funding cuts the state has made to AUSD compels us to look for innovative solutions while calling upon the citizens of Alameda for additional support.

The severity of the impending deficit – plus a growing achievement gap, uneven enrollment, and a need for more choice in the Alameda Unified School District - led Superintendent Kirsten Vital to propose creating a Master Plan for the next five years in the spring of 2009. Commissioned by AUSD's Board of Education – and designed by Superintendent Vital and staff -- the goal of the Master Plan was to develop a blueprint for the district's decision-making on finances, staffing, programs and facilities over the next five school years.

The Master Plan Process
To develop the plan, Superintendent Vital formed an internal work group, as well as sought the assistance of several organizations with specialized expertise. In an unprecedented effort to engage the community stakeholders in the development of the district’s future, the Board of Education and the central office staff also provided multiple opportunities for public education and comment, including: eight community workshops, hosted by the board and superintendent; 29 smaller meetings hosted by independent, trained "Public Education Volunteers"; 30 school-site meetings led by principals and other site leaders; two community surveys on the AUSD website; and a teacher survey developed by the Alameda Education Association (the teacher’s union in the district).

At the same time, district staff gathered data on the district’s capacity, performance, and resources, including: human resources; patterns of inter-district transfer students’ enrollment, behavior, attendance and academic performance; district student attendance and academic performance; facility use and school-site demographics; and the role and function of the central office. As the Master Plan started to take shape, the superintendent continued to listen to the questions and ideas of parents, teachers, staff and the community at large.
The resulting Master Plan sets updated goals for the district; identifies concrete educational and fiscal strategies to reach those goals; and establishes an optimistic (but we believe sensible) timeline for implementation – all with the goal of enriching the educational experiences and improving the academic outcomes of all AUSD students despite the many challenges the district currently faces.

**The Two Scenarios**
The 2010-2015 Master Plan lays out two potential scenarios for the district:

**Under Plan A**, AUSD will become a state-of-the-art, 21st century school district by implementing eight core strategies: 1) redesign the central office for efficiency and quality service; 2) raise the bar for academic achievement and equity; 3) create a system of attractive school options; 4) maintain a policy of neighborhood schools (including keeping both high schools open); 5) strengthen enrichment programs; 6) optimize enrollment; 7) build non-profit, business, and philanthropic partnerships; and 8) pass a parcel tax.

We believe that by enacting these strategies, AUSD will not only weather the challenges caused by the state’s financial crisis, but create a thriving, vibrant school district that meets the needs of all its students and continues to be an asset to the entire city of Alameda.

**Plan A depends both on the passage of a parcel tax to replace Measures A and H and the implementation of cost-cutting measures (including streamlining the district’s central office and temporarily increasing class sizes to 24:5:1 for grades K-3 and 35:1 for 9th grade).**

**Under Plan B**, the course that the district will take if voters reject a replacement parcel tax, the district will resolve the projected $25 million deficit by enacting a series of dramatic, but necessary, budget cuts that may include some or all of the following:

1. Continue the redesign work in section 1, cutting central office to the bare minimum necessary for legal compliance;
2. Change elementary configuration to K-6;
3. Change middle school configuration to 7-9;
4. Change high school configuration to 10-12;
5. Increase class size to 32:1 or higher for all grades;
6. Reduce the inter-district transfer student program to the most minimal level and to only “even out” enrollment anomalies;
7. Close three or more elementary schools across the island;
8. Close one high school and consolidate all 10th, 11th and 12th grade students to a suitable campus;
9. Close one middle school and consolidate 7th, 8th and 9th grade students to a suitable campus;
10. Change enrollment boundaries to ensure that all existing schools (7 elementary schools; 1 traditional public middle school and 1 high school) are filled to capacity at the increased class size of 32:1 K-6 and 35:1 for grades 7-12;
11. Eliminate or reducing most/all programs funded by Measures A and H;
12. Provide the most absolute minimum of classroom/instructional supplies;
13. Cut teacher positions due to the reduction of the inter-district transfer program and fewer classrooms with an increased class-size;
14. Reduce salaries and benefits for teachers, administrators, and classified staff;
15. Cut up to five (5) instructional days;
16. Reduce or eliminating teacher work days;
17. Cut professional development/resources; and/or
18) Reduce the work year and corresponding salary for classified and administrative staff.

*Plan B will severely undermine the quality of our district, the education our students receive, and the economy and culture of the Alameda community at large.*

**Next Steps**

*Assuming the Board of Education approves this final version of the Master Plan and a parcel tax strategy, an independent community group will run the parcel tax campaign because state law prevents the district from organizing and running the campaign.*

If the parcel tax passes, the implementation timeline of the recommended Master Plan will go into effect immediately. If not, the district will begin the implementation of the alternate plan.

“The Alameda Unified School District has hard choices ahead of us. The entire Alameda community must work together toward solutions that will protect and maintain the quality of education our schools provide in the face of drastic state budget cuts. I look forward to working with everyone in our community to pull our schools through this difficult time and ensure our students receive the quality education they deserve.”

Kirsten Vital, Superintendent.
Artifact 3: Efficiency Study Executive Summary and Implementation Timeline

Executive Summary

As part of the AUSD Master Planning process, and with the prospect of drastic budget cuts looming, Superintendent Vital commissioned Barb Gee Consulting, (an independent consulting firm), to conduct an efficiency assessment of the District Office. After conducting 3 customer focus groups, a series of in-depth jobs analysis interviews, and 14 process mapping activities, this report recommends a restructuring of most of the District Office. This report includes organization charts for the District Office departments that were included in the redesign, identification of cost-saving opportunities, identification of technology opportunities, and identification of process improvement opportunities. If the budget demands further cuts, data gathered from this process can be used to apply a thoughtful process to further cutting of positions.

This report is presented in 4 major sections:

I. Methodology
II. Organizational Findings
III. Process Map Findings
IV. Change Management Plan

The primary purposes of this efficiency study were:

1. To identify opportunities to save District funds.
2. To assess the efficiency and effectiveness of the District Office as the District Office moves to a service organization model in which its primary function is to support the schools in delivering a quality education to every student in Alameda.
3. To assure the Alameda community that the District Office is operating without waste.
4. To develop solid metrics by which the performance of the District Office can be continually monitored and improved.

Customer Feedback

Focus groups provided concrete prioritized feedback as to which District Office services were most problematic for school sites. Administrators and staff reported spending a disproportionate amount of time accessing these District Office services and support rather than focusing on improving classroom instruction. Subsequent process mapping of these problem areas revealed numerous broken business processes as well as the scope of work required to fix them. The process maps in conjunction with the jobs analysis are the foundation for this report’s recommendations.

Creating a Service Organization

A primary purpose of this analysis is to create the foundation for transforming the District Office to a service organization. The process mapping defines the work of each department by the key processes for which they are accountable. Once the processes are identified and understood, each department must set concrete measurable service standards for each process. Service standards might include turnaround times (i.e. 2 day
turnaround between purchase requisition request and purchase order placement), quality measures (i.e. 99% accuracy on quarterly audit of leaves balances), or labor times (i.e. 1 hour data check and data entry per timecard submitted). The Change Management Plan sets forth the manner in which service standards are built into departments as the organization is redesigned and processes are improved.

**Key Findings and Recommendations**

Although the District Office is thinly staffed, some key positions are lacking in the requisite skill level to address the process deficiencies. Accordingly, this report recommends eliminating some lower skilled positions and upgrading others which will result in a net savings to the District. Further, this report identifies several opportunities to use technology to solve process issues. It is expected that further labor savings can be realized upon the implementation of technological improvements.

The assessment also revealed that poor communication between departments as well as District Office and school sites has created “silos” or departments working in isolation from other departments. Process maps vividly illustrate the problems that arise from working in a silo: work takes longer to complete, redundant processes are created, and the result is sometimes inaccurate.

Because department silos are obstacles to fixing broken processes, all process maps address cross-departmental roles and procedures. Successful implementation of the recommendations for organizational redesign and the process/technology improvements require cross-departmental collaboration. This report details fourteen process maps in the following areas:

- Hiring process
- Health and Wellness process
- Change of Status process
- Leaves Management process (5 types of leaves)
- Pay Process (salaried, hourly, overtime, and stipends)
- Purchasing
- MOF Work Order process

For each process analyzed, the report makes specific recommendations for process improvement. Some of the more significant process improvement recommendations include:

**Leaves Management.** This report highlights the need for major work to address the process problems associated with Leaves Management, which includes the management of at least five different types of leave. On the organizational level, the function needs to be reporting into the HR department, not the Fiscal department as leaves are just a complex form of change of employment status. At the technical level, an understanding of State and Federal law, coupled with an understanding of union agreements and AUSD policy is required. At a process level, Leaves Management needs to be automated in a way that integrates with the systems used to track employee data (in other words, the new process cannot rely on silo’ed databases that compromise the accuracy of the employee data housed in APTA).
Pay Processes. Currently, all of the pay processes in the District entail labor intensive handling of paperwork (timecards), knowledge of budget codes, and detailed management of varying pay rates. For example, management of the substitute pay complexity entails maintenance of separate databases and processing of complex timecards. In addition, employees funded by grants are classified differently than salaried employees, requiring an entirely different set of paperwork and procedures to process payroll. This report recommends resolving all of these issues with a combination of process and technology fixes.

MOF Work Order Process. By all accounts, the Work Order Process is broken. This process requires a metrics-driven approach to managing the pipeline of maintenance requests, with increased attention to work order completion rates. At the organizational level, managerial accountability for oversight of the work order pipeline must be increased, an effective prioritization policy must be implemented consistently, and the Department must focus on work order completion. At a process level, the manner and timeliness in which work orders are dispatched to staff must be improved, as well as the manner and timeliness in which the closing out of work orders is accomplished. These requirements informed the reorganization of MOF as well as the recommendations for work order processing.

Implementation Plan
The Change Management Plan outlines the recommendation for a phased approach to the re-structuring of the District Office. The initial redesign, Phase 1, is followed by a sequence of cross-departmental process improvement projects that enable a further redesign in Phase 2, which may result in a further reduction in FTE. This phased approach will demand a new set of managerial skills --- that is, all leaders in District Office will be required to lead major cross departmental process improvement efforts in order to deliver the best operational performance of their departments.

The Change Management Plan details the design and implementation phases for each process improvement. As the name suggests, the design phase will include the design of an improved process, the establishment of service standards that the process is expected to meet, a summary of all of the underlying reasons for the pain points discovered, and a work plan for implementation of the process. The implementation phase involves carrying out the work plan. Upon completion of the process improvement, the service standard associated with that process will be incorporated into the department’s performance expectations thus shifting the District Office to a service organization.

Savings Realized
At the conclusion of Phase 1 of the Change Management Plan, the District will realize approximately $463,420 per year in cost savings through reduction in Full Time Employees and with increased revenue realization in the Special Education Department. At the conclusion of Phase 2, we estimate the District will realize approximately $109,800 to $219,600 per year in cost savings through further reductions in Full Time Employees and additional process improvements with the efficient use of technology.
Excerpt from “Buried Treasure: Building a Management Guide from Mountains of District Data”
Mary Beth Celio and James Harvey
January 2005

Education is the subject of intense public analysis. Given the sheer volume of data about schools and the hundreds of articles published each year trumpeting evidence of school effectiveness, it should be possible to develop a parsimonious set of educational indicators that contain great power to alert leaders and members of the public about how well the district is functioning. A package of good indicators is the core of a good management system and is capable of alerting leaders to potential problems. Although these indicators can help identify problems, they cannot provide solutions.

To be effective, indicators need to be very powerful in terms of the quality of data, the utility of the information they provide, and their ability to communicate something important and meaningful. There are two important principles to consider when using and presenting these indicators. First, less may be more. School systems are now awash in data and information. The human capacity to absorb information is limited, and therefore, indicator systems should respect that reality.

Second, parsimony and power should be respected. The temptation to develop 17 indicators, or even 127 different pieces of information capable of satisfying everyone in every individual school, must be avoided. The key to success will lie in parsimoniously selecting a few indicators and judging them against the standards of data, proxy, and communications power.

We offer seven core indicators that districts could build into a management guide. These indicators should be measured for status each year and tracked to provide a perspective that is grounded over time.

These indicators include:
1. Achievement
2. Elimination of the achievement gap.
3. Student attraction
4. Student engagement with the school.
5. Student retention/completion.
6. Teacher attraction, retention and quality.

### Seven Core Indicators in a Management Guide for Districts

1. Achievement (reading and mathematics).
2. Elimination of the achievement gap in reading and mathematics between subgroups of students by race, economic status, English language facility, etc. (where there are adequate numbers within a subgroup for comparison).
3. Student attraction (ability of the school to attract students where there are opportunities for choice among parents/students).
4. Student engagement with school (index of measures of school engagement, including attendance, tardiness, and involvement in school activities).
5. Student retention/completion (depending on the level of the school: elementary, middle school, high school).
6. Teacher attraction and retention (number of applications for teacher openings; proportion of teachers leaving the school for reasons other than scheduled retirement).
7. Funding equity (measure of whether the school receives the funding that would be predicted given the composition of the student body).
7. Funding equity

We zeroed in on these indicators because they can be measured reliably, provide an effective proxy, and describe something most people comprehend.

**Design Challenges in Building a Management Guide**

Districts seeking to build a management guide must be alert to several design challenges.

*Will you seek top-down or grassroots development?* Many indicator efforts collapse following a highly inclusive consultative process that produces laundry lists of desirable data, with no way of sorting out what is important from what is interesting but peripheral. Almost invariably, expert opinion favors detailed data on processes, while public opinion focuses on results but then concedes that everything the experts seek is desirable also. The conflict between top down and grassroots methodologies often results in a muddled mixture of both.

*How will you use snapshots and trends?* Snapshots tell you what just happened, and they are relatively inexpensive. Trends put together such snapshots over a period of time and thus provide a moving picture of a community’s performance over time. Such trend analysis is more complex and costs more, but it avoids the danger of making decisions on the basis of a single, and possibly unrepresentative, year’s data.

*Will you compare schools against similar schools or against preset standards?* Comparative analysis shows how a school or the district is doing stacked up with similar schools and districts elsewhere. The second kind of measurement is defined against specific standards. It is not clear that either is better than the other. Whether the comparison is good or not depends on if you can confidently say that the standard for judging (be it peer performance or a performance standard) informs you about the quality of the schooling students are receiving. That is, comparing a school’s attendance record to the district average might make sense if all of the have mandatory attendance. This comparison, however, wouldn’t make sense for a computer-driven independent pacing school that allows students to work off campus or take time off once they have completed required lessons.

*Do you develop a parsimonious set of measures or try to capture as much complexity as possible?* It is a constant challenge to find a balance between the “one best indicator” (a single number or designation that would summarize the standing of a school or other organization/city) and complexity. An example of the “one best” approach is found in the way many states have interpreted NCLB Adequate Yearly Progress provisions. This is parsimonious, but is frequently attacked as overly simplistic and experientially unfair.

More often you will see districts combing both trend and comparative analysis of several outputs as well as tracking indicators of organizational quality, teacher satisfaction, and
parent satisfaction. Such complexity can lead to a kind of paralysis as so much information begins to obscure the district’s story. Whether such complexity can yield effective action has yet to be seen.

The seven indicators we offer are designed so that it is possible to look at both status (the snapshot) and trends, not only in comparison to other schools and districts, but also against benchmarks set by the district or state. In so doing we offer a management system that is comprehensible to a wide variety of audiences but still useful as a guide for district work.

Putting Data to Work in Management Guide

The seven school-level indicators we propose are a solid jumping off point for any district. Most school districts are already collecting the data underlying these indicators. These indicators are well grounded in research and experience. To get the most out of these data:

1. Each district will need to decide for itself the extent to which any (or all) of these seven measures fit its particular needs and circumstances.
2. Each district will need to provide professional development and technical assistance. In recent years, leadership sophistication about data usage has increased dramatically. Still, effective use of data as a management tool will undoubtedly require additional professional development or technical assistance.
3. State leaders will need to take on a significant role-pointing people in the right direction, providing political cover, and helping districts move along. In many ways, indicator development moves beyond bottom-line assessment systems to encourage new ways of thinking about accountability. This work can’t be rushed.

Formal systems theory distinguishes between “single-loop” and “double-loop” thinking. Single-loop thinking typically involves doing something routine, doing it properly, and fixing problems quickly. Double-loop thinking is designed to get at more fundamental challenges within systems and worries more about defining new ways of operating, doing the proper thing, and taking the time to do it right.

Despite an abundance of promising assessment and accountability models, in many ways state and local school systems are in danger of being trapped in a single loop. Everyone understands the dangers of quick fixes, particularly around assessment, but public pressures force just about everyone into the pattern. Why? Because double-loop solutions, require investment, time, and attention. Most of all, double-loop solutions are slower to produce results; we cannot be sure of the results, and we cannot endure the delay while waiting for the results to improve.

By relentlessly focusing on results, providing measures of status, and tracking developments over time, the indicator system outlined in this report may help educators go the extra mile required for more fundamental solutions. Unless educators are willing to put in the hard work required to make these indicators real, they are likely to continue to receive criticism on the basis of measures developed to
satisfy the urge for quick fixes. We can do better.