

# “Extraordinary Authority Districts”:

## DESIGN CONSIDERATIONS— FRAMEWORK AND TAKEAWAYS

PUBLIC IMPACT



### Introduction

“Extraordinary authority districts”—turnaround districts in which states gain legal authority to take over and operate chronically underperforming schools and/or districts—can fundamentally transform school structures and practices. Since Louisiana first established a statewide turnaround district in 2003, a small but increasing number of states have created “EADs” to increase the probability of success in preparing students for college, careers, and active citizenship (see Appendix on page 10).

America Achieves has partnered with Public Impact to gather information on common challenges and lessons learned from early-implementing states. Our objective is to help other states identify critical design considerations as they plan a turnaround approach and consider the EAD option.

In February 2013, America Achieves convened leaders of five EADs in Washington, D.C., for a discussion about common challenges and to share best practices. Dr. Bryan C. Hassel of Public Impact facilitated. Attendees included key staff at the EADs in Connecticut, Louisiana, Massachusetts, Michigan, and Tennessee.

This brief offers key takeaways from the convening, organized according to a four-part framework of EAD design choices: context, strategy, structure, and capacity.

Although some of the takeaways are of particular importance for states considering new EADs *or* those rethinking existing structures (see box, “Takeaways for States . . .”), many are relevant regardless of where a state stands in the process of pursuing a successful school turnaround strategy.

### Takeaways for States . . .

#### . . . *Considering New EADs*

Early EAD implementations yield insights into policy areas of particular importance to states considering new EADs, including:

- Takeover Authority
- Funding & Operations
- Long-Term Viability

#### . . . *Implementing EADs Now*

States already in the process of implementing EADs face a variety of challenges in areas including:

- Choosing the Best Strategies for School Operations
- Design of the “Central Office”
- Role of Strategic Nonprofit Partners
- School Selection and Exit Strategy

Design considerations and possible solutions are addressed throughout this brief.

## EAD Design Considerations: A Four-Part Framework



**Context** relates to the EAD's formal authority and its political environment.

**Strategy** includes the EAD's approaches to school operation, sequencing and scale-up of takeovers, and long-term school governance.

**Structure** concerns the design of the EAD's "central office" and its position within the state's education authority.

**Capacity** relates to the capabilities that the EAD's own staff members need to carry out their work, plus the supply of school operators, leaders, teachers, and other partners critical to the EAD's success.

*The takeaways below do not necessarily represent a consensus across all the EADs, but we hope they provide some food for thought for state chiefs considering or implementing EADs.*

### Context



**Context** relates to the political and legislative context in which the EAD will operate and that governs the scope of the EAD's work. This includes the EAD's authority under the law to take over schools and districts and the autonomy it gains over the operation of those schools. Also important is the wider environment within which the EAD functions, including its relationships with strategic nonprofit partners and with the communities affected by its actions.

### **Structure authority to maintain flexibility and maximize effectiveness.**

The experience of early EADs yields a set of ideas about how authority could be structured to ensure that state laws and policies do not constrain EAD effectiveness (see box, "Louisiana's Recovery School District," on page 3). These ideas include:

- Enable EADs to take over both individual schools and entire districts.
- Give EADs the full array of tools for school takeover, so they can:
  - Take over and directly run schools;
  - Take over and issue charters to outside operators;
  - Take over and divide schools between two or more charters and/or directly run schools; and
  - Charter new schools in the neighborhoods of eligible schools.
- Enable EADs to assume control of entire or partial feeder patterns of failing high schools when the feeder pattern is inherent to school failure.
- Grant EADs flexibility in *when* they take control of eligible schools. If EADs can control the timing and sequencing of school takeovers, they can make sure they have the capacity internally or via external school operators to run each school successfully.
- Grant EADs and the operators of their schools wide autonomy over staffing, use of funds, program, schedule, and other elements of school design.

## Create coalitions to build support for change.

Engage the community and nonprofit partners to build local support for change and attract needed talent.

*Strategic nonprofit partners can:*

- *Collaborate with EADs to channel efforts* of government, talent, business, and community into excellent schools. Organizations such as New Schools for Baton Rouge can act as a “chamber of commerce for education,” making the EAD attractive to talent and bringing in needed organizations, such as charter management organizations or supplemental service providers, that are not yet available in the market. In Lawrence, Mass., the district has drawn on a partnership with Empower Schools, which is an initiative of Mass 2020. The organization embedded a staff member in the central office to help create and implement the new management’s strategy. These efforts to build capacity and open a new supply of high-quality talent, providers, and partners in delivering education can change the landscape in areas sorely in need of educational revitalization.
- *Serve as a local force for change*, engaging with key decision makers in the community, capturing community opinions, and reporting back to the community on how their thoughts have been integrated into the EAD’s strategy. This work is critical as it can help to lessen the backlash often associated with change that is perceived as being foisted upon the community by the state. It is important to recognize that these nonprofit partners may find it challenging to be regarded as “local” when they are so closely aligned with state intervention. As such, they may find it valuable to provide some support for district schools (as well as the EAD), at least in the short term, to show support for other schools that may benefit from assistance and to maintain local credibility. This can also help with long-term sustainability, so gains are not subject to political changes.

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## Louisiana’s Recovery School District (RSD)

Louisiana Revised Statute (R.S.) 17§10.7 authorizes the RSD to reorganize and operate schools in whatever manner is most likely to improve academic performance. The RSD can elect to operate, close, or relocate schools assigned to the district. The RSD retains authority to:

- Contract with external partners to operate schools
- Operate schools directly
- Impose strong conditions on LEA-operated schools

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## Tennessee’s Achievement School District (ASD)

The ASD, based in Nashville but with schools in both Nashville and Memphis, developed an extensive network of organizations to support its efforts, including:

- the Achievement Advisory Council, for which the ASD recruited influential community members to gather community input
- the Tennessee Charter School Incubator to assist in recruiting and training excellent school leaders
- Teach For America and TNTF to cultivate a supply of high-quality teachers for the district.

## *An engaged community is essential.*

- All participating EADs saw “building demand” in the community (and the political leadership representing the community) as critical.
- Advice offered by participants included:
  - Creating “raving fans” is less important than neutralizing opposition and pre-empting misinformation. Start with teachers since they are the trusted source of information for parents, families, and community members.
  - Don’t start by sharing what you will be doing. Open conversations by asking: “what matters most to you?”
  - Find community members with deep and wide networks to formally and informally advise you consistently over time. Demonstrate that you will stick it out even through times of strong criticism. Provide at least some of the resources needed for partners to carry out community engagement work.
  - Find the truth in what may sound “crazy”—some real experience underlies even the most extreme reactions.
  - Know when to walk away from conversations. Don’t continue to engage self-appointed community leaders aiming to sink your work.
  - Offer a reasonable, but limited, number of choices for community members to respond to, and be clear about who makes final decisions.
  - Be sure input comes from all those most affected by decisions, including students.

## Strategy



**Strategy** includes the EAD leadership’s theory of action for school improvement; the particular types of school turnaround strategies it is empowered to or chooses to use; how it sequences and scales its scope over time; and its approach to sustaining learning gains and effective governance structures.

### **Consider how the state will use takeover authority.**

Once they take over schools, existing EADs operate them in various ways. Current operating models include:

1. Issuing charters or charter-like contracts to external school operators;
2. Operating schools directly, through hiring a school leader and teacher teams and granting them charter-like autonomy; and
3. Operating schools directly, using a new school model created or managed by the EAD.

Existing EADs all use a combination of these models. Two factors drive their choice of models. First, different **theories of action** require different approaches. Tennessee’s Achievement School District (ASD) and Louisiana’s Recovery School District (RSD), for example, are prioritizing approaches 1 and 2 because they believe the best approach is to empower school operators with wide freedom and hold them accountable. Michigan’s Education Achievement Authority (EAA) employs charters, too, but is also taking approach 3 by operating a significant number of schools using an EAA-created, student-centered blended-learning model

that it believes has a strong chance of success—with the majority of students achieving two or more years of growth in its first year, based on results from Scantron’s Performance Series assessments (see box, “Michigan’s Education Achievement Authority”).

Second, the **supply of school operators** affects EADs’ choices. In Tennessee, the ASD prioritizes chartering (approach 1), but also operates some schools directly by hiring school leaders and teacher teams (approach 2). The ASD chose to directly run some schools because of a shortage of highly qualified charter operators; additionally, ASD leaders wanted to have some “skin in the game” as operators affected by any decision the ASD makes. The ASD also wanted to avoid pitting districts against charters, instead aiming to create a model of how success can happen at scale with appropriate autonomy and accountability for both types of schools in partnership.

### **Develop a clear plan for how the state will sequence and scale its efforts, including number of schools, their needs, location, and timing of takeover.**

Key factors affecting the ideal sequencing and scale of EAD efforts include:

- The EAD’s own capacity. How many schools or districts can the EAD effectively manage at a given time?
- The supply of operators, leaders, and educators. How many high-quality school operators or school leaders, can the EAD tap to run schools at a given time? Can it hire or train sufficient teaching talent to staff schools as needed?
- Geographic concentration. How can the EAD concentrate its schools in certain districts, and in certain neighborhoods within districts, to enable it to provide the most effective oversight and support?

### **Plan for sustainable governance of successfully improved schools.**

Current EAD leaders universally caution against quickly (if ever) returning schools to district control (e.g., in three years, or immediately upon a small rise in test scores). The prospect of return-to-district will repel charter management organizations and highly effective educators. Some EADs have created alternatives to return-to-district for successful EAD schools, such as obtaining a charter from the EAD or another state-level authorizer (see box, “Long-Term Governance in Louisiana”).

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## **Michigan’s Education Achievement Authority (EAA)**

The EAA oversees 15 of Detroit’s lowest-performing schools. In its direct-run schools, the system implemented parent-supported extended school days (7.5 hours) and school year (210 days), resulting in learning time 40 percent higher than Michigan’s requirements, and an instructional model aimed at meeting students where they are with personalized learning. With a focus on content mastery, the EAA uses blended learning and small student groups to enable each student to progress as quickly as possible. Rather than working within an age-based grade level, students begin at their instructional level and advance with the help of the teacher and personalized technology.

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## **Long-Term Governance in Louisiana**

After five years in the RSD, Louisiana state law provides flexibility for schools’ long-term governance arrangements, allowing schools to remain in the RSD (under current or new operational status), close, or return to the LEA under certain conditions. Eligible schools can opt to return to the LEA, transition to an alternate governing authority, or remain in the RSD for additional one-year terms.

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## Structure



**Structure** concerns the design of the EAD’s “central office” in alignment with its strategy for school transformation and its position within the state’s education authority: whether the EAD has direct reporting to top state authority (superintendent/commissioner or governor), and its autonomy to act outside of constraints that traditionally limit state action.

**Consider the range of “central office” (CO) designs and choose a structure that reflects the conditions under which the EAD was created and its approach to school operation.**

The central office usually retains core functions for which there are compelling economies of scale (e.g., financial management, communications, and community engagement) or that are difficult or impossible to delegate to schools (e.g., testing and accountability). With respect to other functions, the form of an EAD’s CO should follow its strategy for school transformation, as outlined briefly in the following table:

If the EAD’s strategy relies upon:	The EAD’s CO needs to be able to:
Issuing charters to outside operators	Operate as “portfolio manager,” focused on: attracting great school operators to apply; selecting the best from among applicants; establishing clear performance agreements focused on outcomes; giving operators wide autonomy; and making outcome-based decisions about renewal and nonrenewal of charters.
Directly running schools by hiring leaders with wide autonomy	<p>Operate as a “portfolio manager,” focused on: attracting and selecting great school leaders; establishing clear performance agreements with them focused on outcomes; giving leaders wide autonomy and political cover; and making data-driven decisions about renewal and nonrenewal of contracts.</p> <p>Manage a limited range of CO functions such as the transaction side of human resources (hiring, compensation, benefits); budgeting and financial management; special education oversight; student enrollment; and possibly others depending on schools’ interest in and capacity to carry out these functions.</p>
Directly running schools under a centralized EAD school model	<p>Develop and refine a school model that defines schools’ instructional program, school culture, use of time, approach to staffing, and all other aspects of school design.</p> <p>Cultivate leadership to operate schools by: attracting and selecting great school leaders aligned with the EAD’s school model; establishing clear performance agreements with them focused on outcomes; and making data-driven decisions about renewal and nonrenewal of contracts.</p> <p>Operate the full array of conventional CO functions in support of schools.</p>

EADs seeking to use a “portfolio model” have faced different challenges depending on whether they could launch their COs from scratch or had to assume control of existing district COs.

*EADs that launch COs from scratch* are in the best position to create true portfolio-managing COs. Recommended actions based on early experience include:

- Give all or most of the money to schools; let them buy services back from the central office (see box, “Buying Services from the Central Office”).
- Only include functions when the CO (a) *must* assume the function (such as testing and accountability), or (b) is able to provide high-quality service that is in high demand by schools.
- Be prepared to scale down unwanted services.
- Price services transparently so that schools can make clear judgments and tradeoffs.
- Hold the CO to high standards for service quality.

*EADs that assume control of existing district COs* can aspire to a similar model, but must prioritize and sequence change rather than simply “flip a switch.” A promising approach is to start by revamping services likely to lead to early wins in student achievement (e.g., evidence-based academic support strategies), saving for later fixing systems that, while antiquated and in need of change, are less central to student learning (e.g., financial management).

### **Grant new EADs appropriate flexibility and authority with respect to funding and operations.**

- Create the EAD as an entity reporting directly to the state chief, ideally outside of structures that may limit staff selection and compensation or procurement flexibility.
- Grant the EAD, and its representatives, authority to select staff members, establish programs, and allocate resources in taken-over schools.
- Ensure that EAD schools will receive full funding from federal, state, and local resources as well as any turnaround or transition resources that might be needed.
- Clarify facilities ownership and responsibility.

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## **Buying Services from the Central Office**

Convening participants discussed different approaches to the provision and pricing of central office services. In Tennessee, the ASD plans to have all schools (direct-run and charter) purchase some services from the CO, with pricing based on cost of provision. Under this system, which will be rolled out to charter schools upon approval from the commissioner, ASD schools will be required to buy some services from the CO but have the authority to choose other providers for optional services. For example, all schools will be required to pay for the development of a common enrollment system, but schools can contract with the CO’s contracted provider **or** a third-party provider for transportation services.

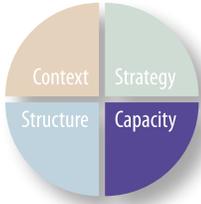
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## **Lawrence Public Schools Receivership**

In 2011, the Massachusetts Board of Elementary and Secondary Education designated the Lawrence Public Schools as “chronically underperforming” and appointed a receiver with broad powers to turn around the district. The turn-around strategy provides charter-like autonomy to all schools, allowing both existing schools and new, proven school operators to run neighborhood schools.

The receiver chose to keep the core central office in place for the first year to ensure continuity of operations, while evaluating functions and recruiting new talent. After that first year, with a new redesign team in place, the receiver reduced the central office by more than 25 percent, pushing \$1.6 million to schools, along with new autonomies.

## Capacity



**Capacity** relates to the capabilities the EAD’s own staff needs to carry out its work, including its leadership and the team it assembles. EADs also need to attend to capacity outside their own organization, with a special focus on the supply of school operating organizations, leaders, teachers, and other partners critical to the EAD’s success.

### **Focus on hiring a top EAD leader and team.**

Aside from the decision to create and use an EAD, the most important role of the state chief in building an EAD is recruiting and hiring a top-notch leader for the effort. Running an EAD is one of the most challenging leadership roles in U.S. education because of the newness of the strategy and the intense level of substantive and political challenges involved in managing one successfully.

The EAD’s leader, in turn, needs an excellent team to execute on the EAD’s strategy. As the chart in the previous section indicates, the ideal skill mix on this team will vary according to the EAD’s approach. Tennessee’s ASD, for example, has hired some team members who have a charter school background and others with district experience to optimize the blend of charter and direct-run schools in its portfolio.

### **Cultivate the supply of school operators, leaders, and teachers for successful turnarounds.**

An adequate supply of high-quality school operators, leaders, and teachers is critical to the success of the EAD. However, this is not easy. Many EADs are struggling to successfully attract significant numbers of high-performing charters, school leaders, and teachers into the EAD. To overcome this challenge, most EADs are considering a combination of strategies to bring in organizations or individuals to operate schools: charter management organizations (local and national/regional), teams of highly effective school leaders and teachers, and coaching of new/developing principals.

Each strategy demands its own deliberate approach to cultivating supply:

- School management organizations require an attractive environment and vigorous recruiting by the EAD or a strategic nonprofit partner.
- Leader-teacher teams, which involve hand-picking high-caliber candidates for leadership, enabling them to recruit teacher teams to accompany them, and giving them the autonomy necessary to lead their schools in the way that best meets the needs of their students.

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#### **Teach 901:** *“Together we will rewrite the future of an entire generation”*

Teach 901 is an innovative partnership to attract great candidates to teach in Memphis’s public schools. The partnership includes districts (the city-county school system and the ASD); charter organizations (Aspire, Cornerstone, Gestalt, and KIPP); private schools (the local Catholic Diocese) and teacher-providing organizations (Memphis Teacher Residency). Teach 901 holds a job fair and hosts <http://www.teach901.com>, which makes a compelling case to teach in Memphis; offers information about living in the city; and provides links to apply online to the nine partners’ teaching positions.

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- Coaching new/developing principals requires partnering with or creating leadership development academies and/or selecting teachers with leadership competencies to fuel long-term leader supply.

*EADs can boost supply through more vigorous and active recruitment of organizations and individuals.* One way EADs have addressed the need for capacity is by running strong campaigns to recruit people to work in their schools, often in partnership with other organizations. To staff teaching positions in underperforming schools in Memphis, for example, the ASD helped launch Teach 901, an initiative that coordinates recruitment efforts across multiple organizations seeking to hire teachers in Memphis (see box, “Teach 901,” on page 8).

*EADs can structure teacher and leader positions to make them more attractive to high-quality candidates.* While active recruiting can help, organizations and individuals have an increasing array of choices when deciding where to operate, lead, or teach. EADs have found they need to back up their “sales pitches” by making the opportunities they present as attractive as possible to potential candidates. For organizations and leaders, this means giving wide authority to run schools, sufficient resources, and a reasonable degree of certainty that the governance arrangement will be stable over time. For teachers, it means choosing operators or constructing direct-run schools that offer appealing opportunities to talented potential teachers, ideally including the chance to earn more and advance in their careers without leaving the classroom (see box, “Opportunity Culture”).

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## Opportunity Culture

For ideas about how to make the teaching profession more attractive, using redesigned jobs and technology to reach more students with excellent teachers, for more pay, sustainably and within budget, read about Public Impact’s Opportunity Culture initiative at: <http://opportunityculture.org/>

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## Conclusion

States are increasingly interested in EADs, but this is still a new strategy just beginning to produce useful lessons. The experiences of early adopters should help point states in the right direction, with great potential for refined strategies as the field develops.

## Appendix: Participating States' Extraordinary Authority Districts

In the states represented at the convening, the district's authority comes as follows:

**Connecticut: Commissioner's Network:** Public Act 12-116 (2012); commissioner may direct interventions in 25 of the state's lowest-performing schools. If a network school's turnaround committee fails to create a plan or creates a plan deemed deficient, commissioner can appoint a special master to implement a turnaround plan.

**Louisiana: Recovery School District:** State Act 9 (2003), expanded by Act 35 (2005); can take over schools, not whole districts. Schools that fail to meet standards for at least four consecutive years may be placed in the state's Recovery School District.

**Massachusetts: Office of District and State Turnaround:** State Act 2247 (2010); can take over schools and districts. State may oversee "Level 4" schools (those in lowest 20 percent of schools statewide) and appoint a receiver for "Level 5" schools (those in the lowest 10 percent statewide) or an entire district that has Level 5 schools.

**Michigan: Education Achievement Authority:** Created through an inter-local agreement between the emergency manager of the Detroit Public Schools and Eastern Michigan University. The lowest-performing 5 percent of schools in the state that are not achieving satisfactory results on a redesign plan or that are under an emergency manager are eligible for inclusion in the EAA.

**Tennessee: Achievement School District:** First to the Top Act (2010, expanded in 2012)—can take over schools and districts. The lowest-performing 5 percent of schools in the state are eligible for inclusion in the ASD or in district Innovation Zones.

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