



Transforming
Public Education
in New Orleans:
**The Recovery
School District**

2003 – 2011



Executive Summary



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Scott S. Cowen Institute
for Public Education Initiatives

Tulane University
200 Broadway Street, Suite 108
New Orleans, LA 70118
504.274.3690
<http://education.tulane.edu>

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Executive Summary



Prior to Hurricane Katrina, public education in New Orleans endured years of academic, political and financial failure. Hurricane Katrina in 2005 exacerbated this failure through widespread destruction and displacement of students and teachers, however, out of this post-Katrina uncertainty arose an opportunity for innovation and restructuring.

A diverse school system made up of many school operators has emerged in New Orleans, a system in which the state-run Recovery School District (RSD) has played an important role. In this report, the Scott S. Cowen Institute for Public Education Initiatives presents a history of the RSD from its pre-Katrina inception in 2003 through 2011, including an analysis of the various issues and conditions that have defined its existence, and an examination of the RSD's role in the future.

The Origins of the RSD

In 2003, the Louisiana Board of Elementary and Secondary Education (BESE) crafted and supported a bill that created the Recovery School District (RSD) and allowed for the state takeover of chronically low-performing schools. While other school districts in the state had low-performing schools, many viewed the legislation as particularly aimed at New Orleans, a district with both dismal academic performance and chronic mismanagement. The Orleans Parish School Board (OPSB) lacked effective leadership at that time and was embroiled in legal and financial troubles. The proposed bill, Act 9, created a constitutional amendment to allow BESE to temporarily take over management of failing schools or

contract out their operation to charter school operators. While opposition emerged, notably from the OPSB and United Teachers of New Orleans (UTNO), the bill passed in both legislative houses and received 60 percent of the popular vote.

Act 9 established the RSD as a division of the Louisiana Department of Education (LDE) with authority to take over schools under the direction of BESE. Eligibility for takeover is based on a school's state-calculated School Performance Score (SPS), which is based on student academic performance, attendance, dropout rates, and the graduation index. A school qualifies for takeover after four consecutive years of performing at the lowest level, Academically Unacceptable (AUS). At the end of the 2004-05 school year, 63 percent of New Orleans public schools were classified AUS, compared to 13 percent of public schools across the state. With no experience in directly operating schools, however, the RSD was slow to take on schools. At the start of the 2005-06 school year, the RSD had taken over five New Orleans schools and transferred them to charter operators. Meanwhile, the OPSB failed to improve, facing continued mismanagement, lack of coherent leadership, an FBI investigation, and impending bankruptcy.

The RSD and Hurricane Katrina: Responding to Disaster

The public education landscape in New Orleans changed dramatically when Hurricane Katrina struck on August 29, 2005. Students, their families, teachers, and district leadership were displaced from the city, and district infrastructure suffered millions of dollars in damages. However, the storm was also seen by some as an opportunity to completely re-create a failing urban school system from the ground up. After debate about the state's post-Katrina role, the Louisiana Legislature in November 2005 approved Act 35, which increased the state's power to intervene in school districts. Under Act 35, a school district would be considered Academically in Crisis if it had at least 30 failing schools and/or 50 percent of its students enrolled in failing schools. Schools in a district labeled Academically in Crisis would be assessed relative to the state average SPS rather than the constant performance threshold previously used. Thus, schools in a non-failing district were considered failing with an SPS below 60, whereas schools in an Academically in Crisis district like New Orleans were considered failing with an SPS below the 2005 state average of 87.4.

Act 35 transformed the public school system in New Orleans from a centralized, single-district model to a multi-district model. After its passage, BESE shifted over 100 OPSB schools into the RSD, which was charged with operating the schools for an initial period of five years and given the authority to lease, rebuild, or renovate school facilities as necessary. The OPSB kept control of only 17 of the schools it had operated before Katrina, most of which later reopened as charter schools. Moreover, RSD schools that were turned into charters (Type 5 charter schools) were independent and autonomous local education agencies. Additional charters (Type 2 charter schools) were opened; these charter schools were directly authorized by BESE and not under the auspices of the RSD.

The RSD in New Orleans: After the Storm

In the spring of 2006, RSD and OPSB charter schools opened as residents began returning to the city. State Superintendent Cecil Picard announced that Robin Jarvis would serve as the superintendent of the RSD, and a new office was opened in New Orleans. The RSD faced many difficulties in reopening New Orleans public schools in the aftermath of Katrina. Recognizing that it lacked the capacity to operate a large number of schools, the RSD had planned on transferring schools over to charter operators and overseeing their operations. However, only

six charter applicants were approved by BESE, and thus the RSD had to quickly transform itself into a district capable of directly operating schools. Its central office, however, was insufficiently staffed for this task. Recovering from a major natural disaster further complicated matters for the RSD. Major operational issues during the spring and the start of the 2006-07 school year included a lack of adequate, non-damaged facilities, a constant influx of students returning to the city throughout the semester, a shortage of teachers and qualified applicants, unreliable transportation systems, a shortage of supplies, and discipline problems that were exacerbated by widespread mental health issues among students related to the storm.

The Tenure of Superintendent Paul Vallas

After the 2006-07 school year, Superintendent Jarvis resigned. State Superintendent Paul Pastorek named Paul Vallas, former superintendent of public schools in Chicago and Philadelphia, as Jarvis's successor. Superintendent Vallas's immediate aim was to address the ongoing operational issues while implementing a strategy to "create a new school system from the ground up." Vallas's reform plan included rebuilding the operational and educational infrastructure of schools by changing and improving facilities, financial health, and human capital. It also included academic and instructional investments, such as extended school days and summer programs.

Before Hurricane Katrina, New Orleans public school facilities were some of the oldest and most neglected in the country; the hurricane made this general dilapidation even worse. Public schools in New Orleans experienced over \$800 million in damages as a result of the disaster. In May 2007, the RSD and the OPSB began to develop a School Facilities Master Plan to renovate and rebuild damaged and neglected school buildings. To meet the immediate need to accommodate the increasing number of returning students, State Superintendent Pastorek negotiated a "Quick Start" initiative with the Federal Emergency Management Agency (FEMA) to receive funding to begin construction on five schools. With community input, the RSD released in 2008 a draft \$2 billion Master Plan in which 68 elementary schools and 19 high schools would be rebuilt or renovated, while 52 campuses would be permanently closed due to diminished student population. Overall, 120 run-down schools would be reduced to 87 new or renovated schools. The plan was approved by the OPSB and BESE, and a joint Master Plan Oversight Committee was later formed. In 2010, FEMA awarded the RSD and the OPSB a \$1.8 billion lump sum settlement to pay for the "Quick Start" initiative and much of the Master Plan.

When Superintendent Vallas took over in June 2007, he inherited a district in financial disarray. The official RSD budget at that point consisted of one page. In February 2008, the RSD presented its first line item budget to BESE, and since then has presented an annual budget before the start of each fiscal year. For the 2007-08 school year, per pupil spending was \$22,500, far above the state average of \$9,800 per pupil. Much of the high spending was due to Katrina-related expenses, and some expenditures were likely related to charter school openings. As one-time hurricane-related expenditures have slowed and the RSD has stabilized, per pupil spending decreased, falling sharply to \$13,200 per pupil in 2009-10. Within the RSD central office itself, changes improved financial reporting and accountability.

In light of previous shortages of qualified teachers, the RSD undertook a massive effort to recruit and retain talented teachers and principals. A pay-for-performance incentive system awarded bonuses to teachers and principals based on school performance. Programs such as Teach for America and The New Teacher Project brought many new teachers to New Orleans which generated controversy among veteran teachers. The RSD granted principals at direct run schools the authority over staffing and compensation decisions. Tenure rules in the RSD, different than other districts in Louisiana, made flexible hiring policies possible. New teachers and teachers in charter schools were not eligible for tenure, and teachers in RSD direct-run schools who had been employed with the OPSB before the storm, were only eligible for tenure after a three-year probationary period.

The increased autonomy in hiring and budgeting was in line with district's desire to transition to a majority-charter system in which schools would be able to make their own decisions on how to best educate their students. Quality charter operators continued to be recruited to New Orleans, and every year more and more schools were converted to charters. By the time of Superintendent Vallas's resignation after the 2010-11 school year, the RSD had under its auspices 69 schools, 23 direct-run and 46 charters. Along with the rise in charters came the transition to an open-enrollment system. Neighborhood zoning was abandoned in favor of citywide access to schools. Parents were allowed to apply to enroll their child in any school in the city, and enrollment spots were allocated based on a lottery system. While this system has received criticism for being complicated and shutting students out of their neighborhood schools, it has allowed students to apply to the higher performing public schools in the city no matter where they lived within it.

The Tenure of Superintendent John White: The First 100 Days

In February 2011, Vallas announced his intent to transition out of his position at the conclusion of the 2010-11 school year. State Superintendent Pastorek announced in April 2011 that John White, deputy chancellor of schools for the New York City school system, would become the RSD superintendent, replacing Vallas. Upon starting his tenure as RSD superintendent in May 2011, John White set out to continue reform with an increased focus on transparency and community engagement. White launched a 100-day planning process to develop a set of priorities and action steps for the district through gathering input from parents, students, educators, and the community. White also opened Parent-Family Resource Centers and initiated public meetings at low-performing direct-run schools. Additionally, White decided to layoff teachers based on performance evaluations, regardless of seniority or tenure. Other initial changes included reorganizing the central office into five divisions: community and policy, services, portfolio, achievement, and operations. In September 2011, at the conclusion of the 100-day period, Superintendent White released a three-year strategic plan for the RSD called "What Will it Take?" The plan presented the RSD's commitment to get every student on track to graduate from college or attain a professional career and stated that "most, if not all, of the district's schools will eventually be charters."

The Impact of the RSD on Student Achievement and School Performance

The ultimate purpose of the RSD is to raise student performance and school performance; overall, progress towards that goal has been made in the last five years. School performance in Louisiana is measured in two main ways. One measure is proficiency rates on the state promotional tests, the Louisiana Educational Assessment Program (LEAP) tests and the Graduation Exit Exam (GEE). From 2008 to 2011, proficiency has increased by over ten percentage points in every subject for both charters and direct-run schools under the RSD in New Orleans. While proficiency remains behind the Louisiana average in most areas, RSD growth has significantly outpaced the state average. In many areas, the three-year growth has been astounding, such as the 33 percentage point rise from 36 to 69 percent proficient in GEE math among RSD charters. Overall, from 2008 to 2011, the RSD doubled the percentage of all standardized tests passed by its students, from 23 to 48 percent.

Another measure of school performance is the School Performance Score (SPS), which is based on student performance, dropout rates, attendance, and the graduation index. Schools are assigned a letter grade based on their performance, and those schools that receive an F are labeled an Academically Unacceptable School (AUS). In 2007-08, 65 percent of RSD schools performed in the unacceptable range; by 2010-11, the AUS rate had fallen to 36 percent of RSD schools. In 2004, prior to the RSD takeover, 71 percent of students in New Orleans were attending failing schools. By 2011, the percentage of students that attended an RSD direct-run or charter school that was considered failing had fallen to 33 percent.

These gains have been uneven, however, as 65 percent of students in RSD direct-run schools attended failing schools in 2010-11, compared to 22 percent of students in RSD charter schools. In particular, the RSD direct-run high schools continue to perform poorly; in 2010-11, all remained at the AUS level. High dropout rates are a lingering problem for direct-run high schools, and the RSD's High School Redesign Program, which began in 2008, has not produced the expected positive results. While overall improvement certainly has been made in public schools in New Orleans, there is much work to be done.

Looking Forward: 2011 and Beyond

New RSD Superintendent John White has stated that nearly all RSD schools will eventually become charters. In 2010-11, almost 40,000 students were enrolled in public schools in New Orleans and 71 percent of these students attended a charter school (RSD, OPSB or BESE). Each year fewer of these students attend direct-run schools, as the RSD continues to convert its direct-run schools into charters. Most of the lowest performing schools are directly run by the RSD. While the RSD hopes to attract high quality charter operators for these schools, it must attempt to work with these schools to provide support and improvement in the meantime.

Furthermore, the superintendent has made a commitment to increasing transparency and community engagement, outlined in his three-year strategic plan "What Will It Take?" released in September 2011. The RSD has recognized the need to improve the enrollment process. The varied application deadlines and processes used by different schools create a system that benefits the most active and savvy parents, while other parents may find they have less options for their children. Additionally,

charter schools have been accused of failing to enroll a representative percentage of special needs students.

A continued challenge for the RSD is transparency in facility assignments. Previously released assignment plans have not featured substantive community input or explained the rationale behind various assignments. More transparency and community involvement in this sometimes-contentious process can improve the RSD's relationship with the community. Transparency in financial reporting can also be enhanced. Unlike traditional school boards, the RSD operates as a division of the Louisiana Department of Education and maintains one fund for all operating and capital revenues and expenditures. Only the operating budget is submitted to BESE for approval, even though the RSD will oversee \$1.4 billion in construction funds in the coming years. Additionally, charter schools prepare their own annual audits in non-standardized formats, making financial comparisons among schools difficult.

There is also financial stress on the RSD. The substantial recovery funds that the RSD received after Katrina are nearing complete depletion. While many of the reforms instituted by the RSD have increased student performance, they have also increased per-pupil spending. The sustainability of these reforms, such as smaller classes sizes, comes into question as federal funding decreases. Charter schools themselves exacerbate the funding problem. A majority-charter district creates cost inefficiencies as many services are decentralized and replicated at each school or charter network.



Conclusion

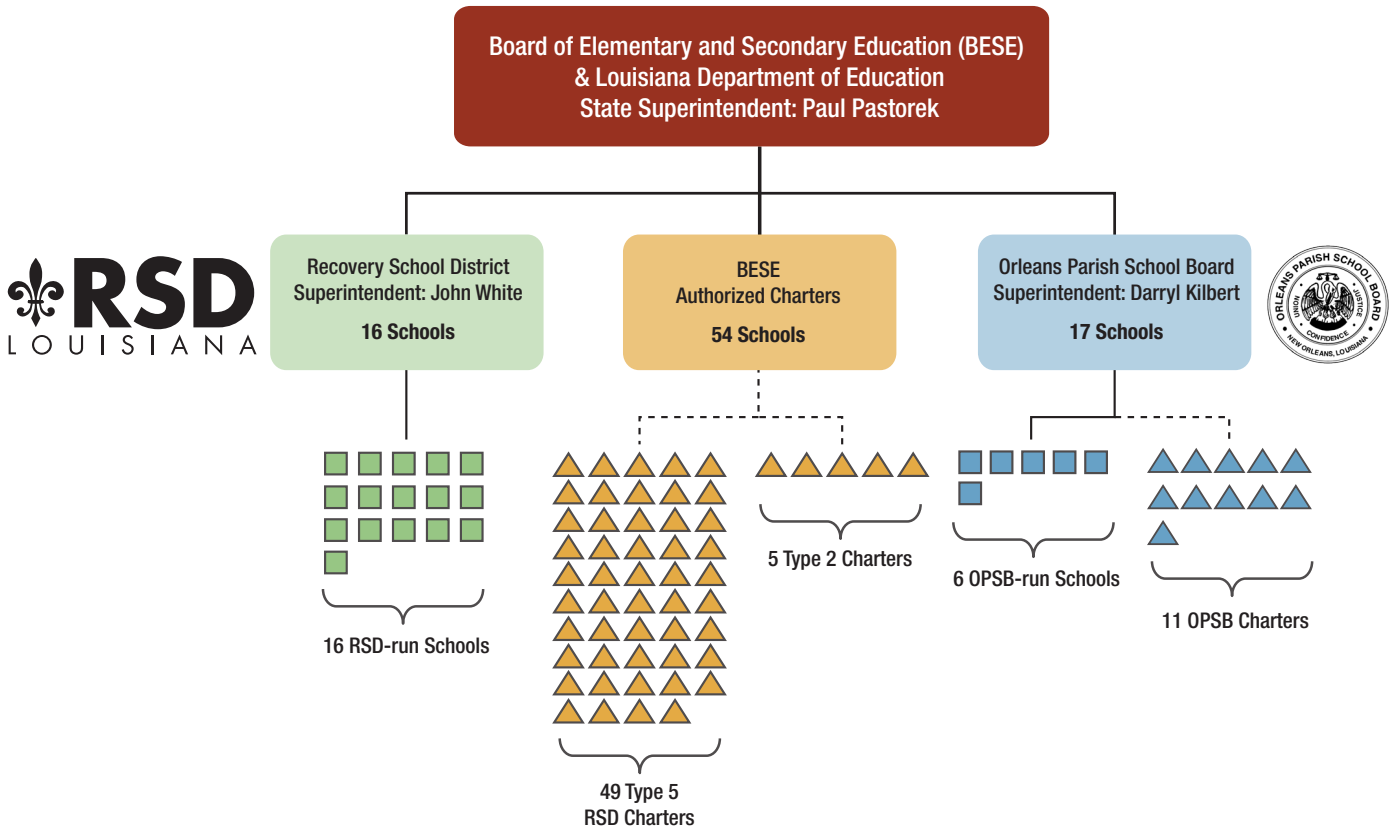
The Recovery School District (RSD) was charged with taking over the lowest performing schools in the state and turning around their performance.

This daunting task was further complicated by the decision to take over the majority of public schools in New Orleans in the aftermath of one of the worst disasters in U.S. history. Administrators and employees, of which there initially were few, inherited a one-page budget, a portfolio of crumbling and flood damaged school buildings, and a rapidly returning student population that was academically years behind their peers around the state and the country. Despite these setbacks, the RSD built a central office, opened and staffed schools, recruited charter operators, created a budget, led a process to create a facilities master

plan, secured a large FEMA settlement for school facilities, and built and renovated facilities. These major accomplishments are indicative of the hard work and dedication of the RSD leadership and staff. While many operational issues have been tackled, many challenges still need to be addressed. Through this paper, we have considered the history and development of the RSD and provided an in-depth look at some of the issues and policies that have defined it over the past eight years and that will continue to shape the RSD in the years to come.

Public School Governance in New Orleans

2011-12 School Year Total: 87 Schools





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